



PTO POLICY

Purpose:

Morgan Auto Group believes that employees should have the opportunity to enjoy time away from work to help promote balance in their lives. Morgan Auto Group recognizes that employees have diverse needs for time off from work. Morgan Auto Group has established this paid time off (PTO) policy 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 disability, appointments, emergencies, or other situations that require time off from work.

Eligibility:

To be eligible for PTO, you must be a Fulltime teammate and have at least worked 90 days.

Earning and Payment of PTO:

PTO is earned hourly on ALL regular hours including training hours, PTO hours, and Holiday hours. It is not earned on Overtime hours. Please consult the chart below to see your rate and potential annual earned. PTO Hours can be banked to a maximum of 200 hours. At that point, you will not be able to earn hours until you have used some of your banked hours.

Additionally, since you will no longer have to wait until your next anniversary to receive your annual amount, we will make an adjusting entry based on your anniversary date to give you credit for your portion of the current year. See the detail on PTO credit for time served table for this adjustment.

PTO Earned Schedule:

<u>Employment Tenure</u>	<u>Max annual hours</u>	<u>Earn rate</u>	<u>Potential Earned hours</u>	<u>Potential Earned Days</u>
During your first year, day 91-364	1560	0.0205	32	4.0
Year 2	2080	0.0385	80	10.0
Years 3-6	2080	0.0539	112	14.0
Year 7	2080	0.0577	120	15.0
Year 8	2080	0.0615	128	16.0
Year 9	2080	0.0654	136	17.0
Year 10	2080	0.0692	144	18.0
Year 11	2080	0.0731	152	19.0

Annual PTO earned hours are based on an employee having 2,080 paid hours per year (40 hours per week)

***** No PTO hours will be earned beyond the maximum earn listed.**

Use and Scheduling of PTO:

Employees are required to use available PTO when taking time off from work with the exception of a company required absence. IE: Employees who do not work their scheduled day must use available PTO rather than take unpaid days and then ask for a "cash out" or PTO later. PTO may be taken in increments in 4 or 8 hour blocks. However, PTO may not be used for missed time because an employee reports late to work.

Your request for PTO must be submitted and approved by your supervisor and turned into the payroll department at least two weeks in advance of your requested time off, when the time off is foreseeable. All teammates are asked to consider the business operations when contemplating prearranged time off. Supervisors may deny PTO requests if necessitated by the Dealership's business needs or if determined to be excessive. PTO is paid at the employee's straight time rate or flagged rate where applicable. PTO is not part of any overtime calculation

Employees may not borrow against their PTO banks; therefore, no advance leave will be granted.

Cash out of PTO:

PTO cash outs are available to all teammates except salaried associates. You can only cash out amounts banked over 100.00 hours and can cash out only once per calendar year.