

Paid Time Off (PTO) and Paid Sick Leave Policy

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Paid Time Off (PTO) and Paid Sick Leave Policy

I. POLICY BRIEF AND SCOPE

AEO (or “Company”) provides Paid Time Off (PTO) to all *regular, full-time associates*. PTO is a pool of paid time accrued to be used at your discretion under the guidelines administered by your supervisor. PTO time is paid at the associate’s base pay rate. The PTO plan year begins on last pay period in February through the first pay period the following February.

Part-time, temporary, and seasonal associates are not eligible for PTO, however, they may be eligible for Paid Sick Leave in accordance with state law. Associates eligible for Paid Sick Leave may use such time in the event they need to miss work for one or more of the reasons that qualify under this policy.

This Policy defines associate eligibility, accrual rates, balances, rollovers, sell backs, and using Paid Time Off and Paid Sick Leave.

II. WHO MUST READ AND UNDERSTAND THIS POLICY:

The Policy applies to all full-time and part-time associates in all AEO locations in the United States, including all corporate, distribution center and store locations.

III. PAID TIME OFF (PTO)

WHO IS ELIGIBLE FOR PTO?

Regular, full-time associates will be eligible to accrue PTO benefits effective immediately upon hire, or transfer/promotion to eligible status. Associates will be eligible to use accrued benefits after their 60th day of full-time service, unless otherwise required by law. Temporary/seasonal (including Interns and Consultants) and part-time associates are not eligible for this benefit, unless otherwise required by law.

****Temporary/seasonal and part- time associates at store #412 in San Francisco, California are eligible to earn PTO effective immediately upon hire.***

HOW MUCH PTO DO I RECEIVE EACH YEAR?

The amount of PTO that accrues depends on the associate’s position and length of service (which is based on anniversary year from the full-time date of hire or promotion), and, the associate’s status (i.e. active, leave of absence, or terminated).

Annually, associates may only accumulate up to a maximum of one (1) times their annual maximum amount of PTO at any time in their employment, except where otherwise required by law.

Please refer to the PTO Accrual Schedule in the Appendix to this Policy.

WHEN DOES MY PTO INCREASE?

Accrual is increased on anniversaries of the date in which an associate becomes eligible for PTO in accordance with the accrual schedule. Regular, full-time Corporate and Distribution Center associates in active status accrue PTO on a bi-weekly basis at the end of each bi-weekly pay period. Regular, full-time Store associates in an active status accrue PTO on a weekly basis at the end of each week.

The associate's full-time hire date ("Anniversary") will be used to determine when he/she moves from one accrual rate to another. The new accrual rate will go into effect the pay period of their anniversary date.

New hires start to accrue hours immediately, but new hires will accrue a pro-rated amount of PTO during their first plan year based on their date of hire. Associates will not accrue PTO while on a leave of absence. Please reference the PTO Accrual Schedules at the end of this Policy for more information.

WHERE CAN I FIND MY PTO BALANCE?

Associates are responsible for keeping track of their used and unused PTO. If you need assistance, your PTO balance can be obtained in the following ways:

- By accessing KRONOS/time clock (Stores, DCs, and Corporate [where applicable]).
- Your pay stub, which can also be accessed electronically through ADP.
- Reaching out to your department's staff assistant, the Payroll Department, or the Benefits Department.

At the end of every week or every other week, an associate's PTO is adjusted by adding to the balance the amount of time accrued during that period and by subtracting the amount of PTO or Unscheduled PTO (or PTOU) used during that same period.

CAN I TAKE PTO IF I HAVENT ACCRUED ENOUGH TIME?

An associate may borrow from their un-earned PTO balance up to 80 PTO hours, however, associates must receive management approval prior to using unearned PTO time. Associates in scope for the Distribution Center's Absence Prevention Policy will not be permitted to willingly go negative into the next year's PTO balance; attendance point(s) may be assessed.

In the event an associate voluntarily terminates his/her employment or becomes ineligible for PTO, prior to earning the borrowed PTO time, the associate will be responsible for repaying AEO for the negative PTO balance.

The negative PTO balance may be calculated into dollars and be deducted from the associate's gross wages in their final paycheck (or any other earned/due compensation), to the extent permitted by applicable law. Otherwise, the associate will be responsible for submitting payment for the negative PTO balance to AEO via check or money order.

