



CATIC FINANCIAL PTO DONATION POLICY

Policy Statement

CATIC Financial recognizes that employees may have a family medical emergency or be affected by a major disaster, resulting in a need for additional time off in excess of their available PTO leave time. To address this need, all eligible employees will be allowed to donate available PTO leave hours from their unused balance to their co-workers in need of additional paid time off, in accordance with the policy outlined below. *This policy is strictly voluntary.*

Eligibility

An eligible employee is defined as meeting the following criteria:

1. Be employed by CATIC for at least 90 days prior to the donation/receipt of PTO; and
2. Be eligible to accrue paid leave time under the company's Leave Policy.

As to PTO recipients:

To be eligible to receive donated PTO, an eligible employee must have exhausted all of his or her own paid leave time, must complete the PTO donation request form, and must have the scheduled time off or leave of absence approved by Human Resources.

As to PTO donors:

To be eligible to donate PTO, an eligible employee must have a minimum balance equivalent to one work week of available PTO in their bank, must complete a ***PTO Donation Application Form*** (<https://lf.catic.com/Forms/HR-PTO-Donation-Application>) and must have the PTO donation approved by Human Resources.

Guidelines

Employees who would like to make a request to receive donated PTO from their co-workers must meet the following criteria:

Medical emergency, defined as a medical condition of the employee or an immediate family member that will require the prolonged/extended absence of the employee from duty and will result in a substantial loss of income to the employee due to the exhaustion of all paid leave available. An immediate family member is defined as a spouse, child, or parent. This also covers employees needing extended time off following the loss of a spouse, child, or parent.

Major disaster, defined as a disaster declared by the president under §401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the Stafford Act), or as a major disaster or emergency declared by the president pursuant to 5 U.S.C. §6391 for federal government agencies. An employee is considered to be adversely affected by a major disaster if the disaster has caused severe hardship to the employee or to a family member of the employee, requiring the employee to be absent from work.

PTO Donation Provisions

- The donation of PTO is strictly voluntary.
- Donated PTO will go into a leave bank for use by eligible recipients.
- Recipient identity will not be disclosed to donating employees; nor will the Donating employees' identity be disclosed to recipient employees.
- The donation of PTO is on an hourly basis, without regard to the dollar value of the donated or used leave.
- The donated PTO ***will not*** be liquidated or paid out in cash to the recipient employee.
- The minimum number of PTO hours that an eligible employee may donate is 4 hours per calendar year; the maximum is equivalent to one work week of PTO hours.
- Employees may only donate available PTO as of the date of their application to donate into the leave pool.
- Employees will be given the opportunity to donate PTO on a semi-annual basis as follows:
 - **December 1st – January 15th**: The donated PTO will be transferred from the donor to the leave pool by February 1st and thereafter become available to approved recipient employees.
 - **June 1st – July 15th**: The donated PTO will be transferred from the donor to the leave pool by August 1st and thereafter become available to approved recipient employees.
- Employees who are currently on an approved leave of absence cannot donate PTO.
- Under this plan, donor employees ***may not*** claim an expense, a tax deduction, or a charitable contribution for any of the leave donated under this plan.

Requesting Donated PTO

Employees who would like to request donated PTO are required to complete a ***Donation of PTO Request Form*** (<https://lf.catic.com/Forms/PTO-Donation-Request>) and submit it to Human Resources for final review and approval.

If the recipient employee has available PTO in his or her bank, this time will be used prior to any donated PTO hours. If the recipient is currently on Short Term Disability leave, donated PTO may be used to supplement the disability benefits once the employee has exhausted all of his or her available paid leave. Donated PTO may be used only for time off related to the approved request.

Employees who receive donated PTO may receive no more than 480 hours (12 weeks) within a rolling 12-month period.

Nothing in this policy will be construed to limit or extend the maximum allowable absence under the Family and Medical Leave Act.

All donated PTO granted to the recipient employee is considered wages and will be paid at the recipient's normal rate of pay and subject to appropriate tax withholdings.

PTO Donation Administration

All PTO donations will be tracked by the Human Resources Department in the **CATIC Financial Leave Bank**. PTO donations will be deducted from donating employees' PTO bank via **Paycor** by February 1st / August 1st or the next available business day and made available to approved employee recipients thereafter. The total balance in the CATIC Financial Leave Bank will be made available to all CATIC Financial employees via email during each donation period. The CATIC Leave Bank balance will be updated on a quarterly basis by the Human Resources Department.

Donated PTO used by approved recipient employees will be tracked via **Paycor** within their Time Off Requests page. The code **PTOD** will be used to track donated PTO hours taken on a calendar basis. Any donated PTO not used at the end of the year by the recipient will be forfeited and returned to the PTO donation bank.

Amendment and Termination

This benefit program may be amended or terminated, in whole or in part, by CATIC at any time for any reason.