



BABY ACAPULCO RESTAURANTS

EMPLOYEE HANDBOOK



WELCOME TO Baby Acapulco Restaurants

As a member of the Baby Acapulco Restaurant's team, you are an important part of a Company highly dedicated to serving its customers. Our success in maintaining the high quality our customers have come to expect is only possible because of people like you and your fellow employees.

Because you are important to the continued success Baby Acapulco Restaurant's, we want you to be completely familiar with your job responsibilities in your workplace as well as the wage and benefit package you are entitled to as an employee of Baby Acapulco Restaurants.

This handbook is yours to keep. It is intended to apply to all employees of Baby Acapulco Restaurants. It includes useful information about Baby Acapulco Restaurant's policies, employee benefits, wages, safety requirements, work rules and more. If you have a question concerning the material in this handbook or any work-related question not covered in this handbook, we encourage you to consult your Manager.

All employment is on an "at-will" basis, meaning that your employment with the Company will last only as long as it is mutually agreeable. Either the employee or the Company may terminate the employment at any time with or without cause.

This handbook is intended only for the purpose of fostering a better work atmosphere and should not be construed in any way to create an express or implied contract of employment between Baby Acapulco Restaurants and its employees. The policies, practices, and procedures set forth in this employee handbook are guidelines for our employees. Baby Acapulco Restaurants makes no promise of any kind in this employee handbook regarding working conditions, continued employment, or any other issue. Baby Acapulco Restaurants may revise, delete, or supplement any policy, practice, or procedure in this handbook at any time in its sole discretion.



TABLE OF CONTENTS

Welcome.....	2
Table of Contents.....	3
Valuing Customers.....	6
Business Ethics and Conduct	7
Conflict of Interest	8
Reference Checks and Verifications of Employment	9
Immigration Law Compliance	10
Employee Categories.....	11
Employee Communications	12
Employee Files	13
Employee Referral Program	15
Termination of Employment.....	17
Introduction/Job Classifications	17
Paid Time Off	18
Holidays.....	18
Insurance Benefits	19
Continuation of Benefits.....	20
Family and Medical Leave Act.....	21
Leave of Absence - Personal	25
Leave of Absence - Jury Duty	25
Leave of Absence - Bereavement	26
Leave of Absence - Military	27



Requesting Leave	28
Employee Schedule and Breaks.....	29
Time Keeping and Recording	31
Overtime Compensation	32
Extreme Weather Conditions and Natural Disasters.....	32
Pay Schedules and Deductions	33
Distribution of Tips.....	34
Employee Conduct Rules and Progressive Discipline	35
Policy Against Harassment/Discrimination	37
Workplace Violence Prevention	40
Employee Safety.....	43
Substance Abuse.....	45
Security.....	48
Social Media	50
Employee Dress and Grooming	52
Employee Attendance	54
Smoking.....	56
Cell Phones	56
Use of Company Telephone and Mail Systems	57
Information Systems and Security	58
Solicitation.....	62
Customer Service Policy.....	63
Alcohol Service Policy.....	64
Walked Check Policy.....	66



Prohibition of Recording.....	67
-------------------------------	----

FORMS

ACKNOWLEDGMENT OF RECEIPT – EMPLOYEE HANDBOOK	68
ACKNOWLEDGMENT OF RECEIPT – POLICY AGAINST HARASSMENT AND DISCRIMINATION.....	69
DRUG AND ALCOHOL TESTING AUTHORIZATION	70
ACKNOWLEDGMENT OF RECEIPT OF WORKPLACE VIOLENCE PREVENTION POLICY	71
RECEIPT OF INFORMATION SYSTEMS AND SECURITY POLICY	72
AUTHORIZATION FOR BACKGROUND CHECK	73



VALUING CUSTOMERS

Section 01.0 - COMPANY VALUES & PRACTICES

Policy #101 Valuing Customers

Last modified on: 07/01/2014

Customers are among our organization's most valuable assets. Every employee represents Baby Acapulco Restaurants to our customers and the public. The way we perform our job responsibilities presents an image of our entire organization. Customers judge all of us by how they are treated by each employee. Therefore, one of our first business priorities is to assist any customer or potential customer. Nothing is more important than being courteous, friendly, helpful, and prompt in the attention you give to customers.

Our personal contact with the public, our manners on the telephone, and the communications we send to our customers are a reflection not only of ourselves, but also of the professionalism of Baby Acapulco Restaurants. Positive customer relations not only enhances the public's perception or image of Baby Acapulco Restaurants, but also pays off in greater customer loyalty and increased profit allowing for increased wages and/or bonuses for employees.

Each of our jobs with Baby Acapulco Restaurants is dependent upon our ability to meet our customer's needs.



BUSINESS ETHICS AND CONDUCT

Section 01.0 COMPANY VALUES & PRACTICES

Policy #102 Business Ethics and Conduct

Last modified on: 07/01/2014

The successful business operation and reputation of Baby Acapulco Restaurants is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

The continued success of Baby Acapulco Restaurants is dependent upon our customers' trust and we are dedicated to preserving that trust. Employees owe a duty to its customers to act in a way that will garner the continued trust and confidence of the public.

Baby Acapulco will comply with all applicable laws and regulations and expects its Managers, administrative staff, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical and moral principles, will be a guide to acceptable and professional conduct. If a situation arises in which you are unable to determine the appropriate course of action, the matter should be discussed with your immediate Manager and, if necessary, with the Human Resources Manager or Director of Operations.

Failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.



CONFLICT OF INTEREST

Section 01.0 COMPANY VALUES & PRACTICES

Policy #103 Conflicts of Interest

Last modified on: 07/01/2014

Employees are required to avoid situations, which give rise to actual or potential conflicts of interest, or the appearance of a conflict of interest. The following guidelines provide general direction, which will allow employees to seek further clarification on issues related to acceptable standards of behavior.

An actual or potential conflict of interest may occur when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative of that employee as a result of Baby Acapulco Restaurant's business dealings. It is also a conflict of interest for an employee or a relative of an employee to accept a kickback, bribe, substantial gift or special consideration as a result of any transaction or business dealing involving Baby Acapulco Restaurants'. For the purposes of this policy, any person who is related by blood or marriage to an employee, or who lives with the employee, may be considered a "relative."

Employees are not permitted to directly hire a personal friend or relative. The hiring decision must be made by another Manager in the company. Employees are also not permitted to supervise or report directly to a personal friend or relative who has been hired.

An actual or potential conflict of interest may also occur when current employees engage in close personal relationships where one employee is in a position to affect the terms or conditions of employment of the other employee. It is considered a conflict of interest for employees to use Baby Acapulco Restaurants' facilities, equipment, time or funds for personal affairs and such actions are strictly prohibited.

If an employee perceives that a real or potential conflict of interest might exist, he/she must report the situation to his/her Manager so that action may be taken to protect the interests of the Company. Employees who engage in an actual conflict of interest or who fail to report potential conflicts of interest are subject to disciplinary action including but not limited to immediate termination.

All employees are required to follow this policy. Baby Acapulco Restaurant's applies and enforces this policy consistently and nondiscriminatorily to all employees, and in compliance with all applicable employment and labor laws and regulations.

Any employee holding a job with another organization must demonstrate satisfactory performance in his or her job responsibilities with Baby Acapulco Restaurant's at all times. All employees will be expected to meet the job performance standards established by the company and will be subject to Baby Acapulco Restaurant's work and scheduling demands, regardless of any other outside work requirements.



If the employee wishes to obtain employment with any other food related job, the employee MUST obtain prior authorization from Baby Acapulco Restaurants.

If Baby Acapulco Restaurant's determines that an employee's outside work interferes with his or her job performance or the ability to meet the requirements of Baby Acapulco Restaurant's at any time, the employee may be asked to terminate the outside employment if he or she wishes to remain employed with Baby Acapulco Restaurant's. A refusal to comply with Baby Acapulco Restaurant's reasonable request to terminate outside employment may result in immediate termination of employment with Baby Acapulco Restaurant's.

If an employee's outside employment presents a conflict of interest with Baby Acapulco Restaurant's, as defined in the Conflict of Interest Policy, or if such outside employment has any potential for negative impact on Baby Acapulco Restaurant's, the employee will be asked to terminate the outside employment.

REFERENCE CHECKS AND VERIFICATIONS OF EMPLOYMENT

Section 02.0 Employment

Policy #203 Reference Checks and Verifications of Employment

Last modified on: 07/01/2014

Baby Acapulco Restaurant's Human Resources Department will respond only to reference check inquiries related to employment verification that are submitted in writing and authorized by the employee. The Human Resources Department will limit responses to such inquiries to factual information that can be verified by Baby Acapulco Restaurant's records.



IMMIGRATION LAW COMPLIANCE

Section 02.0 Employment

Policy #204 Immigration Law Compliance

Last modified on: 09/13/2018

Baby Acapulco Restaurant's is committed to employing only United States citizens and aliens who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are re-hired must also complete the form if they have not completed an I-9 with Baby Acapulco Restaurant's within the past three years, or if their previous I-9 is no longer available or valid.

The Form I-9 is given to employees once they have accepted Baby Acapulco Restaurant's offer of employment. This form is usually given to new employees and re-hired employees to complete at the same time the IRS form is distributed.



EMPLOYEE CATEGORIES

Section 02.0 Employment
Policy #206 Employee Categories
Last modified on: 07/01/2014

All positions are classified in accordance with Federal and State regulations.

Hourly Non-Exempt Employees in this classification are paid hourly and are eligible to receive overtime pay, usually working in the warehouse (with the exception of warehouse Managers). Part-time and temporary employees are usually paid on an hourly basis.

Salaried Non-Exempt Employees in this classification are paid salary for regular work hours and are eligible to receive overtime pay.

Salaried Exempt Employees in this classification are defined as all full-time office and accounting personnel, and some Managers. These employees are paid a bi-weekly salary and are not eligible for overtime pay.

Executive/Manager Executive employees are defined as those employees who have management responsibilities, report directly to the CEO, Executive Vice-Presidents or management of Baby Acapulco's Restaurants. Executive employees are paid a bi-weekly salary and are not eligible for overtime pay.



EMPLOYEE COMMUNICATIONS

Section 02.0 Employment

Policy #207 Employee Communications

Last modified on: 07/01/2014

Baby Acapulco's Restaurants believes that the work conditions, wages, and benefits it offers to its employees are competitive with those offered by other employers in this area and in this industry. If employees have concerns about work conditions or compensation, they are strongly encouraged to bring these concerns to their Managers/Managers.

Our experience has shown that when employees deal openly and directly with Managers/Managers, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that Baby Acapulco's Restaurants amply demonstrates its commitment to its employees by responding effectively to employee concerns.

Baby Acapulco's Restaurants encourages employees to use his or her creativity and job knowledge to discover ways to save time, simplify work procedures, reduce waste, improve quality, and eliminate accidents or hazards. Please submit ideas for improving departmental procedures to your Manager/Manager.

In an effort to protect and maintain direct employer/employee communications, we will protect the right of each employee to speak for him or herself.



EMPLOYEE FILES

Section 02.0 Employment Policy

#208 Employee Files

Last modified on: 07/01/2014

Your personnel file will be maintained by the Human Resource Department and will only include job-related information. Your privacy is respected and only the Company personnel who need the information to carry out their jobs will have access to your files.

