## 303 Paid Time Off Benefits

Paid Time Off (PTO) is available to employees to provide opportunities for rest, relaxation, illness (sick pay) and personal pursuits. Employees in the following employment classification(s) are eligible to earn and use PTO as described in this policy.

Regular full-time or part-time employees (Except vehicle sales personnel-see Sales Person Paid Time Off policy below

Upon hire, employees will begin to earn PTO according to the schedule. Accrued PTO is available for use after 90 days of employment. All requests for PTO other than PTO used for illness must be submitted for approval a minimum of two weeks in advance using the time off request form available in the office. Requests will be reviewed based on a number of factors, including business needs and staffing requirements. All time off requests will be subject to final approval from management (Amy Larson, Chuck Day, Norman Day or Matt Larson). Time off (other than PTO used for illness) not approved will be considered unexcused absence.

If an employee uses PTO as sick time for a foreseeable absence, the employee shall give a minimum of 10 days notice. If the need to use PTO as sick time is unforeseeable, the employee shall provide notice to his or her immediate supervisor as soon as practicable.

If an employee takes more than three consecutive scheduled workdays of sick time, a verification from a healthcare provider for the need to use sick time will be required.

If the employer suspects that an employee is abusing PTO used as unscheduled sick time, including in engaging in a pattern of abuse, the employer may require verification from a health care provider of the need of the employee to use PTO as sick time, regardless of whether the employee has used PTO as sick time for more than three consecutive days. As used in this paragraph, "pattern of abuse" includes, but is not limited to, repeated use of unscheduled PTO used as sick time on or adjacent to weekends, holidays, other PTO days or paydays.

Effective January 1, 2016, new employees will begin accruing PTO at the rate of 1.33 hours for every 40 hours worked. After one year of employees, employees will accrue PTO at the rate of 1.60 hours for every 40 hours worked. Exempt employees (salaried, technicians, service writers etc.) are presumed to work 40 hours per week unless the actual work time is less than 40 hours in which case PTO accrues based on the actual workweek of the employee. Employees may accrue up to 80 hours of PTO each year. Once an employee's PTO "bank" has 80 hours, it is considered full and the employee will not accrue additional hours until his/her anniversary date. Employees may carry over up to 80 hours of accrued PTO to the following year for use.

Employee's may use up to 40 hours of accrued PTO in the first year and up to 80 hours in subsequent years. Accrued PTO is available for use after 90 days of employment. Up to 80 hours of accrued PTO may be carried into the following year for use. Any accrued and unused PTO exceeding 80 hours at an employee's anniversary date will be paid out to the employee. An employee may not take accrued PTO as pay until his/her anniversary date and the total accrual is in excess of 80 hours. Only accrued PTO in excess of 80 hours at an anniversary date will be allowed to be taken as pay. Upon termination of employment, employees will be paid for unused PTO time that has been earned through the last day of work.

For hourly employees PTO is to be paid at the current rate of pay. Exempt employees will be paid at 1/52 or 2/52 the current rate of pay or 1/52 or 2/52 of the average preceding year's pay for employees paid flat rate.

If an employee has accrued PTO available for use and takes time off, either scheduled or unscheduled, PTO must be used and the employee will be paid for the time off. Time off will be tracked and paid in hourly increments. Upon mutual consent by the employee and the employer, an employee may work additional hours or shifts to compensate for hours or shifts during which the employee was absent from work without using accrued PTO for the hours or shifts missed.

Employees are entitled to use PTO as sick time off for the following:

- For an employee's or family member's mental or physical illness, injury or health condition or need for medical diagnosis of these conditions or need for preventive medical care.
- To care for an infant or newly adopted child under 18, or for a newly placed foster child under 18, or for a child over 18 if the child is incapable of self-care because of mental or physical disability.
- To care for a family member with a serious health condition.
- To recover from or seek treatment for a serious health condition that renders the employee unable to perform at least one of the essential functions of the employee's job.
- · To care for a child of the employee who is suffering from a non-serious illness, injury or condition.
- To deal with the death of a family member by attending the funeral or alternative, making arrangements necessitated by the death of a family member or grieving the death of a family member.
- To seek legal or law enforcement assistance or remedies to ensure the health and safety of the employee or the employee's minor child or dependent for proceedings related to domestic violence, harassment, sexual assault, or stalking.
- To seek medical treatment, recover from injuries, or obtain services related to domestic violence, sexual assault, harassment or stalking incidents to the employee or employee's minor children or dependent.
- · For certain public health emergencies.

