



**TRAVEL POLICY &
EXPENSE REIMBURSEMENT
PROGRAM**



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The individual sections of this document apply to all employees unless otherwise noted.



Travel Policy & Expense Reimbursement Program

Section 1 - INTRODUCTION & PURPOSE

Welcome to the Sleepy's Travel Policy and Expense Reimbursement Program!

This manual is designed to provide information that helps you make business travel plans and submit your requests for business expense reimbursement quickly and efficiently.

It is the responsibility of every individual who travels on behalf of Sleepy's to read and understand all policies and limitations associated with company travel and comply with them. Please read all provisions of this manual and seek clarification on any point you do not understand. It describes many of your responsibilities and outlines the procedures necessary to facilitate secure and timely travel arrangements while providing the financial controls required to safeguard our company's assets. Our objective is to empower our employees to meet their business travel needs on behalf of Sleepy's and to deliver quality products and services to our customers.

The purpose of this policy is to define legitimate and necessary business expenses which meet both company and Internal Revenue Service requirements; to set procedures for incurring, authorizing and approving expenses; to provide for common and equitable handling of business travel and entertainment expenses in all areas of the company; and to provide instructions for uniform reporting and substantiation of expenses incurred.

No T&E manual can anticipate every circumstance or question. As the company continues to grow, we will revise, supplement, or rescind any policies or portion of this manual as the company deems appropriate.

Again, we welcome you to the T&E Program!

Sincerely,

The Accounts Payable Team & Corporate Travel Desk

Section 2 - DEFINITIONS

authorized travel approver (“Approver”)	Person designated by a company Vice President or Executive Team Member to be responsible for overseeing and permitting departmental travel bookings made as described in this policy, as well as determining when it may be appropriate to go outside of this policy.
away from home	For business expense purposes, “home” is defined as the person’s regular place of business, NOT his/her personal residence. Travel expenses qualify as business expenses only if the traveler is ‘away from home’ at a temporary work site. For showroom staff including but not limited to Mattress Professionals, Sleep Counselors and Showroom Managers, this is defined as your regular region, county, or borough you are scheduled to work within.
the company	The entire organization doing business as Sleepy’s, LLC; Mattress Discounters and all its affiliates.
employee	Any person performing a service for, doing business for and/or working for the company whether on a part-time, full-time, permanent or temporary basis.
entertainment	Any activity performed when an employee hosts other Sleepy’s colleagues, established or perspective customers, contractors, clients, agents, suppliers, partners and professional advisors for the purposes of generating or maintaining a business relationship. This includes items such as business meals; sporting, concert, or theater tickets; and other event tickets or entrance fees.
domestic travel	Travel among any of the United States, its possessions and territories.
international travel	Travel to, between or within countries outside the United States and any U.S. possession and territory.
Incidentals	Minor expenses include hotel laundry service, postage, parking, baggage fees, etc.
official business travel	Travel on approved company business between “home” (i.e., regular place of business) and another destination. Travel between one’s personal residence and one’s regular place of business is considered commuting, not official travel.
ordinary, necessary and reasonable expense	An expense is ordinary if it is normal and customary. An expense is necessary if it is appropriate and helpful to the business. An expense is reasonable if a prudent person would incur the expense in similar circumstances.
per diem	Pre-determined meal reimbursement rates issued for each day an employee is away from home (as defined above) on company business.
proof of payment	Documentation that reflects date, amount and payment made (cash register receipt, credit card receipt, a bank or credit card statement or a cancelled check).
original receipt	Receipts are any written acknowledgement that goods or services have been received. Original receipts are any receipts that are not photocopies, facsimiles, scans, photographs or other duplicated or digital representation of the receipt.
university trainee	Any Mattress Professional, Sleep Counselor or other position required to attend company university classroom training.
traveler	Any person who travels on behalf of the company for official business. All travelers must adhere to all policies outlined in this manual. Failure to comply can result in the suspension from the T&E program as well as disciplinary actions up to and including termination of employment.

Section 3 - CODE OF CONDUCT

The Code of Conduct for the Sleepy's Travel Policy and Expense Reimbursement Program is designed to provide the participant with a philosophy and set of guidelines to follow when traveling on official company business.

Travel

Travel will be paid for or reimbursed for official company business only. Each traveler is expected to find the most cost-effective and reasonable *method* of travel. Funds expended for travel should be done in a prudent manner and an individual traveling for company business should neither lose money nor profit from any reimbursement.