You must inform the Company of any changes in your

- Legal name/marital status
- Address and/or telephone number
- Group insurance beneficiary
- Emergency contact information
- Number of dependents and changes in federal withholding tax deductions
- Vocation or training courses completed
- Any changes in eligibility
- Change in dependent group insurance coverage due to marriage, divorce, etc.

Baby Acapulco Restaurant's also respects each employee's right to privacy from the disclosure of employment information to outside persons or agencies. Information collected for employment needs is held in confidence. All personnel handling personal data on any employee have been instructed that such records, whether employment or medically related, are not to be discussed other than as needed in the course of business, such as with an employee's Manager.

Personnel files are the property of Baby Acapulco Restaurant's and access to the information they contain is restricted. Generally, only Managers, the Human Resources Department, and management personnel of Baby Acapulco Restaurant's who have a legitimate reason to review information in a file are allowed to do so. Employees who wish to review their own file should contact the Human Resources Department in writing. With reasonable advance notice, employees may review their own personnel files in Baby Acapulco Restaurant's' corporate offices and in the presence of an individual appointed by Baby Acapulco Restaurant's to maintain the files.



No information except date of employment or position will be released on any current employee to any individual or agency, other than to a genuine law enforcement official, unless a written release is obtained from the employee. Medical information, such as insurance coverage and verification of employment will be given to doctors' offices and hospitals only as required for health care services to be obtained.



EMPLOYEE REFERRAL PROGRAM

Section 02.0 Employment

Policy #209 Employee Referral Program

Last modified on: 07/01/2014

Baby Acapulco's Restaurants takes a great deal of pride in its recruitment and selection process of qualified staff. This organization is always looking for great people, and you can help!! Research has shown, and our own experience supports, that hires who come into our organization through employee referrals are excellent contributors, stay with us longer and are more cost effective to recruit. If you know someone who you think would be a great addition to our organization and they meet the qualifications for an existing open requisition, it will be worth \$25.00 if you refer them for employment and they are hired.

Refer candidates who meet the qualifications to our HR department using the attached Candidate Referral Form. If your candidate is hired you will be awarded \$25.00 (less taxes) following 90 days of employment from their hire date!

The referral bonus program has very few rules but these follow.

1. The hiring of a referred employee must occur within six months of the initial referral date.
2. Management, HR and Administrative personnel are excluded from receiving referral bonuses.
3. The referral must represent the candidate's first contact with our organization. Temporary contract and former employees are not eligible candidates for referral.
4. To be eligible for an award, the referrals must first be submitted to Management and must include a Candidate Referral Form and a resume or employment application.
5. Once a referral is hired and completes 90 calendar days of service, the employee responsible for the referral will receive the referral bonus. Further, the employee responsible for the referral will receive an additional bonus of \$75.00 once the referral completes 6 months of employment and an additional bonus of \$125.00 should the referral complete 1 full year of employment.
6. The first employee to refer a candidate will be the only referring employee eligible for payment.



7.

All candidates will be evaluated for employment consistent with our organization's policies and procedures, and all information regarding the hiring decision will remain strictly confidential.



TERMINATION OF EMPLOYMENT

Section 02.0 Employment

Policy #210 Termination of Employment

Last modified on: 07/01/2014

Employees normally terminate their employment with Baby Acapulco Restaurant's, in one of four ways:

- Resignation
- Dismissal
- Layoff
- Retirement

If the employee initiates resignations and retirement otherwise known as "voluntary" separation, then all wages earned will be paid on the next pay cycle.

If the employer initiates dismissals and layoffs otherwise known as "involuntary" separation, then all wages earned will be paid within 6 days from the date of termination.

INTRODUCTION/JOB CLASSIFICATIONS

Section 03.0 Employment Benefits

Policy #301 Introduction/Job Classifications

Last modified on: 07/01/2014

CLASSIFICATIONS

Benefit eligibility varies depending on your job classification. The classifications are:

Full-time: Any employee who is regularly scheduled to work thirty (30) or more hours per week for an unspecified period. Full-time employees are eligible for Company-provided benefits.

Variable Hour Employee: Any employee working a regular schedule less than thirty (30) hours per week. Variable Hour employees are not eligible for benefits.



PAID TIME OFF

Section 03.0 Employment Benefits
Policy #302 Paid Time Off
Last modified on: 07/01/2014

Baby Acapulco Restaurant's recognizes the importance of taking time off for planned vacations, illnesses, and personal business. Paid Time Off (PTO) offers more flexibility in managing your time off and allows you to receive pay during such absences. Our PTO plan is based upon your continuous service, as measured from your date of hire. FULL-TIME employees receive PTO in accordance with the following schedule:

Length of vacation:

You will be eligible for vacation after completing 1 Year days of continuous employment. Your ONE week paid vacation will be determined by dividing your totals hours worked in a year by 52. If you do not take your vacation during the time that you became eligible and your next year anniversary the accrued vacation will be lost.

Employees who are terminated will not be eligible for any vacation.

HOLIDAYS

Section 03.0 Employment Benefits
Policy #303 Holidays
Last modified on: 07/01/2014

Holiday schedules are published at the beginning of each calendar year by the Human Resources department and no particular number of holidays per year is guaranteed. All restaurants will be closed in recognition of the following days:

Super Bowl Sunday

Easter Sunday

Thanksgiving Day

Christmas Day



INSURANCE BENEFITS

Section 03.0 Employment Benefits

Policy #304 Insurance Benefits

Last modified on: 07/01/2014

Baby Acapulco Restaurant's is pleased to provide health insurance benefits to our eligible employees. The Human Resource Department will provide details of the plan to you. The nature, amount and terms of all employee benefits are governed by the benefit plan documents or any other governing documents and not by this Handbook. Baby Acapulco Restaurant's has the exclusive right to change or modify plans or change providers for benefit plans.

Baby Acapulco Restaurants will pay a portion of the health insurance premiums upon satisfaction of the eligibility requirements. The employee is responsible for the payment of the spouse and/or children's premiums, if elected, and all dental and vision insurance premiums.

Life insurance (Accidental Death & Dismemberment) is available for all eligible employees and Baby Acapulco Restaurant's pays 100 % of the premium for all eligible employees. The nature, amount and terms of all employee benefits are governed by the benefit plan documents or any other governing document and not by this Handbook. Baby Acapulco Restaurant's has the exclusive right to change or modify plans or change providers for benefit plans. Contact the Human Resource Department for more information about the Life Insurance benefits.



CONTINUATION OF BENEFITS

Section 03.0 Employee Benefits Policy

#305 Continuation of Benefits

Last modified on: 07/01/2014

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives covered employees and their eligible dependents the opportunity for temporary continuation of their medical and dental insurance coverage under Baby Acapulco Restaurant's health plan if coverage is lost under certain circumstances. Qualified individuals may be required to pay the entire premium for coverage up to 102 percent of the cost of the plan.

A covered person may become eligible to elect COBRA coverage when a "qualifying event" would otherwise cause the person to lose coverage under Baby Acapulco Restaurants health plan. Some common qualifying events are:

The employee's resignation; The employee's termination; The employee's death; A reduction in the employee's work hours; A leave of absence; The employee's divorce or legal separation; or The employee's dependent child no longer meets eligibility requirements.

If you or a member of your family is about to lose health benefits coverage, please contact the Human Resource Department for further information.



FAMILY AND MEDICAL LEAVE ACT

Section 03.0 Employee Benefits

Policy #306 FMLA

Last modified on: 07/01/2014

The federal Family & Medical Leave Act of 1993 (FMLA) as amended in 2008 requires employers with 50 or more employees to provide eligible employees with up to 12 weeks of unpaid leave. There are two types of leave available: the basic 12-week leave entitlement (Basic FMLA Leave) and the military family leave entitlements (Military Family Leave). This is just a brief summary of the FMLA benefit. Please see the Human Resources Manager for complete information about FMLA as soon as you think you may need this benefit.

Eligibility for FMLA Leave and/or Military Family Leave

Employees are eligible for FMLA leave and/or Military Family Leave if they:

- Have worked for Baby Acapulco Restaurant's for at least 12 months in the last 7 years;
- Have worked at least 1,250 hours for the company during the 12 calendar months immediately preceding the request for leave; and
- Are employed at a work site that has 50 or more employees within a 75-mile radius.

Basic FMLA Leave

Employees who meet the eligibility requirements described above are eligible to take up to

12 weeks of unpaid leave during any 12-month period for one of the following reasons:

- To care for the employee's son or daughter during the first 12 months following birth;
- To care for a child during the first 12 months following placement with the employee for adoption or foster care;
- To care for a spouse, son, daughter, or parent ("covered relation") with a serious health condition;
- For incapacity due to the employee's pregnancy, prenatal medical or child birth; or



- Because of the employee's own serious health condition that renders the employee unable to perform an essential function of his or her position.

Married couples. In cases where a married couple is employed by Baby Acapulco Restaurant's, the spouses together may take a combined total of 12 weeks' leave during any 12-month period for reasons 1 and 2, or to care for the same individual pursuant to reason 3.

Military Family Leave

There are two types of Military Family Leave available to qualifying employees.

- Qualifying exigency leave. Employees meeting the eligibility requirements described above may be entitled to use up to 12 weeks of their Basic FMLA Leave entitlement to address certain qualifying exigencies. This Leave is available if the employee's spouse, son, or daughter, is on active duty or called to active duty status in the National Guard or Reserves in support of a contingency operation. Qualifying exigencies may include:
 - Short-notice deployment (up to 7 days of leave)
 - Attending certain military events
- Leave to care for a covered service member. There is also a leave entitlement that permits employees who meet the eligibility requirements for FMLA leave to take up to a total 26 weeks of leave to care for a covered service member during a single 12-month period. A covered service member is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has been rendered medically unfit to perform his or her duties due to a serious injury or illness incurred in the line of duty while on active duty that may render the service member medically unfit to perform his or her duties for which the service member is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list. When both husband and wife work for the same employer, the aggregate amount of leave that can be taken by the husband and wife to care for a covered service member is 26 weeks in a single 12-month period.

Requests for FMLA

All requests for FMLA (or extensions) must be submitted on a "Time Off and Leave Request" form for final approval. If the need for the leave is foreseeable, you must provide at least thirty (30) days advance notice. All PTO must be used first by the employee, the remaining FMLA time; up to 12 weeks will be unpaid.



Medical Certification

If you need to request a leave that exceeds three (2) days due to your own serious health condition, or to care for a child, spouse, or parent who has a serious health condition, you may be asked for a medical certification. This form must be completed by the health care provider responsible for your own or a family member's treatment.

Absent extenuating circumstances, failure to provide a requested medical certification within fifteen (15) days of your request for leave will result in denial of your leave and any time off will be deemed a non-excused absence.

If your leave exceeds thirty (30) days, or you ask for an extension of your leave, you may be required to provide additional medical certification of your inability to work or your family member's illness.

Scheduling of Leave

If the leave is for the care of a child after birth or adoption, you must complete the leave within one (1) year of the birth or adoption.

FMLA may be taken intermittently or on a reduced schedule if it is medically necessary to care for a spouse, parent, or child with a serious health condition or for your own serious health condition.

Nursing mothers are also entitled to reasonable break times to express breast milk for her nursing child, each time the employee needs to express the milk for up to one year after the birth of her child. A private, non-bathroom location where the employee will not be disturbed while expressing her milk will be provided upon request.

