



Paid Medical Leave Policy

Burt Watson Chevrolet, Inc. (the “Company”) recognizes the importance of employees maintaining their own personal health and taking care of family members with medical needs. Starting on March 29, 2019, the Company provides paid medical leave to select employees according to the terms below. For purposes of this policy, the benefit year shall begin on December 1 of each year.

Eligible Employees

An employee is eligible for paid medical leave if the employee is non-exempt (eligible for overtime), and either a new employee expected to work at least 25 hours per week or an existing employee who has worked an average of at least 25 hours per week, during the preceding year. Eligibility is subject to exceptions pursuant to Michigan law, including but not limited to, exempt employees; temporary employees; employees who are employed for less than 25 weeks in a calendar year, for a job scheduled for 25 weeks or fewer; and variable hour employees, as defined under the Affordable Care Act.

Years of Employment

Eligible commissioned employees who receive at least \$400.00 in guaranteed, non-reimbursed draw (that is not recouped by the Company) in any benefit year will be presumed to have used this benefit for paid medical leave at a rate of \$10.00 per hour for 40 hours. All other eligible employees will be eligible for the following amounts of leave based on their years of service:

0-2 Years of Service: For the first two years of employment, starting on the employee’s date of hire and renewing on December 1, eligible employees will accrue paid medical leave at a rate of 1 hour per 35 hours worked, with a maximum accrual of 1 hour per week and 40 hours per benefit year. Up to 40 hours of this unused accrued paid medical leave may be either paid out or will roll over to the next benefit year, at the employee’s option.

2+ Years of Service: Eligible employees shall be given 40 hours of paid medical leave on the anniversary of their second year of employment (after 24 full months of employment) in a lump sum to be used at any time during that benefit year. Up to 40 hours of this unused accrued paid medical leave will be paid out at the end of each benefit year; however, such unused accrued amounts may not be rolled over into the next benefit year.

Qualifying Reasons for Leave

Paid medical leave may be used when the eligible employee needs time off for any of the following reasons, which may apply to the eligible employee or his/her family member, and as otherwise required by Michigan law:

- Related to or for the medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition;
- Preventative care; and
- For victims of domestic abuse or sexual assault: to obtain medical care or psychological or other counseling for a physical or psychological injury or disability; to obtain services from a victim services organization; to relocate on account of the violence or sexual assault; to obtain legal services; or to participate in a related civil or criminal proceeding.

For purposes of this policy, “family member” includes the following individuals: spouse; child (biological, adopted, foster, stepchild, legal ward, or for whom the employee acts in loco parentis); parent of employee or employees’ spouse (biological, adopted, foster, stepparent, legal guardian, person who acted in loco parentis); grandparent or grandchild; and sibling (biological, adopted, or foster).

Use and Return to Work

Employees may use accrued paid medical leave in increments of 2 hours, starting on the 90th day of employment. Employees who wish to use any accrued paid medical leave must submit a request at least 1 week in advance of the expected leave, when practical. The request must be approved by Management prior to the start of the leave in order for the leave to be considered excused. Employees may be required to obtain coverage for the shifts that occur during their leave time. Employees may use up to 40 hours of accrued medical leave every benefit year. Failure to comply with the Company’s notice policy may result in discipline, up to and including termination.

The Company reserves the right to require a doctor’s note or other written support indicating that the medical leave is necessary and is for a permitted reason. Employees will have three days to return the requested supportive documentation to the Company. When leave is requested for reasons related to domestic violence or sexual assault, the Company is not questioning whether the incident occurred, but rather needs to confirm that a police report has been filed, and may also request any related court document and/or a signed statement from the victim and witness advocate affirming that the employee or family member of the employee is using services from a victim services organization. The Company is committed to maintaining confidential information as such, and will not disclose the information without the employee’s express permission.

Paid medical leave must be used concurrently with FMLA, to the extent the employee is eligible for FMLA and using such leave for a reason that would also qualify the employee to use paid medical leave.

Upon returning to work following a medical leave, the Company may require a medical certification that the employee is able to perform the essential functions of the job, with or without an accommodation.

Upon termination of employment, regardless of the reason, any unused paid medical leave shall be forfeited and have no monetary value. Employees using paid medical leave for purposes other than permitted by law and under this policy shall be subject to disciplinary action, up to and including termination.

This policy and other Company policies are proprietary confidential property of the Company.