

**NOURISON INDUSTRIES INC.**

**Travel & Entertainment Policy**

**Purpose:**

This document sets forth company policy for business travel and entertainment expenses.

**A. Corporate American Express (AMEX) Cards**

Usage policies and approval procedures for corporate AMEX cards are set forth in a separate policy memo, “AMEX Cards – Policies”, which can be found on the Employee Page at [www.nourison.com](http://www.nourison.com)

**B. Expense Statements**

Employees who have been assigned to use the Concur expense processing system must submit expense reports through Concur. Expenses for amounts charged to corporate Amex cards may be submitted only once a month. Expenses for personal vehicle mileage and other out-of-pocket expenses may be submitted twice a month, but one of those expense reports must also include Amex charges. Concur automatically differentiates Amex charges vs out-of-pocket expenses, therefore it is not necessary to submit separate expense reports.

The reason for limitations on the frequency of submitting expense reports is because Concur charges a processing fee for each expense report, and we want to minimize fees.

Employees who have not been assigned to use Concur must submit paper expense reports. The Expense Statement form can be found on the Employee Page at [www.nourison.com](http://www.nourison.com). Paper expense statements should be submitted at least once a month, and all original receipts must be attached. For entertainment and meals purchased for others, expense statements must show names of persons and their company.

**C. Air Travel:**

1. Travel arrangements must be made through the company’s travel agent who is located at Nourison’s HQ in Saddle Brook NJ (email: [angela@nourison.com](mailto:angela@nourison.com)).
2. Selection of an airline will be made without regard to employees’ memberships in frequent flier programs.
3. A Travel Request Form, or a detailed email, must be completed and approved by the individual’s manager before submitting to the company’s travel agent. The Travel Request Form can be found on the Employee Page at [www.nourison.com](http://www.nourison.com).

4. Employees are expected to utilize the most economical fare available. Coach Class is to be used for domestic and international flights.
5. Travel arrangements should be made as far in advance as possible, to take advantage of advance booking discounts.
6. Detailed airline ticket itineraries must be submitted with the expense statement showing dates of flights, origin city, arrival city, and names of travelers. In Concur these documents should be scanned and attached electronically.
7. Employees in the same dept should try to avoid traveling together on the same flight.
8. Costs incurred for air-phone on airplanes are not reimbursable.
9. If an airline overbooks a flight and asks for volunteers to give up their seats in exchange for compensation, employees should not volunteer. Employees involuntarily denied boarding should obtain the appropriate vouchers for future air travel from the airline; such vouchers must be submitted to the company's travel agent in the Saddle Brook HQ.
10. If an airline delays a flight due to mechanical problems, weather, or involuntary denied boarding that necessitates an overnight stay, the airline generally arranges a hotel or alternative transportation. Employees should deal directly with airline personnel to make the required arrangements.
11. Employees are responsible for their personal property, and if lost or stolen, the costs are not reimbursable by the company. Airlines provide compensation for lost baggage.
12. Airline club membership fees are not reimbursable.
13. Additional life insurance should not be purchased, and costs for additional life insurance are not reimbursable. Airline tickets purchased with corporate AMEX cards have an automatic \$350,000 per person life insurance per trip with the proceeds payable to the employee's estate.

**D. Personal Automobile:**

1. Use of an employee's personal automobile for business travel is reimbursed at \$.50 per mile. That rate covers gasoline, insurance, repairs, tires, damage from accidents, and all other vehicle-related costs except tolls & parking. Tolls & parking are reimbursable.
2. Parking at airport long-term lots is reimbursable; parking at airport short-term lots is not reimbursable.
3. Employees who use their personal automobile for business travel are required to carry adequate collision and liability insurance.
4. Mileage from employee's home to their regular place of employment is not reimbursable. If employee travels from home to a business destination, mileage is reimbursable to the extent the total mileage for the trip exceeds the employee's regular commutation mileage.
5. Tickets or fines associated with traffic and parking violations are the responsibility of the employee and are not reimbursable.
6. EZ Pass automatic replenishments are not reimbursable. EZ Pass tolls incurred while driving on company business are reimbursable.

**E. Rules While Driving on Company Business – Personal Auto and Rental Cars**

1. Cell phone calls, incoming or outgoing, are discouraged while driving

2. The cell phone's voicemail feature should be "ON" to store incoming calls while driving
3. All non-emergency calls should be made after the vehicle is safely parked
4. Accidents incurred while the employee is using a cell phone may be considered to be preventable, and the employee subject to disciplinary action
5. Hands-free cell phones are subject to the same policy as hand-held cell phones
6. The following practices are prohibited while driving on company business:
  - i. Drug and alcohol use
  - ii. Use of radar detectors
  - iii. Speeding, reckless driving, leaving the scene of an accident, refusal to submit to a Blood Alcohol Content (BAC) test

**F. Local Transportation / Car Services**

1. The company policy generally prohibits use of limousine services because of their excessive cost. If local transportation is required, employees should utilize an app-based on-demand car service such as Uber or Lyft or Curb. If one of those services is not available in the local area, a traditional car service may be used, with an explanation on your expense report that Uber or Lyft or Curb is not available in that area.

