

# KARAVAN

Welcome to the Karavan team! I am thrilled to have you join us on the exciting journey. Our success is built on dedication, innovation, and a common commitment to excellence. It is not just about the products we create, but about the people who work passionately toward our common goals.

At Karavan, we foster a work environment that encourages creativity, inclusivity, and continuous growth. Engrained in our culture of core values: **Committed, Accountable, Respectful** and **Excellence**, we are committed to providing you with the resources and opportunities needed to excel in your role. This employee handbook serves as a comprehensive guide, outlining our company policies, values, and expectations. I encourage you to familiarize yourself with its contents.

Remember, our success is not only measured by our products or market share, but also by the well-being and satisfaction of our team members. Together we will achieve new heights and set new standards within our industry.

I am excited to work alongside such a talented and diverse group of individuals. Thank you for choosing to be a part of the Karavan Trailers team.

Sincerely,

Doug Clark  
President/CEO



# **Karavan Trailers, LLC**

## **Employee Handbook**

### **COMPANY HISTORY**

Karavan Trailers, LLC (“Karavan” or the “Company”) is a manufacturer of Utility, Industrial, Boat, Watercraft, and other recreational trailers.

Karavan started in Hartford, Wisconsin in 1986, by brothers Mike and Scott Boyd. By 1994, Karavan had outgrown its Hartford facility and moved to a new, state-of-the-art facility in Fox Lake, Wisconsin. Karavan is still headquartered in this location, but has added satellite locations in Lebanon, MO and Reynosa, MX.

In 2020, Southlake Equity Group (SEG), a Texas based private equity firm with history in the trailer industry, acquired a controlling interest in Karavan. SEG is a committed owner and continues to invest resources to assure Karavan has the resources to achieve its goals.

Karavan has grown to be one of the largest recreational trailer manufacturers in the world, with dealers and distributors in the United States, Europe, Japan, and Canada and is the supplier of choice to many household names in the marine, home improvement, and rural lifestyle markets.

### **EMPLOYEE RELATIONS**

We recognize that our strength and growth depend upon each person’s contribution. We believe in good employment practices: fair compensation, challenging work, recognition for contributions, safe working conditions, and opportunity for advancement. We maintain an open-door policy, where each employee has the right to discuss concerns about working conditions with any member of administration or management.

### **QUALITY POLICY**

Our mission is to bring to market the highest quality, most cost-effective product that will exceed our customers’ expectations and needs. We believe that happy, healthy, and well-trained employees are the key to achieving this.

### **EQUAL EMPLOYMENT OPPORTUNITY**

Karavan is an equal opportunity employer. We follow all employment laws concerning applicants for employment and employees. We are committed to ensuring that qualified applicants and employees are given every opportunity for equal employment, training, and promotion, regardless of race, color, age, religion, gender, national origin, handicap, disability, and any other basis protected by state or federal law.

### **HARASSMENT**

We strive to provide a work environment free of discrimination and harassment. Harassment of any kind, including but not limited to race, color, age, religion, gender, national origin, handicap, disability, gender, sexual orientation, marital status, veteran status, will not be tolerated.

If you believe you have been subjected to harassment, make it clear to the offender that such behavior is offensive to you and immediately bring the matter to the attention of the appropriate manager and/or the Human Resource Department.

## **EMPLOYMENT STATUS**

Your employment relationship with Karavan is that of an employee-at-will and is entered into voluntarily. Your at-will status with Karavan may only be altered in a written agreement between you and Karavan. At-will employment means that you or Karavan are free to end the employment relationship at any time, for any or no reason, with or without cause or advance notice. The first 90 calendar days after your hiring are considered probationary. During this time, employees learn about their job, gain proficiency, and get an idea as to whether they are suited for their work. Karavan uses this time for evaluation of the employee's skills, attitude, and working habits.

