



To: Tri City Rentals Team Members

From: Tim Owens

Date: December 30, 2022

RE: Announcement– Policy Change

ANNOUNCEMENT – POLICY CHANGE

Good Morning:

We are pleased to announce a change in our Tri City Rentals Sick Leave policy for 2023. We are launching a PTO (Paid Time Off) system to replace our current Sick Leave protocol.

Purpose: PTO is a bank of days from which employees can draw for sick leave, doctors' appointments, funeral (not covered in TCR Handbook - Bereavement) and personal days off from work. The rationale behind a switch to a PTO Program is the fact that people need flexibility in their busy lives, to help balance, health, family, home needs, children, children's activities, and work — Home & Work Life Balance. We feel when team members have flexibility, they will be more engaged, more productive, and more likely to stay with the Tri City Rentals organization.

Goal: Paid Time Off (PTO) provides eligible employees with the opportunity to take time off from work without loss of compensation. PTO can be used for vacation, personal time, personal illness, family illness, dependent care, or other scheduled and certain unscheduled absences. PTO should be scheduled in advance and in writing and have supervisory approval, except in the case of sudden illness or extreme emergency.

Details:

Current Employees:

- The PTO Program will replace your current yearly advanced 7 days of sick leave for all eligible employees.
- Holiday and Bereavement (see TCR Handbook) time off is NOT included in annual PTO hours.
- PTO will not be paid in lieu of taking actual time off. PTO has no cash-out value.

- PTO Scheduled or Unscheduled will not be considered as time worked for the purpose of calculating overtime. All PTO requests must be requested in writing on the Tri City Rentals Time Off Request Form (attached) and have supervisory approval.
- PTO time not used does not carry over to the next calendar year.
- In the event of termination of employment from the Company, an employee will not be paid for any unused PTO balance.
- PTO days can be used at any time to provide more flexibility than sick days. This should help you better manage your work-life balance.
- PTO for illness or extreme emergency where no prior notice is possible. Just notify your supervisor per the Tri City Rentals Handbook.
- PTO days protects your privacy since you can use them for any reason without having to make excuses.
- When team members wish to use a PTO day or hours - request this paid time off from your direct supervisor, complete our TCR Time Off Request Form, email request or give your request to your supervisor for final approval. Your supervisor will then forward the request to Bonnie Matson (bmatson@tricityrentals.com), and the PTO day or hours will be deducted from your banked time and noted on your pay stub by the HR department. PTO time used should be marked by managers on all timesheets and on each employee yearly time calendar for proper record keeping at the property.
- We all have a duty and professional obligation to work as a Team to get the needed work complete in a timely and business-like fashion. Advanced PTO requests may be denied based on prior approved PTO for other Team members (Multiple Request for Same Date), resulting in insufficient staffing levels. Supervisors have the authority to approve or deny PTO requests based on several factors which may include, but not limited to seniority, first come/first serve basis and supervisory discretion.

New Hires:

- Employees accrue 1 hour of PTO every 30 hours worked during their first year of employment. The maximum PTO days allowed per year is 7 days. After the first-year anniversary, PTO time will then be accrued up until the following December 31st (up to 7 days). Each January thereafter, full time employees receive 7 advanced PTO days per calendar year.

The updated Tri City Rentals Time Off Request Form is attached for immediate use in 2023. We are excited about this PTO (Paid Time Off) program and hope you are too! We hope that you share your input, your honest thoughts on how it has helped you personally and your Teams' moral and well-being. Thank you.

Sincerely
Tim