



INTRODUCTION

Welcome

Welcome to our team! With your help, we will make the TBS team the most successful in the industry. The Body Shop @, LLC. ("TBS" or the "Company") is a new, rapidly growing company. It was founded in July 2004 by John Sweigart and Brad Sullivan in order to build a national network of dealership collision repair shops. We look forward to the unique skills and experience that you will add to the mix!

Please read this Handbook carefully. It will help you understand the goals of the Company and many of our policies.

Once again, welcome to the TBS team. Thank you in advance for the contributions that you will make to our mutual success.

Purpose

We have prepared this handbook for informational purposes only in order to explain the personnel policies at TBS and what we expect from you. It should help us work together effectively. Because we cannot explain every Company policy in this handbook, some details have been omitted to keep it reasonably brief.

This handbook replaces all previous Company handbooks, memos, and other written or verbal descriptions about working for our Company.

This handbook does not constitute an employment contract or guarantee and does not alter the at will nature of the employment relationship between you and the Company. Also, the handbook should not be viewed as a total statement of the policies of the Company. Instead, it is a general guide to some important employment concerns. You should consult your manager if you have any questions about matters that are not covered in the handbook.

Of course, changes in conditions may lead the Company to add, change or eliminate policies described in this handbook to suit the needs of our employees or to respond to our business environment. The Company hereby reserves the right, at any time and for any reason with or without notice, to change any provision of this handbook. While we will try to give notice of such changes either by a posting or an interoffice memo, this may not always be practical. TBS also reserves the right to deviate from customary practices.

Our working relationship is based on mutual satisfaction and understanding. Please read this handbook carefully and keep it for future reference. If you have any questions or concerns,

please see your manager.

Mission

To be the leader in the collision repair industry by focusing on our employees, our customers and our Insurers. To remain focused on our customers needs and continually seeking to improve the value that we deliver.

Our Team

TBS will be the employer of choice by:

- Hiring and investing in people who work hard, have integrity and deliver results;
- Providing the industry's leading training and development, career advancement, and benefits; and
- Sharing the rewards of our success.

Our Customers

TBS's commitment to our customers is to:

- Treat every customer including the dealership customer as the only customer.
- Provide a convenient repair process;
- Maintain a clean and safe store;
- Deliver quality of craftsmanship;
- Remain dedicated to keeping our commitments.

Our Insurers

TBS will improve the relationship between insurers and repairers by:

- Aligning our incentives;
- Being a trustworthy partner in the repair process;
- Cooperating to reduce claim costs;
- Improving service delivery and repair cycle time; and
- Providing a national chain of stores with consistent quality and practices.

Values and Beliefs

At TBS, we care just as much about how we succeed as we do about succeeding. We believe that the key to creating a truly great company is an intense focus on the values that guide all of us. These are TBS's core values and beliefs:

- **Our first commitment is to our customers.** As our Mission Statement emphasizes, the vehicle owners, the insurance companies and dealership partners are valued customers and must be treated with tremendous professionalism, courtesy, and skill.
- **We require complete honesty and integrity in everything we do.** As employees of TBS, each of us influences the reputation of the entire Company. We must all maintain high standards of ethics and avoid situations that might diminish the Company's reputation for honesty and integrity.
- **We succeed through teamwork.** To be a winning team, each team member must be treated with dignity and respect. We don't ask you to like every employee at TBS, but we do demand that you treat all your co-workers in a professional and dignified manner. Good teamwork also requires open and honest communication. Don't be afraid to speak up!
- **We are "can do" people.** We believe in setting "stretch" goals and then exceeding them. We don't complain about problems; we solve them.
- **We are frugal.** We are at least as careful with Company money and property as we are with our own.

Code of Conduct

Our conduct should reflect TBS's values and beliefs. A few important examples of how we must conduct ourselves are:

- The TBS Fair Pricing Policy: We only charge our customers, whether insurer, dealer or consumer, for work that is performed to repair the vehicle. We never charge for a part that is not put on the vehicle. We never charge for a labor item that is not completed. We never charge an insurance company to repair damage that is not associated with the accident.
- No employee shall accept gifts of significant value from any person or firm doing or seeking to do business with TBS.
- You may not use the Company's supplies or materials for your personal gain.
- All TBS property that is made available to you must be properly maintained and returned to the Company if you terminate your employment with TBS.