Leave for the birth or adoption of a child or placement of a foster child may be taken in amounts approved by the Company. You may be temporarily transferred to an alternative position with equivalent pay and benefits that better accommodates a reduced or intermittent schedule.

Intermittent leaves, reduced schedules, and leaves that are foreseeable must be scheduled in a manner that will minimize disruption to operations.

Maximum Duration of FMLA

Apart from the exceptions, you will be granted a maximum of twelve (12) weeks of leave during any twelve (12) month period. For the purpose of calculating the twelve (12) week maximum, any other Leave taken during the twelve (12) month period will be included. The "twelve (12) month period" will be measured backwards from the date you use any FMLA.



Outside Employment

If you are eligible and your leave is approved, you may not be employed with any employer, other than Baby Acapulco Restaurant's during your leave. Outside employment during your leave will result in immediate termination.

Use of PTO

You will be required to first utilize any accrued PTO before beginning unpaid FMLA. The use of PTO will not increase the maximum FMLA you are entitled to have.

Continuation of Health Insurance

Baby Acapulco Restaurant's will continue its usual and customary contribution toward your health insurance premium for a maximum of twelve (12) weeks during FMLA during any twelve (12) month period. You are required to continue to make your usual and customary health insurance premium contribution during the entire leave. Any insurance payment for which you are responsible must be made payable to the Company. Failure to make such payment will result in the cancellation of your insurance.

If you elect not to return to work after the expiration of your leave, you may be required to reimburse Baby Acapulco Restaurant's for all health insurance premiums paid by the Company during your leave.

Other Benefits Cease To Accrue

You will not accrue any PTO during your FMLA leave. However, your leave will not be deemed a break in your length of service for purposes of calculating seniority.

Reinstatement

When you are able to return to work, you should give the Company at least two (2) weeks' notice. This is important so that your return to work is properly scheduled. If your need for FMLA was due to your own health condition, upon your return, a doctor's certificate stating that you are physically able to return to your normal duties may be required.

You should understand that you have no greater right to reinstatement or to other benefits of employment than if you had continued to work during your leave. On that basis, Baby Acapulco Restaurant's will reinstate you to your former or equivalent job if you return from your FMLA within twelve (12) weeks, unless you would not otherwise have been employed if leave had not been taken.



LEAVE OF ABSENCE - PERSONAL

Section 03.0 Employee Benefits

Policy #307 Leave of Absence - Personal

Last modified on: 07/01/2014

Requests for Personal Leave other than FMLA and/or Military Family Leave will be evaluated based on need, length of employment, and workload, and must be approved by your Manager/Manager and Human Resources. During a Personal Leave, employees must use their accrued PTO if available. If PTO is not available, all of your Personal Leave will be without pay. No PTO accrues during your Personal Leave. No benefits will be earned and the continuation of health insurance will be at your expense.

LEAVE OF ABSENCE - JURY DUTY

Section 03.0 Employee Benefits

Policy #309 Leave of Absence - Jury Duty

Last modified on: 07/01/2014

Hourly employees WILL NOT BE PAID for time spent at jury duty. As an hourly employee, if you are excused from jury duty during your regular working hours, the Company expects you to promptly return to work. You may retain any funds that you receive for serving as a juror.

Exempt salaried employees will be paid for time spent serving as a juror if the jury duty is expected to last less than an entire workweek. As an exempt salaried employee, if you are excused from jury duty during your regular working hours, the Company expects you to promptly return to work.

As an exempt salaried employee, you must inform the Company if your jury duty is expected to last for more than an entire workweek. If the jury duty lasts for more than an entire workweek, exempt salaried employees will not be paid for the second workweek but will be allowed to use any accrued paid time that they may have available. You will not be expected to return to work during the second workweek of jury duty.

You are required to bring the jury summons to your Manager/Manager within three (3) working days of receipt. Failure to do so may result in disciplinary action.



LEAVE OF ABSENCE - BEREAVEMENT

Section 03.0 Employee Benefits

Policy #308 Leave of Absence - Bereavement

Last modified on: 07/01/2014

Baby Acapulco Restaurant's allows up to three (3) days of unpaid time off to eligible employees when there is a death in the family. Part-time, temporary, and/or introductory employees are not eligible for this benefit.

Bereavement Leave is limited to time off for the death of a mother, father, sister, brother, spouse, child, stepchild, grandchild, mother-in-law, father-in-law, stepparent, grandparent or any person who is legally acting in one of the familial roles described above. Requests for time off are made to your Manager/Manager. A "Time Off and Leave Request" form must be completed indicating the total number of days requested, your relationship to the deceased, and have your Manager/Manager's approval.

If you experience a loss that requires this benefit while you are already on any type of leave, other than vacation leave, you will not be eligible for this benefit.

If you require bereavement leave while you are on vacation, your current vacation may be extended or you may reserve the number of vacation days you lose to bereavement leave for future use. If you wish to extend your vacation, you must contact your Manager. He or she will consider the operational needs of the Company in order to decide whether or not to grant your request for a vacation extension. The final decision about any extension will be at the discretion of your Manager, based on the operational needs of Baby Acapulco Restaurant's.

Sometimes the death of a particularly close family member, such as your spouse or your child may require a leave of longer than three (3) days. In such a case, you may request an extension of your bereavement leave. The final decision about any such extension of your bereavement leave will be at the discretion of your Manager, based on the operational needs of the Baby Acapulco Restaurant's.

Bereavement leave and extensions will normally be granted unless there are unusual business needs or staffing requirements. The final decision for any such extension will be at the discretion of your Manager based on the operational needs of the Company.



LEAVE OF ABSENCE - MILITARY

Section 03.0 Employee Benefits

Policy #310 Leave of Absence - Military

Last modified on: 07/01/2014

A military leave of absence will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Re-employment Rights Act (USERRA). While a Baby Acapulco Restaurant's employee is performing military service, the USERRA provides that he or she is deemed to be on a leave of absence and is entitled to the non-seniority rights accorded other individuals on non-military leaves of absence. Advance notice of military service is required, unless military necessity does not allow for advance notice. If it is otherwise impossible or unreasonable for you to give Baby Acapulco Restaurant's advance notice of your military absence, you will not be required to notify the Company before you take leave.

Members of the National Guard or Reserve components of the armed forces will be granted leaves to attend annual training exercises and periodic drills. Exempt employees using this leave benefit will be paid the difference between their military pay (less travel allowance) and their regular pay. Non-exempt employees will not receive pay while on military leave. Benefits for all employees will continue during such leave.

Continuation of insurance benefits is available as required by USERRA based on the length of the leave and subject to the terms, conditions and limitations of the applicable plans for which you are otherwise eligible. PTO benefits will continue to accrue during a military leave of absence.

After taking any military leave that is less than thirty (30) days, you will be required to return to work for your next regularly scheduled shift after the end of your service, allowing reasonable travel time plus an eight (8) hour rest period. If you are taking a longer military leave, you must apply for reinstatement of your former position with Baby Acapulco Restaurant's in accordance with USERRA and all applicable state laws.

Employees returning from military leave will be placed in the position they would have obtained had they remained continuously employed, or they will be placed in a comparable position, depending on the length of military service in accordance with USERRA. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service.



REQUESTING LEAVE

Section 03.0 Employee Benefits

Policy #311 Requesting Leave

Last modified on: 07/01/2014

Every employee will need time away from work to meet personal needs. These needs can be as pleasant as a vacation, or as important as time to care for your personal health. However, time away for one employee usually means work for another or important work left undone. Therefore, Baby Acapulco Restaurant's expects that you will comply with its procedure for requesting approval for planned time off.

Planned time off includes any situation that you know might prevent your attendance at work, i.e., vacation, doctor's appointments, moving day, etc. If you are aware of any situation that might prevent your attendance at work, submit a "Time Off and Leave Request" form to your Manager/Manager who will review your request and give approval if:

- workload allows
- another staff member has not put in a previous request for the same time
- you have not had excessive absences

You should only take time off without advanced approval when a personal illness or personal emergency occurs after you have left work on the previous day. If this happens, you are to call in to your Manager as soon as possible, but no later than one hour (60 minutes) before your scheduled start time. The Company will attempt to approve all reasonable requests.

All employees are expected to arrive on time, ready to work, every day. If you are unable to arrive at work on time, or must be absent for an entire day, you must contact your Manager as soon as possible. Leaving a message with a co-worker is not acceptable. Excessive absenteeism (excused or unexcused) or tardiness will result in discipline up to and including termination.



EMPLOYEE SCHEDULE AND BREAKS

Section 04.0 Work Schedules

Policy #401 Employee Schedule and Breaks

Last modified on: 08/7/2015

A new workweek begins every Monday. Workdays vary by work schedules and will be communicated to you by your Manager/Manager. Baby Acapulco Restaurant's expects all employees to follow their assigned work schedules unless they have made prior arrangements with their Manager's to work at different times.

It is Baby Acapulco Restaurant's policy to establish working hours as required by work load and production flow. There are different jobs in Baby Acapulco Restaurants requiring different hours of work. An employee's work schedule will depend on the task(s) to which he or she is assigned.

For non-exempt employees overtime may be scheduled when approved by a Manager. The use of overtime will be limited to that absolutely essential for job accomplishment. Overtime will be paid in excess of forty hours per week at one and one-half times the employee's hourly rate.

Every employee of Baby Acapulco Restaurant must clock in as soon as their shift starts and clock out when shift ends in order to receive pay.

Employees are not permitted to work before their scheduled starting time or continue to work after their normal quitting time without the prior approval of the Manager.

Meal Periods

Due to the nature of our industry, meal periods will only be permitted at the discretion of the management as to when an employee may take this period. Further, employees will not be permitted to leave the premises during this period. Employees that are permitted a meal period must not perform any work during the period. Violation of this policy will result in disciplinary action up to and including termination.

Employees scheduled to work are eligible to purchase a meal at fifty (50%) percent of the menu price. They are free to order anything off the menu with the exception of fajitas, seafood and hamburger items. Employees scheduled to work are also free to consume non-alcoholic beverages at no cost.

Employees that are not scheduled to work are permitted to patron any of our locations with the exception of the location they work directly for. When employees are guests they are to following these guidelines:



1. Employees may not access the POS terminals to ring in their own food or any other information.
2. Employees may not go to the back of the house (i.e. kitchen)
3. Employees may not distract other employees while they are working.
4. Employees that wish to drink alcohol may do so except for the location they directly work for.
5. Employees are permitted to sit at the bar with the exception of the location they directly work for.
6. Employees are not permitted to wear their uniforms when they are dining as guests.

Violation of this policy will result in disciplinary action up to and including termination.



TIME KEEPING AND RECORDING

Section 04.0 Work Schedules

Policy #402 Time Keeping and Recording

Last modified on: 07/01/2014

Employees should not clock in prior to their assigned start times, nor should they clock out later than their assigned ending times, unless they have been instructed by a Manager to start work early or stop work late. Likewise, employees should not clock in until they are ready and prepared to begin their assigned tasks, and should not clock out unless they are completely finished with their work for the day.

