

Legacy CMC announces changes to the PTO Program

Target Audience: All Eligible Legacy CMC Employees

Message Summary: Legacy CMC Leadership has worked diligently to assess best practices in response to the impact of coronavirus. As a result we are implementing changes to our Paid Time-Off (PTO) program, effective immediately.

Action Required: Review the changes to the PTO program below and make sure you understand how to maximize this benefit in 2020. Employees are encouraged to use their available PTO in 2020. Employees can view their PTO balance through [UltiPro](#). See below for more information on the planned changes.

What is PTO?

PTO (personal time-off) is awarded as advancement in pay for a benefit that is not yet earned. An employee must be actively employed by AAA Carolinas through December 31st of the award year to earn the full balance of PTO. If an employee leaves the Company before December 31st, either voluntarily or involuntarily, and unearned PTO has been used or paid out, the unearned time will be deducted from an employee's final paycheck, at the employee's regular rate of pay as of the date of termination. Please see "[Personal Time-Off \(PTO\)](#)" for the guideline regarding earning PTO.

What is changing?

Personal Time-Off (PTO) Payout

Under our current PTO program, an annual cash payout is in the sole discretion of Company Management. Due to the impact of COVID-19, the cash payout will **not** be awarded in 2020. However, Employees are encouraged to use their available PTO during the calendar year. Employees can view their PTO balance through [UltiPro](#).

Personal Time-Off (PTO) Carryover

Eligible employees with PTO remaining at the end of the PTO plan year may carry over a maximum of **40 hours** into the following year. Additional unused PTO will be canceled.

Donating PTO to other employees

In response to the significant issues created by the COVID-19 pandemic, we have implemented a leave donation program that will allow employees to donate accrued paid time off to those who have exhausted all paid leave available. Employee to employee PTO donations are strictly voluntary. PTO time donated will go into a leave bank for use by eligible recipients. Recipient identity will not be disclosed to donating employees. Because PTO time is on an hourly basis, the minimum number of PTO hours that an eligible employee may donate is 8 hours per calendar year; the maximum is 80 hours of the current accrued balance. Employees cannot

borrow future PTO time to donate. An employee who wants to donate their PTO time to another employee can submit the donation via the [PTO Donate/Request Form](#).

Why the changes?

Due to the impact of COVID-19, we must adjust our current PTO policy. We are encouraging employees to use PTO to cover reduced hours/earning opportunities now versus holding for the payout. We would like to give employees an opportunity to support their colleagues in their time of need by allowing them to donate their PTO to other employees.

We understand the anxiety and uncertainty many employees are facing, and want you to use your PTO.

You can find all the latest news about ACG's response to coronavirus on AAA Team site on the [COVID-19 Resource page](#). For questions, please send to: COVID19Questions@aaacarolinas.com.