EMPLOYMENT

Equal Employment Opportunity

It is the policy of TBS to recruit, hire, train, transfer, and promote its employees, and to ensure that all other employment practices are administered without regard to race, color, religion, sex, sexual orientation, age, national origin, or physical or mental disability.

TBS will attempt to provide reasonable accommodations for the employment of qualified individuals with disabilities who can perform the essential job functions unless doing so would cause undue hardship to the Company or unless the individual poses a direct threat to the health and safety of himself/herself or others. TBS also will not discriminate against individuals associated with a person with a disability. If you require an accommodation for a disability, it is your responsibility to notify your manager of your request.

Employment Policy

TBS makes no representation that employment with the Company represents lifetime security or a guarantee of continued employment for any set period of time. Employment is at will with either party free to terminate the relationship at any time, for any reason or no reason, and with or without notice.

It is the Company's policy to hire the best-qualified applicants available. Therefore, TBS does not prohibit family members from working at the Company. However, members of a household or immediate family cannot work in the same store or supervise another family member without the approval of Corporate Manager.

The Company does not prohibit other employment provided it does not pose a conflict of interest or the appearance of a conflict of interest with, or interfere with, the performance of your responsibilities at TBS. To avoid any conflicts or potential for conflicts, employees are encouraged to discuss any other employment with their manager.

Resignation

Employees are expected to give at least two working weeks' notice of an intention to resign. Consistent with state wage and hour laws, payment for accrued unused vacation may not be made if appropriate notice has not been given.

Important information about final pay disbursement, benefit termination or conversion, and other matters will be discussed at an exit interview. Company property must be returned at that time.

Freedom From Harassment Policy

TBS strives to treat its staff with dignity and respect. Our affirmative commitment to equal employment opportunity includes the recognition that harassment of employees on account of race, color, religion, sex, sexual orientation, age, national origin, or mental or physical disability is unlawful and will not be tolerated.

Sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- * such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment; or
- * submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; or
- * submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual.

For example, unwanted physical contact, foul language, sexually oriented propositions, jokes or remarks, obscene gestures, or **the display of sexually explicit pictures, cartoons, or other materials** may be considered offensive to another employee and, thus, must not occur.

We expect all employees to act in a responsible and professional manner to establish a pleasant working environment free of discrimination. Any employee found by the Company to have harassed another employee will be subject to appropriate disciplinary action up to and including termination of employment.

Harassment of employees by supervisory or non-supervisory staff will not be permitted. All members of management have the explicit responsibility to take immediate and corrective action to prevent any harassment of our employees.

Any employee who believes he or she has been the subject of harassment should report the alleged conduct immediately to his/her manager, John Sweigart (484-437-5437), or Brad Sullivan(412-427-3395).

. A complete investigation of any complaint will be undertaken immediately and as discretely and as confidentially as the Company determines is appropriate consistent with its conducting a complete investigation.

Retaliating against an employee for complaining about harassment or for cooperating in an investigation of a complaint about harassment is unlawful and prohibited.

The Company recognizes that the issue of whether harassment has occurred requires a factual determination based on all the evidence received.

Drug-free Workplace Policy

In order to promote both workplace safety and public safety, TBS has instituted a company-wide Substance Abuse Policy which prohibits the following behavior by any of its employees:

- Use of illegal drugs;
- Abuse of legal (prescription or over-the-counter) drugs or alcohol;
- Sale, purchase, transfer, use or possession of illegal drugs or prescription drugs obtained illegally; or
- Arrival for work under the influence of legal drugs or alcohol if job performance is affected.

The Company reserves the right to conduct drug testing of applicants and employees as permitted by law and pursuant to the Substance Abuse Policy. Each employee should have received a copy of the Substance Abuse Policy (and TBS requires that each employee execute the acknowledgement attached to such policy). If you have not yet received a copy of the Substance Abuse Policy please contact your General Manager to request a copy.

COMPENSATION

Pay Checks

Employees are paid on a weekly basis for a pay period which begins on Sunday and ends on Saturday. Pay checks are distributed on the following Friday. As required by law, deductions are made for mandatory federal and state withholding and any court ordered garnishments. You may also authorize elective deductions and direct deposit to a financial institution of your choice.

Compensation Increases

Any compensation adjustment is based on merit and the Company's financial performance. Compensation increases are based on performance only and not length of service with the Company.

A goal of our performance review system is to set high standards and reward high performance with competitive salaries and bonuses.

Confidentiality

You must keep the details of your compensation confidential. You may discuss your pay only with your manager. Any breach of this confidentiality may result in disciplinary action up to and including termination of employment.