Baby Acapulco Restaurant's must maintain accurate time records on all employees and each employee bears primary responsibility for enabling the Company to do that. Properly recording work time and complying with the Company's timekeeping procedures are in each employee's job description, regardless of whether such duties are spelled out in such a document. The workweek begins on Monday of each pay period. Each employee must fully and accurately record all time that he or she works each day, without exception. All hourly employees must clock-in upon arrival, clock out when taking a meal break, clock in again at the end of meal break, and clock out at the end of the shift. If an employee desires to take reasonable breaks to express breast milk for her nursing child, she must clock-out and then back in upon returning from the break.

No employee may alter or otherwise modify his or her time record, record work time for another employee, or alter or modify in any way the time record of another employee, unless specifically instructed or allowed to do so by a Manager. No employee may work without properly recording the time worked.

Employees must review their time sheets at the end of the each shift and submit them to his or her Manager. Failure to properly clock in and out is an imposition on the other employees who must handle such negligence and will result in disciplinary action up to and including termination, and may adversely affect raise reviews and performance evaluations as well.

Safe Harbor

If an employer (1) has a clearly communicated policy prohibiting improper deductions and including a complaint mechanism, (2) reimburses employees for any improper deductions, and (3) makes a good faith commitment to comply in the future, the employer will not lose the exemption for any employees unless the employer willfully violates the policy by continuing the improper deductions after receiving employee complaints.



OVERTIME COMPENSATION

Section 04.0 Work Schedules

Policy #403 Overtime Compensation

Last modified on: 07/01/2014

You are required to work all overtime requested. All overtime must be authorized by senior management. Your Manager will advise staff overtime is required after receiving authorization from the Operations Director or other senior staff. Employees who skip their required breaks without authorization in order to generate overtime will be subject to disciplinary action, up to and including termination.

Non-exempt (hourly) employees earn one and one half (1½) times their regular rate of pay for hours worked after forty (40) hours of straight time in a single work week

EXTREME WEATHER CONDITIONS AND NATURAL DISASTERS

Section 04.0 Work Schedules

Policy #404 Extreme Weather Conditions and Natural Disasters

Last modified on: 07/01/2014

When severe weather or a natural disaster creates road closures, or when there is severe flooding or other circumstances that prevent employees from safely traveling to and from work, employees are to call the office as soon as telephone communication is possible. Baby Acapulco Restaurant's will attempt to provide instructions for you to follow if the facility will be closed due to damage to the building or highways leading to the building.

In most cases, Baby Acapulco Restaurant's will follow AISD's schedule regarding closures and/or late starts. If either situation occurs, Baby Acapulco Restaurant's will delay opening by 2 hours to allow sufficient time for conditions to improve in which employees are able to travel to work safely.



PAY SCHEDULES AND DEDUCTIONS

Section 04.0 Work Schedules

Policy #405 Pay Schedules and Deductions

Last modified on: 07/01/2014

Your pay is calculated and processed on a bi-weekly basis. Paychecks will be delivered to your normal work facility every other Friday. Checks will not be issued to employees other than those whose name appears on the check unless written authorization with identification is provided. Any deductions from an employees' salary made in error will be rectified by the pay period following notification of the error.

Lost, stolen or destroyed checks can be reissued once the employee has notified the General Manager. The General Manager will need to provide the employee with a Lost Check Affidavit and submit the signed form to Payroll. The Payroll department will then place a stop payment and reissue the check within three business days after the stop payment has been processed. There will be a **\$30.00** fee to place a stop payment on the original check. Pay stubs will be mailed directly to your address on file with the Human Resources Department. Your paycheck will reflect the mandatory deductions from your gross wages.

You will be given an IRS Form W-4 to complete and sign, on or before your first day of work. You may obtain a new form from the Human Resource Department to update information at any time. Employees who paid no federal income tax for the preceding year and expect to pay no federal income tax in the present year may obtain an IRS Form W-E-4, (an exemption from withholding certificate) from the Human Resource Department.

You will receive an annual wage and tax statement covering the previous year on IRS Form W-2 on or before January 31st. If you believe that, the deductions stated are incorrect for any pay period or on the W-2, contact the Human Resource Department.

You may ask the Human Resource Department any questions you have regarding your paycheck, deductions made, hours shown, etc.

You may authorize deductions for benefit, uniforms, or other programs offered through Baby Acapulco Restaurant's. See the Human Resource Department for current programs and forms for authorizing deductions. Be advised that any additional deductions (aside from taxes) will be required to have written authorization form/s, signed by the employee, on file prior to the deduction being made.



DISTRIBUTION OF TIPS

Section 04.0 Work Schedules
Policy #406 Distribution of Tips
Last modified on: 09/13/2018

Servers are to tip busser(s) 2% of total FOOD sales during the shift worked, and servers are to tip bartender(s) 3% of total ALCOHOL sales during the shift worked. By law every employee who receives tips must declare them at the end of their shift; this includes servers, bartenders, bussers or any other employee that receives tips. Failure to report your total amount of tips earned may result in disciplinary action up to and including termination.



EMPLOYEE CONDUCT RULES AND PROGRESSIVE DISCIPLINE

Section 05.0 Employee Conduct

Policy #501 Employee Conduct Rules and Progressive Discipline

Last modified on: 07/01/2014

Employment with Baby Acapulco Restaurant's is based on mutual consent. Baby Acapulco Restaurant's Employee Conduct Rules & Progressive Discipline Policy does not change an employee's at-will status. Both the employee and Baby Acapulco Restaurant's have the right to terminate employment at-will, with or without cause or advance notice. Baby Acapulco Restaurant's may, in its sole discretion, use progressive discipline to promote behavior consistent with a safe and productive working environment.

Progressive Discipline

The Baby Acapulco Restaurant's system of progressive discipline disciplinary action may call for any of the following:

- a. verbal warnings
- b. written warnings
- c. termination of employment

The disciplinary action chosen to remedy the situation usually depends on the severity of the problem and the number of times it has previously occurred. Normally discipline will become more severe with repeated offenses; however, there may be circumstances when one or more steps are skipped due to the severity of the offense.

Discipline for any specific offense may be waived at the Company's discretion. When discipline is waived, the incident and the waiver of discipline will be documented. Although disciplinary action may be waived the first time you commit an offense, if the problem arises again, it will be disciplined as a second offense, even though you received no discipline the first time around.

All matters of employee discipline will be documented in writing and a copy of the documentation placed in the employee's personnel file. A copy of all documentation related to the discipline of any offenses you have committed is available to you upon request.



While it is impossible to list every type of behavior that the Company will consider an offense, the Employee Conduct and Work Rules that follow describe many of the problems that may result in progressive discipline of an offending employee. This is not a comprehensive list of all of the scenarios in which progressive discipline may be applied, but rather offers examples of unsatisfactory conduct that may trigger progressive discipline.

By using progressive discipline, we hope that most employee conduct problems can be corrected at an early stage, benefiting both the employee and the Company. **Examples of behaviors that may result in disciplinary action may include but not be limited to:**

- Dishonesty, theft, or embezzlement
- Falsification of documents (e.g., employment applications, time sheets)
- Referring business to a direct competitor of Baby Acapulco Restaurants
- Disclosing confidential information to a competitor
- Holding a second job which is in conflict with position at Baby Acapulco Restaurants
- Unauthorized possession of Company records
- Refusal to perform work as required, or any other act perceived as insubordination
- Use of profanity
- Use or distribution of illegal substances
- Unauthorized consumption of alcohol on Company premises or during working hours
- Conduct that may cause injury to persons or damage to property
- Sleeping on the job
- Harassment
- Sexual harassment
- Illegal discrimination
- Smoking in any Company facility
- Unauthorized presence on Company premises while off duty
- Misuse of Company facilities, equipment, or other property
- Threats
- Fighting



POLICY AGAINST HARASSMENT/DISCRIMINATION

Section 05.0 Employee Conduct

Policy #503 Policy Against Harassment and Discrimination

Last modified on: 07/01/2014

Baby Acapulco Restaurant's is committed to providing all employees with a workplace free of unlawful harassment or discrimination based on race, color, religion, sex (including harassment due to pregnancy, childbirth or related medical conditions), national origin, age, disability, genetic information, veteran status or any other protected status. It is our policy to maintain a work environment free from all forms of unlawful harassment or discrimination and to insist that all employees be treated with dignity, respect and courtesy. The Company prohibits and does not tolerate such unlawful harassment or discrimination by Managers, managers, coworkers, vendors, or customers.

Unlawful harassment includes, without limitation: verbal harassment (derogatory statements, slurs, teasing, jokes, epithets, and innuendo); physical harassment (sexual and person touching, assault, physical interference with normal work or involvement); and visual harassment (posters, cartoons, drawings, computer materials, sexual gestures).

Sexual harassment is defined as unwanted sexual advances or visual, verbal, or physical conduct of a sexual nature. Sexual harassment includes many forms of offensive behavior. The following is a partial list of the types of conduct that could constitute sexual harassment:

- Any offensive or unwelcome conduct, verbal or physical, based on a person's gender.
- Unwanted sexual advances.
- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.
- Visual conduct such as leering, making sexual gestures, displaying of sexually suggestive objects or pictures, cartoons, or posters.
- Verbal conduct such as making derogatory comments or using epithets, slurs, and jokes.
- Verbal sexual advances or propositions.
- Discrimination based upon a person's genetic information



- Verbal abuse of a sexual nature such as graphic verbal commentaries about an individual's body, sexually degrading words to describe an individual, suggestive or obscene letters, notes, or invitations.
- Physical conduct such as touching, assault, impeding or blocking movements.

Your cooperation is needed to keep the workplace free of any conduct that creates an intimidating, hostile, or offensive work environment for our employees. In the event that you are aware of any conduct that violates this policy, you must report this, in writing, to your immediate Manager, manager, or any member of the management team. The Company will, to the extent possible, treat the matter with the degree of confidentiality that is appropriate under the circumstances.

All complaints of harassment or discrimination will be appropriately investigated by the Company. All employees are expected to cooperate fully in the investigation process.

The Company will attempt to protect the confidentiality of those who use the complaint procedure. No employee be harassed, coerced, intimidated or retaliated against as a result of their report or participation in an investigation or proceeding concerning a violation of this policy. Disciplinary action, up to and including possible termination, will be taken against any employee(s) who attempts to interfere with an employee's participation in this complaint process.

Baby Acapulco Restaurant's provides equal employment opportunity without regard to race, color, sex, religion, national origin, age, genetic information, disability or any other protected classification. Baby Acapulco Restaurant's complies with all applicable federal and state laws, rules, guidelines and regulations and provides equal employment opportunity in all employment and employee relations.

Baby Acapulco Restaurant's assures that all applicants for employment and all Baby Acapulco Restaurant's employees are given equal consideration based solely on job-related factors, such as qualifications, experience, performance and availability. Such equal consideration applies to all personnel actions, including but not limited to recruitment, selection, appointment, job assignment, training, transfer, promotion, merit increases, demotion, termination, pay rates and fringe benefits. Baby Acapulco Restaurant's reviews, evaluates and monitors all personnel matters to ensure that they are in accordance with this policy.

Baby Acapulco Restaurant's takes seriously and will investigate promptly and thoroughly all charges of alleged discrimination in employment, and informs Baby Acapulco Restaurant's employees of their rights in regard to equal employment.