## Sales Person and F&I PTO Program

Sales and F&I Personnel will be eligible for PTO based on a 40-hour week at the current minimum wage. Effective January 1, 2016, new employees will begin accruing PTO at the rate of 1.33 hours for every 40 hours worked. After one year of employment, employees will accrue PTO at the rate of 1.60 hours for every 40 hours worked. Sales persons and F & I Managers are Exempt employees and are presumed to work 40 hours per week unless the actual work time is less than 40 hours in which case PTO accrues based on the actual workweek of the employee.

Employee's may use up to 40 hours of accrued PTO in the first year and up to 80 hours in subsequent years. Employees may accrue up to 80 hours of PTO each year. Once an employee's PTO "bank" has 80 hours, it is considered full and the employee will not accrue additional hours until his/her anniversary date. Employees may carry over up to 80 hours of accrued PTO to the following year for use.

Employees will begin accruing PTO upon hire and accrued PTO will be available for use after 90 days

of employment. All requests for PTO other than PTO used for illness must be submitted for approval a minimum of two weeks in advance using the time off request form available in the office. Requests will be reviewed based on a number of factors including business needs and staffing requirements. All time off requests will be subject to final approval from management (Amy Larson, Chuck Day, Norman Day or Matt Larson).

Employee's may use up to 40 hours of accrued PTO in the first year and up to 80 hours in subsequent years. Accrued PTO is available for use after 90 days of employment. Any accrued and unused PTO exceeding 80 hours at an employee's anniversary date will be paid out to the employee. An employee may not take accrued PTO as pay until his/her anniversary date and the total accrual is in excess of 80 hours. Only accrued PTO in excess of 80 hours at an anniversary date will be allowed to be taken as pay. Upon termination of employment, employees will be paid for unused PTO time that has been earned through the last day of work.

If an employee uses PTO as sick time for a foreseeable absence, the employee shall give a minimum of 10 days notice. If the need to use PTO as sick time is unforeseeable, the employee shall provide notice to his or her immediate supervisor as soon as practicable.

If an employee takes more than three consecutive scheduled workdays of sick time, a verification from a healthcare provider for the need to use sick time will be required.

If the employer suspects that an employee is abusing PTO used as unscheduled sick time, including in engaging in a pattern of abuse, the employer may require verification from a health care provider of the need of the employee to use PTO as sick time, regardless of whether the employee has used PTO as sick time for more than three consecutive days. As used in this paragraph, "pattern of abuse" includes, but is not limited to, repeated use of unscheduled PTO used as sick time on or adjacent to weekends, holidays, other PTO days or paydays.

If an employee has accrued PTO available for use and takes time off, either scheduled or unscheduled, PTO must be used and the employee will be paid for the time off. Time off will be tracked and paid in hourly increments. Upon mutual consent by the employee and the employer an employee may work additional hours or shifts to compensate for hours or shifts during which the employee was absent from work without using accrued PTO for the hours or shifts missed.

Employees are entitled to use PTO as sick time off for the following:

- For an employee's or family member's mental or physical illness, injury or health condition or need for medical diagnosis of these conditions or need for preventive medical care.
- To care for an infant or newly adopted child under 18, or for a newly placed foster child under 18, or for a child over 18 if the child is incapable of self-care because of mental or physical disability.
- · To care for a family member with a serious health condition.
- To recover from or seek treatment for a serious health condition that renders the employee unable to perform at least one of the essential functions of the employee's job.
- · To care for a child of the employee who is suffering from a non-serious illness, injury or condition.
- To deal with the death of a family member by attending the funeral or alternative, making arrangements necessitated by the death of a family member or grieving the death of a family member.
- · To seek legal or law enforcement assistance or remedies to ensure the health and safety of the employee or the employee's minor child or dependent for proceedings related to domestic violence,

harassment, sexual assault, or stalking.

- To seek medical treatment, recover from injuries, or obtain services related to domestic violence, sexual assault, harassment or stalking incidents to the employee or employee's minor children or dependent.
- · For certain public health emergencies.