



Flexible Time Off (FTO) for Non-Exempt (Hourly) Employees
Guidelines

As an hourly employee, you are encouraged to take time off as needed for vacations, sickness, personal business, or for any other reason you may want time away from work. The current vacation, sick, and floating holiday plans are combined under this plan and referred collectively as “flexible paid time off bank”. Such paid time off allows you the flexibility to best choose how to use your time off.

Eligibility

All regular full-time, non-union and non-exempt (hourly) employees who work at least 30 hours per week. For employees who work less than 30 hours a week, local state or city sick time ordinances may apply (please consult with your local HR representative for additional information). The time off policies described in this communication are applicable to the non-union employees of the company. Time off for employees covered by collective bargaining agreements is addressed in those agreements, and is different from what is described in this communication.

Request Process

1. Employees should continue to request time off through the current online request process via KRONOS.
2. Supervisors must approve all time off and monitor performance to ensure that all job responsibilities are satisfied.
3. Employees must notify those who need to know about the timing and duration of any time off.

Accrual Rates Chart for Paid Time off:

If Your Service Equals	In the Following Calendar Year You’ll Get
Less than 4 years	16 days off
4-9 years	21 days off
10 or more years	26 days off

While your annual paid time off allotment is determined as of January 1st of each year, it accrues monthly throughout the year, based on each completed month of service. For new hires, your paid time will also accrue monthly, on a pro-rata basis, based on the number of months in your partial calendar year of employment. For up to date paid time off balances, please refer to Workday.

Accrued and unused paid time off cannot be carried over from one calendar year to the next unless required by state law (e.g., in California, where time off will carry over from year to year, but subject to the accrual cap set forth below). If you leave the company having taken more time than what has been accrued, the Company reserves the right to recoup that pay from your final paycheck, subject to state law restrictions. In connection with a termination of employment, employees will be paid out for any accrued and unused paid time off.

Accrual rates will vary based on time worked. Please contact your local Human Resources manager for details. Temporary employees are not eligible for paid- time off, unless otherwise required by law. Employees do not accrue paid time off during leaves of absences or other periods of inactive service.

Accrual Maximums (applicable to California employees only)

California based employees may accrue up to a cap equal to 1.5 times their annual paid time off accrual. Once this accrual cap has been reached, then such employees will not accrue any additional paid time off until they have used some of their accrued time to bring it below the cap (and there will be no retroactive grant of paid time off for time during which the accrual was at the cap).

What type of time off is covered?

Regular time off of work for purposes of: vacation, relaxation, personal needs, floating holidays, regular family needs, non-extended illness or injury (similar to how sick days were used in the past), the preventive care, care, diagnosis, or treatment of an existing health condition of either the employee, a covered family member or other person under applicable state or local law, time off for victims of domestic violence, sexual assault, or stalking.

What type of time off is not covered?

- Does not apply to absences that may be covered under: bereavement, jury duty, state leave laws and Short-Term Disability (STD), except for use of accrued time to cover the STD waiting week or to use for unpaid Family Medical Leave Act (FMLA), military leave and defined company holidays. These absences are covered under separate policy as described in the employee handbook.
- When the circumstances warrant it, employees may be required to apply for a leave of absence (which may include STD, Long Term Disability (LTD), and/or FMLA provisions, and such time off may be unpaid if the employee has exhausted available FTO).