

**MRG  
Employee Travel & Expense  
Guide  
Effective April 1, 2006**

1. STATEMENT OF PURPOSE
2. RESPONSIBILITY & ENFORCEMENT
3. TRAVEL ARRANGEMENTS
4. AIR TRAVEL
5. LODGING
6. CAR RENTALS
7. CAR ALLOWANCE/TRANSPORTS
8. MEALS & ENTERTAINMENT
9. SPOUSE TRAVEL
10. OTHER REIMBURSABLE EXPENSES
11. NON-REIMBURSABLE EXPENSES
12. PAYMENT METHODS: PERSONAL  
CREDIT CARDS
13. EXPENSE REPORTING PROCESSING
14. TELEPHONE, CELLPHONE, FAX  
INTERNET USAGE
15. CREDIT CARD PAYMENT  
RESPONSIBILITY
16. EMPLOYEE RESPONSIBILITY
17. EMPLOYEE SINGNATURE

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**MRG****Our Vision**

To become the pre-eminent franchisee of Arby's by owning and operating 65 profitable restaurants by 2010

**Our Mission**

To become the fast food restaurant of choice for our guests, by first becoming the fast food employer of choice for our employees. To benefit both by sharing the blessings we receive always remembering to give back to the communities that we do business in

**Our Values**

**Motivate:** We will develop and motivate our employees by holding each other accountable and responsible to help those who want to grow and prosper

**Integrity:** Through our words and actions establish trust and trustworthiness – in ourselves first, then in our teams and our company

**Results:** Continuously establish and achieve measurable, challenging goals, while always holding true to our Vision, Mission and Values. We will always strive to improve regardless of our current results

**Accountability:** We will take accountability and responsibility for our actions. We will talk in the "I" and not in the "You"

**Celebrate:** An environment that recognizes and rewards cooperation and collaboration for the good of the team, its members and the company

**Leadership:** Continuously provide direction for yourself and your team by taking measured risks, making mistakes, allowing mistakes, and learning from them. Think cutting edge, focused on adding value

**Enthusiasm:** We will strive to be 100% present in Mind, Body and Spirit. We will look to serve others without expectations of recognition or reward for ourselves

## 1. STATEMENT OF PURPOSE

This document establishes policies governing the reimbursement of travel and entertainment expenses incurred during the conduct of company business. It is MRG's policy to reimburse Employees for ordinary, necessary and reasonable travel expenses when directly connected with or pertaining to the transaction of company business. Employees are expected to exercise prudent business judgment regarding expenses covered by this policy. The objective of the MRG Travel & Expense Policy is to provide standard requirements and guidelines for all MRG Employees who travel; minimize travel costs to the Company; ensure consistency of treatment among Employees; and meet U.S. IRS and travel industry requirements.

## 2. RESPONSIBILITIES & ENFORCEMENT

**COMPANY EMPLOYEES** who incur travel and entertainment expenses are responsible for complying with this policy. Employees submitting expenses that are not in compliance with this policy risk delayed partial or forfeited reimbursement. Cases of significant abuse may result in disciplinary action, including termination.

**SUPERVISORY LEVELS** with pre-established approval authority are responsible for ensuring that all policies detailed herein, as well as applicable business unit policies have been adhered to prior to approving Employee expense reports. Any deviations must be explained on the expense report with the approval of the reviewer noted, and risk delayed, partial or forfeited reimbursement. **Failure of supervisors to accurately review expense reports that results in loss to the company are subject to disciplinary action up to and including termination.**

The **ACCOUNTS PAYABLE DEPARTMENT** is responsible for ensuring that any expenses reimbursed or paid for by the company are in compliance with this Corporate Travel Policy.

The **HUMAN RESOURCES DEPARTMENT** is responsible for development of this policy and for ensuring its distribution to all travelers, travel arrangers, expense approvers, accounts payable staff, and newly hired Employees expected to travel.

**Questions or Further Information** regarding this travel policy or MRG's travel management

program should be addressed to the Director of Human Resources.

## 3. TRAVEL ARRANGEMENTS

Employees are responsible for booking their own airline tickets by using the internet. At times, an administrative assistant may be used to do so. Tickets should be booked at least 14 days in advance of the trip.