PERFORMANCE STANDARDS

Attendance and Punctuality

Because your job is important to the daily operation and success of TBS, regular attendance and punctuality are essential. Chronic tardiness or absenteeism will lead to disciplinary action up to and including termination of employment.

If you are going to be late or absent from work you must notify your manager promptly, but no later than 1 hour after your scheduled starting time. Leaving a message with a co-worker is not proper notification; a call to your manager to explain the situation is required.

If you must leave work due to illness or personal reasons, you must speak with your manager. You must tell the manager the specific reason for the absence and the expected duration.

All absences for a reason other than accident or illness require prior approval from the manager. TBS reserves the right to require proof of necessity of any absence. You are expected to keep your manager informed during an absence, including providing requested medical certifications.

No Call / No Show Policy

Any employee who is absent from work for three (3) consecutive days without having notified the manager of the absence shall be deemed to have voluntarily resigned from employment with TBS.

This policy does not, in any way, affect TBS's ability to terminate any employee for any reason, including unexcused absences and/or lack of punctuality.

Performance Evaluation

Performance evaluation is an ongoing communication between you and your manager. It provides you with a clear understanding of what is expected in your job as your manager assesses your performance in the job.

TBS is committed to giving employees regular feedback through performance reviews. The first formal review of your performance is scheduled after you have completed 90 days of employment. After that, you can expect a written performance review approximately once a year.

You should understand that performance evaluations do not create any specific legal rights and are not intended to change the "at will" nature of employment at TBS. Either you or the Company may terminate employment at any time, for any reason or no reason, and with or without notice.

PAID ABSENCES

Holidays

The Company observes the following six (6) holidays each calendar year:

New Year's Day	January 1 st
Memorial Day	Last Monday in May
Independence Day	July 4 th
Labor Day	1 st Monday in September
Thanksgiving Day	4 th Thursday in November
Christmas Day	December 25 th

Only full-time employees are paid for holidays that occur after they have been continuously employed by the Company for ninety (90) days. Holidays that occur before the ninety (90) days of continuous employment will not be paid. If a holiday falls on a Saturday, the holiday will be recognized on the Friday before such holiday. If a holiday falls on a Sunday, the holiday will be recognized on the Monday after such holiday. There are no floating holidays. Eligible flat rate and commission employees will be paid their average daily earnings from the previous calendar year for all holidays. If an employee is on a leave of absence for any reason (other than in connection with using paid absences days) for longer than two weeks, that employee shall not be eligible to receive holiday pay for any holidays that occur during such leave of absence.

Paid Absences

Beginning on January 1, 2005, and each subsequent year, if you are a full-time employee, the Company provides you with the following paid days off:

1. For all employees who have been continuously employed for at least one calendar year.
 - 5 days of paid vacation / sick time
2. For all employees who have been continuously employed for at least 2 calendar years.
 - 10 days of paid vacation / sick time
3. For all employees that have been employed for less than one calendar year.
 - At your anniversary date, you will be provided a pro rated number of days for the remainder of the year.

Example : Your 1 year anniversary date is July 1 2004. As of July 1 2005 you will be provided with 2.5 days of paid vacation / sick time that you may use through Dec 31st 2005. On Jan 1 2006, You will be provided will a full 5 days of paid time.

Eligible flat rate and commission employees will be paid their average daily earnings from the previous calendar year for all paid days off that are taken by an employee in a calendar year. Paid days off in any calendar year that are earned but not used by an employee in such calendar year will not be paid for by the Company. These days may not be rolled over into the next period. Our objective is to ensure that employees take time away from work each year.

Each employee must receive prior approval from their General Manager (or their supervisor if they are part of the Regional or Corporate overhead structure) at least thirty (30) days prior to taking any paid days off. Any absences for which an employee has not received such thirty (30) day prior approval shall be unpaid absences. Your General Manager will review your request and consider business conditions, your seniority and the absences of other employees in the store before approving or denying your request. The only exception to this prior approval policy is that a full-time employee who has been continuously employed for more than ninety (90) days may use up to three (3) of their accrued paid days off in each calendar year without obtaining such prior approval if (i) they call in sick in a timely manner, and (ii) if they are absent for more than one (1) day, upon return to work they provide their General Manager with a doctor's note detailing the illness that caused such employee to be absent from work. If there are extraordinary business conditions that cause your General Manager to deny your request, please notify your General Manager immediately in writing of your request that the Company consider an exception to the terms of this policy.

