

Paid Time Off (PTO)

C & R Management Company believes that employees should have opportunities to enjoy time away from work to help balance their lives. We recognize that employees have diverse needs for time off from work and have established this PTO program to meet those needs. The benefits of PTO are that it promotes a flexible approach to time off. Employees are accountable and responsible for managing their own PTO hours to allow for adequate reserves if there is a need to cover vacation, illness or injury, appointments, emergencies, or other situations that require time off from work. Employees are encouraged to use their accrued PTO. C & R Management will not pay out PTO in lieu of taking the time off.

Eligibility - Full-time and part-time employees may be eligible for paid time off. Employees employed in the following positions may be eligible for paid time off: general crew team members, certified shift managers, store maintenance personnel, and department managers level 1, 2 and 3. Eligible employees begin accruing PTO immediately on the first day of employment.

Accrual Tiers and Accrual Maximums/Caps by Job Title - In general, eligible employees accrue PTO based on regular hours worked beginning on the first day of employment and can use PTO as it is accrued during the calendar year. In general, employees accrue PTO based on the schedule and tiers noted below up to a PTO maximum or cap. When PTO accrual hits the cap, the employee will no longer accrue PTO until the employee uses some PTO and the employee's balance falls below the cap. PTO is accrued and capped as listed in the chart below and varies by job title.

| | General Crew Team Members | Certified Shift Managers & Store Maintenance Personnel | Department managers Level 1 | Department managers Levels 2 and 3 |
|-----------------|---------------------------------|--|-----------------------------------|---|
| ACCRUAL RATE | 0.02/hour | 0.03/hour | 0.04/hour | 0.053/hour |
| ANNUAL CAP | 40 hours | 60 hours | 80 hours | 104 hours |

PTO and Leave of Absence - Any accrued PTO will be used during an approved leave of absence. PTO does not accrue on unpaid leaves of absence.



Scheduling and Requesting Time Off - You are encouraged to plan your PTO well ahead of time. PTO may be taken in either <u>four-hour or eight-hour increments</u>. All PTO must be approved by your General Manager. In general, requests for PTO must be submitted on a PTO Request Form on the JOLT tablet to your General Manager at least 15 days prior to the requested days off.

General Managers must ensure adequate staffing when reviewing and approving time off requests. A request may or may not be approved and General Managers will notify employees on the status of requests. Ensure you receive approval prior to taking the time off and if you have not heard from your General Manager as to the status of your PTO request, please ask your General Manager about it.

Approval of PTO requests is based on several factors, such as:

- 1) An employee's accrued PTO Balance. Employees who request time off, but do not have enough time in their PTO bank may be denied.
- 2) The effect of time off on co-workers and the needs of the business.

Scheduling of PTO will be made based on the organization's operational needs. We also have the right to cancel any approved PTO in the case of a company emergency and will provide as much notice as possible to affected employees.

In general, employees are not permitted to take consecutive weeks of PTO. For example, if an employee has accrued two weeks of PTO, the employee will be asked to take the time off separately and not two consecutive weeks.

If PTO is used for legitimate, unexpected illness or emergencies, please follow our proper call off procedures and submit a PTO Request Form to your General Manager on the JOLT tablet. Failure to follow proper call off procedures may result in a denial of PTO request.

Additional Information - All PTO taken must be recorded in the pay period taken. You will be paid for your accrued PTO at your regular rate of pay at the time you take the PTO. PTO is not hours worked and will not be included in overtime calculations.

In general, employees should not request PTO for their final two weeks of employment with C & R Management Company because typically we need employees to work their final shifts in order to provide for a smooth transition and transfer of information. If a PTO request was previously approved and it later coincides with an employee's final two weeks of employment, the Company may rescind the approved PTO. PTO will not be paid out upon termination of employment.

All PTO exceptions are at the sole discretion of the owner/operator of C & R Management Company.

If you have questions, feel free to ask your manager or to contact the Human Resources department at (801) 280-9299.