



## JACK IN THE BOX INC. Business Vehicle Reimbursement Program



### I. PROGRAM ADMINISTRATION

Motus was founded in 2004 and merged with Runzheimer in early 2018. Motus develops and distributes mobile workforce management solutions and is the administrator of the Jack in the Box Inc. (the "Company") Vehicle Reimbursement Program (the "Program").

#### Motus Contact Information

Online Help Center: [www.motus.com](http://www.motus.com)

Member Services: [memberservices@motus.com](mailto:memberservices@motus.com) or 855-266-3064

#### Jack in the Box Contact Information

[compensation@jackinthebox.com](mailto:compensation@jackinthebox.com)

### II. BUSINESS VEHICLE REIMBURSEMENT PROGRAM POLICY

This policy sets forth the Program requirements and may be subject to change at any time. Participants in this Program are not covered under the Company's mileage commute policy. This Program is not meant to cover 100% of your driving expenses, nor is it a vehicle purchase program; the reimbursements you receive are intended to offset the business use portion of your costs of ownership and operation over a specified cycle.

#### **A. INTRODUCTION**

This Program is intended to provide a fair and accurate means to reimburse employees who regularly use their personal vehicle for company business. It is not intended to reimburse for non-work related expenses and mileage.

#### **B. ELIGIBILITY**

In coordination with the JIB Compensation Department, a supervisor will determine if an employee is eligible to participate in the Program based on the employee's position and the anticipated annual number of business miles traveled using their personal vehicle. To be a Participant in the Program, the following requirements must be met:

1. Must be an active, full-time employee.
2. Must be in a position that requires regular use of a personal vehicle for company business, generally a minimum of 5,000 business miles in a calendar year. Note: participation in the Program may change based on a change in job responsibilities or annual business miles below the 5,000 minimum. Casual business drivers, defined as driving less than 5,000 annual miles, may not qualify to participate in this Program.
3. Must maintain a current, unrestricted driver's license.
4. Must maintain the minimum level of vehicle insurance required by the Company.
5. Must maintain a satisfactory driving record. The Motor Vehicle Record (MVR) for each driver may be reviewed on an annual basis. The Company reserves the right to cancel an employee's participation in the Program due to repeated accidents or moving violations.



## JACK IN THE BOX INC. Business Vehicle Reimbursement Program

### III. HOW THE PROGRAM WORKS

Drivers receive two types of reimbursements for using their personal vehicle for company business, a monthly **Fixed Rate** and a **Variable Rate** for business mileage. The rates are established by Motus and are custom tailored for each driver relative to the base vehicle standard set by the Company (which is suitable for employee business activity), the driver's geographic location, and annual business mileage. This data is used to create a Personalized Vehicle Schedule for each driver and shows the detail and breakdown calculation for all items that make up the fixed and variable reimbursement rates. YOUR reimbursement is Unique to YOU!

- **Fixed Reimbursements** are for expenses incurred as a result of owning or leasing a vehicle:
  1. Vehicle Insurance – Liability, Comprehensive and Collision
  2. License and Registration Fees
  3. Taxes
  4. Depreciation

The fixed rate is updated annually unless you have a change in home city, job function, or a substantial change in business miles traveled.

- **Variable Reimbursements** are for expenses associated with operating a vehicle:
  1. Fuel
  2. Regular Maintenance
  3. Normal Tire Wear

The variable rate is a cents-per-mile rate and is reviewed monthly to keep pace with changing fuel prices; if justified by cost increases or decreases it will automatically be adjusted. The variable reimbursement is the cents-per-mile rate multiplied by the number of business miles you report each month.

- **Reimbursement Payments**, both *fixed* and *variable*, will be paid via direct deposit each month (in arrears) through Motus's Payment Solutions. For example, the fixed and variable reimbursements for the month of October will be paid in November. In order for these payments to be non-taxable, drivers must meet certain requirements set by the IRS and the Company, as described.

- **Compliance**

To receive tax-free reimbursements, you must be "**In-Compliance**" by meeting the requirements below. If you do not meet the requirements, you will be considered "Out of Compliance" and a portion of your reimbursements may be taxable. If you are out of compliance with the vehicle insurance requirements your fixed payment will be withheld.