CAN I ROLL OVER PTO INTO THE FOLLOWING PLAN YEAR?

Certain locations require that accrued, but unused PTO in the current PTO plan year be carried forward into the following years PTO balance. Below is a list of associate status and the applicable rollover requirements. (Please refer to the appendix for the rollover schedule)

Associate Status	Rollover Location	Non-Rollover Location
Exempt	PTO will rollover to next plan year in accordance with Rollover Schedule (Refer to the Appendix).	Any accrued but unused PTO will be forfeited at the end of the plan year.
Non-Exempt (5+ years of service)	Accrued but unused PTO balance will be paid to the associate at the end of the plan year in accordance with the Sell Back Schedule (Refer to Appendix). This payment will be made automatically unless the associate notifies Benefits by February 1 in writing that they elect to rollover the balance into the next plan year.	Accrued but unused PTO balance will be paid to the associate at the end of the plan year in accordance with the Sell Back Schedule (Refer to the Appendix).
Non-Exempt (less than 5 years of service)	PTO will rollover to next plan year in accordance with Rollover Schedule (Refer to Appendix).	Any accrued but unused PTO will be forfeited at the end of the plan year in accordance with the Rollover Schedule (Refer to the Appendix).

***Associates with a full-time hire/promotion date on or after November 1 of the calendar year are eligible to have their unused PTO accrual roll over into the following plan year.**

****If an associate (exempt or non-exempt) has a negative balance at the end of a Plan Year, the negative balance will continue into the new Plan Year.**

ARE THERE ANY RESTRICTIONS ON HOW I USE MY PTO?

Associates can only use PTO in full hour increments, unless otherwise required by law.

Associates may not elect to have an unpaid absence if a PTO balance exists. Any time that is taken by an Associate for reasons other than time after the workers' compensation wait period, holiday time, jury duty, military leave, bereavement, time after the short term disability wait period, and witness duty, if required by law, must be charged to the associate's PTO bank in accordance with the associate's normal scheduled hours. If all PTO time has been exhausted, under special circumstances, unpaid time off may be approved by the Supervisor and Benefits Department.

Corporate and Store associates may not use PTO to make up tardiness. PTO will be applied (in one (1) hour increments) for Distribution Center associates who are tardy more than one (1) hour past their scheduled start time.

HOW DO I REQUEST PTO?

Absences should be scheduled in advance and approved by your supervisor. It is important for PTO to be scheduled in advance so the supervisor can manage coverage for the store/department. For PTO to be a scheduled absence, associates must provide the minimum advance notice required in accordance with their department/store policy or supervisor guidelines. Scheduled PTO hours may not be taken during any blackout periods established by your business unit, unless otherwise required by law. Store blackout periods include critical times as established and communicated.

In the case of conflicting PTO requests from two or more members of a department or store, approval will be based on departmental guidelines.

Associates might be required to postpone scheduled PTO to accommodate the needs of the business, but every effort will be made to grant requests.

WHAT SHOULD I DO IF I NEED TO USE PTO FOR AN UNSCHEDULED ABSENCE?

Associates should notify their supervisor of their unscheduled absence as soon as possible. Please refer to your Attendance policy for additional guidelines. Proof of emergency situation or illness may be required, where permitted by law.

WHAT HAPPENS IF I TRANSFER POSITIONS?

Associates transferring positions which result in a change of PTO accrual rate (e.g., Part-time to Full-time), will earn PTO according to the new employment status reflected from that week forward.

If a negative PTO balance exists at the time of a status change from Full-time to Part-time, it will be repaid to the company at the time of the status change. If a positive PTO balance exists at the time of a status change from Full-time to Part-time, it will be paid out to the associate.

Anyone transferring from one location to another (without a break in service) will retain his/her original hire date and years of service for PTO eligibility purposes. If an associate transfers from a rollover state and moves to a non-rollover state, the associate will be paid for any hours that would have rolled over in the rollover state at the PTO year end.

WHAT HAPPENS TO MY PTO IF I LEAVE THE COMPANY?

Associates who give notice of their resignation are not permitted to use accrued PTO to extend their last day worked.