Baby Acapulco Restaurant's requires its personnel to act in conformity with the principles outlined in this policy through strict adherence to the above statements and recognizes that the effective application of equal opportunity in employment must involve more than a non-discriminatory policy statement. Baby Acapulco Restaurant's recruits, hires, trains and promotes into all job levels the most qualified persons without regard to race, color, religion, sex, national origin, age, or disability status. Baby Acapulco Restaurant's takes positive steps to eliminate any discrimination from its personnel



practices, and strives to create an environment that encourages equal opportunity for all of its employees.

Baby Acapulco Restaurant's distributes information regarding equal employment opportunity through the employee handbook, new employee orientation materials, training materials, staff meetings, and various publications. EEO-related complaints may be made to Baby Acapulco Restaurants' Human Resources Manager.



WORKPLACE VIOLENCE PREVENTION

Section 05.0 Employee Conduct

Policy #504 Workplace Violence Prevention

Last modified on: 07/01/2014

You are personally responsible for your safety as well as the safety of those around you. Please do your part to help Baby Acapulco Restaurant's to maintain a violence-free workplace, as safety is our most important policy.

"Workplace violence" includes:

- Threats of any kind
- Threatening, physically aggressive, or violent behavior such as intimidation
- Damaging or defacing Company property or facilities, or those of its employees and or its clients
- Possessing weapons or firearms while on Company premises or conducting Company business
- Any other behavior that suggests an inclination toward violence, such as:
 - aggressive speech
 - excessive arguing
 - swearing
 - sabotage or threats of sabotage against the Company, its employees, and/or its clients
 - negative attitude toward or general refusal to follow Company policies and procedures

Workplace Violence Prevention Policy

1. All employees, including Managers and temporary employees, should be treated with courtesy and respect at all times.



2. You are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others.
3. Firearms, weapons, and other dangerous or hazardous devices or substances are forbidden on Baby Acapulco Restaurant's property and while conducting Company business at any off-site location.
4. Conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public at any time, including off-duty periods, will not be tolerated. Baby Acapulco Restaurant's prohibits all acts of harassment, including harassment that is based on an individual's sex, race, age, or any characteristic protected by federal, state, or local law.
5. All threats of violence or actual violence, both direct and indirect, should be reported as soon as possible to your Manager or another member of management. When reporting a threat or act of violence, you should be as specific and detailed as possible.
6. All suspicious individuals or activities should also be reported as soon as possible to your Manager or another member of management.
7. Notify the Human Resources Department of any restraining orders in effect or any other potentially violent non-work-related situations that could possibly carry over from your personal life and result in workplace violence.
8. Do not place yourself in danger. If you see or hear a commotion or disturbance near your work station, do not try to intervene or investigate. Instead, report the suspicious activity immediately so that it can be handled properly by your Manager or another member of management.
9. Baby Acapulco Restaurant's will promptly investigate all reports of threats or acts of violence, as well as suspicious individuals or activities.
10. Baby Acapulco Restaurant's will take all reasonable steps to protect your identity should you report a threat or act of violence or suspicious individual or activity.
11. In order to maintain workplace safety and the integrity of the Company's investigation, Baby Acapulco Restaurant's may suspend employees, either with or without pay, pending the conclusion of the investigation.
12. Baby Acapulco Restaurant's encourages you to bring your disputes or differences with other employees to the attention of your Manager or the Human Resources Department before the dispute escalates into a violent situation. Baby Acapulco Restaurant's welcomes the opportunity to assist in the resolution of employee disputes. Therefore, the Company will not discipline or retaliate in any way against employees raising such concerns.



13. Any employee that has been determined to have made threats of violence or engaged in actual violent activity will be fully responsible for their actions. Violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action, up to and including termination of employment.

14. Baby Acapulco Restaurant's reserves the right to deal appropriately with potentially violent behavior even before such violent behavior occurs.



EMPLOYEE SAFETY

Section 05.0 Employee Conduct

Policy #505 Employee Safety

Last modified on: 07/01/2014

It is the policy of Baby Acapulco Restaurants to strive for the highest possible level of safety in all activities and operations, and to carry out our commitment of compliance with all health and safety laws applicable to our business by enlisting the help of all employees to ensure that public and work areas are free of hazardous conditions.

Baby Acapulco Restaurants will make every effort to provide working conditions that are as healthy and safe as possible, and employees are expected to be equally conscientious about workplace safety, including proper work methods, reporting potential work hazards, and abating known hazards. Unsafe work conditions in any work area that might result in an accident should be reported immediately to a supervisor.

If an employee is injured in connection with employment, regardless of the severity of the injury, the employee must immediately notify his or her supervisor. If medical care is needed immediately, supervisors will assist their employees in getting the necessary medical attention promptly.

The following will provide an understanding of what we must all do to protect your welfare and the welfare of your friends and fellow employees:

1. All accidents, regardless of severity, are to be reported immediately to the supervisor.
2. No employee will be assigned to work under unsafe conditions or with unsafe tools or equipment. In the event that such condition develops, it will be immediately reported to the supervisor.
3. Employees should pay strict attention to their work. Practical joking and horseplay are strictly prohibited and will not be tolerated.
4. Employees should be alert to things, which may cause accidents and correct them or notify their supervisors of such items for corrections.
 - a) Aisles, doorways, stairways, and floors should be kept clear.
 - b) Work areas should be kept clean, neat and orderly.
 - c) Spills should be cleaned up immediately, do not walk away from a spill.



d) Brooms, mops, etc., should be returned to their proper place.

5. Employees should follow the instructions of their supervisors.
6. Employees should use the right tools and equipment for the job. If you need a tool for your job, ask your supervisor.
7. Because of the hazards inherent in running, employees should refrain from running. When approaching corners and blind spots, employees should slow down and be extra cautious.
8. Machinery must be shut off and locked out or unplugged before cleaning, repairing, or adjusting is undertaken.
9. No machine or equipment will be operated when guards are removed or when safety devices are not operating properly.
10. Employees will not operate any machines or vehicles unless it is part of their job and they have been properly trained to operate them safely.
11. Warning signs and signals posted to alert employees to dangerous conditions are to be obeyed.

Baby Acapulco and all subsidiaries have rejected coverage for its Texas Employees under the Texas Workers' Compensation Act and hereby adopts the Occupational Injury Employee Benefit Plan Including Arbitration Program.

Baby Acapulco and all subsidiaries is pleased to announce the adoption of the Occupational Injury Employee Benefit Plan for the exclusive benefit of Employees of the Company whose principal place of employment is in the State of Texas. This Plan provides medical care for accidental, work related on-the-job injuries and salary continuance benefits for periods of disability resulting from accidental, work related on-the-job injuries.



SUBSTANCE ABUSE

Section 05.0 Employee Conduct

Policy #506 Substance Abuse

Last modified on: 07/01/2014

Baby Acapulco Restaurant's endeavors to provide a safe workplace for its employees and has a responsibility to the public to ensure that their safety and trust in the Company are protected. While on Baby Acapulco Restaurant's premises and while conducting business-related activities off Baby Acapulco Restaurants' premises, you may not use, possess, manufacture, distribute, dispense, sell, or be "under the influence" of alcohol, inhalants or illegal drugs. In addition, you may not misuse, manufacture, distribute, dispense, or sell legal drugs. You are permitted to engage in the legal use of prescribed drugs while on-the-job, only if the drugs do not impair your ability to perform your job effectively and in a manner that is safe for both you and all other individuals in the workplace.

The use for non-medical reasons, or the possession, sale, or distribution of alcohol, inhalants and/or drugs is prohibited on Company property, in Company vehicles, in personal vehicles while engaged in Company business, and at customer locations. This includes being under the influence of and/or having the prohibited substances present in your body while performing your job duties.

An employee using or under the influence of any substance, including prescription medications, which could affect job performance or safety, has an obligation to inquire or determine whether the legal substance he or she is taking may or will compromise his or her ability to safely and efficiently perform his or her job duties. If you require the use of prescription medicine while on-the-job that may impair your ability to perform your job duties, you should have your physician document the necessary job restrictions so that you can report it to your Manager prior to beginning to work under the influence of any such substance.

Violation of this policy will result in reassignment, discipline or termination. Baby Acapulco Restaurant's is committed to the safety and well-being of its employees. If you have not received a disciplinary action, but feel you have a drug and/or alcohol problem, you may request approval for a single opportunity to complete an approved rehabilitation program. Employees who fail to complete such a rehabilitation program or who test positive for drugs a second time will be terminated.

Baby Acapulco Restaurant's has developed a testing policy which requires drug and alcohol testing under the following circumstances:

- Any employee who is injured on the job and receives medical treatment will be required to take a drug/alcohol screen test immediately as a part of the medical treatment.



- Any employee who injures another employee shall be required to take a drug/alcohol screen test immediately after the incident.
- Any employee who is reasonably suspected to be under the influence of drugs or alcohol when reporting to work or while working, will immediately be taken to the Company physician or a local clinic for a drug/alcohol screen test.
- Participation in our drug/alcohol testing program is a condition of employment.
- Any employee who refuses to be tested or who will not provide a sample upon request will be treated as if they did test positive and will be considered to have voluntarily resigned their employment effective the date of the test.
- Employees to be tested will be required to sign a consent form before testing. The technician taking the urine, hair, or blood sample will be required to witness the collection of the sample and to properly follow-up on the "chain of custody" needed to ensure proper compliance with all testing procedures. The employee's urine/blood samples will be retained if re-testing is required.
- All employee drug/alcohol screening tests that are positive will be followed up by a confirmation test, referred to as a GC/MS test, using the same urine, hair or blood sample used in the original screening test. A second positive test, verifying the first positive test, is grounds for immediate termination.
- Employees who test positive and have documentation of a doctor-prescribed medication that caused the positive outcome of the test should present this information to the drug/alcohol testing company's Medical Review Officer (MRO) in written form as soon as possible after being notified of the positive result.

Positive Test Results

Baby Acapulco Restaurant's will conduct a ten panel drug/alcohol screen which consists of the following:

Amphetamines; barbiturates; benzodiazepines; cocaine metabolites; opiates; phencyclidine (PCP) propoxyphene metabolites; Methadone; marijuana metabolites; Methaqualone; Alcohol

Under the Influence

As used by Baby Acapulco Restaurant's "under the influence" of drugs means any "positive" drug test in accordance with the standards current at the time of the test as established by the U.S. Department of Health & Human Services under the Substance Abuse and Mental Health Services Administration (SAMHSA) and not within the exception set out above. As used by Baby Acapulco Restaurant's "under the influence" of alcohol means any drug test result of an alcohol level of .04 or greater.



Baby Acapulco Restaurant's takes a drug free workplace seriously and has implemented a policy of employment offers contingent on satisfactory drug and background testing as well as random drug testing throughout employment. Failure to comply with a request for a drug test is considered voluntary termination. Failure to pass a drug test can result in immediate termination. It is the policy of Baby Acapulco Restaurant's to keep all patients and employees safe from harm including employees working under the influence of controlled substances.



SECURITY

Section 05.0 Employee Conduct

Policy #507 Security

Last modified on: 07/01/2014

It is the policy of Baby Acapulco Restaurants to maintain strict control over entrance to the premises, access to work locations and records, computer information, and cash or other items of monetary value. Employees who are assigned keys, given special access, or assigned job responsibilities in connection with the safety, security, or confidentiality of such records, material equipment, or other items of monetary or business value will be required to use sound judgment and discretion in carrying out their duties, and will be held accountable for any wrong-doing or acts of indiscretion.