Authorized Travelers & Travel Approvers

Only company employees have the authorization to travel and incur expenses for official business travel. The company will not pay for or reimburse travel/entertainment for spouses, family members, pets or other companions traveling with the employee. Under the guidance of the departmental Vice President (VP) or above, only an authorized travel approver ("Approver") may request, authorize and approve travel expenditures. Non-employees such as contractors or consultants who have a written agreement with Sleepy's will be subject to the policies or guidelines within that agreement regarding travel, compensation and expense reimbursement.

Compliance with Company Policies

All travelers must adhere to company policies as outlined in the Employee Handbook when traveling on company business.

Personal Travel

Personal travel may be combined with business travel provided there is no additional cost to the company and advance approval has been obtained from the employee's Approver.

Rates

Employees are expected to select the lowest rates/fares available to them. When this is not appropriate due to other company needs as determined by the employee's Approver, authorization to book a higher rate must be provided.

Purchase Restrictions

The purchase of products, services or commodities not authorized in this manual is strictly prohibited. Check with your department Approver if you have any questions about whether a charge is valid under the program. All dollar value purchase limits will be adhered to under the program and any splitting of transactions to avoid authorized limits is strictly prohibited.

Required Documentation

All expenses incurred when traveling on official company business must be properly documented for, and any altered or forged documentation is strictly prohibited.

Travel Charge Disputes

If a disagreement occurs with a hotel, transportation agency, restaurant or other business, the employee should make every effort to reach a reasonable settlement to the dispute and then inform their Approver.

Section 4 - REIMBURSABLE & NON-REIMBURSABLE EXPENSES

Items listed below are reimbursable only as outlined in this manual or when authorized by an Approver.

REIMBURSABLE EXPENSES

- Air freight and postage for time sensitive work-related documents
- Baggage fees
- Business entertainment meals and activities including gratuity (excludes individual employee meals)
- Business office supplies/services required while traveling (fax, copy, printing services)
- Gas purchased to refill a rental vehicle to its starting levels
- Ground transportation to/from flights, hotels, or work sites
- Hotel laundry services
- Internet connection services when traveling if required for business purposes
- Per Diem meal reimbursement
- Personal vehicle mileage
- Professional membership dues when required by the company
- Seminar/Conference attendance fees and educational courses
- Tolls and parking (not including home office parking)

NOTE: Airfare, car rental, hotel, long-distance rail and limousine expenses are set up to be directly billed or charged to the company. They will only be reimbursed under extenuating circumstances when direct payment by the company is not possible and with written permission from an Executive Team Member.

NON-REIMBURSABLE EXPENSES (including but not limited to)

- Airline, hotel, rental agency or other travel club membership fees or miles redeemed
- Annual fees for personal credit cards
- Athletic facilities
- Auto rental insurance, baggage insurance or general travel insurance
- Baby-sitting and childcare services
- Clothing
- Club memberships such as Costco, Sam's Club, BJ's, etc.
- Credit card delinquency fees or finance charges
- Expenses for travel companions or family members
- Expenses related to vacation, personal days or other paid time off while on a business trip
- IT hardware and software
- Loss or theft of personal funds or property
- Magazines, books, newspapers, subscriptions (unless required for business purposes)
- Meals except as outlined in the entertainment and *per diem* sections of this policy
- Movies including in-flight entertainment and hotel in-house movies
- No-show charges for flights, hotels, rail, car rentals or limo/taxi service
- Parking/traffic tickets or fines
- Personal toiletries
- Pet care
- Sporting events when not part of business entertainment
- Shoeshine services
- Souvenirs or personal gifts
- Tobacco products & alcohol
- Upgrades to airfare, hotel rooms or rental cars
- Any other miscellaneous airline, car rental or travel fees without prior authorization from an Approver

Section 5 - POLICY DESCRIPTION & LIMITATIONS

Employees may only make travel or entertainment arrangements when instructed to do so by their Approver. **When such instruction is received, the following accommodations/expenditures may be booked, charged to the company and/or reimbursed ONLY as follows:**

AIRFARE / TAXI / BUS / RAIL / FERRY

- When determined by the employee and his/her Approver to be the least costly or most efficient method of travel. Employees may only travel in coach/economy class unless permitted by their Approver. Business and First class cabins may be booked without approval on long-distance rail carriers only.

BAGGAGE FEES

- When imposed by the air or rail carrier and when the weight or dimensions of the employee's baggage requires it to be checked under the carrier's policies. A maximum of one bag per person will be reimbursed. Additional fees for overweight or oversized baggage will not be reimbursed unless the item(s) are being transported at the request of the company. Baggage is the responsibility of the traveler and the transportation service provider; therefore lost or damaged items are not the responsibility of Sleepy's to replace or reimburse.

