



PAID TIME OFF (PTO) POLICY FOR FULL-TIME HOURLY FIELD ASSOCIATES IN NON-TIPPED, GSC, TEAM LEADER, BELL/RAMP CAPTAIN, OR STARBUCKS SUPERVISOR POSITIONS

PURPOSE: To outline policies and procedures pertaining to the eligibility, accrual, usage, and management of the paid time off (PTO) benefits for hourly field associates.

RELATED DOCUMENTS: [Benefit Overviews](#)

POLICY:

A. Eligibility

Towne Park provides PTO benefits based on job classification and length of employment. Benefit Overviews describing the benefits available for each job classification, including applicable PTO accrual rates, are posted in Simply and Workday.

Rehired associates are treated as a new hire for the purposes of PTO eligibility and accruals or grants.

To qualify for PTO pursuant to this policy, you must be employed by Towne Park on a full-time basis in one of the following job classifications, and not be subject to a site-specific plan:

- **A non-tipped hourly field associate**
- **An hourly field associate in a GSC, Team Leader, Bell Captain, Ramp Captain, or Starbucks Supervisor position**

If an associate qualifies for PTO under a site specific plan, they will not qualify to receive PTO under this PTO policy or plan.

To be eligible for PTO under this policy, associates in one of the job classifications listed above must meet the following requirements:

- 1) They must be employed by Towne Park for a minimum of 12 consecutive months; and
- 2) They must work an average of 30 hours a week for 12 consecutive months (1,560 hours). The hours requirement is measured as of January 1 of the current benefit plan year.

Eligibility can be established at either:

- 1) The beginning of the benefit plan year (January) or
- 2) When the associate reaches one year of service during the benefit plan year.*

*Associates who become eligible for PTO under this policy during the benefit plan year will receive pro-rated PTO to use for the remainder of the year as outlined below.

B. PTO Grant

Associates are granted PTO (in full or on a pro-rated basis) as set forth below based on the "benefit plan year," which is defined as a calendar year.

1) Non-Tipped Hourly Field Associates

The maximum annual PTO a non-tipped hourly field associate may be granted is up to forty (40) hours, which may be pro-rated in the first benefit plan year that an associate is eligible. Specifically, PTO hours



PAID TIME OFF (PTO) POLICY FOR FULL-TIME HOURLY FIELD ASSOCIATES IN NON-TIPPED, GSC, TEAM LEADER, BELL/RAMP CAPTAIN, OR STARBUCKS SUPERVISOR POSITIONS

will be pro-rated based on the month in which the associate becomes eligible for PTO, as outlined in the below chart.

Month of Eligibility	PTO Hours Granted
January	40.00
February	37.00
March	34.00
April	30.00
May	27.00
June	24.00
July	20.00
August	17.00
September	14.00
October	10.00
November	7.00
December	4.00

***EXAMPLE:** An Hourly Field Non-Tipped associate is hired on April 10, 2016. He will become eligible for PTO following 12 consecutive months (1560 hours) of employment, and in this case, since the associate worked on a full-time basis, he meets the other (hours) requirement necessary to be for PTO. The associate will receive 30 hours of PTO, which will appear in Workday, on the last day of the month in which he became PTO eligible (April 30, 2017).*

In the beginning of the first *full* benefit plan year of eligibility, and each year thereafter, non-tipped hourly field associates will be eligible to receive up to forty (40) hours of PTO the Maximum PTO Cap, which will be calculated taking into consideration any PTO carried over from the previous benefit plan year. PTO Grants are posted on the last day of January.

These PTO accrual rates are also discussed in the Benefit Overviews available in Simply and Workday.

2) GSCs, Team Leaders, Bell Captains, Ramp Captains, and Starbucks Supervisors

Annual PTO for GSCs, Team Leaders, Bell Captains, Ramp Captains, and Starbucks Supervisors is granted based on the associate's date of eligibility, and may be pro-rated in the first benefit plan year that an associate is eligible. Specifically, PTO hours will be pro-rated based on the month in which the associate becomes eligible for PTO, as outlined in the below chart.

Month of Eligibility	PTO Hours Granted
January	40.00
February	37.00
March	34.00
April	30.00
May	27.00
June	24.00
July	20.00

PAID TIME OFF (PTO) POLICY FOR FULL-TIME HOURLY FIELD ASSOCIATES IN NON-TIPPED, GSC, TEAM LEADER, BELL/RAMP CAPTAIN, OR STARBUCKS SUPERVISOR POSITIONS

August	17.00
September	14.00
October	10.00
November	7.00
December	4.00

***EXAMPLE:** A GSA is promoted to the GSC job classification on October 20, 2016. He/she will become eligible for PTO following 12 consecutive months (1560 hours) of service in the GSC job classification, and in this case, since the associate worked on a full-time basis, she meets the other (hours) requirement necessary to be eligible for PTO. The associate will receive 10 hours of PTO, which will appear in Workday, on the last day of the month in which she became PTO eligible (October 31, 2017).*

In the first *full* benefit plan year of eligibility, and each year thereafter, PTO will be granted based on the associate's the length of service in the GSC, Team Leader, Bell Captain, Ramp Captain, or Starbucks Supervisor job classification, as outlined in the below chart up to the Maximum PTO Cap, which will be calculated taking into consideration any PTO carried over from the previous benefit plan year.

These PTO accrual rates are also discussed in the Benefit Overviews available in Simply and Workday.

