

ABX HOLDINGS, INC.

**Immigration Compliance
Plan**

**Effective February 13, 2006
as Amended February 21, 2008**

ABX – Immigration Compliance Plan

I. Compliance Policy Statement

This document is the Immigration Compliance Plan (“Plan”) of ABX Holdings, and its operating subsidiaries (together “ABX” or “Company”). This Plan has been implemented in furtherance of and in addition to ABX’s *Code of Conduct for Conducting Business* and evidences ABX’s continuing commitment to ethical business practices and compliance with all applicable laws, both domestic and foreign. This plan reflects ABX’s commitment both to hiring personnel who are lawfully permitted to work in the United States and to contracting with temporary agencies that provide lawfully-documented workers. This Plan has been reasonably designed to ensure that ABX complies with all applicable United States’ Immigration Laws (“Immigration Laws”)¹ regarding the hiring of permanent employees and the use of temporary workers. Specifically, this Plan creates structural mechanisms through which ABX is implementing and monitoring each of its department’s standard operating procedures (“SOPs”) that relate to the documentation and verification of an employee’s legal status. This Plan shall be reasonably implemented and enforced so that it is effective in preventing, detecting, and correcting instances (a) where ABX’s SOPs do not adequately provide for compliance with applicable Immigration Laws, and (b) of non-compliance with existing SOPs. This Plan is for internal use by ABX only, and is not intended to create any rights or obligations for any person or entity beyond those specifically enumerated herein.

ABX recognizes that the continuing success of this Plan is largely dependent upon its officers and management taking responsibility for its operation and enforcement. The Plan’s success further depends upon a clear reporting structure whereby the individuals delegated with

¹ For purposes of this Plan, United States’ Immigration Laws are all federal, state, and local laws pertaining to immigration.

the day-to-day operational responsibility report periodically to the management of ABX and to the Board of Directors of ABX Holdings, Inc. (the “Board” or the “Board of Directors”) regarding the Plan’s effectiveness. To carry out such operational responsibility, the designated personnel shall be given adequate resources, appropriate authority, and direct access to ABX’s management. Further, ABX shall take reasonable steps to communicate periodically and in a practical manner the Plan’s aspirations and methodology to its management and employees by conducting effective training programs and otherwise disseminating information appropriate to such individuals’ respective roles and responsibilities.

This Plan is not a static document, rather ABX will review this Plan on a regular basis for its efficacy and relevance to the task of ensuring ABX’s continued compliance with Immigration Laws. All of the officers and employees of ABX shall adhere to the standards set forth in this Plan. Any deficiencies in the design or implementation of the Plan will promptly be reported to ABX’s officers, the Board of Directors, or the Plan’s Compliance Officer, as defined herein.

II. Plan Management

In order to effectively implement and monitor the Plan, ABX has appointed a dedicated Plan administrator (“Compliance Officer”) and an administrative committee to whom the Compliance Officer reports (“Compliance Committee”). The Compliance Committee shall help formulate and develop Plan policies. The specific duties and responsibilities of the Compliance Committee and Compliance Officer are described below.

A. Compliance Committee

The Compliance Committee shall be a committee comprised of the Compliance Officer, the General Counsel, a Senior Director of Human Resources, the Senior Director of Regulatory Compliance and Government Affairs, and a total of 3 representatives from the Human Resources

and Ground Departments as determined by the Chief Executive Officer. The Chief Executive Officer shall also select a Chairman for the Compliance Committee who is not the Compliance Officer. The Compliance Committee shall meet no less frequently than quarterly, and shall record the minutes of its meetings. The General Counsel shall retain these minutes in a manner consistent with ABX's Document Retention Policy.

It shall be the responsibility of the Compliance Committee to review all of ABX's existing SOPs that relate to the documentation and verification of an employee's legal status to ensure that such procedures are consistent with the Immigration Laws. These procedures shall include, but will be not limited to, SOPs relating to the following:

- The construction and maintenance of personnel files;
- The verification and maintenance of I-9 information;
- The verification and maintenance of 5-year employment histories;
- The verification and maintenance of 10-year criminal background checks;
- The use of interpreters in the hiring process;
- The verification and maintenance of applicants' paperwork who claim refugee status in the United States;
- ABX's response to Social Security Administration letters alerting ABX to mismatched social security numbers among its employees;
- Such other SOP's as may from time to time be deemed necessary to standardize procedures relating to the goal of this plan.