ENTERTAINMENT

- When conducting company business and when approved in advance by the employee's Approver.

HOTEL ROOMS

- When an employee must travel for official business to a location in excess of 60 miles one-way from their usual work location and the reason for their travel requires consecutive days of attendance at that location. Each employee is entitled to his/her own individual room. The company will cover only the cost of the hotel room and associated taxes. Any incidental charges or damages will be the responsibility of the traveler.

HOTEL LAUNDRY SERVICE

- When traveling seven calendar days or more consecutively, a \$20 maximum per seven day period will be reimbursed.

GAS CREDIT CARDS FOR COMPANY VEHICLES

- When charges are for your corporate vehicle and are for business purposes only.
- When charges are for regular gas only – no higher grade gas or other purchases allowed.

LIMO SERVICE

- When special circumstances warrant it as determined by and authorized by the employee's Approver.

MEALS (for individual employees)

- When traveling away from home on approved company business. Employees are eligible for meal reimbursement using a *per diem* structure **ONLY** and will receive either a half-day *per diem* or a full day *per diem* meal reimbursement as follows. Tips are considered included in per diem and are not reimbursable.

Away from home 12 hours or less = \$25.00 per half-day

Away from home more than 12 hours = \$50.00 per full day

Please see the Section 2 for the definition of "away from home" and Section 11 for instructions on how to request reimbursement.

Section 5 Continued - POLICY DESCRIPTION & LIMITATIONS

MILEAGE

- When an employee must travel outside the scope of their normal commute for business purposes and personal car usage is less costly than any other form of transportation. Reimbursement is limited to the miles traveled in excess of the employee's usual daily round trip commute from their residence to their usual work area. Mileage is reimbursed at the rate of \$0.45 per mile and it covers gas usage, maintenance, insurance and depreciation of the vehicle. Unless otherwise authorized, every employee must supply directions from MapQuest, Google Maps or any similar site showing the distance along the route for which they are requesting reimbursement. Please see Section 11 for further information. Employees with a monthly car allowance or company gas card are not eligible for mileage reimbursement. Showroom staff including Mattress Professionals, Sleep Counselors and Showroom Managers are only eligible for mileage reimbursement when traveling in excess of 50 miles one-way from their personal residence to their assigned work site. Only the mileage driven over this 50 mile limit will be reimbursed and directions showing the route driven are still required.

PARKING FEES

- At airports, when less costly than round trip taxi service.
- At hotels, when imposed by hotel policy.
- At garages/lots/metered sites when no other means of parking is available.

RENTAL CARS

- When traveling by air, long-distance rail or ferry to a temporary work location and the cost of renting a car is less than the cost of any other form of transportation.
- When the cost to rent a car is NOT less than mileage reimbursement for the route of travel, employees who prefer to use a rental car anyway will only be paid for the equivalent cost of the mileage. Any costs above that will not be reimbursed. **In this situation the employee must book and pay for their rental on their own (not through AAA/Concur) and then request reimbursement only for the allowable mileage.**
- When attending a multi-day conference or other business event and the employee cannot obtain lodging at the same site as the event or within walking distance of it.
- Rental insurance is not covered or reimbursed as the company maintains its own auto rental policy.

TIPS & GRATUITY

It is customary to tip for restaurant or hotel meal service, and transportation with the following caps:

- Meals (for entertainment meals only, apart from per diem) - 15% of the total bill
- Taxis – 15% of the total fare
- Limos – 20% of the total fare when gratuity is NOT included in the cost of the ride

TOLLS

- When required by the most efficient route taken for company business and the employee does not have a company-issued electronic toll collection device and is not using a rental car agency-issued device. In those instances the tolls are being paid for by the company through other avenues.

For Policy Description & Limitations that apply to university trainees, please see Section 7.

Section 6 - PROCEDURES FOR MAKING TRAVEL ARRANGEMENTS

Travel agency services have been contracted through the corporate travel services department of AAA and their online booking partner, Concur Solutions. The purpose of this is to ensure employees traveling on behalf of Sleepy's are doing so in the most cost-effective and time-efficient manner, as well as reduce the amount of travel reimbursement requests. AAA/Concur is a full-service travel agency capable of making arrangements for air travel, rental vehicles, long-distance rail and hotel rooms 24 hours a day / 7 days a week via phone or internet. **AAA/Concur is currently the only approved provider of business travel arrangements authorized by Sleepy's. All travel for company business must be processed through the AAA/Concur system unless authorized in writing by an Executive Team Member. Expenses for travel not arranged through AAA/Concur will NOT be reimbursed without this approval.** Large conference or meeting groups will be booked directly with the hotel to avoid excessive booking fees. The Corporate Travel Desk should be contacted for assistance when group bookings are required.