Length of Service in PTO-Eligible Job Classification	PTO Hours Granted
1 year to < 3 years	Up to 40
3 years to < 7 years	Up to 56
7 or more years	Up to 80

C. Increments of PTO Usage

Associates must request PTO in one hour increments.

D. Requesting and Taking PTO

Associates wishing to use PTO must submit a PTO request through Workday at least two weeks in advance of the requested date(s), unless such notice is not possible under the circumstances. Once submitted, the request will route to the associate's manager to approve. After the request is approved, the associate's balance will automatically be reduced. Approval for PTO is subject to scheduling and business demands, but we will make every effort to grant associates' PTO preferences. If too many associates request the same period of time off, preference typically will be given based on the manager's discretion. The Company also reserves the right to mandate the use of PTO in certain instances, to the extent permitted by applicable law.

After the request is approved and the PTO is used, the associate's balance will automatically be reduced.

Associates who need to use PTO due to unforeseen reasons such as illness must call in and notify their manager as early as possible, but at least two (2) hour prior to the start of their workday, except in cases of extreme emergency. Associates who call in sick for three (3) or more consecutive days may be

PAID TIME OFF (PTO) POLICY FOR FULL-TIME HOURLY FIELD ASSOCIATES IN NON-TIPPED, GSC, TEAM LEADER, BELL/RAMP CAPTAIN, OR STARBUCKS SUPERVISOR POSITIONS

required to provide their supervisor with a medical certification on the day they return to work, to the maximum extent permitted by applicable law.

The purpose of this policy is to help associates achieve work-life balance. Therefore, it is the goal of the company to encourage all associates to use their PTO benefits within the benefit plan year in which they are granted or accrued. Managers have access to their associates' PTO balance to help manage the utilization of associate PTO benefits.

E. Using PTO in Advance of Accrual

Associates eligible for PTO are granted their full PTO balance (or a pro-rated amount) for the year at the beginning of each benefit plan year. Associates are therefore not allowed to have a negative PTO balance (i.e., borrow from the next benefit plan year's PTO entitlement).

F. Carryover

Unless otherwise required by applicable state law, up to 40 hours of granted or accrued PTO hours not used by the end of the benefit plan year will carry over into the following benefit plan year, but PTO balances are subject to an overall cap (which is equal to the "Maximum Annual PTO Cap.")

G. PTO Cap

Once an associate's PTO bank reaches the Maximum Annual PTO Cap for that applicable benefit plan year, he/she will not be granted additional PTO until the following benefit plan year, unless otherwise required by applicable law. The Maximum Annual PTO Cap is calculated taking into consideration any PTO carried over from the previous benefit plan year.

EXAMPLE: If a non-tipped hourly field associate has 6 hours of PTO remaining on December 31st, and he/she met the eligibility requirements for 2017 PTO, he/she will be granted 34 PTO hours (maximum annual PTO cap) up to the Maximum Annual PTO Cap of 40 PTO hours.

H. Payment

PTO will generally be paid in the applicable pay period in which the PTO was taken at the associate's base rate of pay at the time of absence, unless otherwise required by applicable law. If an associate's request for PTO is submitted or approved late, i.e. after the associate has taken PTO, this may result in delayed payment for the PTO.

I. PTO Grant and Use While on Leave

If an associate is on FMLA leave (or any applicable state equivalent), and/or any other approved leave, PTO accruals will be pro-rated and/ or cease (as applicable) until the associate returns to work. If an associate is on leave, any granted or accrued PTO must be used until all granted or accrued PTO has been depleted, unless otherwise required by applicable law. PTO cannot be used to extend the length of a leave of absence.



PAID TIME OFF (PTO) POLICY FOR FULL-TIME HOURLY FIELD ASSOCIATES IN NON-TIPPED, GSC, TEAM LEADER, BELL/RAMP CAPTAIN, OR STARBUCKS SUPERVISOR POSITIONS

J. PTO Balances at Time of Job Change

If an associate changes job classifications (either a promotion or a demotion), the associate will become eligible for PTO under the PTO policy applicable their new job classification, at the accrual or grant rates associated with their new classification. Any accrued or granted, unused PTO hours will remain in the associate's PTO bank and available for use by the associate and will also be taken onto consideration for accrual and grant purposes in the associate's new position. Similarly, negative PTO balances will remain and will impact the associate's PTO accrual or grant in their new job classification. Any PTO taken after a change in job classification will be paid at the associate's current rate of pay, not the rate of pay from their prior job classification, unless otherwise required by applicable law.

If an associate changes job classifications into a job classification that is not eligible for PTO (i.e. an hourly tipped position), any unused PTO will remain available to the associate for use in accordance with the terms of the PTO policy under which it accrued or granted. PTO is not paid out when an associate moves from a PTO eligible job classification to a job classification which is not eligible for PTO. Any PTO taken after a change in job classification will be paid at the associate's current rate of pay, not the rate of pay from their prior job classification.

K. PTO Balances at Time of Separation

Any PTO granted after January 1, 2017, which is unused at the time of separation will not be paid out upon termination of employment, regardless of whether the termination is voluntary or involuntary, unless otherwise required by applicable law.¹ Additionally, associates may not use available PTO hours in lieu of providing notice of their intent to end their employment with Towne Park. Associates who do not provide two weeks' notice of their intent to end their employment will not be eligible for rehire.

¹ If applicable law requires PTO be paid out upon termination, any unused accrued or granted PTO hours will be paid out at the applicable state minimum wage, or the base rate of pay, whichever is higher.