Baby Acapulco Restaurants has a vital interest in maintaining safe, helpful and efficient working conditions. The use or possession of alcohol, drugs, weapons, or other intoxicants creates a serious threat to the health and safety of employees. Baby Acapulco Restaurants also has a vital interest in protecting its property and the property of fellow employees from theft. In order to assist in maintaining a safe and enjoyable work environment, Baby Acapulco Restaurants has adopted the following policy:

Baby Acapulco Restaurants may conduct unannounced searches for illegal drugs, alcohol, controlled substances, weapons, stolen property, evidence of stolen property, or stolen property of others within any area of the restaurant or office. Employees are expected to cooperate in the conducting of such searches. All employee lockers, desks (including desk drawers,) file cabinets, purses, briefcases, lunch containers, and automobiles on Company property shall be subject to unannounced search. An employee's consent to search pursuant to this policy is required as a condition of employment. The employee's refusal to comply with this policy will result in disciplinary action up to and including termination. Searches on Company facility can be conducted at any time and do not have to be based on reasonable suspicion.

1. Personal visitors are not permitted in production areas.
2. If it is necessary for a friend or relative to speak with an employee during working hours, the individual will be directed to the manager for assistance.
3. Business visitors will be escorted to the person they wish to see, and under no circumstances, will they be permitted in the employee only areas of the restaurant unescorted.



4. Employees are not to leave the premises unaccompanied at night when taking out the trash or leaving home.
5. Doors must be locked exactly at closing time. An employee will open the door for customers leaving the restaurant after closing hours. Do not let anyone into the restaurant after doors have been locked.
6. At the end of the night shift everyone must exit the premises at the same time security leaves, no employee is to stay after the security guard has left.



SOCIAL MEDIA

Section 05.0 Employee Conduct

Policy #508 Social Media

Last modified on: 07/01/2014

While Baby Acapulco Restaurant's encourages its employees to enjoy and make good use of their off-duty time, certain activities on the part of employees may become a concern if they have the effect of impairing the work of any employee; harassing, demeaning, or creating a hostile working environment for any employee; disrupting the smooth and orderly flow of work within the office; or harming the goodwill and reputation of Baby Acapulco Restaurant's among its consumers or in the community at large. In the area of social media (print, broadcast, digital, and online services such as Facebook, LinkedIn, MySpace, Plaxo, and Twitter, among others), employees may use such media as long as such use does not produce the adverse consequences noted above. For this reason, Baby Acapulco Restaurant's has instituted the following policy for an employee's use of social media, both on and off duty:

1. If an employee publishes any personal information about the employee, another employee of the organization, the company, a client, or a customer in any public medium (print, broadcast, digital, or online) that:
 - a. has the potential or effect of involving the employee, their coworkers, or the company in any kind of dispute or conflict with other employees or third parties;
 - b. interferes with the work of any employee;
 - c. creates a harassing, demeaning, or hostile working environment for any employee;
 - d. disrupts the smooth and orderly flow of work within the office, or the delivery of services to the company's clients or customers;
 - e. harms the goodwill and reputation of the company among its customers or in the community at large; or
 - f. tends to place in doubt the reliability, trustworthiness, or sound judgment of the person who is the subject of the information, the employee(s) responsible for such problems will be subject to disciplinary action, up to and potentially including termination of employment.
2. No employee may use company equipment or facilities for furtherance of non-work- related activities or relationships without the express advance permission of his or her Manager.



3. Employees who conduct themselves in such a way that their actions toward and relationships with each other interfere with or damage work relationships, disrupt the flow of work or customer relations, or cause unfavorable publicity in the community, should be concerned that their conduct may be inconsistent with one or more of the Company's policies. In such a situation, the employees involved should request guidance from the Human Resources Manager to discuss the possibility of a resolution that would avoid such problems. Depending upon the circumstances, failure to seek such guidance may be considered evidence of intent to conceal a violation of the policy and to hinder an investigation into the matter.
4. Use of social media that involves any kind of criminal activity or harms the rights of others may result in criminal prosecution or civil liability to those harmed, or both.
5. Social media access and use involving company equipment and resources are subject to Baby Acapulco Restaurant's' Information Systems and Security Policy at all times.



EMPLOYEE DRESS AND GROOMING

Section 05.0 Employee Conduct

Policy #509 Employee Dress and Grooming

Last modified on: 02/1/2016

Employees should dress properly for the job. Loose clothing and jewelry are dangerous while working. You may be sent home if you are not properly dressed for your job.

While personal hygiene is critical for being presentable to guests; it is imperative for the protection of their health. Employees must bathe and brush their teeth before reporting to work, have their fingernails clipped and clean.

Uniforms – All employees will be required to wear the following uniform while on the clock:

Baby A's shirt – All newly hired employees will be provided a shirt free of charge. Any shirt that appears to be tattered or frayed will not be permitted. Employees will be responsible for purchasing a new shirt to replace any severely worn shirt. Shirts can be ordered through your manager at each specific location.

Black Pants/Shorts – All employees will be required to wear black pants or shorts (no less than 3 fingers above the knee). Jeans are not permitted at any time.

Shoes – All employees will be required to wear slip resistant shoes. Slip resistant shoes are mandatory in preventing slips and falls and are in accordance with our safety standards. Any employee not wearing the proper slip resistant shoes will be subject to discipline up to and including termination. It is the objective of this policy that NO employee be injured due to the wearing of sandals and high heels of any type. Employees who work in the general office areas may wear shoes of any type. It is the policy of Baby Acapulco Restaurants that employees wear closed toe shoes and no high heels at all times while working in or passing through the production area. Payroll deductions are available for employees wishing to purchase slip resistant shoes through our approved vendor.

Jewelry – Jewelry should be worn in a manner as to not present a safety hazard or condition to the employee. Further, jewelry should not be considered distracting and/or offensive to our guests. All facial piercings should be removed prior to the start of your shift. Large earrings or plugs should also be removed prior to the start of your shift.

Tattoos – All tattoos should be covered as much as possible.

Hair - Keep hair clean, neat and worn in such a way as to avoid food contamination. Hair should not be worn that would be considered distracting or offensive to our guests. Facial hair should be kept to a minimum and should be neat and well trimmed.



Hats - Ball caps and other hats are not permitted.

Supervisors must dress professionally during their shift. No sport outfits, jeans, shorts, sandals, or clothes that are torn in any way will be allowed.

All employees are required to comply with the Texas Department of Health & Human Services regarding regulatory compliance for hand sanitation and hygiene. To obtain a copy of these requirements, please visit www.dshs.state.tx.us.

Frequent hand washing is the first line of defense in preventing food borne illness. Always wash your hands when changing tasks. Examples include before starting work, during work as often as necessary to avoid cross-contaminating food and to maintain cleanliness, after smoking, coughing, sneezing, eating, and each visit to the toilet.

If you feel ill or have been diagnosed with a food borne illness, report this to your supervisor before starting work. Symptoms which indicate you may have an illness which could be food borne include vomiting, fever, diarrhea or jaundice (yellow appearance to your skin). Infected cuts or sores are also a means of transmitting a food borne illness. Even if they are not infected, all cuts or sores must be bandaged and when on your hands covered with waterproof disposable gloves.



EMPLOYEE ATTENDANCE

Section 05.0 Employee Conduct
Policy #510 Employee Attendance
Last modified on: 07/01/2014

You are a member of the Baby Acapulco Restaurants' team. Baby Acapulco Restaurants expects all employees to conduct themselves in a professional manner during their employment. This includes practicing good attendance habits. When you do not report for work, someone has to fill in for you. In order to properly perform your job responsibilities you are required to be in your work area, prepared to perform your duties at the beginning of and throughout the workday, except at meal breaks. You are to clock out for your scheduled breaks only after checking with your Manager to ensure the team is not being left short staffed. All employees should regard coming to work on time, working their shift as scheduled, and leaving at the scheduled time as essential functions of their jobs.

Among other things, "good attendance habits" means the following

- Being at your work station, ready for work by the start of your shift;
- Taking only the time normally allowed for breaks;
- Remaining at work during your entire shift, unless excused by a Manager;
- Leaving promptly at the end of your shift, unless you have been given advance permission from your Manager to work past that point; and
- Calling in and personally notifying your Manager if you are going to be either absent or tardy, unless a verifiable emergency makes it impossible to do so.

If you need to be absent from work, approval is required before scheduling the time away from work. Requests for time off are made in writing to your Manager. Lateness, absences, or failure to obtain approvals for paid or unpaid time off may result in disciplinary action up to and including termination.

If you have a personal illness or personal emergency that you could not have anticipated, you are expected to call your Manager as soon as possible, but at least 1 day before your scheduled start time. Sending a text message to your Manager or manager does not fulfill your responsibility to report. You must call and speak with your Manager. Your manager will attempt to accommodate all reasonable requests for time off.



Please note that absent employees who fail to call in within 60 minutes after the start of their shift will be considered to have abandoned their job and may have voluntarily terminated their employment. This means that any day you do not show up for work and do not call within an hour, you are in danger of being terminated from your job. We will take into consideration any mitigating circumstances before taking this action.



SMOKING

Section 05.0 Employee Conduct
Policy #511 Smoking
Last modified on: 07/01/2014

Baby Acapulco Restaurant's maintains a smoke- and tobacco-free facility for its employees. No smoking or other use of tobacco or similar products (including, but not limited to, cigarettes, electronic cigarettes (E-cigarettes), pipes, cigars, snuff, or chewing tobacco) is permitted at any point during a workday, while on Company business, in any part of Baby Acapulco Restaurant's' premises, including parking areas. There are no designated smoking areas inside or on Baby Acapulco Restaurant's' premises, nor does Baby Acapulco Restaurant's' allow smoking breaks during the workday, i.e., no additional breaks beyond those allowed under the Baby Acapulco Restaurant's' break policy may be taken for the purpose of using tobacco or similar products.

Employees may not have the smell of tobacco smoke about their persons during work hours or while on Baby Acapulco Restaurant's' business. In general, employees should not use or consume any substance, the effects or traces of which could interfere with the employee's presentation of a clean and professional appearance to customers and the public in general.

CELL PHONES

Section 05.0 Employee Conduct
Policy #512 Cell Phones
Last modified on: 07/01/2014

Employees are prohibited from using their cell phone while conducting business at Baby Acapulco Restaurants'. Failure to comply with Baby Acapulco Restaurant's' cell phone policy may result in disciplinary action up to and including termination. Personal cell phone use, including text messages and all other phone functions, during company work hours is prohibited. You are expected to put your personal cell phones on vibrate and return phone calls on your meal break only. Management reserves the right to establish individual phone usage policies.



USE OF COMPANY TELEPHONE AND MAIL SYSTEMS

Section 05.0 Employee Conduct

Policy # 513 Use of Company Telephone and Mail Systems

Last modified on: 07/01/2014

Being able to focus on your work is essential to performing your job duties. As a result, personal telephone use during business hours should be kept to a minimum. If you choose to use Baby Acapulco Restaurant's resources for personal communications of any kind, you must comply with all Baby Acapulco Restaurant's policies and procedures while using Company equipment. Employees have no reasonable expectation for privacy related to their use of Baby Acapulco Restaurant's communication systems or Company-owned property.