## 4. AIR TRAVEL

### LOWEST AVAILABLE AIRFARE:

All airline tickets should be booked at least **fourteen days in advance** and expensed at the lowest available airfare, as determined at the time of booking. The following criteria will be utilized to determine lowest available airfare;

- The flight's departure or arrival time is within two hours before or after the requested departure or arrival time;
- One stop or connecting flights may be required if savings of \$100.00 or more can be achieved;
- Employees may like to use a preferred carrier; however, the lowest cost tickets should be purchased regardless of carrier.

If the lowest available fare is consistent with reasonable business planning and the traveler turns down the fare, the traveler may be required to pay the difference out of his/her own pocket.

### FREQUENT FLIER PROGRAMS:

Traveling Employees may retain frequent flier program benefits. However, participation in these programs may not result in any incremental cost to MRG beyond the "lowest available airfare," as defined above.

### RISK MANAGEMENT:

Not more than six (6) Employees are permitted to fly on the same aircraft. No more than two (2) corporate officers will travel on the same plane.

### INSURANCE:

Most major credit cards offer "Free" automatic flight insurance when you purchase your ticket. Please check with your credit card company. All Assistant Managers and above are also covered

under MRG's AD&D policy (contact Director of HR for more information).

#### **DELAYS/LAYOVERS:**

If you are unable to make a connecting flight because the first flight has been delayed for any number of reasons, most carriers will book you on to your final destination on the next available flight. If a mealtime and/or overnight stay is required, they may provide vouchers for dinner and hotel room as compensation. This action is not a written regulation. Travelers are urged to inquire about these services should these situations occur. MRG will reimburse travelers for expenses incurred due to above issues.

#### **PAYMENT & DOCUMENTATION:**

In order for Employees to obtain reimbursement, airfare charges must be documented on the Expense Report Form with the original passenger receipt of the airline ticket attached. MRG will also accept a credit card statement of the charges if the original passenger receipt can not be obtained.

### **5. LODGING**

#### **HOTEL SELECTION:**

MRG utilizes Priceline in regards to hotel stays. Please log onto [www.priceline.com](http://www.priceline.com) to sign up. The normal bidding price used for a 3-4 star hotel is \$60 - \$75 per night. We do not recommend that you take the \$5.00 insurance (only helps when you are sick or dead).

Travelers **are not allowed** to purchase hotel rooms without using Priceline. Hotel rooms should not cost over \$110.00 per night. All costs over \$110 may not be reimbursable and the traveler may be asked to pay the difference out of his/her own pocket.

#### **ROOM TYPE:**

A single room with a private bath in a moderately priced business class hotel is the corporate standard. **Reimbursement for suites or luxury accommodations that are not booked through priceline (at a reasonable rate) will only be reimbursed with the approval of the CEO.**

#### **CANCELLATION:**

All rooms will be guaranteed for late arrival. Employees must cancel the room reservation by 6 PM on the day of arrival to avoid a "no-show" charge (Priceline will still charge). If the cancellation is made directly with the hotel, Employees are advised to request and retain a "**cancellation number**" as documentation of the transaction.

#### **PAYMENT AND DOCUMENTATION:**

Lodging charges are to be billed to Employee's

personal credit and reported on the Expense Report Form. **The hotel folio bill, priceline receipt or credit card statement must be submitted for reimbursement of lodging charges.**

### **6. CAR RENTALS**

Cars should be rented by Employees only when other means of transportation are unavailable, more costly, or impractical. The use of a rented car must be justified as a business need and not as a matter of personal convenience. All rentals should be intermediate size cars or smaller, unless four or more people are traveling together. All car rentals should be with MRG's preferred vendor National Car Rental unless a better price is available. When booking with National always reference MRG's account number (or your Emerald Club Number). In no case should a rental exceed \$60 per day.

#### **National Car Rental**

I.D. #: Individual Emerald Card number

Account Number: 5004328

Phone Number: 1-800-328-1234

Rate: \$52-60 per day, unlimited mileage  
(Plus tax)

#### **CAR RENTAL INSURANCE:**

Optional insurance coverage is **not** reimbursable. MRG has pre-arranged for such coverage. If you are involved in an accident, while renting a car, you must contact the Director of HR and the Controller within 24 hours of the accident.

#### **REFUELING:**

**Employees should refuel rental cars prior to returning them to the vendor.** This practice can save as much as 50% of the gasoline cost. **Do not** pay in advance for gas with any car rental vendor. Charges are not reimbursable.

#### **PAYMENT AND DOCUMENTATION:**

Car rentals are to be charged to Employee's-own credit card and must be documented on the expense report with the original car rental receipt or a copy of the credit card statement.