**G. Car Rentals:**

1. Employees should use the lowest car rental rate available. Nourison does not have a corporate agreement with a national car rental service.
2. Intermediate size is the highest permissible car class.
3. Due to the significant costs for refueling charged by the rental car companies, employees must refill the tank before returning the car.
4. Employees should waive the extra liability and collision insurance offered by rental car companies, because Nourison's insurance policies provide adequate coverage.

**H. Hotel:**

1. Employees are expected to stay in reasonably priced hotels offering clean and comfortable rooms.
2. Standard single rooms are to be used. Costs incurred for suites, executive or concierge level rooms are not reimbursable.
  - i. Employees required to remain in one location for seven or more consecutive nights may request a moderately priced suite with kitchen facilities. If such an option is chosen, it is expected that overall meal expenses will be less than if meals were eaten in restaurants.
3. Hotel reservations are usually guaranteed to the individual's credit card for late arrival. This ensures that a room will be held no matter what the time of arrival. If the employee must cancel the reservation, it is the responsibility of the employee to call the hotel directly. Travelers failing to cancel a reservation will be personally responsible for the hotel charge unless extenuating circumstances are approved by their manager, and those reasons should be shown on the expense statement.
4. Laundry and Valet Service are permitted for employees away from home for five nights or longer.

5. Hotel gymnasium fees are limited to \$10 per day.
6. Baggage tipping is limited to \$1 per bag.
7. Due to the excessive costs, items purchased from the in-room “Mini Bar” are not reimbursable.
8. In-room movies and video games are not reimbursable.
9. Long distance telephone charges made through the hotel’s telephone system are not reimbursable because of the high rates. Employees should use their cell phones for long distance calls.
10. Reasonable internet connection fees charged by hotels are reimbursable, except that employees are cautioned to obtain the rates in advance and to select the lowest cost option. Many hotels charge internet connection fees by the minute or by the day, and generally the “per minute” fees can add up very quickly and far exceed the daily rate.

Employees should use cautious judgment, because if the total charge is considered to be excessive, only a partial expense reimbursement may be made.

11. Original detailed hotel receipts must be submitted with expense statements showing hotel location, dates of stay, number of people in the room, and itemization of all charges. In Concur these documents should be scanned and attached electronically.

**I. Meals while traveling overnight:**

1. The company will reimburse meals while traveling overnight on business. If no overnight stay is required, there is no reimbursement for meals.
2. A “per diem” allowance is not permitted. Reimbursement will be made only for actual meal expenses.
3. A receipt must be provided for each meal, unless the meal is charged to the corporate AMEX card, in which case the meal is shown on the AMEX statement and that is sufficient. If no receipt is provided, no reimbursement will be made.
4. The maximum amounts to be reimbursed are shown below. These amounts include tax and tips. Amounts in excess of those shown below for each meal will not be reimbursed. Skipping lunch does not increase the dinner allowance to \$45.

Breakfast	\$10
Lunch	\$15
Dinner	\$30

**J. Entertainment of customers or vendors**

1. Under IRS rules, entertainment must be directly related to the conduct of business. Business discussions must occur, with the general expectations of deriving income or specific business benefit. Such discussions must be during, immediately preceding or following the business meal and/or entertainment.
2. Documentation must be maintained to substantiate this requirement. Appropriate notes should be entered in Concur or written on the paper expense statement, and must include names and company affiliation of all attendees and the nature of the business discussion.

**K. Miscellaneous:**

1. Employees who have not been issued a corporate AMEX card and who do not have a personal credit card may request a cash advance up to the amount expected to be incurred for a required trip, excluding air fare. The advance must be approved by their manager.
2. In the event of a personal emergency, such as death or illness in the family, expenses incurred to alter plans are permitted. Normal policy restrictions can be waived with verbal approval from senior management.
3. Medical charges for emergencies incurred while traveling on company business, which are not reimbursed by the employee's medical insurance policy, should be submitted to Human Resources for reimbursement. The Explanation of Benefits form received from the employee's insurance company showing the amount for which the employee is responsible, must be submitted to Human Resources.
4. Immunizations and inoculations required for business travel are reimbursable.
5. Each traveler is responsible for obtaining a country's requirements for passports and visas prior to booking a foreign trip. Fees for visas and passports required for company travel are reimbursable.
6. Costs for business mailings and shipments while traveling are reimbursable. Overnight services should be used only when absolutely necessary.
7. Purchases of home/office equipment such as fax machine, printer, and computer accessories must be arranged through the company's IT Department. These expenses may not be charged to corporate AMEX cards, and are not reimbursable on expense statements.
8. Internet access fees for an employee's home office are considered to be personal expenses and are not reimbursable.
9. Business gifts to customers require the approval of one of the company's senior management, and under IRS rules are limited to \$25 per year to any individual.

### **Manager's Approval Responsibility**

The employee's manager is responsible for reviewing the details of expense statements and verifying that all expenses are business-related, have a valid purpose, are reasonable in amount, and that all required receipts are attached. The manager's approval certifies the foregoing. The Accounting Dept cannot make these determinations. The Accounting Dept may question an expense, but the final decision on whether to approve an expense is made by the employee's manager.