

SEG SEG Tx A-1 Express	Paid Time Off Policy	Issue Date:1/1/2024
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**SEG, SEG TX, A-1 Express PTO Policy**

**Paid Time Off (PTO)**

Paid time off (PTO) is an employer paid benefit that provides all full-time employees with paid time away from work and is intended to be used for personal time, illness, and vacation. PTO policies are not a requirement of the Fair Labor Standards Act (FLSA) and is considered a monetary benefit that adds to an employee’s compensation package. PTO must be scheduled in advance, except in the cases involving a sudden illness or emergency, have supervisory approval, and the proper documentation submitted to Human Resources for recordkeeping.

**Eligibility**

All full-time employees are eligible to earn PTO. PTO benefits are prorated for new employees based on their date of hire. PTO benefits are also prorated for all part-time employees who work a minimum of 80-hours/month.

An employee’s PTO accrual rate changes on their anniversary and/or promotion date. Human Resources will adjust the monthly accrual rate accordingly.

**PTO Accrual**

PTO will begin to accrue upon the first day of employment. However, employees must complete [three (3)] months of continuous employment before becoming eligible to use PTO.

PTO is earned on a weekly basis. PTO is not accrued when an employee is taking unpaid leave, disability leave, or workers’ compensation leave. PTO is not earned by temporary or contract employees or those whose job descriptions specifically exclude this benefit. PTO is based on tenure and the following schedule.

**Scheduling PTO**

When planning to use PTO, employees should consider how much time they have accrued to date. PTO must be utilized in 1/2-day (4-hour) increments. Personnel are not permitted to use more than ten (10) days per quarter without prior approval from the Operations Manager or their designated representative.

To request PTO, an employee must complete a PTO request form, receive supervisor approval, and submit approved requests to Payroll. PTO requests should be submitted in advance and preferably 48-hours prior to their intended use. The Company will attempt to honor all requests as long as they do not put an unreasonable burden on the Company. However, supervisors have the discretion to approve, not approve or cancel requests based on the needs of the company. (It is possible, because of potential staff shortages or customer needs, that not all vacation requests will be honored).

**PTO Pay**

PTO is paid at the employee’s base rate of pay. It does not include overtime or any other special forms of compensation. Pay in lieu of PTO is not permitted except for foremen due to production considerations.

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**PTO Carryover**

Employees are encouraged to take time off each year. The Company allows for a maximum calendar year carryover of 40-hours of accrued and unused PTO. PTO hours in excess of 40 accrued and unused hours will be forfeited at yearend.

**PTO Processing at Termination**

Employees who leave the Company will be paid out their accrued and unused PTO balance up to a maximum of 40-hours, if the following conditions are met: employee provides a two-week resignation notice, fulfills the notice period, and they have been continuously employed by the Company for a minimum of one (1) year.

If an employee is terminated for any reason considered willful misconduct or for cause, any accrued and unused PTO will be forfeited. In addition, any negative PTO balance may be deducted from employee’s final pay. Employees whose final pay is insufficient to cover a negative PTO balance, may be required to pay the Company for that negative balance.

**Illness**

If you are unable to report to work due to an illness or any other reason, please notify your direct supervisor as soon as it is feasible. If the supervisor is unavailable, the employee must leave their supervisor a message and contact Human Resources. If more than three days of unscheduled time off is being used, a medical note may be requested by your Supervisor or Human Resources.

Regular attendance is crucial to the success of the Company. Abuse of time off may be grounds for discipline, up to and including termination.

The Company reserves the right to revise the terms and conditions of the PTO policy at any time without prior notice as it deems appropriate.

Full-Time Hourly Employees - Field		
Service Requirement	Total Annual PTO and Maximum Per Year	Pay Period Accrual (Hours)
All Drivers after Initial 60 Days	52 hours	1 hr/wk*

\*One (1) hours of PTO per week is acquired if certain safety and other criteria are met. Field employees are provided with a list of criteria upon hire and sign the PTO Agreement. Hours can be rolled over to the next year with the maximum of 104 hours.

Six Paid Holidays for Full-Time Hourly employees as long as field employee is actively working: New Year’s Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving, and Christmas Day. If a holiday falls on a Saturday or Sunday, either the previous Friday or the following Monday will be the Holiday.

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Foremen / Site Supervisors		
Service Requirement	Total Annual PTO and Maximum Per Year	Pay Period Accrual (Hours)
0 - 4 Years	80 hours	1.54 hrs/week
5 + Years	120 hours	2.3 hrs/week

### Level I (Standard)

Full-Time Employees - Hourly Office, Shop and Exempt			
Tier	Years of Service	Total Annual PTO and Maximum Per Year	Pay Period Accrual (Hours)
1	New Hire-After 60 Days	60 hours	1.15 hrs/week
2	1 year Anniversary - 4 years	80 hours	1.54 hrs/week
3	5 year Anniversary - 9 years	100 hours	1.92 hrs/week
4	10 year Anniversary	120 hours	2.3 hrs/week

160 Hours Maximum Accumulation

### Level II (Experienced Manager, Director, President)

Equivalent Tier	Years of Direct Professional Level Experience	Total Annual PTO and Maximum Per Year	Pay Period Accrual (Hours)
1	0 through 4 years	80 hours	1.54 hrs/week
2	5 years - 9 years	120 hours	2.3 hrs/week
3	10 years - 14 years	160 hours	3.08 hrs/week
4	15 years +	200 hours	3.85 hrs/week

Eight Paid Holidays for Full-Time Hourly Employees Offices:

New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving, Day After Thanksgiving, Christmas Eve and Christmas Day. If a holiday falls on a Saturday or Sunday, either the previous Friday or the following Monday will be the Holiday.

### Termination of Employment

If an employee provides a two (2) week notice and works the final two (2) weeks, the employee will be paid for any unused PTO. If an employee is terminated for gross misconduct, quits without notice, the employee will not be paid for any unused PTO.