CHAIR
TRAVEL & BUSINESS REIMBURSEMENT POLICY

SCOPE

This Travel & Business Reimbursement Policy includes all subcontractors of CHAIR. Travel should be conducted in such a way that the cost of transportation, accommodation and time spent on business trips are kept to a minimum for the normal demands of comfort and safety. The need to travel should be carefully weighed against alternative solutions such as telephone calls or video conferencing. Travel must always be approved by an immediate supervisor.

POLICY

It is the responsibility of each subcontractor to adhere to the provisions of this policy. CHAIR reserves the right to modify, revoke, suspend, or change any or all policies with or without notice.

Based on the contents of the Travel & Business Reimbursement Policy, it the subcontractor's responsibility to take into consideration the purpose, cost, time and other factors in conducting business travel and entertainment of customers.

All business travel airline tickets, rental cars and hotels are self-booked or under the assistance of administrative personnel when necessary.

SUBCONTRACTOR RESPONSIBILITY

When incurring travel, entertainment, and other business expenses on behalf of the Company, it is the responsibility of each subcontractor to ensure that the relevant expenses are reasonable and necessary. Excessive and/or unreasonable expenses will not be reimbursed.

Subcontractors are responsible to pay for business travel expenses and will be reimbursed upon completion of an expense report, unless provided with a company credit card.

All expenses shall be properly documented and substantiated in accordance with this policy, including appropriate approval of exceptions as outlined in this policy, upon submission for reimbursement (unless purchase was made by company credit card).

Subcontractors are responsible for properly canceling travel arrangements upon determining that scheduled travel will not take place as originally planned. The hotel must be called directly and a cancellation number must be obtained to avoid hotel fees. "No show" fees and penalties may not be reimbursed.

Travel and expense documents (e.g., receipts, boarding passes, invoices, etc.) are evidence of business-related transactions and shall be kept secure by the subcontractor. Original itemized documents of business transactions shall be submitted for proper reimbursement of business expenses.

It is advised that subcontractors submitting an Expense Report Form retain copies of the submitted documents until payments are received.

In all circumstances, subcontractors are responsible for their own actions relative to incurring business expenses and accept that responsibility when signing the Expense Report Form. Managers approving the Expense Report Forms for their direct reports are responsible for ensuring that the subcontractor has followed the requirements of this policy.

The Company relies on its subcontractors and management to adhere to this policy. The Company reserves the right to monitor, audit, and review compliance with this policy. Any deviations from the policy will cause delays in the reimbursement process and may result in disciplinary action, up to and including termination. Subcontractors have the responsibility to safeguard Company property and information while traveling.

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COST AWARENESS AND TRAVEL PLANNING

Business travel should be planned and carried out to take full advantage of any special reductions, e.g. frequent travelers, multiple destination, etc. and that will benefit the company.

Travel expenses should apply to business activities only and should be kept to the absolute minimum.

If the cost of a full price ticket is considerably higher than a ticket that requires a Saturday night stay, the company will pay for the lower price ticket, hotel and expenses according to company policy. There is substantial cost savings to the Company when tickets are purchased well in advance. Business travel arrangements should be made in advance and whenever possible multiple meetings/conversions should be arranged in a single trip rather than separate trips. The order of the destinations and routing can make a considerable difference in the cost of the ticket.

TRAVEL AUTHORIZATION

For all business travel, **OUTSIDE OF TERRIORTY**, including training courses, seminars, trade shows, etc.; subcontractors must obtain advance written or email approval prior to purchasing tickets. The published spending approval levels do apply.

AIR TRAVEL

Subcontractors must travel in economy class of service at the lowest rate available. In order to take advantage of the lowest airfares, travel arrangements **should made at least 14 days in advance (if possible)**. Subcontractors must use the air carrier with the lowest airfare if similar time schedule is available.

HOTEL ACCOMODATIONS (detailed receipts are required)

Since hotel rates vary widely in price, subcontractors are expected to use hotels of reasonable cost for the business area. Accommodations must be made at hotels corresponding to the standard of an intermediate class hotel with normal demands on comfort and safety.

Hotel accommodations exceeding $200 per night must have prior approval by a Manager. Any charges over $200 (without pre-approval) will automatically be deducted from a subcontractor's compensation. Exceptions are company sponsored events and tradeshows.

LAUNDRY/DRYCLEANING

Subcontractor will be re-imbursed for laundry and dry-cleaning when trip exceeds 5 business days.

CAR RENTAL

Car rentals are authorized only when determined to be more efficient or cost effective than public transportation, taxis, Uber or other means of transportation. Car rental must be from the agency offering the lowest rate.
Intermediate class car is the standard car rental unless a larger car is absolutely required. Rental of luxury cars (i.e. Lincolns, Cadillacs, etc.) while performing company business is **not** permitted.

Car Rental Insurance –Subcontractors must verify that their personal auto insurance covers rental cars. Verification of this coverage must be provided to CHAIR annually and kept on file. The proper documentation for reimbursement of car rental expense is the invoice from the car rental agency. Credit card receipts, credit card statements, and itineraries will not be accepted.

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USE OF PERSONAL AUTOMOBILE

Although the company does not specifically designate the vehicle you drive it must be a recent model in good condition. You must maintain an insurance policy with a minimum of $100,000/$300,000 Bodily Injury Uninsured Motorist coverage and $50,000 property damage. Proof of insurance will be required annually. Any subcontractor who uses his/her personal vehicle for company business must carry at least his/her state liability and property damage insurance on his/her automobile. The company is not responsible for any expenses related to subcontractor's personal automobile insurance, deductibles, etc.

Ideally, CHAIR subcontractors working travelling from the laboratory in Independence utilize the company car. When driving personal vehicles, travel will be reimbursed $0.40 per mile, and mileage should be recorded weekly, and submitted monthly for reimbursement. With the exception of parking and toll fees, the-per mile rate will cover all vehicle costs including any traffic or parking violation, and costs incurred due to an accident. Mileage should begin once you enter your territory and exit your territory taking travel to work are non-covered miles.

PERSONAL MEALS (detailed receipts are required for reimbursement)

- ***Personal Meals (subcontractor only):***
  - The hotel usually provides breakfast. Subcontractor is to take advantage of this.
  - $50 meal credit to be used on the day of each overnight stay OR (not both) for weekend travel.
  - $35 meal credit per day for remote subcontractors visiting/working in a CHAIR facility (does not include commuters, local or long distance)
  - Tax and tip should include in these amounts.
- Reasonable tips (15%-20% of documented services).

**Any charges over this per person amount (without approval) will automatically be deducted from subcontractor's compensation checks.*

At company sponsored events (trade show, educational program, conference etc.) where meals are served and paid for by the company, no meal reimbursement will be allowed for those meals.

COMBINED BUSINESS AND PERSONAL TRAVEL

If a subcontractor takes a business trip and the trip is extended in time to include personal matters or vacation, the transportation to and from the place of business may be reimbursable business expense. However, if company-related business matters were not the primary purpose of a trip, the transportation costs will not be reimbursed. Generally, if the days on business are less than 50% of the time spent on the trip, the transportation costs should be considered personal. To avoid any misunderstanding these trips must be pre-approved by management.

CUSTOMER GIFTS/FLOWERS

All customer holiday gifts and flowers are coordinated through Customer Relations. General gift giving to customers is to be arranged and approved by the VP of Sales and Customer Relations.

SUBCONTRACTOR GIFTS

Subcontractor gifts are not allowed. Exceptions must have prior approval by VP of Sales and Customer Relations.

NON REIMBURSABLE TRAVEL AND ENTERTAINMENT EXPENSES

- Airline club memberships (Travel memberships, CAA)
- Airline next class of service upgrades
- Travel and accident insurance (some exceptions apply ie. New subcontractors on benefit probation period)
- Passport renewals
- Club memberships (ie. health clubs)
- Medical costs (submit to Company health plan)
- Travel expenses of spouse
- Expense for care of dependents or pets
- Professional liability insurance
- Store memberships (Costco..etc)
- Extra expenses at home while traveling (example: house sitter)
- Hotel movie rentals
- Hotel Spa
- Parking tickets or traffic violation tickets
- The use of private aircraft on company business
- Personal items (including cash) lost, damaged, or stolen
- Cell phone equipment and cell phone accessories
- Computer related expenses without prior approval from the IT department
- Tuition reimbursement without prior approval from the HR department
- Marketing related expenses without approval from the Marketing Department
- Personal breakfast, lunch and dinners above the maximum amounts
- Only expenses submitted with detailed receipts will be accept (credit card statements and/or credit card receipts are not allowed)

MISCELLANEOUS EXPENSES

Any expenses pertaining to Marketing must have prior approval by the Marketing Department (Must include detailed receipt, business relationship and purpose). Any expense without VP of Sales and Customer Relations approval will not be paid.