Separating Associates will be paid accrued but unused PTO hours up to a maximum of 40 hours, except under the following circumstances:

- The Associate fails to provide the Company a written notice of resignation at least fourteen (14) calendar days prior to their last day of employment;

- An Associate who has an agreement which requires more than 14 calendar days of notice (e.g. 30 days of notice) fails to comply with the terms of the agreement;
- The Associate was terminated due to a violation of company policy;
- State or local law requires the Company to pay in excess of forty (40) hours of accrued but unused PTO upon separation. Please refer to the PTO Separation Pay Schedule to find your state's payment rules.

If the Associate has used more PTO than what was actually accrued, the associate will be required to repay the Company the negative balance. If possible, the negative balance will be calculated into dollars and deducted from the Associate's gross wages in their last paycheck (or any other earned/due compensation), to the extent permitted by applicable law. Otherwise, the Associate can submit payment to the company via check or money order.

WHAT HAPPENS TO MY PTO ACCRUAL IF I LEAVE AND THEN I AM REHIRED?

Rehires will begin accruing PTO hours based upon the most recent Full-time hire date. Past service for rehired Associates will not be counted for PTO eligibility purposes unless the associate leaves the company and returns to AEO within 31 days.

HOW DOES PTO WORK WITH STD/FMLA/WORKERS COMPENSATION?

If absence is due to personal illness or injury and the absence is authorized, regardless of whether it is scheduled or unscheduled:

- A. During the wait period of a medical leave of absence (when short term disability applies), accrued PTO time must be used.
- B. FMLA is an unpaid leave unless the associate qualifies for short term disability benefits or workers' compensation benefits. If the leave is not covered by short term disability or workers' compensation and an associate would like wage replacement, the associate may elect to take any accrued but unused PTO time during what would otherwise be an unpaid leave.
- C. If a scheduled holiday falls within a week when the associate is on an approved leave of absence, including the wait period, they will not be paid for that holiday. PTO will apply when the holiday falls within the wait period of a medical leave.
- D. Associates may choose to use PTO time during the waiting period when on leave due to a work related injury under Workers' Compensation. If the injury is determined to be non-work related, and therefore, not covered by Worker's Compensation, the associate will be required to use PTO time, as applicable under the medical leave policy (if eligible for short term disability). Doctor's appointments related to the associate's on-the-job injury should be made outside of normal work hours. Appointments scheduled during normal work hours will be unpaid, unless accrued PTO time is used, to the extent permitted by applicable law.
- E. Associates do not earn PTO while out on an approved leave of absence.
- F. Associates out on an approved leave of absence may borrow unearned PTO time to use during the unpaid benefit waiting period, however, associates may only borrow PTO time up to 80 PTO hours. Associates are not permitted to extend their leave of absence by borrowing PTO time.

- G. Associates on a leave of absence at the end of the PTO plan year are eligible to have their unused PTO accrual rolled over into the following plan year. At the end of the Plan Year, Associates on a leave of absence will automatically have their eligible PTO balance rolled over, unless otherwise requested by the associate in writing to the Benefits Department by February 1st.

IV. PAID SICK LEAVE

WHO IS ELIGIBLE FOR PAID SICK LEAVE?

Part-time, temporary, and seasonal associates may accrue paid sick time as provided for by state law. To see if you are eligible, please refer to the Paid Sick Time Accrual and Rollover Schedule. Associates can begin using paid sick time on their 90th day or 680th hour of employment with the Company, whichever occurs first. Staffing agency associates are not provided with paid sick leave by the Company. Instead, they are provided with paid sick leave by their agency employer in accordance with applicable law and the policies of their agency employer.

****Temporary/seasonal and part-time associates at store #412 in San Francisco, California are not eligible for Paid Sick Leave. They are eligible to earn Paid Time Off effective immediately upon hire.***

HOW DO I EARN PAID SICK LEAVE AND CAN I ROLLOVER TIME FROM YEAR TO THE NEXT?

Leave accrues at a rate of one (1) hour for every thirty (30) hours worked, up to a maximum of forty (40) hours. Unused sick leave, up to a maximum of forty (40) hours may be carried over from one year to the next.