To the extent that departments within ABX lack relevant and necessary SOPs, the Compliance Committee will help those departments develop them as they relate to compliance with Immigration Laws.

The Compliance Committee will also develop testing procedures to determine whether the performance of ABX's personnel fully complies with the relevant SOPs and applicable

Immigration Laws. Such testing procedures shall be designed to examine those practices of the Company that pose risks of non-compliance. As the results of the testing procedures become known, the Compliance Committee shall identify necessary changes in the SOPs to eliminate or reduce those risks. In this regard, the Compliance Committee shall be apprised of the results of all internal and external audits and reviews of ABX's hiring practices and temporary labor force. The Compliance Committee shall also make recommendations to the Chief Executive Officer and the Board of Directors in the event of non-compliance by Company personnel. The Compliance Committee shall also evaluate the effectiveness of employee training in ensuring adherence to ABX's Compliance Plan and SOPs which relate to complying with Immigration Laws.

Additionally, the Committee shall be responsible for ensuring that changes in and/or new interpretations of the Immigration Laws are disseminated to the appropriate personnel within each department at ABX, and that any necessary corrections in ABX's SOPs are timely implemented. The Compliance Committee may engage the services of outside legal counsel and may seek legal opinions to assist in resolving complaints of non-compliance and to remain current in the latest evolution and application of the Immigration Laws.

B. Compliance Officer

To ensure that ABX's Immigration Compliance Plan is properly implemented and enforced, and that alleged violations of the Plan are investigated and resolved, the Director of Internal Audit shall serve as ABX's Compliance Officer. The Compliance Officer shall have primary responsibility for implementing, overseeing and monitoring the Plan, although the Compliance Officer may delegate compliance activities to subordinates. The Compliance Officer shall report in writing to the Compliance Committee, the Chief Executive Officer, and

the Audit Committee of the Board of Directors on a periodic basis, but not less than quarterly to the Compliance Committee and annually to the Chief Executive Officer and the Audit Committee.

The Compliance Officer shall meet with representatives from each ABX department and collect from them all written SOPs that are relevant to Immigration Laws for presentation to the Compliance Committee for periodic review. The Compliance Officer shall inquire of each ABX department on a regular basis as to whether the Compliance Officer has the most current SOP. To the extent that a department lacks relevant and necessary (or written) SOPs for purposes of compliance with Immigration Laws, the Compliance Officer will work with the particular department and the Compliance Committee to draft them.

The Compliance Officer will ensure that all ABX Human Resource Administrators, Recruiters, and Recruiting Assistants are informed of and trained in the contents of the Plan, relevant SOPs, and the Immigration Laws. In performing these tasks, the Compliance Officer shall develop a formal training program and shall ensure that all relevant Human Resources employees receive this training when they are hired and at regular intervals thereafter. The Compliance Officer may engage the services of subordinates and, when necessary, outside consultants in connection with these tasks, and shall report on a regular basis to the Compliance Committee as to the efficacy of these training programs.

The Compliance Officer shall ensure that all temporary employment agencies with whom ABX does business are informed of ABX's commitment to compliance with U.S. Immigration Laws and its policies in pursuit thereof. Further, the Compliance Officer shall ensure that all such temporary employment agencies have provided written descriptions of the means by which they comply with such laws and policies.

The Compliance Officer shall review, at least annually, all ABX SOPs relating to the hiring of full-time, part-time, and temporary personnel to ensure that they are consistent with and support the Plan's objectives. The Compliance Officer shall also present to the Compliance Committee any proposed changes to those policies and procedures.

The Compliance Officer shall establish a Complaint Log in which shall be recorded all complaints of violations or suspected violation of ABX's Immigration Compliance Plan. For each complaint received and recorded in the Complaint Log, the Compliance Officer shall investigate the complaint and prepare a written report detailing the investigation and resolution of the complaint, including any and all disciplinary actions taken and any resulting changes in ABX's procedures or policies. Each complaint report shall be kept in an Immigration Compliance Plan File and shall be retained in the manner and for the duration prescribed by ABX's Document Retention Policy.