In order to make arrangements through the AAA/Concur system, each employee of Sleepy's authorized to travel must first register with AAA and then create an online traveler profile. **AAA Registration Instructions and a Concur Travel User Guide are available on the Portal.** The profile must be built and maintained by the employee or his/her designee. Once a profile has been created, reservations may be made by the employee or his/her administrator by calling AAA or by using the Concur website. Travel arrangements for non-employees traveling on behalf of the company, whose expenses will be paid for by the company, must be made through this program by a company employee as a "Guest Traveler." Instructions for both registering with AAA/Concur and for booking Guest Travelers are available on the Travel section of the Portal. **Please note it is the company's preference that reservations are made using the employee self-service option on the Concur website.** Contact information is below:

CONCUR WEBSITE: www.concursolutions.com

PHONE NUMBERS: AAA Domestic Desk 1-800-468-4509
 AAA International Desk 1-888-214-4340
 AAA Technical Support Desk 1-877-463-0543

There may be circumstances when reservation assistance is needed. When these situations arise, the Sleepy's Corporate Travel Desk is available to help during regular business hours (Monday-Friday 9:00 AM to 5:00 PM) at CorporateTravel@mattress.com or 516-861-7373. In order for your request to be processed, you must have a Concur profile already created and you must provide a completed Travel Request Form. These forms are available in the Travel section of the Portal. Outside of these hours, all travel arrangements must be made directly with AAA/Concur.

Please contact AAA/Concur as soon as you have been authorized to travel and have confirmed your accommodation needs. **All travel arrangements should be made at least 10-14 days in advance to secure the most cost-effective rates available.** Any booking made less than 10 days before the start of a trip is considered emergency travel and will require authorization from the employee's Authorized Travel Approver.

Upon booking travel through AAA/Concur, a confirmation email with all reservation details will be sent to the traveler and his/her Approver. The Approver is responsible for reviewing the items booked to ensure they were authorized. **If unauthorized travel has been booked, the Approver will instruct the employee to void all or part of the reservation and may take additional disciplinary action as appropriate.** A list of the Approvers assigned to each department is available on the Travel section of the Portal.

NOTE: *The AAA/Concur program is for business travel bookings only. Personal travel may not be booked through this program unless it is combined with approved business travel, authorized by an Approver and meets the guidelines noted in Section 3.*

For Procedures for Making Travel Arrangements that apply to university trainees, please see Section 7.

Section 7 – EXCEPTIONS FOR UNIVERSITY TRAINEES ONLY

This section DOES NOT apply to any other employee besides university trainees. Any employee who is required to travel to attend company university classroom training is subject to the same policy limitations and booking procedures stated in this document EXCEPT AS FOLLOWS:

Policy Description & Limitations

HOTEL ROOMS

Trainees will be provided a hotel room when residing in excess of 60 miles one-way from their training facility. Rooms will only be provided during the classroom training portion of the university learning and not during on-site showroom training. Rooms will be reserved starting on the first day of class unless the trainee resides in excess of 250 miles one-way from the training site. In those cases, hotel rooms will be reserved starting the evening before the first day of class unless otherwise authorized by the Approver.

MILEAGE & OTHER TRANSPORTATION

Trainees will be reimbursed for mileage when using a personal vehicle and the driving distance from their personal residence to the training location is more than 60 miles one-way. Mileage will be reimbursed only for the distance driven beyond this 120 mile round trip daily limit. Mileage for travel between the trainee's hotel and training facility is not reimbursed. If a trainee uses any other form of transportation to travel to their assigned classroom training location (including but not limited to: air, rail, taxi, bus), they will only be eligible for mileage reimbursement for the cost equivalent of the driving distance between the trainee's home and training center. The distance limitations previously stated will apply. *For example*, if a trainee resides 200 miles round trip from the training site but books a flight instead of driving, he/she is only eligible for mileage reimbursement for the excess 80 miles total that would have been driven. Unless otherwise authorized, every trainee must supply MapQuest directions showing the distance along the route for which they are requesting reimbursement. Please see Section 11 for further information on submitting expenses. Airfare and rental car reservations will be arranged, charged to the company or reimbursable to the trainee **ONLY** under extenuating circumstances and at the discretion of the Approver.

