

FREEDOM PAID TIME OFF (PTO)

The Company recognizes that it is important to take time off to rest and relax and to take care of ourselves and our families. Time off is intended for rest and recreation. Time off can be used as your job requirements allow and can be taken only with the advance approval of your supervisor. Time off that is required for illness or other types of recognized leaves is given in accordance with the other applicable policies.

How Much Time Off?

Instead of accruing paid time off, employees are allowed to take paid time off of work as needed, whenever they need to (subject to prior manager approval), so long as doing so is consistent and in balance with their job responsibilities and business needs. The Company requires employees and their managers to consider the potential impact on the business and their work commitments when taking or approving paid time off, especially when the planned time off is during an especially busy period at work or intermittent within a close time frame.

Under this new policy, employees do not earn or accrue any paid time off, and no payment for vacation will be made at the time anyone's employment with the Company ends. Similarly, there is no "advance" on paid time off, since paid time off is not based on an accrual schedule.

The Company complies with all of its legal obligations to provide employees leaves of absence, for example, medical or family leaves. When employees require extensive or frequent time out of the office that prevent them from satisfying and/or balancing the obligations and responsibilities of their job, they are ineligible to receive compensation under this Time Off Policy for such periods of absence. Instead, they should contact Human Resources to determine what leaves of absences, if any, are available to them. If employees do not apply for a leave in such situations, their request for time off may be denied and they will be required to report to work. Please refer to the leave of absence policies for more information.

Employees who need to be absent due to personal or family illness may take paid time off pursuant to the Company's Sick Time policy. The Sick Time policy generally provides that regular full-time employees will be granted paid sick time on an "as-needed" basis. The Company may require a medical note from any employee who is away from work: (a) more than 3 days or (b) for any length of time at the manager's discretion.

Any absence in excess of five (5) consecutive days will be covered under the Short Term Disability Plan.

Requesting, Recording and Approving Time Off

Except for emergency situations, all employees must request and get their manager's prior approval for time off. Time off should be planned and requested as far in advance as possible.

All time off taken must be recorded. Exempt employees' time off is recorded for record-keeping purposes only. Employees cannot take time off without approval.

Employees who need to take time off for illness or an emergency, for which advance notice cannot be provided, must provide notice to their supervisor in accordance with the Company's attendance policy.

The Company reserves the right to require employees to take time off at times determined by the Company based on business needs. The Company will give employees advance notice of when they will be required to take time off, insofar as practicable.

Pay For Time Off

Nonexempt/hourly employees will be paid at their regular base hourly rate for paid time off hours taken under this policy.

Exempt/salaried employees will be paid based on their standard base salary for paid time off taken under this policy.

Employees in California, Montana and Nebraska taking vacation after the effective date of this policy will be required to first exhaust any vacation time they accrued prior to the effective date of this policy. Following exhaustion of all accrued vacation, they will be able to take vacation time under the terms of this policy. If any employee in California, Montana or Nebraska leaves employment with the Company without having exhausted all vacation time accrued prior to the effective date of this policy, the Company will pay the amount of accrued and unused vacation upon termination.

Leaves of Absence

Employees also may be eligible for time off of work under applicable laws and/or one of the Company's leave of absence policies. For further information on those laws and policies, please review the Company's Policies & Operating Guidelines sections on leaves of absences. Because the leaves required under applicable laws are constantly changing, if you need to be away from work for an extended period of time, please contact Human Resources to determine if you qualify for a leave of absence.

During leaves of absence, employees are often eligible to receive from one or more of the following kinds of payments:

- Payments under a state disability plan;

- Payments under the Company's short-term disability plan;
- Payments under the Company's long-term disability plan; and/or
- Payments under a plan, fund, insurance policy or other arrangement, by whatever name called, providing wage-replacement benefits pursuant to any compulsory benefit act or law of any government.

Employees may contact Human Resources for additional information on these and other potential sources of compensation while on leave.

Effective:
1/1/2020