



TRAVEL AND ENTERTAINMENT POLICY

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I. Travel & Entertainment Policy

Purpose

The purpose of this policy is to provide guidelines and establish procedures for those individuals incurring business travel and entertainment expenses on behalf of The Reinalt-Thomas Corporation / d.b.a. Discount Tire, America's Tire, Discount Tire Direct, Tire Rack, Ellisville, and Dunn Tire (DTC). Travel and entertainment should be consistent with DTC objectives and overall strategic vision. DTC's intent is for an employee neither to lose nor gain financially as a result of business travel and/or entertainment. Employees are expected to exercise prudent business judgment regarding expenses covered by this policy and spend DTC's money as carefully as they would their own. Ultimately, this will determine the propriety and reasonableness of the expenditure.

Specific departments may, at their discretion, impose greater control than required by this policy, but never less; DTC retains the right for final approval of all expenses. Any exceptions to this policy are to be approved by the Chief Executive Officer, Dean Muglia.

Objectives

- Ensure all employees have a clear and consistent understanding of policies and procedures, when incurring business travel and entertainment expenses.
- Ensure compliance to this policy.
- Provide business travelers with a high level of service and comfort at the lowest possible cost.
- Maximize DTC's ability to negotiate discounted rates with preferred suppliers in order to reduce overall cost of travel and entertainment.
- Risk management: know where our employees are in the event of a catastrophe and/or crisis.

Scope of Policy

This travel policy applies to all employees, contingent staff, and consultants of DTC.

Responsibility and Enforcement

The traveler and travel arranger are responsible for complying with the Travel and Entertainment Policy. Approved exceptions to this policy are included in reports, which are reviewed by Senior Leadership.

Who to Contact on Travel Policy Issues

Any questions, concerns, or suggestions regarding this policy may be directed to:

Julie Ann Curlee	Travel Manager	(480) 606-5800	julie.curlee@discounttire.com
Mary Solano	Accounts Payable Assistant Manager	(480) 606-5888	mary.solano@discounttire.com

II. Securing Air, Hotel, Car, and Ground Travel Arrangements

Regional and Corporate Simple Point to Point Travel Reservations

Securing reservations for simple point to point travel arrangements should be made utilizing the SAP Concur online booking tool. To obtain a username and password please contact concursupport@discounttire.com. The URL for SAP Concur is www.concursolutions.com.

The following trips should never be booked in SAP Concur: Tahoe, Pit Crew Challenge, award trips, personal travel, Bruce T. Halle Assistance Fund, and/or Philanthropy.

Complex Domestic and International Travel Reservations

All complex multi-leg and international travel must be made through our Travel Management Company, CWT.

Regular Service Hours: 8:00 AM – 5:30 PM (Pacific Time)

Phone number: 763-329-2465; follow appropriate phone prompts

Email: mspteamdedicated.us@contactcwt.com

Note: Reservations, including but not limited to airline, car rental, and hotel, made through any source other than CWT and/or SAP Concur are a violation of policy, and results in DTC losing valuable management information as well as anticipated funds from its financial arrangements.

Emergency/En Route Changes/After Hours Contact Number

Travelers may use the 24-hour, emergency number (763) 329-2465, follow the appropriate phone prompts, access code DV8G for changes en route or after normal business hours ONLY. These numbers appear on the itinerary accompanying each reservation.

Group and Meeting Travel Reservation Procedures

Any region or department planning a function with twenty-five (25) or more people traveling to the same destination, which has a budget of \$10,000 or more, and requires a contract should contact the DTC Meetings & Events Team via email at DTC_Events@discounttire.com. The Meetings & Events Team will negotiate discounted group rates with the airlines, hotels, venues, and/or ground transportation.

As a guideline, the following chart outlines the minimum lead time for the meetings and events to leverage negotiating power:

Number of Attendees	Recommended Minimum Lead Time
Up to 50	3 months
50 – 100	3-6 months
101 – 300	6-9 months
301 – 500	9-12 months
More than 500	12+ months

For meetings and events with less than twenty-five (25) participants, has a budget less than \$10,000, and does not require a contract, travelers, and/or arrangers should utilize SAP Concur or CWT.

Traveler Profiles

All employees expecting to travel at least three (3) times per year should complete and maintain their travel profile in SAP Concur. The Transportation Security Administration (TSA) requires that all airline tickets be issued in the traveler's name exactly as it appears on their government issued identification, along with their complete birth date and gender, as well as a redress or TSA Precheck number as applicable. Please be prepared to enter this information in your profile or provide to the CWT if you are an infrequent traveler making reservations.