### **7. CAR ALLOWANCE/TRANSPORTS**

#### **PERSONAL CAR:**

Area Directors and above (Field Operations only) will receive a **monthly** car allowance based on the number of restaurants he/she oversees.

- Director of Operations:
  - \$600 per month
- Area Directors:
  - = or  $\geq$  7 Restaurants: \$550
  - = or  $\leq$  6 or Less: \$500

The vehicle allowance reimburses the Employee for vehicle depreciation, maintenance, and insurance for use on company business. This allowance will cover all auto costs excluding gas for company business reasons. **Mileage is not reimbursable.**

Field based employees (Area Directors and above) will also receive a company paid gas card. **Gas purchases are only to be made for business purposes.** The Director of Operations will examine, on a monthly basis, all employee gas charges. Misuse of the Company's Gas Card may lead to suspension pending termination.

Employees that do not receive a car allowance may utilize personal cars for business travel when other transportation is unavailable or uneconomical. The use of personal cars for business will be reimbursed at the standard rate prescribed by the IRS. This mileage allowance covers all auto costs (e.g., gasoline, repairs, insurance, etc.) other than parking and tolls.

#### **TAXI & OTHER TRANSPORTATION:**

The cost of taxis to and from places of business, hotels, airports or railroad stations in connection with business activities is reimbursable. Use of taxis is authorized only when more economical services (hotel vans, shuttles, etc.) are not available. **Receipts are required for all transportation expenses.**

### **8. MEALS AND ENTERTAINMENT**

#### **TRAVEL MEAL:**

Expenses are those incurred by Employees when dining alone on an out-of-town business trip. Actual meal expenses will be reimbursed as follows:

#### **Guidelines**

|           |                             |
|-----------|-----------------------------|
| Breakfast | \$12                        |
| Lunch     | \$8                         |
| Dinner    | <u>\$20 (including tip)</u> |

A meal cost may exceed that meal's guidelines but the Daily total is not to exceed \$40(which includes tips). **Alcohol is not reimbursable**

#### **BUSINESS MEALS:**

Are those meals taken with clients, prospects or Employees during which a business discussion takes place. The maximum guidelines detailed above apply to business meals on a per person basis. In most cases, the Senior Employee should pick up the bill. ). **Alcohol is not reimbursable**

#### **ENTERTAINMENT EXPENSES:**

Include events such as theater and sporting events, when a business discussion takes place immediately before, during or after the event. **Entertainment expenses must be approved IN ADVANCE by the Employee's immediate supervisor. Alcohol is not reimbursable**

#### **PAYMENT AND DOCUMENTATION:**

All meals and entertainment expenses should be supported by a receipt attached to the expense report. Charge card receipts are the preferred form of documentation, and Employees should use their credit cards to pay for meal expenses whenever possible.

### **9. SPOUSE TRAVEL**

Travel expenses for a spouse/significant other are not reimbursable as a business expense without advanced approval from the CEO.

### **10. OTHER REIMBURSABLE EXPENSES**

The following incidental expenses, **when directly related to business travel**, are reimbursable:

- Tips: Up to 20% at restaurants
- House Keeping: Up to \$2.00 per day
- Porterage: Up to \$1.50 per bag
- Parking: Up to \$17.00 per day
- Tolls: Hand written receipts accepted
- Health Club: Up to \$15 per day
- I-Pass: Monthly charges must be approved by DO

Receipts are required for most miscellaneous reimbursable expenses; however you may also submit a hand signed personal receipt for

miscellaneous expenses totaling under \$10 per trip.

## 11. NON-REIMBURSABLE EXPENSES

### The following expenses are not reimbursable:

Baby-sitter costs  
 Movies  
 Airline club dues  
 Annual fees for personal charge or credit cards  
 Barber/Hairstylist  
 Traffic fines  
 Country club dues  
 In-flight movies/refreshment  
 Loss/theft of personal funds or property  
 Hotel room movies  
 In-flight telephone charges  
 Luggage, briefcases  
 Personal telegrams  
 Magazines, newspapers  
 Rental car upgrades that exceed \$ maximum  
 Toiletry items  
 Tobacco products  
 Pet care  
 Child care  
 Car repairs/car washes

- All Exceptions must be approved by the CEO.

## 12. PAYMENT METHODS

### USAGE:

MRG encourages its employees to use his/her own personal credit card for business travel expenses; however MRG also has a Corporate paid American Express Card. If an employee needs to put his/her business travel on MRG's Corporate Card, they must notify their immediate supervisor in advance of doing so.