****For Part-time Associates in Oregon, Maryland and California (excluding Oakland and San Francisco): Earn up to a maximum of eighty (80) hours. Unused sick leave, up to a maximum of eighty (80) hours may be carried over from one year to the next***

***** For Part-time Associates in Seattle, Oakland, and Washington D.C.: There is no cap on the annual accrual amount, and any unused accrued sick time can be carried over from one year to the next.***

Please refer to the Paid Sick Leave Accrual and Rollover Schedule for eligible rollover hours that exist in applicable states.

WHAT REASONS QUALIFY FOR THE USE OF PAID SICK LEAVE?

Paid sick leave is not to be viewed or used as extra days off from work. This benefit is provided, and may only be used, for the reasons outlined in this Policy below.

- An associate or family member's (as defined below) personal mental or physical illness, injury, or health condition;
- An associate or family member's need to obtain preventive care or a medical diagnosis, attend a routine medical appointment, or to care for a family member who needs medical diagnosis, care or treatment for a mental or physical illness, injury or health condition, including substance abuse disorders;
- An associate or family member who is ordered to quarantine according to a declaration of a local, state, or federal public health emergency;

- During closure of the Company's place of business by any law or regulation requiring closure for health reasons, by order of a public official due to a public health emergency, when an associate needs to care for a child whose school or childcare provider has been closed by order of a public official due to a public health emergency, or if the associate has been excluded from the workplace for health reasons under a law or regulation that requires the Company to do so;
- An associate or family member's need to participate in civil or criminal proceedings or seek legal or law enforcement assistance, medical or psychological treatment, social and/or victim services, relocation and/or counseling related to an experience of domestic violence, harassment, sexual assault/violence or stalking;
- To care for an infant or newly adopted child;
- To make funeral arrangements, attend the funeral or grieve for a family member who has died; or;
- As otherwise allowed by applicable federal, state or local law.

For the purpose of using paid sick leave, "family member" includes an associate's:

- Spouse, civil union partner, life partner or domestic partner;
- Biological, adoptive, foster or step-parent or child, including such parent's or child's spouse or domestic or civil union partner;
- Biological, adoptive, foster or step-parent or child of a civil union or domestic partner;
- Grandparent or grandchild (including the spouse or domestic or civil union partner of a grandparent or grandchild);
- Sibling or sibling-in-law (including a biological, adopted, foster or step sibling or sibling-in-law);
- Parent-in-law;
- Legal ward;
- Person with whom the associate was, or is in a relationship of in loco parentis; or
- Person who has shared a mutual residence and committed relationship with the associate for at least the preceding 12 months.

**** Associates in Seattle, Oakland, and Washington D.C. can select a designated person. If an associate does not have a spouse or registered domestic partner, they may designate one person whom he or she may use paid sick leave to provide aid or care. This designation must be provided to the Company prior to using sick leave for this purpose.**

***** Associates in Chicago, IL may use Paid Sick Leave to obey an order issued by the mayor, the Governor of Illinois, the Chicago Department of Public Health, or a treating healthcare provider, requiring the associate: to stay at home to minimize the transmission of a communicable disease, to remain at home while experiencing symptoms or sick with a communicable disease, to obey a quarantine order issued to the associate, or to obey an isolation order issued to the a in order to care for a family member whose school, class, or place of care has been closed.**

DO I NEED TO PROVIDE ANY DOCUMENTATION FOR USING PAID SICK LEAVE?

If an associate uses paid sick leave for one of the reasons set forth in this Policy for more than three (3) consecutive days, the Company may require reasonable documentation that the absence qualifies as paid sick leave. The documentation should not specify the nature of any illness or condition, except to the extent required by applicable law.

In addition, an associate returning to work after more than three (3) consecutive work days of absence due to their own illness, injury or medical condition may be required to submit to the Company a medical

certification approving the associate to return to work. The certification should not specify the nature of any illness or condition, except to the extent required by applicable law. If work restrictions or accommodations are medically necessary, the associate should contact his/her manager at least two (2) work days before returning to work (or as soon as reasonably practicable) to ensure that work restrictions can be followed or accommodations can be made and ready for the associate's return. If the associate's return to work documentation is not provided or sufficient, the associate's return to work may be delayed until the associate provides proper documentation.

HOW MUCH NOTICE MUST I PROVIDE IF I NEED TO USE PAID SICK LEAVE?