TOLLS

Trainees will be reimbursed for toll costs incurred between their place of residence and the classroom training facility **ONLY**. Original receipts will be required for reimbursement.

MAJOR METRO TRAINEES ONLY

For trainees whose legal residence is in a major metropolitan area including New York City's five boroughs, Cook County IL and other city centers deemed acceptable by an Approver - any ordinary and reasonable public transportation costs over \$15 per day (round trip) will be reimbursed for the cost of the combined travel between the trainee's personal residence and the classroom training facility. This reimbursement includes bus, subway and rail road costs; it includes taxi fare only between the trainee's personal residence and the associated station and between the arrival station and the classroom training facility.

MEALS

Unless otherwise arranged by the company, \$10 for dinner for each night at your hotel will be allocated in the form of a meal voucher for the hotel restaurant or other nearby restaurant. Where this arrangement is not available, trainees will be permitted to request expense reimbursement up to \$10 daily for dinner only. Recruiters will advise their trainees regarding specific arrangements. Per diem does not apply to trainees. Unused meal vouchers are not reimbursable.

Procedures for Making Travel Arrangements

When a trainee is eligible for a hotel stay in order to attend company university classroom training, the booking will be handled by the Recruitment Department and the Corporate Travel Desk. Hotel rooms will be booked directly with the established preferred hotel for that training facility to avoid excessive booking and change fees. Recruiters will advise trainees of what arrangements are allowed, as well as provide confirming details.

If a trainee prefers to use a method of transportation other than driving to attend classroom training and the expense is not authorized by an Approver, he/she is responsible for making those reservations and covering any associated costs. Only when such transportation has been authorized by the Approver to be paid for by the company will reservations be made through AAA/Concur for rental cars, long distance rail and airfare.

Section 8 - ALLOWABLE RATES & VENDORS

The AAA/Concur system has been created with certain preferred vendors and spending limitations set by Sleepy's as the company has deemed appropriate. When booking travel arrangements online through Concur, available vendors matching your search will display in various ways described below. When booking over the phone with a AAA agent, this information will be provided verbally and will follow the same approval procedures:

AIRFARE: Sleepy's has no preferred air carriers at this time.

All available flights matching your itinerary will be listed and color coded depending on whether they are compliant (green), least compliant (yellow) or not compliant (red) with this policy. If the flight you select is outside of company-established parameters, an alert will appear on the screen that informs you the flight is outside of policy. When this happens please select a lower fare. If the out-of-policy flight is the only option you can schedule due to certain company needs, you may proceed with the booking, but only after you have provided a reason for the exception. Upon completion of the booking, notification of your exception along with the reason you provided and any alternate fares that were available to you will be sent to your Approver and the Corporate Travel Desk for review. If the exception is not authorized by your Approver, you will be asked to change or cancel your flight.

REFUNDABLE TICKETS

Refundable tickets that are more costly than standard airfare may be booked when there is a high likelihood the flight may need to be canceled or changed due to company needs, the cost to change or cancel the ticket is higher than the price difference between the refundable ticket and a standard ticket, and the traveler has permission from their Approver.

RENTAL CARS: Sleepy's preferred rental car agencies are Enterprise & National.

All available vehicles and vendors matching your search will display in the same color-coded manner as airfare described above. Only Enterprise or National vehicles may be selected to ensure Sleepy's discounts are obtained and the direct-billing account is applied. Vehicles from other vendors may only be selected when Enterprise/National does not have availability at any nearby rental location to your destination. Intermediate/mid-size vehicles are the largest that may be selected unless a group of employees traveling together will share one larger class vehicle. Only Sleepy's employees may drive the rental vehicle. Sleepy's insurance will not cover any other person should an accident occur. **If you are involved in a motor vehicle accident while traveling for the company, please notify your manager immediately and follow the Vehicle Loss Procedures located on the Company section of the Portal.** Additional driver fees for individuals who are not employees will also not be chargeable to the company or reimbursable. Enterprise/National waives underage fees for Sleepy's drivers ages 21-25. When using another agency, the underage fee will only be reimbursed when the use of a non-preferred vendor is due to the reason described above. **Please note rental car agencies do not rent vehicles to drivers under the age of 21. Please consult your Approver if this applies to you.*

HOTEL ROOMS: Sleepy's has a variety of preferred hotel properties throughout our footprint. A list of these locations can be found in the SLEEPY'S PREFERRED VENDORS document in the Travel section of the Portal and should be booked whenever possible. In AAA/Concur these hotels are listed as preferred and are available at our corporate discounted rates.

