

# Parental Leave Policy/Benefit

## Purpose

The purpose of paid parental leave is to enable the employee to care for and bond with a newborn or a newly adopted or newly placed child or to care for a child with a serious health condition. This policy will run concurrently with federal Family and Medical Leave Act (FMLA) and applicable state Paid Family Medical Leave statutes and regulations. This policy will be in effect for births, adoptions, or placements of foster children occurring on or after **June 1, 2022**.

Regarding pay practices during approved paid Family Medical Leave, we will always comply with legal guidelines and provisions where they exist. In counties or states where Paid Family Medical Leave is not mandatory, we will administer approved paid parental leave time according to this company policy.

## Policy outline

CATIC Financial Inc. will provide up to 12 weeks of Paid Parental Leave to employees, regardless of gender, following the birth of an employee's child or the placement of a child with an employee in connection with adoption or foster care, or to care for an employee's child with a serious health condition.

## Eligibility

Eligible employees must meet the following criteria:

- Have been employed with the company for at least 12 months; and
- Be a full-time or part-time, regular employee (temporary employees, 1099 contractors, and interns are not eligible for this employee benefit).

In addition, employees must meet one of the following criteria:

- Have given birth to a child;
- Be a spouse or committed partner of a woman who has given birth to their child;
- Need to provide care for their own child or stepchild with a serious health condition (child must be age 17 or younger); or
- For the placement of an adopted child or placement with a foster child (in either case, the child must be age 17 or younger).

## **Amount, Time Frame and Duration of Paid Parental Leave**

- Eligible employees will receive a maximum of 12 weeks of Paid Parental Leave per birth, adoption, or placement of a child/children. The fact that a multiple birth, adoption, or placement occurs (e.g., the birth of twins or adoption of siblings) does not increase the 12-week total amount of Paid Parental Leave granted for that event. In addition, in no case will an employee receive more than 12 weeks of Paid Parental Leave in a rolling 12-month period, regardless of whether more than one birth, adoption or foster care placement event occurs within that 12-month period.
- Employees must take Paid Parental Leave in **one continuous period of time** and can only use approved Paid Parental Leave during the 12-month period indicated above. Any unused Paid Parental Leave will be forfeited at the end of the 12-month period. Any exceptions to this provision must be reviewed and approved by the Chief Human Resources Officer and the appropriate member of the senior leadership team.
- Approved Paid Parental Leave may be taken at any time during the 12-month period immediately following the birth, adoption, or placement of a child with the employee.
- Paid Parental Leave will be paid on a bi-weekly basis during regularly scheduled payroll dates throughout the year. Paid Parental Leave is subject to all applicable tax withholdings and all payments will be offset by any approved Short Term Disability benefits and/or approved state paid family/medical leave. Furthermore, the maximum benefit received under this policy will not exceed an employee's regular biweekly salary. If an overpayment occurs for any reason, then the funds will be recovered in the first available pay period following the employee's return to work date.
- Additionally, employees may request to use accrued Paid Time Off (PTO) to extend their approved parental leave time. In the event when an employee has exhausted their accrued PTO time, they may request donated PTO to cover any unpaid portion of their parental leave.
- Upon termination of the individual's employment at the company, he or she will not be paid for any unused Paid Parental Leave for which he or she was eligible.

## **Coordination with Other Policies**

- Paid Parental Leave applied under this policy will run concurrently with approved leave time under the Federal Medical Leave Act (FMLA); applicable state FMLA;

and applicable state Paid Family Medical Leave. Therefore, any leave taken under this policy will be counted against the total number of weeks of available leave under Federal and/or state laws and all other requirements and provisions will be applied accordingly.

- The company will maintain all benefits for employees during the Paid Parental Leave period. Employees will remain responsible for their portion of any benefit premiums and must pay any employee contribution in full by the first of each month. Benefits which operate on an accrual basis (i.e., PTO) will cease to accrue during any unpaid leave period that exceeds 30 days.
- If a company holiday occurs while the employee is on Paid Parental Leave, such day will be charged to holiday pay; however, such holiday pay will not extend the total paid parental leave entitlement.

### **Requests for Paid Parental Leave**

The employee will provide their supervisor and the Human Resource Department with notice of the request for Paid Parental Leave at least 30 days prior to the proposed date of the leave (or if the leave was not foreseeable, as soon as possible). The employee must complete the necessary HR forms and provide all documentation as required by the HR department to substantiate the request.

**Leave of Absence request form:** <https://f.catic.com/Forms/LOA-Form>

### **Definitions**

- **“Serious health condition”:** For purposes of administering this policy, a serious health condition means an illness, injury, impairment, or physical or mental condition that involves:
  - (a) Inpatient care in a hospital, home or residential medical care facility; or
  - (b) Continuing Treatment by a Health Care Provider
- **“Partner”:** For the purposes of administering this policy, partner is defined as spouse, or civil union/domestic partner.

**CATIC Financial, Inc. reserves the right to amend, interpret, modify, and/or terminate this policy at any time.**