The Company will pay out accrued but unused paid days off at the time of an employee's termination if the Company is required to do so by law. Also, consistent with state wage and hour laws, payment for accrued but unused paid days off may not be made by the Company if an employee has not given proper notice to the Company of his or her resignation.

Funeral Leave

Full time employees are granted up to three days with pay following the death of a member of the immediate family; i.e. parent, spouse, child, sibling, or relative living in the same household.

In other cases, a day to attend the funeral may be taken as a sick day if one is available, or taken without pay.

Family and Medical Leave Policy

All employees who have worked 1250 hours in the previous 12 months and have completed 1 year of continuous employment are eligible for an unpaid leave of up to 12 weeks during any year for any of the following reasons:

- (1) to care for the employee's child within one year of birth, adoption, or the initiation of foster care;

- (2) to care for a child, spouse, or parent with a serious health condition; or
- (3) the employee's own serious health condition makes the employee unable to perform his or her job.

A serious health condition is defined as a condition which requires inpatient care at a hospital, hospice, or residential medical care facility or a condition which requires continuing treatment by a health care provider. This policy is intended to comply with and be subject to the terms of the Family and Medical Leave Act of 1993 (FMLA), and is not intended to create any greater obligations than the FMLA. All terms referenced in this policy shall be governed by the respective meanings given to them by the FMLA.

Upon the completion of family or medical leave, an employee will be reinstated to the position held when the leave commenced, or if necessary, to an equivalent position with equivalent pay, benefits, and other terms and conditions of employment. Employees returning to work from FMLA leave that was for their own serious health condition will be required to provide fitness for duty certification prior to returning to work.

In states which have a more liberal family and medical leave law, employees will also be advised of the applicable requirements under that state's law.

If you need to apply for leave under the FMLA, please notify your manager at least 30 days in advance or as soon as possible, depending on the circumstances.

Jury Duty

If an employee is called for jury duty, a copy of the Notice to Serve must be submitted to the manager. An employee will not be paid for time served on jury duty, except to the extent otherwise required by law. If a holiday occurs during this period, an employee will be paid for that day.

Military Leave

We recognize our obligation to share in the commitment of employees who are called upon to serve our country as members of the National Guard, the Reserves or on active duty. All employees will be granted time off and have their job rights protected consistent with current legal requirements. Any employee who requires a military leave should contact the manager.

GENERAL INFORMATION

Accident Reporting/First Aid

All employees are covered by workers' compensation insurance. This insurance covers injuries sustained by an employee arising out of and in the course of employment. You must report any accident, even minor injuries, that occur on Company premises or on Company business to your manager **immediately or as soon as possible without putting yourself or others at risk**.

There are first aid kits in each store. You should familiarize yourself with their location and contents. If you are certified in cardio-pulmonary resuscitation (CPR), please notify your manager.

Appearance

There is no substitute for neatness, proper dress, and good personal grooming. It is important that all employees project a professional and businesslike image. Therefore, we expect you to take pride in your personal grooming habits, appearance and work area.

If you arrive at work inappropriately dressed or groomed, your manager may ask you to leave work to change your attire. You will not be compensated for time taken for this purpose.

We expect that you will keep your work area neat, clean, and in compliance with both OSHA and TBS safety requirements. Violations will result in disciplinary action up to and including termination of employment.

Bulletin Board

Our bulletin boards are important communications tools to alert you to Company sponsored activities, announcements, and programs. Only notices that have been approved by the manager may be posted on our bulletin boards.

Change of Personal Information

Please notify your manager of any changes of the following:

- Emergency Contact
- Name, address, or telephone number
- Marital status or number of dependents
- Beneficiary for employee benefits
- Tax withholding

This information enables TBS to maintain accurate records. Failure to notify us of changes of such information may affect your insurance coverage and other benefits.

Information Systems

The Company reserves the right to inspect, examine and monitor its computers, computer networks, internet use, electronic mail (e-mail), telephone systems (including voice-mail) and other communication and information systems (collectively, "Information Systems") at any time, for any reason and without notice. This policy applies to all Company employees at all locations (including employees who access or use the Information Systems from remote areas while not on Company property).