1. **Carry Insurance Coverage** - the minimum level of vehicle insurance required by the Company is shown below.
  - \$500 deductible for Comprehensive
  - \$500 deductible for Collision
  - \$100,000/\$300,000/\$50,000 for Bodily Injury and Property Damage
  - \$100,000/\$300,000 Uninsured Motorists Coverage

You will be required to provide MOTUS with updated insurance documents annually or if you purchase a new vehicle during the year. If your vehicle insurance does not meet these minimum levels, is (a) expired and not updated, (b) a copy of the insurance coverage is not provided, (c) insurance information is not confirmed, (d) or insurance address does not match driver address, insurance coverage will be considered out of compliance and the fixed monthly payment will be withheld until you become compliant.



## JACK IN THE BOX INC. Business Vehicle Reimbursement Program

2. **Register Compliant Vehicle**
  - a. *Vehicle Price*: When new, the vehicle must be at least 90% of the program base vehicle price used to calculate the reimbursement. If you do not meet this requirement your reimbursement will be subject to tax.
  - b. *Vehicle Retention Cycle (AGE)*: The vehicle's model year must not differ from the current calendar year by more than the number of years of your "retention cycle." The Company has set a retention cycle at 7 years, which means that typically a new vehicle will be purchased or leased every seven years. If you do not meet this requirement your reimbursement will be subject to tax.
3. **Annual Business Miles** - A minimum of 5,000 business miles must be driven annually. If you do not meet this requirement your reimbursement will be subject to tax.

### IV. PROCEDURES FOR REIMBURSEMENT

#### ▪ **Submitting Mileage**

Monthly business mileage must be submitted at the end of each month via the Motus App or online at [www.app.motus.com](http://www.app.motus.com), and no later than Midnight Central Time on the 4<sup>th</sup> of each month (for the previous calendar month's business mileage) in order for the variable reimbursement payment to be made. The monthly submission should include business miles driven only, **no personal miles traveled**. A mileage log or record must be maintained in order to meet IRS regulations.

Note: Failure to submit business mileage will result in a delay of the variable reimbursement until the next month.

### VI. SAFE DRIVING GUIDELINES

Participants in this Program must adhere to safe driving and vehicle maintenance in an effort to minimize the potential risk of injury to themselves, the public, and financial loss and legal liabilities.

- While driving on company business, exercise due diligence:
  - drive safely and follow all traffic laws
  - avoid distractions while driving; cell phone use is prohibited unless you use a hands-free device
  - seatbelts must be worn at all times
  - maintain security of your vehicle and its contents
  - ensure regular vehicle maintenance
  - under no circumstances may you operate your vehicle while physically or mentally impaired (i.e. illness, medication, or intoxication)
- The following conditions will result in the immediate loss of eligibility to participate in this Program and may lead to disciplinary action by the Company.
  1. A determination by the Company that a driver operated a vehicle with a license that was suspended or revoked while participating in the Business Vehicle Reimbursement Program.
  2. Operation of a vehicle in an unsafe or negligent manner or under the influence of drugs or alcohol.
  3. A driver was involved within a twelve-month period in three or more at-fault accidents chargeable by citation or traffic court conviction.



## JACK IN THE BOX INC. Business Vehicle Reimbursement Program

4. Not maintaining proper insurance coverage.
5. Violations of this Program for personal financial gain. Such violations include but are not limited to, falsifying business mile records, and submitting mileage claims through this Program and the Travel and Entertainment program (Mileage Commute Policy).

### V. MISCELLANEOUS

- **Company Approved Leave-of-Absence**

If you are on a Company-approved leave of absence (“Leave”) beyond a 30 day period, the fixed rate payment will cease after 30 days until you return from the Leave. The variable reimbursement will cease effective with the start of the leave-of-absence and will be continued once you return from Leave.

- **Accidents while on Business Time**

You are required to carry the minimum level of vehicle insurance required by the Company. In the event of a vehicle related accident during business time, your insurance is the first line of coverage, and you will be responsible for covering any deductible expenses that may be incurred. Beyond your insurance, the Company has liability coverage that will provide another level of coverage in the event of accidents occurring while you are driving for business.

- **Leaving the Program**

If you become ineligible to participate in the Program for any reason, you will no longer receive fixed or variable payments. All mileage entered for submission prior to ineligibility date will be paid to you at the next regular payment cycle.