Associates should notify their managers of sick days as far in advance as reasonably possible, in order to assist their managers in planning. Paid Sick Leave is used to provide pay for time off from an associate's scheduled work hours. Associates must comply with the Company's normal absence reporting (call-in) procedures and Attendance Policy, unless the associate cannot reasonably do so for some reason having to do with his or her need for paid sick leave.

IF I PARTICIPATE IN SALES COMMISSION OR OTHER INCENTIVE PLANS, WILL USING PAID SICK LEAVE HAVE ANY IMPACT ON MY PAY?

When Paid Sick Leave is used, the associate receives pay based on the associate's then current base salary or hourly wage rate. Associates who are participating in a sales commission or other incentive plan continue to receive credit for sales received by the Company from within the associate's assigned area or store during periods the associate is using Paid Sick Leave.

ARE THERE ANY RESTRICTIONS ON HOW I USE MY PAID SICK LEAVE?

Associates must use paid sick leave in at least one-hour increments or more, unless required by state law. Associates within the city limits of New York City are able to use Paid sick leave in 30 minute increments.

When an associate needs or takes time off for a reason that qualifies for use of paid sick leave, the associate is required to use the Paid Sick Leave that is then available to him or her. All associates must promptly and accurately record their use of Paid Sick Leave on their timecards, time sheets, or timekeeping system. Associates are not able to go negative or borrow paid sick time that they haven't earned or accrued.

WHERE CAN I LOCATE MY PAID SICK LEAVE BALANCE?

Associates' earning statements include a Paid Sick Leave balance. However, this balance may not be entirely accurate. The balance listed on the pay statement may not accurately take into account use of Paid Sick Leave during the date the time records were used to calculate wages for the pay period through the actual pay date. Any use of paid sick leave during that limited period will be reflected on the next pay statement.

Associates may access their Paid Sick Leave balance in Kronos at any point in time. The associate should contact the Payroll Department immediately to report any inaccuracies in the Paid Sick Leave balance.

All accrued, and unused Paid Sick Leave time will rollover at the end of the sick leave year on December 31st up to a maximum of 40 hours.

**** Part-time associates in Oregon, Maryland and California (excluding Oakland and San Francisco) can earn***

up to a maximum of eighty (80) hours. Unused sick leave, up to a maximum of eighty (80) hours may be carried over from one year to the next.

***** For Part-time Associates in Seattle, Oakland, and Washington D.C.: there is no cap on the annual accrual amount, and any unused accrued sick time can be carried over from one year to the next.***

WHAT HAPPENS TO MY ACCRUED PAID SICK LEAVE IF I LEAVE THE COMPANY?

Associates who separate from the Company will not be paid for any unused Paid Sick Leave upon termination of employment, whether such separation is voluntary or involuntary. However, accrued and unused Paid Sick Time will be reinstated in the event an associate is rehired within twelve (12) months of the separation date.

No associate will be discharged, threatened with discharge, demoted, suspended, or in any manner discriminated against for requesting or using accrued Paid Sick Time, attempting to exercise the right to use accrued Paid Sick Time, filing a complaint or alleging a violation of this Policy, cooperating in an investigation of an alleged violation of this policy, or opposing any act that is prohibited by or contrary to this policy and any applicable Paid Sick Leave legal protections. No associate will be required to secure or attempt to secure a replacement or substitute or accept an alternate shift as a condition of requesting or using Paid Sick Leave.

V. RESPONSIBILITIES

Associate Responsibilities:

It is the responsibility of each associate to make his/her request for PTO or Paid Sick Leave at the earliest possible time and within time frames established by his/her department or store. AE also recognizes that time away from work is important to keep associates motivated and energized. Therefore, we strongly encourage associates to plan their time off in advance and communicate this to their supervisors.

Associates are responsible for reporting off for illness, injury or personal emergencies within the time frames established by the Handbook and his/her department or store. In order for an associate to be paid for these unscheduled days off, the associate has to have PTO or Paid Sick Time available.

It is also each associate's responsibility to report their PTO or Paid Sick Leave to their supervisor (or person designated by their supervisor), monitor the deductions on their paycheck and make plans to utilize their PTO or Paid Sick Time prior to the end of the plan year.