When searching hotel rooms, properties with availability will appear in order of 'most preferred' to 'preferred' to 'less preferred' before options for non-preferred locations appear. At destinations where there is no preferred hotel, properties may be sorted based on several factors such as cost, distance and policy compliance. When a hotel is selected outside of this policy, an alert will appear onscreen. When this occurs, please select another hotel or enter the reason for your exception. A notice will be sent to your Approver and the Corporate Travel Desk for review upon booking. If not authorized, your Approver will ask you to change or cancel your selection.

HOTEL ROOMS FOR CONFERENCE/SEMINAR ATTENDEES

Hotel stays required to attend a professional conference or seminar may only be booked directly with the hotel when the event-negotiated rate is less than any similar property available through AAA/Concur. When this occurs, please contact the Corporate Travel Desk to make reservations and arrange payment for your stay.

Section 9 – PROCEDURES FOR TRAVEL PAYMENT & BILLING

DIRECT-BILL EXPENSES INCURRED THROUGH AAA/CONCUR:

AIRFARE

Airfare will be paid directly by a company credit card established in the AAA/Concur system at the time of booking. When making arrangements please select the “Sleepy’s Corporate Card” option unless directed by your Approver to do otherwise.

RENTAL CARS

Rental cars from Enterprise/National are arranged to be direct-billed when booked through AAA/Concur. The company card on file with AAA/Concur will cover the cost of the rental plus taxes, fees and toll-collection devices ONLY (if applicable). If you request any additional items including a navigational system, satellite radio, insurance, pre-paid fuel, etc., you must provide a separate form of payment when you pick up your vehicle, and those items will not be chargeable to the company or reimbursable. **Return the car with the same fuel level it had when you picked it up.** Charges to refill the car to that level are reimbursable so make time to stop for gas. If you return your car without replenishing the fuel, the company will be charged for the gas at up to triple the local rates and your Approver will be notified that you did not comply with policy guidelines. If you rent from any vendor besides Enterprise/National you will be responsible to cover the entire cost of the car. The rental will only be reimbursable if advance Approver authorization is obtained to use the non-preferred vendor. The same item limitations will apply as described above. Items not reimbursable will be rejected when you submit your request.

HOTEL ROOMS

Hotel rooms will be guaranteed and paid for directly by the company credit card on-file with AAA/Concur that you select. Upon booking, AAA/Concur will fax a credit card authorization form to the hotel requesting that your room and associated taxes be charged to this card. Upon check in, please verify with the hotel clerk that they have this form on file for your stay. If they do not, you must call AAA at 1-800-354-4514 to have the fax resent. On occasion, some franchised hotels may decline to accept this fax and request that Sleepy’s complete the hotel’s own authorization form instead. In this case, please direct them to the Corporate Travel Desk to provide this form. In addition, the hotel may still ask you to supply a personal credit card to guarantee any incidental costs not covered by this arrangement (room service, phone calls, movies, damages, etc.). This guarantee will be released in accordance with banking and credit card policies after check out provided no incidental costs were incurred. Incidental charges reimbursable under this policy are subject to the limitations and instructions described herein.

LONG-DISTANCE RAILROAD

Long distance rail carriers such as Amtrak and Acela may be booked through AAA/Concur. When using this method, your fare will be paid directly by a company credit card established in the AAA/Concur system at the time of booking. When making arrangements you will be asked to select a credit card for your charges. Select the “Sleepy’s Corporate Card” unless directed by your Approver to do otherwise.

BOOKING FEES

When using the AAA/Concur system, Sleepy’s is charged a booking fee in accordance with an established schedule of rates negotiated between Sleepy’s and AAA. These fees are not the responsibility of the traveler and will be charged directly to a corporate credit card.

REIMBURSABLE EXPENSES INCURRED OUTSIDE OF AAA/CONCUR:

BAGGAGE

Fees for checked baggage can only be paid at flight check-in or at the airport. Employees must cover the cost and request reimbursement. See the policy limitations section of this manual for allowances.

BUS FARE

When using local or long distance public bus service, please be prepared to cover the cost of your ticket in advance. There are no direct-bill relationships at this time between Sleepy’s and bus carriers and this service is not currently available through AAA/Concur.

