

Parental Leave Policy

Introduction

The Company, including its subsidiary companies (collectively, the “Company”), offers Paid Parental Leave to give parents additional flexibility to adjust to their new family situation and balance their professional obligations. This Policy runs concurrently with Family and Medical Leave Act (FMLA) leave in cases where an employee is eligible for FMLA leave, and runs concurrently with other state and local family and medical laws or parental leave laws, unless otherwise required by law.

Scope

Regular full-time and regular part-time employees scheduled to work 30 or more hours per week and who have been actively employed by the Company for at least 90 days are eligible for this benefit.

For purposes of this Policy, employment with another company that was acquired by the Company will count toward the 90 day eligibility requirement.

If both parents are employed by the Company, each parent may receive up to five days (40 hours) of Paid Parental Leave.

Eligible new parents may take Paid Parental Leave for the following reasons:

- the birth of a child;
- adoption of a child under the age of 18 (or a child under the age of 23 if the child is mentally or physically disabled); or
- the placement of a foster child pursuant to a court order.

Description

The Company provides eligible employees with Paid Parental Leave as outlined below.

Policy

Employees must take Paid Parental Leave in one continuous period of leave and must use all Paid Parental Leave available within twelve (12) months of the birth, adoption or placement of the child. Any unused Paid Parental Leave that remains at the end of the twelve-month period will not carry over from year to year and will be forfeited.

Paid Parental Leave provided under this Policy will be paid at 100 percent of an eligible employee’s straight-time hourly rate or base salary. The fact that a multiple birth, adoption or placement occurs (for example, the birth or adoption of twins) does not increase the length of Paid Parental Leave granted for that event. Paid Parental Leave will be paid on regularly scheduled pay dates.

Paid Parental Leave shall be available for an employee’s use only during the twelve-month period immediately following the birth, adoption or placement of a child with the employee. An eligible employee may choose to use his or her Paid Parental Leave any time within the twelve-month period.

Upon termination of employment at the Company, an employee will not be paid for any unused Paid Parental Leave for which he or she was eligible.

Employees wishing to apply for leave under this Policy must call the Company’s Leave of Absence Reporting Center at 1-877-576-8149 to report their leave as soon as possible prior to taking leave, but no later than 3 days after the first day of leave.

If Paid Parental Leave is taken immediately after the birth of a child, the birth mother must obtain a return-to-work statement from her health care provider and present it to her supervisor or Human Resources upon returning to work. The statement must specify whether the employee is able to work and any work restrictions to be observed. Reinstatement may be delayed until the employee submits the required statement.

Except as provided in the following paragraph, an employee will be reinstated to the same position he or she held when Paid Parental Leave began or to an equivalent position with equivalent pay, benefits, and other terms and conditions of employment, provided the employee can perform the essential functions of the position, with or without accommodation.

The Company's obligation to restore an employee to the same or an equivalent position ceases, unless otherwise required by law, if and when:

- the employment relationship would have terminated if the employee had not taken Paid Parental Leave
- the employee informs the Company of his or her intent not to return to work at the expiration of the Paid Parental Leave; or
- the employee fails to return to work at the expiration of the Paid Parental Leave.

Coordination with other Policies

Paid Parental Leave taken under this Policy will run concurrently with leave under the federal FMLA and any state or local family and medical laws or parental leave laws, as applicable; thus, any leave taken under this Policy that falls under the definition of circumstances qualifying for leave due to the birth or placement of a child due to adoption or foster care will be counted toward the 12 weeks of available FMLA leave per a 12-month period (or any other applicable time period under another state or local law) and will not increase the amount of leave available. All other requirements and provisions under the FMLA will apply for FMLA-eligible employees, as will any other requirements or provisions under similar and applicable state or local laws. Please refer to the Family and Medical Leave Policy for further guidance on the FMLA.

After the Paid Parental Leave (and any short-term disability benefit for employees giving birth) is exhausted, the balance of FMLA leave or other state or local leave (if applicable) can be compensated through any other applicable sources of wage replacement benefits (such as state or local paid family leave and related benefits), as well as with employees' accrued vacation time, unless otherwise prohibited by law. Upon exhaustion of accrued vacation time, any remaining leave will be unpaid leave, unless the leave also qualifies as an event for which sick time may be used. Please refer to the Family and Medical Leave Policy for further guidance on the FMLA.

The Company will maintain all benefits for employees during the five-day Paid Parental Leave period.

If a Company holiday occurs while the employee is on Paid Parental Leave, such day will be charged to holiday pay (i.e., employees may take the consecutive days of parental leave in addition to the paid holiday).

An employee who takes Paid Parental Leave that does not qualify for FMLA leave or other state or local leave (if applicable) will be afforded the same level of job protection for the period of time that the employee is on Paid Parental Leave provided under this Policy as if the employee was on FMLA-qualifying leave or another leave protected by any applicable state or local leave law.

Please refer to the Adoption Assistance Policy for additional information about other employee benefits related to the adoption process.

Integration with other Benefits

If an employee chooses to use his or her Paid Parental Leave while receiving any other type of compensation from another source (ex. workers' compensation, short or long-term disability benefits or other state-provided benefits), Paid Parental Leave will be fully integrated with those benefits such that at no time will an employee be paid more than his or her regular compensation. In addition, to the extent any

applicable law requires an employer to provide pay during a parental leave, this Policy will be applied in such a way as to be applied to any applicable obligations under such a law.

The Company reserves the right to modify this Policy at any time, without prior notice, and at its sole discretion. Nothing in this Policy is intended to create a contract, nor is it to be construed to constitute contractual obligations of any kind or a contract of employment between the Company and any of its employees. The Company is an employment-at-will company.

Questions

If you have any questions about this Policy, please contact your local Human Resources representative.