The Information Systems which have been entrusted to employees remain solely the property of the Company at all times. The Information Systems have been acquired, installed and maintained at great expense to the Company and are intended solely for business use. Records, files, software and all electronic communications contained in or on (whether created, received, stored on or transmitted through) these Information Systems likewise are solely the property of the Company. The Information Systems and their content are subject to inspection, examination, reproduction and/or monitoring by authorized Company personnel. The Company may (but is not required to) ask for an employee's assistance in accessing Information Systems information that the employee read or created. Passwords are only intended to prevent unauthorized access to the Information Systems. Also, employees should be aware that the Company is notified by its internet service provider of the websites that each of its employees access. Accordingly, employees have no expectation of privacy regarding the use of the Information Systems.

Employees also have security obligations in connection with the use of the Information Systems. Employees may not share passwords or otherwise provide access to unauthorized persons. Employees also may not establish connections that would allow unauthorized persons to gain access to the Company's Information Systems, either through the internet or otherwise.

Employees are advised to use the Information Systems as cautiously as they would use any other more permanent communication medium such as a memorandum or a letter. Employees must realize, for example, that messages:

- May be copied, saved and read by third parties;
- May be retrieved even after "deletion; and
- May be accessed by authorized Company personnel.

Employees use of the Information Systems must comply with all of the Company's other policies, including, without limitation, the Company's policy against harassment. Communications created, received, stored on, or transmitted through the Company's Information Systems may not contain content that may be considered offensive or disruptive to any other employee, any person outside the Company, or any of the Company's customers or clients. Offensive content would include, without limitation, sexual comments or images, and comments

that would offend someone on the basis of gender, age, sexual orientation, race, color, religion, national origin or disability.

Employees shall not load any software (personal or otherwise) onto any of the Information Systems unless such software has been provided to the employee by the Company and the Company instructs such employee to load such software onto the Information Systems.

Employees learning of any misuse of the Information Systems or other violations of this policy must notify TBS corporate management immediately. (John Sweigart or Brad Sullivan)

Employees who violate this policy are subject to discipline up to and including termination of employment.

Parking

In keeping with our values, the most convenient parking spaces are reserved for customers and may not be used by employees.

TBS assumes no responsibility for damages to or loss of automobiles or other personal property.

Safety

TBS provides safe working conditions and follows operating processes that will safeguard employees and comply with OSHA requirements. You must follow all safety rules without exception. The Company considers any safety violation serious and will take disciplinary action up to and including termination of employment. If you see any unsafe condition, report it immediately to your manager.

- Anyone on the production floor for any reason at any time must utilize protective eyewear when appropriate.
- You must wear a seatbelt when driving customer or Company vehicles.
- If you are working on the production floor for an hour or longer per day, you must wear non-slip soles.

The Company provides the required safety equipment to do your job. The requirements for specialty areas are:

- Welding: Respirator, gloves, welding shields, vest
- Sanding: Respirator
- Working with volatile chemical products: latex rubber gloves
- In Booth: appropriate respirator, suit, rubber gloves, goggles (if not on your mask)
- Priming/Edging: Respirator, rubber gloves
- Detail: Rubber gloves

When lifting, always use proper lifting techniques to avoid back injuries.

All hazardous materials must be handled according to procedures detailed in the Material Safety Data Sheets.

Fire extinguishers are located on each production floor for your protection.

Searches

Desks, lockers, and other storage devices may be provided for the convenience of employees, but they remain the sole property of the Company. Therefore, they may be inspected by any agent or representative of the Company at any time either with or without prior notice. If you prefer not to have your personal items subjected to scrutiny, you should leave them at home.

Solicitation & Distribution of Literature

TBS believes that all employees are entitled to the opportunity to perform their work without being bothered or interrupted by solicitations. Therefore, employees may not engage in solicitation while on working time.

Employees may not distribute literature in work areas at any time.

Anyone who is not an employee of TBS is prohibited from soliciting or distributing literature on the Company's premises at any time.

Tobacco

TBS wishes to promote the health and safety of employees in the workplace. Smoking is permitted only in designated outside areas.

Your Questions or Problems

We recognize that our success depends upon maintaining clear communications with all employees. It is important to respond to a complaint, problem or anything that you feel is unfair or unacceptable in any way.

Please feel free to discuss any complaint or problem with your manager. If the problem is not resolved at this point, you may request that it be reviewed by TBS corporate management.

It is also recognized that there are times when problems arise that are of a private nature or may involve a subject that an employee does not wish to discuss with the manager. In these cases, you may bring the matter directly to the attention of TBS corporate management.

Notice of Receipt

I have received a copy of the TBS employee handbook and understand that these are the policies of the company.

Name _____

Date _____