I understand that all electronic and telephonic communications systems and all information transmitted by, received from, or stored in these systems are the property of Baby Acapulco Restaurants. I also understand that these systems are to be used solely for job-related purposes and not for personal purposes except as authorized by your supervisor, and that I have no expectation of privacy of any personal privacy right in connection with the use of this equipment or with the transmission, receipt, or storage of information in this equipment.

I agree not to use a code, access a file, or retrieve any stored communication unless authorized. Further, I agree to disclose information or messages from electronic or telephonic communications systems only to authorized individuals. I acknowledge and consent to Baby Acapulco Restaurants monitoring my use of this equipment at any time at its discretion. Such monitoring may include printing up and reading all electronic and telephonic mail entering, leaving, or stored in these systems. No privacy right whatsoever exists at the workplace and Baby Acapulco Restaurants reserves the right to monitor the workplace by electronic means to ensure employees are complying with its policies.



INFORMATION SYSTEMS AND SECURITY

Section 05.0 Employee Conduct

Policy # 514 Information Systems and Security

Last modified on: 07/01/2014

Baby Acapulco's Restaurants respects the individual privacy of its employees. However, you may not expect privacy rights to be extended to work-related conduct or the use of Company-owned equipment, supplies, systems or property. Baby Acapulco's Restaurants' data, computers, software, applications, network services and equipment, voice communications equipment and services, and customer data are Baby Acapulco's Restaurants' resources and property to be used solely for the Company's legitimate business. Using these resources for any private purpose, any personal or private gain is strictly prohibited. The purpose of this policy is to inform you that no reasonable expectation of privacy exists in connection with your use of such equipment, supplies, systems or property, nor may you withhold any information maintained within, as these Company resources and any information they contain are the sole property of Baby Acapulco's Restaurants.

Baby Acapulco's Restaurants' IT Resources include all the computer equipment and peripherals owned, used or leased by Baby Acapulco's Restaurants or its affiliates. These resources include Baby Acapulco's Restaurants' networks, servers and off-site services to which Baby Acapulco's Restaurants subscribes. Any time you connect any device to any of Baby Acapulco's Restaurants' computers or peripherals regardless of who owns the connection device or the item connected, and regardless of your reason for connecting to Baby Acapulco's Restaurants equipment, you are using Baby Acapulco's Restaurants' IT Resources. This includes the use of any Baby Acapulco's Restaurants email account or use of a subscription account provided to Baby Acapulco's Restaurants by a third party.

Any data users created on Baby Acapulco's Restaurants' resources, or while using Baby Acapulco's Restaurants' resources, remain the property of Baby Acapulco's Restaurants. You have no expectation of privacy with respect to any information stored on any computer device belonging to Baby Acapulco's Restaurants or connected to Baby Acapulco's Restaurants' resources.

Passwords must remain secure and personnel are expressly prohibited from sharing accounts. Authorized users are responsible for the security of their passwords and accounts. All PCs, laptops and workstations must be secured with a password protected screen saver with the automatic activation feature set at 10 minutes or less, or by logging off when the system will be unattended.

Baby Acapulco's Restaurants' email accounts are provided for business related communications only. We permit employees to provide their Baby Acapulco's Restaurants email address only to known friends, family and associates. The use of Baby Acapulco's Restaurants email addresses for any other purposes is prohibited.



Any equipment that is connected to Baby Acapulco's Restaurants' networks must be approved by Baby Acapulco's Restaurants' Director of Operations. Approval will not be given unless there is an active anti-virus program running on the equipment with current anti-virus definitions. This anti-virus software is available from the Baby Acapulco's Restaurants' Director of Operations.

You have no reasonable expectation of privacy with respect to telephone equipment, computer hardware, software, e-mail, Internet use or other means of communication or storage. Baby Acapulco's Restaurants' information system usage, including connections to the public Internet, is provided to conduct Baby Acapulco's Restaurants' business and is subject to monitoring. Monitoring of the Company's information system will include, but is not limited to, accessing, recording, disclosing, inspecting, reviewing, listening to, retrieving and recording, and printing log-in details regarding the usage of information system. The Company's purpose in monitoring our information system is to protect the Company's assets, protect customer data, protect trade secrets and provide a high standard of professional conduct. IT resources and services, including the contents of an employee's computer, diskettes, e-mail account and voice mailbox are all Baby Acapulco's Restaurants' property and are not private to the individual. Such information system resources and services are subject to administrative audit, Baby Acapulco's Restaurants deems necessary, to ensure compliance of this policy and/or to investigate perceived or reported misuse of our information systems. Baby Acapulco's Restaurants' authorized personnel may conduct such monitoring and auditing at any time or place.

The reasons for which Baby Acapulco's Restaurants may obtain such access include, but are not limited to:

- maintaining the system;
- recovering data, systems, file or accounts;
- preventing or investigating allegations of information system resources and services system abuse or misuse;
- assuring compliance with copyright laws;
- complying with legal and regulatory requests for information;
- ensuring that operations continues appropriately during an employee's absence; and
- any other purpose deemed appropriate by Baby Acapulco's Restaurants.

By using Baby Acapulco's Restaurants' Information system resources and services, employees consent to have such use monitored at any time, with or without notice, by authorized Baby Acapulco's Restaurants' personnel. The existence of passwords and message delete functions do not restrict or eliminate Baby Acapulco's Restaurants' ability or right to access information system resources and services used by employees.



Under no circumstances is an employee authorized to engage in any activity that is illegal under local, state, federal or international law while utilizing Baby Acapulco's Restaurants Pediatrics' IT resources. Employees are specifically prohibited from engaging in the following activities:

- Violations of the rights of any person or Baby Acapulco's Restaurants protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the installation or distribution of software products that are not appropriately licensed to Baby Acapulco's Restaurants or the duplication or transmission of copyrighted or otherwise protected materials. This provision applies to materials that are considered "Baby Acapulco's Restaurants' Confidential."
- The use of any peer-to-peer file sharing software including, but not limited to, KaZAA, Grokster or Morpheus.
- With the exception of Google Talk, the use of any IRC or messenger software including, but not limited to AOL or other "Messengers", IRC or "chat" clients.
- Unless specifically business related, posting or subscribing to newsgroups, on-line discussion boards or email list groups from Baby Acapulco's Restaurants' facilities, posting or subscribing to newsgroups, on-line discussion groups or email lists using a Baby Acapulco's Restaurants' email address, or participating in any on-line chat.
- Revealing your account user name, password, or log-ins to others or allowing use of your account by others. This includes coworkers, family or other household members, and anyone else other than authorized IT staff, Senior Managers, or your immediate Supervisor.
- Using Baby Acapulco's Restaurants' resources to actively engage in procuring or transmitting material that is in violation of state or federal laws.
- Effecting disruptions to, or interfering with, any other computer or network.
- Sending unsolicited commercial email "spam," junk mail or any form of advertising.
- Using any form of network monitoring which will intercept data not specifically intended for the employee unless this activity is a part of the employee's normal job responsibilities.
- Circumventing user authentication or security of any host, network or account.
- Providing information about, or lists of, Baby Acapulco's Restaurants' employees, patients or potential patients to any third party.
- Unauthorized use, or forging, of email header information.



- Connecting to the Internet, or sending email through, an anonymous proxy server or similar conveyance designed to hide the user's identity.
- Creating or forwarding "chain letters", "Ponzi" or other "pyramid" schemes of any type.
- Installing any software that is not approved by Baby Acapulco's Restaurants' Director of Operations.

An employee's breach of any part of Baby Acapulco's Restaurants' Information Systems' policy shall be subject to disciplinary action, up to and including termination of employment. Should any part of this policy be invalidated by law or for any other reason, the remaining provisions shall remain in full force and effect.



SOLICITATION

Section 05.0 Employee Conduct
Policy #515 Solicitation
Last modified on: 07/01/2014

EMPLOYEES

There should be no solicitation or distribution of literature of any kind by any employee during actual working time of the employee soliciting or the employee being solicited. Working time does not include lunch and rest breaks. Any employee who violates any part of this policy will be subject to counseling and disciplinary action up to and including dismissal.

NON-EMPLOYEES

Non-employees are prohibited from soliciting and distributing literature at all times anywhere on Company property. Non-employees have no right of access to any area of the premises other than areas open to the public, and then only in conjunction with the area's public use.



CUSTOMER SERVICE POLICY

Section 05.0 Employee Conduct
Policy #516 Customer Service Policy
Last modified on: 07/01/2014

Every employee (Managers and Staff) will be subject to random customer service evaluations. If the evaluation does not meet the minimum score set by Baby Acapulco the employee will be reprimanded. If employee meets the required score of 90, he/she will be rewarded. Manager on duty will also be scored during evaluation.

Employee score will be based on a detailed evaluation including but not limited to the following:

- Food Preparation & Presentation
- Customer Service (Ex. Friendliness, Attentiveness)
- TABC Compliance
- Timeliness
- Up selling
- Knowledge of Menu Items
- Cleanliness

Score of 75 or below Will result in an automatic write up; a consecutive equal or below score will result in termination.

Score of 75-89 Supervisor and employee will meet to explain the evaluation score & determine ways to improve customer service. If employee does not receive a higher score on the next evaluation, a write up will be given.

Score of 90 and above Employee will be rewarded by having any scheduled shift of his/her preference covered.



ALCOHOL SERVICE POLICY

Section 05.0 Employee Conduct
Policy #517 Alcohol Service Policy
Last modified on: 07/01/2014

It is Baby Acapulco Restaurant's policy that no minor or intoxicated person shall be served. Employees who willfully violate this policy will be terminated immediately. Any employee who negligently serves a minor or an intoxicated person will be counseled on proper service technique and will be terminated on the second violation of this policy.

All employees serving alcohol must be TABC certified prior to and during their employment with Baby Acapulco. Supervisors will monitor TABC certifications to make sure employees' certificates are renewed on time.

Employees must card anyone ordering an alcoholic beverage that does not appear to be well over the age of 30. When attempting to illegally purchase alcohol, minors usually exhibit behavior that should be easily identifiable by the astute server or seller. As with anyone who is attempting a dishonest act, minors may: appear anxious or nervous; stutter, stammer or confuse their words; avoid eye contact with the seller; appear overly anxious or inappropriately.

When serving alcohol to your customers, you should take reasonable precautions. Taking steps to prevent alcohol abuse in your establishment can help protect the public from harm, and keep you from being named in a liquor liability suit.

As an alcohol server, you should know the laws and regulations concerning the serving and consumption of alcohol within licensed premises. Serving under-aged and intoxicated persons is unlawful and can have criminal penalties. Furthermore if an intoxicated person, after leaving your establishment, should be involved in an accident the injured parties may file a lawsuit against you. Follow some simple guidelines when serving alcohol and prevent this from happening to you.

Baby Acapulco has established limits on some of alcohol drinks and as a server or bartender you must adhere to them. A customer can order no more than THREE regular, THREE fruity margaritas or THREE Mexican Martini's per visit. The Purple margarita has a limit of TWO per person per visit. If a customer orders a Purple margarita or Mexican martini, Baby Acapulco allows only ONE more margarita of any flavor to be order. If you as a server or bartender notice that the customer is already intoxicated before they have reached the limits, please follow the guidelines provided by TABC and do not serve them any more alcohol. If a customer has already reached the limits established they CANNOT be served anymore



alcohol, ex. beer. On other mixed drinks, as a server or bartender you must monitor customers to prevent from over serving.