## **EMPLOYEE CLASSIFICATIONS**

Full Time – 40 hours per week

Part Time – at least 20 hours per week

## **JOB POSTING PROCEDURE**

When there is a job opening, a job-opening posting will be posted on the bulletin boards for five workdays. If you are interested in signing up for the job, you should sign the posting.

## **EMPLOYEE REVIEWS**

The performance of a new employee is reviewed at the end of 90 calendar days of service, and thereafter annually. You and your supervisor will discuss your performance, areas of commendable service, and areas that require attention or improvement. However, the 90 day review is not necessarily a compensation review, and should not be thought of as such.

## **WORK PERFORMANCE**

All employees are expected to satisfy the levels of performance needed for which they are employed. Employees who do not satisfy the levels or performance expected by Karavan, who show deficient performance, or who are unable to collaborate with other employees may be disciplined, up to and including termination.

## **HOURLY ATTENDANCE POLICY**

Regular attendance is extremely important. Each employee, upon acceptance of employment, assumes a duty to come to work during regularly scheduled work hours plus overtime (mandatory or voluntary) and remain at work as scheduled. Employees who must be late or absent from work are expected to report all absences or tardiness by telephoning: **920-928-4100**

When calling in, you should give the following information:

- Your name
- Reason for absence or tardiness
- Expected arrival time or date of return
- Clock number
- Department/Supervisor

Calls must be made before the start of your shift.

Employees who have knowledge that they will be absent should notify their supervisor before their absence or request paid time off for such absence.

Karavan has adopted a Points-Based, No-Fault Attendance system.

Excused absences must be pre-approved by your supervisor, will be determined on a case-by-case basis, and will consider situations like funerals, jury duty, military leave, and leave of absence. Excused absences, or absences which fall within the guidelines of the Family and Medical Leave Act, carry no Point value. Tardiness and all other absences are subject to a point system as defined below:

- Each late in (Tardy) or early out shorter than up to ½ hour equals ½ Point
- Each late in (Tardy) or early out longer than ½ hour equals 1 Point
- Each Absence equals 1 Point (If an employee is absent two or more consecutive days, but calls in daily and, upon returning to work, brings a doctor's note, it will be considered 1 Point)
- Failure to report absence to the call-in number may be treated as a No Call, No Show, which equals 2 Points
- Failure to call in on two consecutive workdays is voluntary resignation from employment at Karavan

Points will drop off your Attendance Record one year from date of occurrence. If you have perfect attendance for 30 days, 1 Point will drop off your record after such 30 day period.

#### *PROGRESSION OF DISCIPLINE*

- 5 Points – Verbal Warning
- 6 Points – Written Warning
- 7 Points – Final Warning
- 8 Points – Termination

During your probationary period, you are allowed only two unexcused absences. A third absence would be grounds for termination.

This attendance policy applies to full-time and part-time employees.

## **TIME CLOCK**

Your time record is important. To protect this record, it is necessary that you clock in and out each day. Under no conditions are you allowed to clock another employee in or out.

Anyone caught clocking another individual in or out will be subject to discipline, up to termination, depending on the circumstances surrounding the violation of this policy.

## **SHIFT PREMIUM PAY**

Employees who work second or third shift are eligible for a shift premium as determined by the Company from time to time.

## WORKER'S COMPENSATION

While employed at Karavan, all employees are covered by worker's compensation insurance purchased by the Company. This insurance provides, in cases of on-the-job injuries only, compensation for medical and hospital expenses, time lost from work, and partial or total disability.

In an accident or near-accident, you are expected to immediately notify your supervisor or lead person. Failure to follow this procedure will result in disciplinary action, up to and including termination.

Any incident that results in immediate professional medical care, Karavan will require a drug and alcohol screening.

## OVERTIME

When overtime is requested by posted notice or through contact with your supervisor, you are expected to work. One and one-half (1½) times the regular straight time hourly rate will be paid to employees for all hours worked more than 40 hours per week. No PTO or other paid time off will be counted towards calculating overtime.

## PAID HOLIDAYS

All employees are entitled to their normal compensation (subject to customary deductions) on each holiday that Karavan observes. Karavan currently observes the following holidays each year:

New Year's Day	Memorial Day	Independence Day
Thanksgiving Day	Christmas Day	Labor Day

If a holiday falls on a Saturday or Sunday, the Company, at its option, shall declare the proceeding Friday or the following Monday as the paid holiday. You are eligible for holiday pay after 90 calendar days of employment. An unexcused absence from work on the scheduled workday immediately preceding or following the scheduled paid holiday will disqualify you from the holiday pay.

## PAID TIME OFF

Each full-time employee is given PTO hours as specified in the table below which accrue annually on such employee's hire date and on each anniversary thereafter while such employee is employed by the Company.

Years of Continuous Service	Hours Accrued per Pay Period	Hours Accrued During Full Year
Before 1st anniversary of hire	2.46 (starts on hire date)	64
After 1st anniversary of hire but before 3rd anniversary of hire	3.08	80
After 3rd anniversary of hire but before 6th anniversary of hire	4.00	104
After 6th anniversary of hire but before 10th anniversary of hire	5.54	144
After 10 <sup>th</sup> anniversary of hire	7.08	184

Employees with perfect attendance from January 1 until June 30 in any year of employment will earn an extra eight hours of PTO. Employees with perfect attendance from July 1 until December 31 in any year of employment will earn an extra eight hours of PTO. Up to 40 hours of accrued **but unused** PTO as of December 31 of any year may be rolled over into the next calendar year. Any accrued but unused PTO in excess of 40 hours as of December 31 of any year may not be rolled over into the next year and will be permanently lost.

Upon the voluntary or involuntary termination of employment, (i) any unearned PTO that was used in the year of the employee's separation from Karavan will be deducted from the employee's final paycheck and (ii) the employee is not entitled to compensation for any earned but unused PTO during such year (provided that the Company may, in its sole discretion, pay some or all of such compensation).

## **EDUCATION**

Karavan encourages educational and technical improvements relating to employee's current or possible upgraded position. At the Company's discretion, educational reimbursement will be evaluated upon completion of an education course or training program.

## **BENEFITS**

### *GROUP HEALTH INSURANCE*

Karavan offers health coverage for you and your dependents. You are eligible for health insurance after you complete a 60 calendar day period. At least two weeks before the eligibility date, you should report to the Human Resources Department to complete the necessary insurance forms or to voluntarily elect to waive coverage.

The Company pays a portion of the health insurance and the remaining portion the employee pays through a bi-weekly payroll deduction. Employee contributions for coverage are made before taxes. This means employee costs are made through payroll deductions before F.I.C.A. (Social Security) and federal and state income taxes are calculated and withheld. Employee contributions are deducted from the paychecks bi-weekly.

### *CONTINUATION OF COVERAGE (COBRA)*

Employees may continue health coverage under the Consolidated Omnibus Budget Reconciliation Act by paying 100% of the insurance premiums.

### *DENTAL/VISION PROGRAM*

Regular, full-time employees and their dependents are eligible for Dental and Vision coverage after completion of a 60 calendar day period. These programs are strictly voluntary and 100% paid for by the employee.

### *401(k)*

Regular, full-time employees are eligible to take part in the Company's 401(k) plan once they have completed six months of service. Eligible employees can make contributions to the Company's 401(K) plan on a pre-tax basis. Contributions will be made through payroll deductions.

## **LEAVE OF ABSENCE FOR MILITARY SERVICE**

All eligible employees who become members of the armed forces of the United States shall be granted a military leave of absence related to military training and service. All military leaves of absence, and related issues of benefits, compensation, and reemployment, shall be determined in accordance with all applicable state and federal laws governing such matters.

Employees should give notice to their supervisor of their military service absence as soon as they have knowledge.

## **LEAVE OF ABSENCE FOR PERSONAL REASONS**

If a personal reason of a justifiable nature causes an employee to desire time off from the job, the circumstances should be explained to the employee's supervisor. A leave of absence for personal reasons may be granted for a worthy cause at the sole discretion of the Company. An employee will be expected to return to work upon the expiration of the leave as granted, and failure to do so will result in termination from employment.

## **FAMILY AND MEDICAL LEAVE**

The Family and Medical Leave Act of 1993 (FMLA) provides certain employees unpaid, job protected leave in a 12-month period.

Employees who have (i) worked for the Company for at least 12 months; (ii) have at least 1,250 hours of service in the 12 months before taking leave; and (iii) work at a location where the Company has at least 50 employees within 75 miles of the employee's worksite, are eligible for the following reasons: The birth of a child or placement of a child for adoption or foster care (leave must be taken within 1 year of the child's birth or placement); to care for the employee's spouse, child, or parent who has a qualifying serious health condition; for the employee's own qualifying health condition that makes the employee unable to perform the employee's job; and for qualifying exigencies and care related to certain military members who are related to the employee.

Eligible employees may request up to 12 weeks of unpaid FMLA leave during a 12-month period, except that employees seeking military caregiver leave may request up to 26 weeks of unpaid leave in a single 12-month period. For all leave under the FMLA except for military caregiver leave, the 12-month period is a "rolling" 12-month period measured backward from each day that leave is taken. Later 12-month periods begin the first time the employee takes FMLA or PFL leave after completing any previous 12-month period.

Family and medical leave may be taken intermittently or part-time. An employee requesting part-time or intermittent leave may be required to transfer temporarily to an alternative position, which better accommodates his/her leave.

FMLA leave is generally unpaid, except that employees will be required to use all accrued sick and personal days to the extent that such leave is available for the particular qualifying event and the FMLA leave would otherwise be unpaid.

During an approved leave under the FMLA, the employee will remain covered under the Company's group health plans on the same terms and conditions as coverage would have been provided had the employee not been on leave. As such, an employee is required to continue paying the employee's portion of the cost of coverage during any leave under the FMLA (unless an employee elects not to continue any of the employee's medical or other group insurance coverages).

For any leave, an employee must give 30 calendar days' advance notice of the need for FMLA leave, if possible, before the date the leave is to begin. Employees should make a reasonable effort to give their supervisor advance notice in a reasonable and practical manner and to schedule planned medical treatment so as not to unduly disrupt the operations of the company.

An employee who requests leave under the FMLA may be required to complete a certification and/or submit additional documentation to support the request for leave. Employees should contact the Human Resources Department for copies of the necessary forms to take leave under the FMLA.

The policies and guidelines stated in this policy shall be subject to such other terms and conditions as are provided in the FMLA, its implementing regulations, and any other applicable federal, state, and local leave laws.

Employees who have questions about their FMLA rights should contact the Human Resources Department.

## **JURY SERVICE**

The Company recognizes the value of good citizenship. When employees are called for jury service, they will be paid by the Company for their regular wage or salary less jury pay after presentation of proof of jury service, for up to five days. To receive jury pay, an employee must give the company prior notice that they have been summoned for duty. If an employee is on jury duty but is not picked to serve on a particular jury or completes his jury duties prior to the end of his normal workday, you should report such facts and report to your immediate supervisor and return to work that day.

## **FUNERAL LEAVE**

Up to three days off with pay will be granted in the event of a death in the immediate family of a regular full-time employee who has completed the Company's 90 calendar day probationary period. Proof of relationship and death may be required.

The immediate family is defined as the employee's spouse, children, parent, grandparent, grandchildren, brother, sister, mother-in-law, and father-in-law. Any other family member or friend not listed above will be allowed one day off excused, without pay.

## **HUMAN RESOURCE RECORDS**

The Human Resource Department keeps confidential and complete records for each employee. Any change in your marital status, number of dependents, address, telephone number, or any other relevant information should be reported promptly.

## **LUNCH AND BREAK PERIODS**

A one-half hour unpaid lunch period (specific time to be determined by supervisor and department) is provided daily to each employee when more than six hours are worked during such day.

Employees will be given a 15 minute break in the first half of their shift and a 10 minute break in the afternoon to be taken as determined by their supervisor. Employees must adhere to the defined lunch and break periods.

## **BULLETIN BOARDS**

Special notices and other important work information, including job openings, are posted on the Company's bulletin board. From time-to-time, important announcements are made concerning Company policy, organization, and procedures. It is to your advantage to view the bulletin boards regularly.

## **EMPLOYEE SUGGESTIONS**

We know that because of their experience and knowledge, employees can offer ideas that will drive them to improve and create job satisfaction. Your suggestions for ways to improve efficiency, working conditions, and other business-related suggestions are always welcome. We have provided multiple suggestion boxes in the facility for your use or discussion with your supervisor and/or the Human Resource Department.

## **CELL PHONES**

Our company recognizes the importance of cell phones for communication and convenience, but we also have a responsibility to maintain a safe and efficient work environment. That is why we have implemented a cell phone policy for the shop floor that requires employees to limit their cell phone use to the minimum necessary. Employees may use their cell phones during designated break times or for urgent matters. Employees who violate this policy will be subject to disciplinary action, up to and including termination.

## **VISITORS**

We are proud of our plant and building grounds, however, for safety reasons, unless authorized, visitors must register with the receptionist, display identification, and sign in and out while on Company property. Visitors to the building must abide by all safety rules which include safety glasses and proper PPE where required.

## **HOUSEKEEPING**

In a business, "housekeeping," means more than the word implies elsewhere. It means a workplace that is neat, clean, and free of articles not being used. It means keeping equipment clean and in proper places, disposing of waste in proper containers, and storing materials and equipment in an orderly manner and in designated places only. By practicing good housekeeping, employees are contributing to the safety program. Like safety, the maintenance of good housekeeping is the daily personal responsibility of each employee.

## **PERSONAL APPEARANCE**

Karavan believes that our employees are the face of the Company, and their appearance can create lasting impressions. Therefore, we expect all employees to maintain a professional and neat appearance proper for a manufacturing and related office environment.

- **Safety First:** Given the nature of our work, safety should be your primary concern. Always wear safety gear such as helmets, gloves, and safety shoes as required. Loose clothing, jewelry, or long hair should be properly secured to avoid accidents.
- **Hygiene:** Good personal hygiene is essential. Please ensure you are well-groomed and free from offensive body odor.

- **Tattoos and Piercings:** Visible tattoos and piercings are allowed if they are not offensive and do not pose a safety risk.
- **Footwear:** Closed toe and non-slip shoes are mandatory. They should be well-maintained and suitable for a manufacturing environment.

Remember, your personal appearance represents Karavan as much as your work does. Let us take pride in how we present ourselves. If you have questions about the dress code, consult your supervisor or the Human Resources Department.

## **INVESTIGATION POLICY**

At Karavan, we are committed to providing a safe, healthy, and productive work environment. This commitment extends to our stance on drugs and alcohol:

- **Zero Tolerance:** We have a zero-tolerance policy for the use, abuse, possession, solicitation, distribution, or sale of illegal drugs in the workplace, during work hours, or while representing Karavan.
- **Alcohol:** Consumption of alcohol during work hours is prohibited. Exceptions may be made for company-approved events, but moderation is expected.
- **Prescription Medication:** Employees using prescription drugs that may impair their ability to perform their job safely must notify their supervisor or the Human Resources Department.
- **Testing:** We reserve the right to conduct drug and alcohol testing under certain circumstances, such as post-accident, reasonable suspicion, or as part of a pre-employment screening.
- **Assistance Program:** We encourage employees struggling with drug or alcohol abuse to seek help. Confidential resources are available through our Employee Assistance Program.

Violation of this policy may result in disciplinary action, up to and including termination. If you have any questions about this policy, please consult with your supervisor or the Human Resources Department.

## **WEAPONS POLICY**

At Karavan, the safety and security of our employees and visitors is a top priority. To ensure a safe and secure workplace, we have established the following policy regarding weapons:

- **Prohibition:** The possession, use, or threat of use of any weapon is strictly prohibited on company property, including parking areas and company vehicles, during work hours, or while representing Karavan.
- **Definition of Weapons:** Weapons include firearms, knives (excluding small pocketknives and tools used for job duties), explosives, and any other items that may cause harm.
- **Exceptions:** Exceptions to this policy may be made for firearms carried by the Company's duly licensed security personnel or duly licensed firearms used for the sole purpose of hunting animals (which may not be stored, carried, or used inside the Company's offices or factory but may be stored in employee vehicles

to the extent permitted by law). Exceptions must be approved in writing by the Human Resources Department.

- **Reporting:** Employees are encouraged to report any violations of this policy to their supervisor or the Human Resources Department immediately. Reports can be made anonymously, and all reports will be investigated promptly and thoroughly.
- **Consequences:** Violation of this policy may result in disciplinary action, up to and including termination.

This policy is designed to ensure the safety of all employees. If you have any questions or concerns about this policy, please contact your supervisor or the Human Resources Department.

## **CONDUCT**

At Karavan, we are committed to fostering a culture of integrity, respect, and professionalism as described our Karavan Values. We expect all our staff to adhere to the following:

- **Respect and Fairness:** Treat all individuals with kindness, respect, and fairness. Discrimination, harassment, or bullying of any kind will not be tolerated.
- **Integrity:** Act honestly, ethically, and responsibly in all business dealings. This includes complying with all laws, regulations, and company policies.
- **Confidentiality:** Protect the confidentiality of company information and that of our customers and partners. Do not disclose confidential information unless required by law or authorized by management.
- **Conflict of Interest:** Avoid situations that may create a conflict of interest. If such a situation arises, disclose it to your supervisor or the Human Resources Department immediately.
- **Workplace Safety:** Comply with all safety rules and regulations. Report any unsafe conditions or behavior to your supervisor or the Human Resources Department.
- **Professionalism:** Always keep a high standard of professionalism. This includes dressing appropriately, being punctual, and using company resources responsibly.

Violations of this Code of Conduct may result in disciplinary action, up to and including termination. If you have any questions or concerns about this Code of Conduct, please contact your supervisor or the Human Resources Department. We are all responsible for upholding this Code of Conduct and contributing to a positive work environment.

## **WORK RULES, DISCIPLINE AND DISCHARGE**

At Karavan, we believe in keeping a safe, respectful, and productive work environment. To ensure this, we have established the following workplace rules:

- **Attendance:** Employees are expected to be punctual and regular in attendance. If you are unable to attend work, please notify your supervisor as soon as possible.
- **Workplace Behavior:** All employees should conduct themselves professionally. This includes treating others with respect, performing assigned tasks efficiently, and keeping a clean and organized workspace.
- **Safety:** Adhere to all safety guidelines and procedures. Report any safety concerns to your supervisor immediately.
- **Use of Company Property:** Company property, including equipment, vehicles, and supplies, should be used responsibly and only for legitimate business purposes.

Violation of these rules may result in disciplinary action. The specific action will depend on the nature and frequency of the violation, and may include:

- Verbal Warning: The supervisor will discuss the issue with the employee and provide guidance on correcting the behavior.
- Written Warning: If the issue persists, the employee will receive a written warning detailing the problem and the necessary corrective action.
- Suspension: For more serious or repeated violations, the employee may be suspended without pay.
- Termination: In extreme cases, or if the employee does not correct their behavior after previous disciplinary actions, termination of employment may be necessary.

Please note that we reserve the right to bypass any step in this process depending on the situation's severity. If you have any questions about these rules or the disciplinary process, please contact your supervisor or the Human Resources Department.