Department/Supervisor's Responsibilities:

Each Supervisor is responsible for granting PTO and/or Paid Sick Leave so as not to interfere with proper staffing levels and delivery of customer service. Supervisors are responsible for monitoring attendance records and recording the proper PTO and/or extended illness for each associate.

This Policy will be reviewed at least annually by the Benefits Department and approved by the Vice

President of Total Rewards.

American Eagle Outfitters reserves the right to amend or discontinue any or all parts of this policy at any time.

VI. ACCOUNTABILITY AND CONSEQUENCES FOR FAILURE TO COMPLY

Anyone who violates this Policy is subject to appropriate discipline, up to and including, termination.

In addition, the Company will not allow any form of retaliation against individuals who request or use Paid Time Off in accordance with this Policy. Retaliation is unacceptable. Any form of retaliation in violation of this policy will result in disciplinary action, up to and including discharge.

VII. RESOURCES

Related Policies:

- Absence Prevention Policy - DC
- Accidents
- Attendance –Absence and Tardiness
- Hours and Attendance
- Family Medical Leave
- Paid Parental Leave Policy
- Leave of Absence
- Separation of Employment
- Short-Term Disability
- Military Leave

VIII. POLICY HISTORY

Date Issued: March 2019

Last Reviewed:	Last Revised:	Owner:	Changes:
March 2019	March 2019	Benefits Department	Combined existing policies into one master policy
June 2019	June 2019	Benefits Department	Updated PTO section regarding FMLA subsection B.
September 2019	September 2019	Benefits Department	Updated PTO/Paid Accrual/Rollover Schedule

Last Reviewed:	Last Revised:	Owner:	Changes:
November 2019	November 2019	Benefits Department	Updated PTO/Paid Accrual/Rollover Schedule
December 2019	December 2019	Benefits Department	Updated PTO/Paid Accrual/Rollover Schedule
March 2020	March 2020	Benefits Department	Updated PTO/Paid Accrual/Rollover Schedule
May 2020	May 2020	Benefits Department	Updated Store PTO Accrual Schedule
January 2021	January 2021	Benefits Department	Updated Store PTO Accrual Schedule and Paid Sick Schedule
September 2021	September 2021	Benefits Department	Updates to qualifying reasons for use of paid sick leave
December 2021	December 2021	Benefits Department	Updates to Paid Sick Accrual Schedule

APPENDIX

Store Associate PTO Accrual Schedule

Years of Service	Accrual Rate (Weekly)	Total Hours Earned Over 52 Weeks	Total Days Earned Over 52 Weeks
1	1.54	80	10
2-4	2.77	144	18
5-9	3.54	184	23
10+	4.31	224	28

****This accrual schedule does not apply to Regional and District Managers. Please reference the Corporate Associate PTO Accrual Schedule***

*****New Hire Store Team Leaders and Senior Store Team Leaders are hired into the 2-4 year of service accrual tier granting them 2.77 hours earned weekly.***

****** Part-time Associates at store #412 in San Francisco, California, will accrue 1.54 PTO hours weekly. A maximum of 80 hours can be earned during a 52-week period.***

******* Part-time, temporary, and seasonal Associates in Maine will accrue 1 hour of paid leave for every 30 hours worked, up to a maximum of 40 hours of paid leave per year. Associates can begin using paid leave on their 120th day of employment with the Company.***

Distribution Center Associate PTO Accrual Schedule

Years of Service	Accrual Rate (Bi-weekly)	Total Hours Earned Over 52 Weeks	Total Days Earned Over 52 Weeks
1	3.08	80	10
2-4	5.54	144	18
5-9	7.08	184	23
10+	8.62	224	28

**Corporate Associate PTO Accrual Schedule
(Inclusive of Regional and District Managers)**

Years of Service	Accrual Rate (Bi-weekly)	Total Hours Earned Over 52 Weeks	Total Days Earned Over 52 Weeks
1-4	5.54	144	18
5-9	7.08	184	23
10+	8.62	224	28

**Associates hired into Director level roles will begin accruing PTO at 7.08 hours biweekly, up to a maximum of 184 PTO hours annually. Once associates reach 5 years of service, their new accrual rate will be 8.62 hours earned biweekly.*

**Associates hired into Executive level roles will begin accruing PTO at 8.62 hours biweekly, up to a maximum of 224 PTO hours annually.*