The Compliance Officer shall oversee the periodic testing of ABX's SOPs to determine whether the performance of ABX personnel fully complies with ABX's SOPs and applicable Immigration Laws. Such testing procedures shall be designed to examine those practices of ABX that pose risks of non-compliance. The Compliance Officer shall report the results of the testing procedures to the Compliance Committee and shall keep the Compliance Committee apprised of the results of all internal and external audits and reviews of ABX's hiring practices and temporary labor force.

III. Personnel Policies

ABX's employee compliance with this Plan will be considered by ABX in individual performance evaluations, continued employment, and disciplinary actions. Potential management personnel applying to the Human Resources department will be screened and

selected based, in part, upon their demonstrated compliance with the ethical and regulatory requirements in the performance of their duties in previously held positions. All others applying for positions associated with recruiting, hiring, or employee relations will be screened prior to being offered employment to determine their commitment to complying with regulatory requirements, and to performing the duties associated with their positions in an ethical manner. Performance appraisals for all Human Resources employees will include specific reference to that individual's knowledge of and compliance with the policies and procedures applicable to the individual's job functions.

To the extent applicable to each job function, quality of work and thoroughness associated with compliance with Immigration Laws will be appraised as part of an employee's performance evaluation. Repetitive errors will be dealt with through a progressive discipline procedure in accordance with ABX's Standards of Performance and Conduct. Intentional disregard for procedures, or knowing violations of regulations related to the employee's job will be grounds for dismissal.

Any supervisory or managerial employee who has knowledge, or should have had knowledge of a subordinate's violation of Immigration Laws may be disciplined, up to and including termination, in accordance with ABX's Standards of Performance and Conduct.

IV. Non-Retaliation

ABX encourages the reporting of suspected non-compliance with ABX's SOPs relating to hiring personnel and contracting for temporary labor. ABX will not in any way retaliate against any employee, vendor, contractor or referral source who in good faith reports any actual or suspected violations of such SOPs. ABX maintains a zero tolerance policy regarding retribution or retaliation towards any person for reporting in good faith a violation or suspected

violation of ABX policy or the misconduct or suspected misconduct of any person doing business with ABX.

Employees are encouraged to utilize a reporting system (We Tip) that provides employees the ability to report perceived ethical or regulatory violations of United States Immigration Laws with the assurance of freedom from retaliation from superiors. This system will be available to employees at all levels throughout the company to report potential unethical or illegal conduct in regards to immigration and other laws.

ABX's discovery of a material violation of the United States' Immigration Laws shall be reported promptly to the appropriate enforcement authorities.

V. Anti Discrimination

ABX's Immigration Compliance Plan will be implemented and administered in compliance with the anti-discrimination provisions of the laws of the United States, including 8 U.S.C. 1324A (b) (immigration laws) and Title VII.

VI. Auditing and Monitoring

ABX will make periodic internal assessments of its compliance with the Immigration Laws. The Compliance Officer shall be responsible for conducting the assessments and audits and may employ any necessary assistance to carry out those tasks, including assistance from outside consulting or legal services. The auditing function will be guided by the following general principles:

1. Audits of job applications, I-9 documentation, 5-Year work histories, and 10-Year criminal background checks will be performed every 12 months. A random sample size of no less than 4% of the population of current employees will be audited. The audit sample will include all departments within ABX with special attention given to the Ground Department.

2. Auditors will be chosen from the auditing staff of the Internal Audit Department or, if deemed necessary by the Compliance Officer, outside auditors may be retained, provided that auditors shall not audit their own department.
3. Each person assigned to perform this audit function will report to the Compliance Officer during the audit.
4. Each Auditor will complete a required training class annually prior to initiating the audit process.

The Compliance Officer will summarize and report the results of these audits, as well as any recommended changes in ABX's SOPs, in writing to the Compliance Committee, the Chief Executive Officer, and the Board of Directors. The Chairman of the Compliance Committee, Chief Executive Officer and the Audit Committee of the Board of Directors shall review not less frequently than annually the results of these audits and the recommendations, if any, of the Compliance Committee. Any instances of non-compliance with the Plan or ABX's SOPs so reported shall be accompanied by the Compliance Committee's recommended plan of action, separate and apart from the Compliance Officer's recommendations. The Chief Executive Officer, in consultation with the Board of Directors, will be responsible for authorizing changes and alterations in the Plan or ABX's SOPs that are relevant to upholding the Immigration laws.