Section 9 Continued – PROCEDURES FOR TRAVEL PAYMENT & BILLING

REIMBURSABLE EXPENSES INCURRED OUTSIDE OF AAA/CONCUR:

CHARTERED & PRIVATELY OWNED VEHICLES (Other than Automobiles)

Employees may not charter, rent, pilot or make use of their own aircraft, watercraft, bus or other vehicle (other than automobiles) for company business purposes without prior written approval from the Chief Executive Officer. Such permission will only be granted under extraordinary circumstances and will require complete compliance with certain minimum insurance requirements, indemnifications to the company, safety reviews and other procedures. If approved, requests and written approval for chartered aircraft should be sent to the Corporate Travel Desk for booking, billing and compliance.

ENTERTAINMENT

All entertainment requiring advance reservations will be paid for by the employee unless authorized by their Approver to be charged directly to a corporate credit card or by direct invoice. The highest ranking employee in attendance will pay for the entertainment and request reimbursement. The request must include the names of all other attendees, their titles and respective companies, in addition to the standard requirements listed in Section 11 of this policy.

FERRY FARE

When planning to take a ferry as your form of transportation, please be prepared to pay for your fare in advance. At this time there are no direct-bill relationships between Sleepy's and ferry carriers and this service is not currently available through AAA/Concur.

INTERNATIONAL TRAVEL DOCUMENTS

Any required passports, visas, vaccinations or other documents must be obtained prior to scheduling an international trip and must be paid for by the employee. Fees for obtaining such documents will be reimbursable; however, rush fees for expedited documents will not be reimbursed unless authorized by an Approver.

LIMOUSINE SERVICE

Sleepy's has negotiated discounted rates with certain limousine companies near some of its facilities. A list of these companies can be found on the SLEEPY'S PREFERRED VENDORS document in the Travel section of the Portal. Billing arrangements vary by company therefore it may be necessary for the employee to cover the cost of this service and then request reimbursement.

LOCAL RAILROAD

Local rail carriers are not currently available through AAA/Concur and must be booked independently and paid for by the employee. Whenever possible, please book and pay for your ticket in advance rather than onboard to avoid additional surcharges.

MEALS

Employees will be responsible for covering the costs of their meals while traveling for the company. In order to receive *per diem* meal reimbursement, an expense reimbursement request must be submitted following the instructions in this policy. You will not automatically receive these funds otherwise. **If you do not request *per diem* reimbursement for each day away from home, you will not receive *per diem* payment.** Receipts are NOT required for *per diem* reimbursement.

PARKING

Employees will be responsible to pay for and request reimbursement for parking fees at airports, hotels and lots/garages/metered areas when covered under this policy.

TAXI SERVICE

At this time Sleepy's does not have any preferred taxi companies in our footprint. When planning to use a taxi as transportation, please be prepared to pay in cash as many companies do not accept credit cards.

Section 9 Continued - PROCEDURES FOR TRAVEL PAYMENT & BILLING

REIMBURSABLE EXPENSES INCURRED OUTSIDE OF AAA/CONCUR:

TIPS & GRATUITY

Tips and gratuity for items permitted in this manual will be paid for by the employee at the time services are rendered. The employee may tip using the same form of payment used for the service itself, or by using another form of payment. The tip must be documented on the receipt for reimbursement. Please see the limitations section of this document for guidelines.

TOLLS

Employees will be responsible for payment of tolls at the time of travel. Tolls for authorized travel will be reimbursed with submission of original receipts or statements from pre-paid electronic toll collection programs such as E-Z Pass or I-Pass. Employees with company-issued electronic toll devices will have costs covered directly by the company and may not seek reimbursement. Tolls paid by a device issued in conjunction with a car rental will be included in the total cost of the rental and therefore either directly charged to the company or reimbursed as a total amount; separately submitted tolls are not reimbursable.

Section 10 – TRIP CHANGES, CANCELLATIONS & VOIDS

RESERVATION CHANGES & CANCELLATIONS

Costs associated with itinerary changes or cancellations will be covered by the company when caused by severe weather, the airline, airport, hotel or other service provider. When an individual initiates an itinerary change or cancellation that incurs additional fees, such fees will only be covered or reimbursable when done at the request of the company. Change and/or cancellation fees and expenses related to a trip that was changed or not taken due to the employee's failure to make a scheduled departure time will not be covered or reimbursed without Approver permission. In the event you need to change or cancel all or part of your reservation, please contact AAA/Concur as soon as possible to do so. **If a flight you are about to board is suddenly canceled by the airline or airport, or your hotel/rental vendor cannot accommodate you for some unexpected reason, please contact AAA immediately to make alternate plans. They are available 24/7 at 1-800-468-4509.**

VOIDED RESERVATIONS & REFUNDS

Reservations made through AAA/Concur may be voided and fully refunded when canceled by midnight Eastern Time on the next business day following the booking. There is one exception to this void period noted below. Any cancellations attempted beyond this point will be subject to the vendor's individual policies. If a credit, e-ticket or voucher is issued to you for non-refundable bookings, it will be posted in your Concur profile, emailed to you and displayed as a payment option the next time you book accommodations with the same vendor. Please keep track of your available credits and their expiration dates. Whenever possible, please redeem outstanding credits before booking future travel with a different vendor.