PTO Rollover Schedule

Locations	Rollover Hours
Alabama, Alaska, Arkansas, Colorado, Delaware, Florida, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Minnesota, Mississippi, Missouri, New Hampshire, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, West Virginia, Wisconsin, Wyoming	No rollover hours
Arizona, Connecticut, Maine, Massachusetts, Michigan, Nevada, New Jersey, Rhode Island, Vermont Chicago, IL; Philadelphia, PA; Pittsburgh, PA; Dallas, TX	Up to 40 hours per year
New York, Bernalillo New Mexico	Up to 56 hours per year
California, Maryland, Montana, Nebraska, Oregon, Washington Duluth, MN	Up to 1.5 times your annual maximum total hours allowed

****Associates in California, Duluth, Minnesota, Maryland, Montana, Nebraska, Oregon and Washington may accumulate up to a maximum of one and one half (1.5) times their annual maximum amount of PTO at any time in their employment. This maximum may be reached anytime during the year depending upon how many PTO days have rolled over from prior Plan Years. Although non-exempt Associates may be eligible pursuant to this policy to sell back certain PTO days at the end of a Plan Year, Associates will not be permitted to sell back PTO during other times of the year. Therefore, in the event the maximum accrual is reached, PTO will stop accruing until the PTO balance falls below the maximum accrual amount, at which time it will begin to accrue again.***

***** All Corporate associates, inclusive of Field District Team Leaders, Regional Directors, Corporate work at home associates, and the DC corporate associates, have the ability to carry over 40 PTO hours each year, unless state or local law requires additional time to be paid out.***

PTO Sell Back Schedule

Service Time	Eligible Sell Back Hours (Exempt)	Eligible Sell Back Hours (Non-Exempt)
1 year	0	0
2-4 years	0	0
5-9 years	0	40
10+ years	0	80

****Unless otherwise required by law, only Non-exempt Associates are permitted to sell back unused PTO at the end of the plan year, after meeting the service requirement. Exempt associates will forfeit any unused PTO balance at the end of the Plan year.***

PTO Separation Pay Schedule

Locations	Separation Pay
California, Colorado, Illinois, Louisiana, Massachusetts, Montana, North Dakota, Nebraska, New Hampshire	All accrued but unused PTO hours will be paid out
All other states	Accrued but unused PTO hours up to a maximum of 40 hours will be paid out

Paid Sick Time Accrual and Rollover Schedule

Locations	Accrual Rate*	Rollover
<p>Arizona, Connecticut, Massachusetts, Michigan, New Jersey Rhode Island, Vermont, Washington</p> <p>Chicago, IL, Philadelphia, PA, Pittsburgh, PA, Allegheny County, PA, Dallas, TX</p>	<p>1 hour of sick time earned for every 30 hours worked, up to a maximum of 40 hours.</p>	<p>A maximum of 40 hours can be carried over from one year to the next</p>
<p>Colorado</p>	<p>1 hour of sick time earned for every 30 hours worked, up to a maximum of 48 hours.</p>	<p>A maximum of 48 hours can be carried over from one year to the next</p>
<p>New York, Bernalillo County New Mexico</p>	<p>1 hour of sick time earned for every 30 hours worked, up to a maximum of 56 hours.</p>	<p>A maximum of 56 hours can be carried over from one year to the next.</p>
<p>California, Maryland, Oregon</p> <p>Duluth, MN</p>	<p>1 hour of sick time earned for every 30 hours worked, up to a maximum of 80 hours.</p>	<p>A maximum of 80 hours can be carried over from one year to the next</p>

****For Part-time Associates in Duluth, MN, Oregon, Maryland and California (excluding Oakland and San Francisco): Earn up to a maximum of eighty (80) hours. Unused sick leave, up to a maximum of eighty***

(80) hours may be carried over from one year to the next

***** For Part-time Associates in Seattle, Oakland, and Washington D.C.: There is no cap on the annual accrual amount, and any unused accrued sick time can be carried over from one year to the next.***

******For Part-Time Associates in Nevada: Associates will earn .01923 hours of paid leave for every hour worked up to a maximum to 40 hours annually. New employees may begin using paid leave on their 90th calendar day of employment. 40 hours can be carried over from one year to the next year.***