VII. Employee Training

All ABX employees involved in the process of hiring employees (as determined by the Compliance Officer) shall be trained as to the requirements of this Plan, all relevant SOPs, and applicable immigration and employment laws. The Compliance Officer shall ensure that all training of ABX's employees prescribed by this Plan is timely provided. All training received by ABX's employees shall be acknowledged by the employees and documented in their personnel files.

All supervisors and managers in ABX's Human Resources Department will complete annual training which includes, at a minimum:

- The purpose, requirement, use and maintenance of the I-9;
- ABX policies and procedures for contracting with temporary employment agencies;
- The anti-discrimination provisions of the Immigration Laws.

In addition, Human Resources personnel responsible for completion of the I-9 forms, re-verification of an employee's work authorization, review and retention of I-9 documents, and associated tasks must also complete the following training annually:

- The purpose of the I-9;
- How to complete and update I-9's;
- Filing and retention requirements of the I-9 form;
- Procedures addressing an incomplete I-9 form;
- I-9 Eligibility Verification Tracking;
- The anti-discrimination provisions applicable to the Immigration Laws.

VIII. Policies Relating to Temporary Employees

As part of its business practices, ABX contracts with temporary employment agencies in order to supplement its labor as needed, depending on the season and various other factors. Relationships with these agencies pose special challenges in terms of verifying temporary workers' legal status because ABX does not employ and therefore does not have direct access or legal authorization to verify the I-9 paperwork and social security numbers for these workers. In recognition of these challenges, ABX will adopt the following guidelines which will be monitored and enforced by the Compliance Officer.

A. Contractual Obligations

Any contract for temporary employees must include at least the following:

1. A certification by the temporary employment agency that all of its workers are authorized to work in the United States.
2. Authorization for ABX Auditors to perform unannounced audits of the temporary agency's I-9 documentation files, criminal background checks and employment histories.
3. Consent on the part of the temporary agency and any workers supplied to ABX for ABX to conduct random verification procedures with respect to such individuals to ensure their eligibility to work (including SSN verification).
4. Such other provisions as may be deemed necessary by the Compliance Committee to enable ABX to ensure that workers provided by temporary employment agencies are lawfully authorized to work within the United States.

B. Audits

ABX's relationship with temporary employment agencies will be audited on not less than an annual basis (subject to such unannounced audits as may be deemed necessary) to confirm that:

- the contracts with the temporary agencies contain language requiring them to verify the eligibility of their employees to work in the United States;
- procedures are in place to assure the vendors' compliance with all phases of the Immigration Laws;
- Adequate steps are taken to assure that any subcontractor used to supplement ABX staffing has taken similar steps to assure compliance with Immigration Laws, criminal background checks, and employment histories.

IX. Reporting Non-Compliance

Each ABX employee is expected, as a condition of employment, to follow this Plan and ABX's SOPs as applied to that employee. Each ABX employee is also expected to report any violation of ABX SOPs to management or the Compliance Officer. Managers and supervisors

are to be particularly vigilant as to compliance with this Plan and may be sanctioned for failure(s) to detect and report violations.

Reports of violations of this Plan may be made by anyone at ABX and may, at the option of the reporting party identify the reporting party, or may be made anonymously. Reports shall be made either to management, the Compliance Officer, or anonymously through ABX's We Tip hotline (1-800-782-7463) . Reports may be made orally or in writing, and all reports shall be documented upon receipt by management personnel or the Compliance Officer. Written reports of alleged violations (made by name or anonymously) shall be sent to ABX management or to the Compliance Officer at the discretion of the reporter. Violations of the Immigration Laws may be reported to the Bureau of Immigration and Customs Enforcement, or the U.S. Department of Labor. Reports of violations received by ABX managers shall be forwarded immediately to the Compliance Officer.

All reports of alleged non-compliance with this Plan received by the Compliance Officer shall be investigated promptly by the Compliance Officer or his or her designee. A log of such reports shall be kept by the Compliance Officer and a report shall be prepared on each complaint logged therein detailing the nature of the allegation(s), the steps taken to investigate the validity of the allegation(s), the results or conclusions of such investigation, and any corrective and/or disciplinary action taken by ABX against employees, agents or contractors found to have been violating this Plan and/or recommendations with respect to revisions to SOP's. The Compliance Officer shall submit a summary log of these reports to the Compliance Committee on a periodic basis, but not less than quarterly.