### BILLING AND PAYMENT:

Employees are expected to utilize reimbursements received from the expense reporting process to pay their personal credit card invoice, in full, each month.

## 13. EXPENSE REPORT PROCESSING

### TIMEFRAMES:

Out-of-town travel is to be reported on expense report forms within five business days of return from travel. In-town expenses may be accumulated throughout a month's time, and submitted on an expense report by the 5th of the month for the previous month's expenses, but in no case later than 60 days after actual expenses were incurred.

### AUTHORIZATION:

All expense reports must include the employee's signature and a signature authorization by a supervisor with designated approval authority. Approving signers are expected to audit expense reports for accuracy and compliance with this policy.

### REIMBURSEMENT:

Reimbursement checks are sent directly to Employees at their office address. The Accounts Payable Department normally issues checks within ten business days of receiving authorized expense reports.

### ADDITIONAL INFORMATION:

For additional information about this policy and MRG's travel management program, contact the Director of Human Resources.

## 14. TELEPHONE, CELLPHONE, FAX and INTERNET

### BUSINESS OFFICE PHONE/FAX:

MRG will reimburse Area Directors and above for one office phone line and one office fax line. (not to exceed \$45 per month combined). Many carriers now combine local and long distance charges for one low monthly fee. The Company encourages its employees to look into offers like these from the telephone providers in their areas. **An original copy of the bill must be attached to the Employee's expense report form for reimbursement.**

### BUSINESS INTERNET:

MRG will reimburse Area Directors and above for one DSL or High Speed internet connection in his/her home office (not to exceed \$35 per month). Many carriers now combine local, long distance and internet services for one low monthly fee. The Company encourages its employees to look into offers like these from providers in their areas. **An original copy of the bill must be attached to the Employee's expense report form for reimbursement.**

### MRG ISSUED CELLULAR PHONES & INTERNET CONNECTION CARDS:

MRG has partnered with Sprint to provide its Area Directors and above with Company paid Cellphones and laptop internet connection cards. MRG will issue to each Area Director and above a Sprint Cellphone and Internet Connection Card. **Employees may, at their own expense, upgrade these devices** as long as, by doing so, it does not adversely impact MRG. Company paid cellphones and internet connection cards should only be used for company business. Misuse of

company cellphones or internet connection cards may result in suspension pending termination.

Sprint Plan Cell:

- Free Nights starting at 7PM
- Free Weekends
- Unlimited free calls to other Sprint users

Sprint Plan Internet Connection Cards:

- Unlimited connection time

**15. CREDIT CARD PAYMENT RESPONSIBILITY**

Employees are solely responsible for paying their personal credit card bills promptly each month. Failure to pay his/her monthly personal credit card bills, with reimbursements received from MRG, is solely the responsibility of the employee. MRG will not be held liable for employee's negligence to do so.

**16. EMPLOYEE RESPONSIBILITY**

All Company issued computers, cellphones, internet cards, gas cards, etc. are the property of MRG. Employees who leave the company must return all company issued property prior to leaving. In States allowing MRG to do so, final compensation will be held to offset costs for items not return to MRG, or not in working condition when returned to MRG. By signing MRG's Employee Travel and Expense Guide, Employees hereby authorize MRG to do so.

**17. MRG TRAVEL & EXPENSE GUIDE**

I hereby acknowledge receipt of the Miracle Restaurant Group Travel and Expense Guide. As part of that acknowledgement, I acknowledge the following:

- I have read/will read the Employee Travel and Expense Guide \_\_\_\_\_
- I understand my rights and obligations under MRG's Guide and will abide by them \_\_\_\_\_
- MRG may delete, alter, amend, or modify any policy in this Guide at any time \_\_\_\_\_
- In the event of any alteration, amendment, or modification of the Guide, I will read and abide by such alteration, amendment, or modification \_\_\_\_\_
- As of my signature below, I do not have any questions about the Guide that I have not had an opportunity to

- ask \_\_\_\_\_
- I understand that I must return all MRG company property, in good working condition, prior to leaving employment with the company. I understand that if I fail to do so, MRG may withhold all of my final compensation to offset such costs to fix or replace the lost/damaged property \_\_\_\_\_
- If I have any future questions about the Guide, I will direct such question(s) to the Director of Human Resources \_\_\_\_\_

My signature below indicates my acknowledgment of the above and my receipt of MRG's Travel and Expense Guide.

\_\_\_\_\_  
Employee's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee's Name (typed or printed)