III. AIRLINE TICKETS

Airline Class of Service for Domestic Travel

Director level and below:

All domestic air travel purchased must be in coach class and are expected to be the lowest logical airfare as defined below. All employees are expected to use the lowest logical airfare and may not request a higher fared ticket to obtain an upgrade in class of service. Any cost differential greater than \$250.00 relating to the refusal of the lowest logical airfare provided by CWT or SAP Concur will be reported to Senior Leadership.

Upgrades from coach to first class are allowed at the employee's personal expense or through use of airline frequent flyer points. A personal credit card is required for payment of any upgrades.

Assistant Vice President (AVP) and Vice President (VP) level:

AVPs and VPs are expected to follow the same parameters as outlined above for Director Level and below, however, the purchase of Early Bird from Southwest Airlines is permitted.

Senior Vice President (SVP) level and above:

All SVP's and above are authorized to fly first class on flights over two (2) hours or Business Select/Early Bird Check-in on Southwest Airlines.

When a non-SVP is traveling with an SVP or above on a flight over two (2) hours, the SVP can, at their discretion, request that the individual accompany them in first class unless traveling to an annual party.

Airline Class of Service for International Travel

Vendor related trips (incentive) are as provided by the vendor.

Business class travel overseas for AVP and up is permitted. Any employee traveling overseas with any SVP may fly business class for DTC related business.

Upgrades from coach to business class are allowed at the employee's personal expense or through use of airline frequent flyer points. A personal credit card is required for payment of any upgrades.

Changes or Cancellations

When travel plans change or a trip is cancelled after the ticket has been issued, the employee should contact CWT or access SAP Concur as soon as possible to cancel or alter the reservation. All reservations including air, hotel, and car rental should be cancelled in advance of intended travel dates to avoid "no show" charges. Any change fees for a non-business driven reason will be the traveler's personal responsibility and a personal credit card will be required for payment.

Preferred Airlines

DTC has negotiated special rates with specific airlines. When quoted airfares from preferred airlines are competitive with fares from other airlines, travelers are encouraged to book the preferred airline whenever possible. DTC's preferred airline(s) are highlighted in SAP Concur.

Lowest Logical Airfare Definition

Travelers are expected to book the lowest logical airfare based on the following parameters:

- Routing requires no more than one-stop each way.
- Routing does not increase the one-way total elapsed trip time by more than 2 hours.
- Time window: departure/arrival must be no more than 2 hours before or after requested times.
- Savings of \$250 or more to offset schedule inconvenience.
- Use of penalty or non-refundable fares is strongly recommended. These tickets can be changed and reissued for a fee that still makes their use more economical to DTC.
- Use of alternative airport arrivals should be considered where it does not materially impact the travel time necessary to reach the destination.

DTC encourages making airline reservations a minimum of 14-days in advance to maximize savings opportunities.

Overnight Delays

Should an airline delay necessitate an overnight stay, the traveler must first attempt to secure complimentary accommodations from the airline. If unsuccessful, the traveler should contact CWT emergency travel service; the phone number can be found on their itinerary.

Employees Traveling Together

When a number of individuals from the same region and/or department are traveling to the same destination, prudent judgment should limit the number traveling on the same airplane.

Airline Frequent Flyer Programs

Employees may retain frequent flyer program benefits. However, participation in these programs must not influence flight selection, which could result in incremental cost to DTC beyond the lowest logical airfare, as defined in this policy. Enrollment and maintenance of frequent flyer programs, redemption of miles, etc. is the responsibility of each traveler, the travel profile in SAP Concur is where the numbers should be maintained, revised, etc.

IV. LODGING

Hotel Selection

Hotel reservations must be made through CWT or SAP Concur and not directly with the hotels or any other on-line booking tool; except for conference/training registrations where the hosting organization offers a special room rate as part of your registration. In that case, the employee would book their hotel room via the conference/training site. If the employee does not have a corporate card, they will use their manager's corporate card when booking the conference hotel. Employees should use hotels where there are DTC negotiated preferred rates or special CWT consortium rates; those with a DTC rate are designated as preferred in SAP Concur. When a DTC negotiated or special CWT rate are not available, employees may book standard room accommodations at other hotels that are comparable and reasonable in cost. From time to time, hotels may offer highly restrictive advanced purchase room rates that are lower in cost than a standard room rate. However, due to the unpredictability of business travel, it is recommended to refrain from booking these rates as their restrictiveness, non-refundable and non-changeable, will cost the company more money in the long run.

When attending company meetings and events, (i.e., Tahoe, Pit Crew Challenge, etc.), all employees up to the manager level will share a hotel room with two beds.

Reservations made through any source other than CWT or SAP Concur results in DTC losing valuable management information as well as anticipated funds from its financial arrangements.

Cancellations

All reservations will be guaranteed for late arrival. Travelers are responsible for making the cancellation prior to the cancellation deadline shown on the traveler's itinerary (usually 4:00 PM on the day of arrival but could be up to 7-days in advance of arrival). Travelers should contact CWT, cancel in SAP Concur, or directly with the hotel to avoid "no-show" charges; record and retain the cancellation number in case of billing disputes. Cancellation deadlines are based on the local time of the property.

Travelers will be held responsible and will not be reimbursed for "no-show" charges. It is the responsibility of the traveler to work directly with the hotel to resolve any related billing disputes.

Payment and Documentation

Business related lodging expenditures are to be charged to the employee's corporate card. The hotel folio/invoice is required as an accompanying document to SAP Concur Expense. If you incur any personal extra days or miscellaneous expenses such as hotel in-house movies, please make arrangements to pay the hotel directly for those expenditures.

Annual Regional/Corporate Parties, Misc. Manager Outings/Meetings, Picnics

The Meetings & Events Team is responsible for negotiating hotel sleeping rooms, event space, catering contracts, ground transportation, etc. for any off-site event for twenty-five (25) or more people, which has a budget of \$10,000 or more, and requires a contract. The form of payment for regional annual parities should be via a corporate card for the deposit(s) and final payment; not a company check.

Hotel Frequent Guest Programs

Employees may retain membership program benefits. However, participation in these programs must not influence hotel selection, which would result in incremental cost beyond DTC's specially negotiated rates or CWT preferred rates.

Any membership fees associated with joining these programs are the responsibility of the employee and are not reimbursable.

V. RENTAL CARS

Renting cars

Cars are to be rented by employees only when other means of business transportation are unavailable, more costly, or impractical. All car rentals must be with DTC's preferred primary vendors National/Enterprise, Hertz, or Avis. Reservations must be booked through CWT or SAP Concur. Determination as to the size of rental car is as follows:

Rental Car Category	Number of travelers
Mid-Size	<4
Full Size	4
SUV – Mid Size	5
Mini Van	5

Car Rental Insurance

DTC has made provisions for insuring rental cars against damage; therefore, travelers must decline all insurance coverage. This insurance does not apply when renting or extending a car rental for personal use.

Rental Car Accidents

Should a rental car accident occur, travelers should immediately contact the DTC Claims Management Department at 866-608-9802.

Non-DTC Employees

For liability purposes, car rentals will not be secured for any person that is not an active DTC employee.

Rental Car Fuel Options

Please select the most appropriate fuel option that is most cost effective to business needs.

If the prepaid fuel option was declined at the time of pick-up, every reasonable effort must be made to return the rental car with a full tank of gas to avoid additional costs.

Payment and Documentation

Car rentals are to be charged to the employee held corporate card and must be documented on expense reports with the original car rental contract and charge card receipt.

Expenses incurred for car rental upgrades for personal convenience or preference are the responsibility of the renter. If an employee combines a business trip with a personal trip, the employee is to send a check made out to DTC along with a copy of the car rental contract for the cost of the personal days of the car rental and/or the cost for the upgraded car to the DTC Finance Department.

The use of rental cars at a DTC function is not permitted when transportation at these events is provided by DTC, i.e., buses, shuttles, ride shares, cabs, etc.

Rental Car Club Memberships

Employees may retain membership program benefits. However, participation in these programs must not influence car rental company selection, which would result in incremental cost beyond DTC's specially negotiated rates or CWT preferred rates.

Any membership fees associated with joining these programs are the responsibility of the employee and are not reimbursable.

VI. Other Transportation

Reimbursement for Personal Car Usage

Employees will be reimbursed for business usage of personal cars as follows:

- a. The mileage reimbursement rate is the per diem rate as determined by the IRS. To be reimbursed for use of their personal car for business, employees must complete and submit a Payment Request for Reimbursement form to AP Expense.
- b. Employees will not be reimbursed for any repairs to their personal car, even if these costs result from business travel.
- c. DTC's insurance policies do not cover employees' personal vehicles or personal contents.

Ground Transportation

Employees traveling to the same location should share ground transportation to and from the airport and to and from off-site meetings/events whenever possible.

The most economical mode of transportation should be utilized. The following modes of transportation should be considered:

- a. Personal car
- b. Ride share, buses, subways, or taxis.
- c. Hotel and airport shuttle services

VII. Personal/Vacation Travel

Combining Personal with Business Travel

Personal/vacation travel may be combined with business travel provided there is no additional cost to DTC. If there is an additional cost, the airline ticket may be issued, however the employee must pay the airfare difference between the business trip and the personal add-on to DTC Finance Department via a personal check prior to issuing the airline ticket.

Use of Company Negotiated Hotel and Rental Car Rates

DTC negotiated hotel and car rental rates may not be used for personal/vacation travel.

VIII. Meals and Entertainment

Business Meal Expenses

Employees will be reimbursed for business meal expenses as defined below:

- a. Meals that occur with clients, prospects, or associates during which a specific business discussion takes place are considered business meals. Employees will be reimbursed for business meal expenses according to actual and reasonable cost.
- b. Meal expenses incurred by the employee during travel away from home are business meals. For travel to be considered away from home, the IRS defines this as at least one overnight stay regardless of the hours or miles away from home. Employees will be reimbursed for actual meal costs up to a maximum of \$75.00 per day.

For example, meal expenses incurred during a one-day business trip where the employee catches an early morning flight and returns home the same evening would not be a business meal expense; this would be considered a personal meal.

Gratuities for Meals

Gratuities included on meal receipts will be reimbursed. As a general rule, employees should not tip more than they would for personal expenses.

IX. Spouse/Companion/Family Travel

Regional Parties and Incentive Trips

For regional parties and supplier provided incentive trips, spouses can travel at DTC's expense. However, children, companions, and guests of employees are at the employee's expense. For executives attending a regional party, DTC will provide up to two (2) nights of hotel accommodations.

X. Company Relocations

Temporary Housing

The coordination and procurement of temporary housing for AVP and above will be managed by the Travel Manager. Temporary housing for personnel at a level below AVP will be managed by the Regional Office Manager of the region the employee will be relocating to. Temporary housing contracts will be for 90-days maximum, and based on the housing needs of the employee and the employee's family at the time of relocation to their new region.

Company Paid Trips During Relocation

When DTC is relocating an employee, DTC will reimburse for the following:

- One trip for the employee, spouse, and children (i.e., house hunting).
- One additional trip for the employee, spouse, and children for the final move. If the employee relocates prior to the rest of the family making the move (i.e., to complete school year, etc.) DTC will pay for the employee to fly home every other weekend.

XI. Awards/Incentive Travel

Manager of the Year Awards and Sales/Club Awards

Recipients of these awards are encouraged to take a trip. Employees initiate their trip redemption request by completing the [Award Trip Request](#) form.

- Should the dollar value of the award trip booked go beyond the dollar allocation, the employee must pay the difference via a personal credit card at the time of booking.
- All DTC paid trips require the purchase of tour/cruise insurance when offered and is payable by the traveler with his/her DTC allocated funds.

XII. Non-Employees Traveling for Company Purposes

- Airline reservations will be made through CWT; form of payment will be determined on a case-by-case basis. Lowest logical airfare as previously defined will be used.
- Hotel reservations will be made through CWT; form of payment will be determined on a case-by-case basis. Hotel room rate and taxes only will be reimbursed, unless otherwise predetermined.
- For extended assignments, long-term housing should be considered in addition to long-term stay hotel properties for potential cost savings.
- For Liability purposes, car rentals will not be secured for any person that is not an active DTC employee.
- Meal expenses incurred during travel away from home are business meals and will be reimbursed for actual meal costs up to a maximum of \$75.00 per day. For travel to be considered away from home it requires at least one overnight stay regardless of the hours or miles away from home.

XIII. Corporate Issued Credit Cards/Payment Methods

Usage

DTC utilizes US Bank Visa card as their principal method for travel and entertainment expenses. Corporate cards are to be utilized for all air, lodging, annual parties, managers wives outing, car rental, meals, entertainment, and miscellaneous expenses, whenever feasible. Corporate cards are intended for business use only and should not be utilized for personal expenses.

Issuance

The protocol and issuance of corporate cards is managed by the AVP of Cash Management. For inquiries regarding DTC issued credit cards, please contact the AVP of Cash Management directly via phone at (480) 606-5750 or via email at colleen.bruce@discounttire.com.

XIV. Non-Reimbursable Expenses

DTC policy is to reimburse employees for ordinary and necessary travel expenses incurred while on authorized business travel. Unless otherwise authorized the following list of expenses, in addition to those expenses outlined throughout this policy, are not reimbursed by DTC. *Note: The list is not all-inclusive.*

- Annual fees for personal charge or credit cards
- Barbers and hairdressers
- Clothing
- Babysitter, nanny, or pet sitting fees
- Loss/theft of personal funds or property
- Lost baggage
- Magazines, books
- Medical bills incurred during DTC travel
- Movies (including in-flight and hotel in-house movies)
- Mini-bar refreshments (excessive)
- Excessive use of hotel room telephone (land line)
- Traffic and parking fines
- Personal entertainment, including sporting events
- Personal related expenses (i.e., toiletries, magazines, spa, souvenirs, laundry, etc.)