VOID PERIOD EXEMPTION FOR CERTAIN AIR CARRIERS:

This void period exists because airfare bookings are sent out by AAA to the airline for ticketing at midnight the next business day following your purchase. 'Ticketless' air carriers (such as Southwest and AirTran) do not require this step and are processed as instant purchases as soon as a credit card is selected for payment. Only flights booked as non-instant purchases may be voided within this window. Please be sure you understand all Terms and Conditions provided on the Concur site or by the AAA telephone agent and that your travel plans are final when considering one of these carriers. Please also be careful when using the Concur site simply to research and compare costs for your trip. You must search airfare, hotel and rental costs one at a time because the website is arranged so that you must purchase your flight before proceeding to view available hotel rooms and rental cars. As indicated in this section, doing so could result in you purchasing a flight you may not want and cannot cancel without penalty. For additional information, please see the Concur Travel User Guide in the Travel section of the Portal or contact the Corporate Travel Desk.

Section 11 - HOW TO SUBMIT EXPENSE REIMBURSEMENT REQUESTS

An expense report is required when requesting reimbursement for employee-paid travel and entertainment expenses covered in this manual. **All expenses must be submitted within 60 days of incurring the expense following the guidelines below. Expenses require electronic approval from the employee's manager or above.** It is the responsibility of the employee and the assigned travel Approver(s) to ensure that all reimbursement requests are in accordance with the Travel Policy as outlined in this document.

GENERAL GUIDELINES:

- An expense report should be prepared and submitted as soon as possible after the travel has been completed or expense incurred.
- All expense reimbursement requests must be submitted **no later than 60 days** after incurring the expense. Requests submitted after 60 days will be rejected.
- Any reimbursement requests for out of policy expenses will require the authorization of the employee's Approver and/or an Executive Team Member.

PROCEDURE FOR SUBMITTING AN EXPENSE REIMBURSEMENT REQUEST:

- Original receipts (as defined within this document) are required for ALL expense reimbursement requests except Parking Meters, Per Diem and Mileage; mileage will require internet directions.
- All expense reports must be submitted using the Oracle application located on the Portal:
 - Select ORACLE eBUSINESS SUITE
 - Select INTERNET EXPENSES
 - Select CREATE EXPENSE REPORT
 - Select the appropriate EXPENSE TEMPLATE for your request and provide the PURPOSE of the travel/expense.

Using the [Oracle Internet Expense Instruction Guide](#) (available on the Travel section of the Portal), complete the following steps:

- Determine the EXPENSE TAB required for your request:
 - All expenses except mileage & per diem require use of the **RECEIPT BASED EXPENSE** tab.
 - All per diem requests require use of the **PER DIEM EXPENSE** tab.
 - All mileage requests require use of the **MILEAGE EXPENSE** tab.
- Enter the requested details for each expense. Do not combine receipt amounts; each item must be listed individually by day and by expense type. Click NEXT and attach receipts if required by your manager.
- For mileage requests, attach directions for your route travelled using MapQuest, Google Maps or another similar site to the electronic expense report. For tolls paid for by employee-owned collection devices (EZ-Pass, etc), attach a copy of your statement.
- Click SUBMIT when you have entered all expenses completely. You will receive a WEB Expense Report number as confirmation that your expense report has been successfully submitted.
- All original receipts must be taped to an 8.5 x 11 piece of paper. You may put more than one receipt on each page. Staple that paper to a printed copy of the WEB Expense Report confirmation page. Send these documents via regular mail or inter-office mail to the following address:

Sleepy's
1000 South Oyster Bay Road
Hicksville, NY 11801
Attn: Accounts Payable

NOTE: *You DO NOT need to mail in a copy of your expense report for mileage, parking meters or tolls paid for by employee-owned collection devices. These requests are processed as paperless submissions.*

Any incomplete paperwork will be returned to you for correction; any items not approved will be denied reimbursement. Your compliance to this procedure will allow timely and efficient processing of your reimbursement request.