One method for safe alcohol service follows the same basic sequence of a traffic signal. The levels of intoxication are organized into the red, yellow and green colors.

GREEN = GO Everything seems normal; it is OK for this customer to drink at a safe pace.
YELLOW = CAUTION The customer is showing signs that the alcohol is beginning to affect them.
RED = STOP The customer is obviously intoxicated and no alcohol should be served.

If you observe a customer reaching the YELLOW level, you need to take steps so they don't reach the RED level. The following are some steps you may take when a customer is in the YELLOW zone.

- Refill their glass at a slower rate.
- Serve one drink at a time; don't bring two or three drinks at once to a single person.
- Offer or suggest the sale of protein food or appetizers. Do not offer coffee or other caffeinated drink; this may cover the true extent of the patron's intoxication.
- Suggest low alcohol content or filling drinks such as ice cream drinks.
- Serve water or fruit juices with all straight drinks.

Despite all your good efforts, a customer may become intoxicated and should not be served additional alcohol. When a customer reaches the RED level, every effort should be made to stop alcohol service. Here are some suggestions to use when "cutting off" a customer.

- Avoid a confrontation.
- Do not attempt any physical confrontation.
- Make the manager and all personnel aware of the problem.
- Bring menus to the table or casually suggest an appetizer.
- Suggest an alternative form of transportation. If the patron insists on driving, report this to your supervisor at once.



WALKED CHECK POLICY

Section 05.0 Employee Conduct
Policy #518 Walked Check Policy
Last modified on: 07/01/2014

There are occasions where customers of Baby Acapulco's Restaurants will attempt to or succeed at walking out on their check. In the event that this occurs, employees are to follow these guidelines:

- Under no circumstances is the employee to follow the customer out of the building. Employees are prohibited from leaving the building in an attempt to stop the customer from leaving. This poses a threat to the safety of the employee as well as the public.
- Employees are to notify their Manager immediately of the issue.
- If the employee is able to obtain license plate information, without leaving the building, they are to provide this to the Manager and Security officer on duty.

In the event that a pattern is established in which it appears that the employee has 3 or more walked tickets within a short amount of time, the employee will be subject to disciplinary action, up to and including termination.

PROHIBITION OF RECORDING

Section 05.0 Employee Conduct

Policy #519 Prohibition of Recording

Last modified on: 08/13/2018

Unauthorized electronic surveillance of employees is disruptive to employee morale and inconsistent with the respectful treatment required of our employees.

The company commits to abiding by employer expectations outlined under the NLRA. The National Labor Relations Act (NLRB) prohibits employers' use of video cameras to monitor employees' union activities, including union meetings and conversations involving union matters, while employers must bargain with union employees before using video surveillance. Additionally, employers may not use video surveillance in a way that is meant to intimidate current or prospective union members.

Likewise, the company expects mutual consideration and respect from its employees. Additionally, there is an expectation of confidentiality in the company's proprietary and operation details which allow the company a market advantage. As such, the company prohibits employees from video surveillance and the recording of other employees while at work and, also, recording of company property (i.e. recipes, menus, or other proprietary information, etc.), unless authorization has been provided by individuals being vide recorded and the company, as it pertains to the company's proprietary information.

Should you wish to make a recording/video recording, the company requests you seek consent from those being affected. This protects the individual who is recording; the individual being recorded and the company when it comes to federal regulations and/or the executed NDA (Non-Disclosure Agreement) signed by employees.



ACKNOWLEDGMENT OF RECEIPT – EMPLOYEE HANDBOOK

This handbook supersedes all previous memos, materials, and handbooks. The information in this manual is not a contract of any kind. Other than the Company's "at- will" employment policy, the information in this Employee Handbook can be changed at any time.

I have received a copy of the Employee Handbook. I have had the opportunity to read the Employee Handbook and ask questions. In consideration of my employment by Baby Acapulco Restaurant's, I understand it is my responsibility to comply with the policies in this Employee Handbook and any revisions made to it. I further agree that if I remain with Baby Acapulco Restaurant's following any modifications to this Employee Handbook, I thereby accept and agree to such modifications. I have entered my employment with Baby Acapulco Restaurant's voluntarily and understand that there is no specified length of employment promised to me. Accordingly, either the Company or I may terminate this employment relationship at will, at any time, with or without cause, and with or without advance notice.

I also understand and agree that no person other than the owners of Baby Acapulco Restaurant's may enter into an employment agreement for any specified period of time, or make any agreement contrary to the Company's stated employment at-will policy.

Since the information, policies, and benefits described in this Employee Handbook are subject to change at any time, I acknowledge that revisions to the Employee Handbook may occur, except to the Company's at-will employment policy. All such changes will generally be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies.

I understand that there will be other individual policies and procedures presented in staff meetings and through my Manager that are not included in this manual but I am responsible nonetheless for knowing and complying with these policies.

EMPLOYEE NAME (printed): _____

EMPLOYEE SIGNATURE: _____

DATE: _____



ACKNOWLEDGMENT OF RECEIPT –

POLICY AGAINST HARASSMENT AND DISCRIMINATION

I received and reviewed the Policy Against Harassment and Discrimination ("Harassment Policy") and the Dispute Resolution Policy and have been given an opportunity to ask questions about the policies. I acknowledge that I understand and will abide by these policies.

I acknowledge that by signing this acknowledgment, I agree to adhere to the Harassment Policy as a condition of my employment and/or continuing employment with Baby Acapulco Restaurants. I acknowledge that I understand how to follow the procedures set out in the Harassment Policy and that if I have any questions, I will ask for clarification. I agree to report any incident of harassment in a timely manner and I understand that there are a number of different individuals who are authorized to take my complaint and act on it appropriately. I further acknowledge that my failure to adhere to the Harassment Policy may subject me to disciplinary action, up to and including immediate termination without advance warning.

I know that I may file a complaint of harassment or participate in an investigation without fear of retaliation.

EMPLOYEE NAME (printed): _____

EMPLOYEE SIGNATURE: _____

DATE: _____



DRUG AND ALCOHOL TESTING AUTHORIZATION

I hereby agree, upon a request made under Baby Acapulco Restaurant's' Drug and Alcohol Testing Policy, to submit to a drug or alcohol test and to furnish a sample of my urine, breath, and/or blood for analysis. I understand and agree that if, at any time, I refuse to submit to a drug or alcohol test when requested by the Company, or if I otherwise fail to cooperate with the testing procedures, I will be deemed to have voluntarily resigned from my employment with Baby Acapulco Restaurant's. I further authorize and give full permission to have Baby Acapulco Restaurant's and/or its physician send the specimen or specimens so collected to a laboratory or other testing facility to release any and all documentation relating to such test to Baby Acapulco Restaurant's and/or to any governmental entity involved in a legal proceeding or investigation connected with the test. Finally, I authorize Baby Acapulco Restaurant's to disclose any documentation relating to such test to any governmental entity involved in a legal proceeding or investigation connected with the test.

I will hold harmless Baby Acapulco Restaurant's, its agents, partners, employees, its physician, and any testing laboratory Baby Acapulco Restaurant's might use. This means that I will not sue or hold responsible such parties for any alleged harm to me that might result from such testing, including loss of employment or any other kind of adverse job action that might arise as a result of the drug or alcohol test, even if Baby Acapulco Restaurant's or laboratory representative makes an error in the administration or analysis of the test or the reporting of the results. I will further hold harmless Baby Acapulco Restaurant's, its agents, partners, employees, its physician, and any testing laboratory Baby Acapulco Restaurant's might use for any alleged harm to me that might result from the release or use of information or documentation relating to the drug or alcohol test, as long as the release or use of the information is within the scope of this policy and the procedures as explained in the paragraph above.

This policy and authorization have been explained to me in a language I understand, and I have been told that if I have any questions about the policy, they will be answered.

I understand that Baby Acapulco Restaurant's will require a drug and alcohol test under this policy whenever I am involved in an on-the-job accident or under circumstances that suggest I may be under influence of drugs or alcohol.

EMPLOYEE NAME (printed):

EMPLOYEE SIGNATURE:

DATE:



ACKNOWLEDGMENT OF RECEIPT OF WORKPLACE VIOLENCE PREVENTION POLICY

I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF Baby Acapulco Restaurant's' Workplace Violence Prevention Policy. I have read and understand this Policy. By signing this acknowledgment, I agree to adhere to these Policies as a condition of my employment and/or continuing employment with the Company. I also acknowledge that I am an employee-at-will and that my employment may be terminated at any time for good cause or no cause. I further acknowledge that my failure to adhere to this Policy may subject me to disciplinary action, up to and including immediate termination.

In connection with the enforcement of Baby Acapulco Restaurant's' Policies, I consent to Baby Acapulco Restaurant's conducting searches of: my person, my clothing, my vehicle, any desk, locker or storage area provided for my use by the Company; any personal belongings I possess while on Company premises or while conducting business on behalf of the Company, regardless of whether I am on the premises of the Company, including, but not limited to, any privately- owned vehicle owned by me or used by me and/or any vehicle owned, leased or financed by the Company or used by the Company to transport its goods or products.

I understand that all desks, storage areas, lockers and vehicles owned, financed or leased by the Company or used by the Company are subject to search by Baby Acapulco Restaurant's at any time without my permission. I understand that I am prohibited from locking or otherwise securing any such desk, storage area, locker or vehicle with any lock or locking device not supplied by the Company.

I hereby release Baby Acapulco Restaurant's, its partners, managers, providers, officers, or affiliates from all liability, including liability for negligence, associated with the enforcement of these Policies and/or any searches undertaken pursuant to these Policies.

EMPLOYEE NAME (printed): _____

EMPLOYEE SIGNATURE: _____

DATE: _____



RECEIPT OF INFORMATION SYSTEMS AND SECURITY POLICY

I understand that all electronic and telephonic communications systems and all information transmitted by, received from, or stored in these systems, are the property of Baby Acapulco Restaurant's. I also understand that these systems are to be used solely for job-related purposes and not for personal purposes, and that I have no expectation of privacy or any personal privacy right in connection with the use of this equipment or with the transmission, receipt, or storage of information in this equipment.

I agree not to use a code, access a file, or retrieve any stored communication unless authorized. Further, I agree to disclose information or messages from electronic or telephonic communications systems only to authorized individuals. I acknowledge and consent to Baby Acapulco Restaurant's monitoring my use of this equipment at any time at its discretion. Such monitoring may include printing up and reading all electronic and telephonic mail entering, leaving, or stored in these systems.

I further understand and agree to abide by Baby Acapulco Restaurant's policies that it is prohibited to use electronic or telephonic communication systems to transmit lewd, offensive, or racially related messages.

EMPLOYEE NAME (printed):

EMPLOYEE SIGNATURE:

DATE:



AUTHORIZATION FOR BACKGROUND CHECK

I,

hereby authorize Baby Acapulco Restaurant's to investigate my background and qualifications for purposes of evaluating whether I am qualified for the position for which I am applying. I understand that Baby Acapulco Restaurant's will utilize an outside firm or firms to assist it in checking such information, and I specifically authorize such an investigation by information services and outside entities of Baby Acapulco Restaurant's' choice. I also understand that I may withhold my permission and that in such a case, no investigation will be done, and my application for employment will not be processed further.

EMPLOYEE NAME (printed):

EMPLOYEE SIGNATURE:

DATE:
