

# USA PAID TIME OFF & COMPANY HOLIDAYS POLICY

## REFERENCE

HR-USA-020

## EFFECTIVE DATE

October 2019

## OWNER

Human Resources

## 1. PURPOSE AND SCOPE

This policy describes Aristocrat Technologies Inc., Product Madness and Video Gaming Technologies guidelines and standards relating to Paid Time Off (PTO) and Company designated holidays.

## 2. APPLICABILITY

This policy is applicable to all regular, full time and part time employees located in the US.

## 3. POLICY

- 3.1. The Company recognizes the importance of restful and recreational time away from work. The Company provides flexible Paid Time Off (PTO) benefits that combine vacation and sick leave. The PTO plan allows employees to decide how to use their paid days away from work.
- 3.2. The employee may use this leave for any purpose he/she wishes, including vacations, unpaid holidays, illness or time away from work for personal or family matters. Absences for reasons other than illness, family leave, or other forms of leave protected by law must be scheduled in advance with managerial/supervisory approval.
- 3.3. In addition to the PTO benefit, employees receive pay for eleven (11) additional days that are designated as official company holidays, of which one is a Floating Holiday to be used at employee's discretion. In addition to the eleven (11) paid holidays, employees are entitled to one (1) service day to be used by employee in connection with community service time donated by employee to his/her local community.

## 4. PAID TIME OFF (PTO) ACCRUAL

- 4.1. Employees begin accruing PTO at their date of hire and according to their years of service (see the schedule below). \*NOTE: Product Madness employees please refer to Semi-Monthly PTO Accrual schedule set forth in Section 5 below.

Length of Service	Accrual Per Biweekly Paycheck	PTO Days Earned Each Year	PTO Bank Maximum
Less than 2 years	4.62 hours	15 days (120 hours)	22.5 days (180 hours)

Between 2 and 5 years	6.15 hours	20 days (160 hours)	30 days (240 hours)
Between 6 and 14 years	7.69 hours	25 days (200 hours)	37.5 days (300 hours)
15 years and more	9.23 hours	30 days (240 hours)	45 days (360 hours)

4.1.1. Regular, part-time employees accrue PTO on a pro-rated basis based on the full-time accrual schedule

4.1.2. An employee may not accrue more than one and one-half (1 ½) times his/her annual days of PTO. Once an employee reaches the maximum accrual, no further accrual will occur until the employee uses some of his/her PTO and falls below their eligible maximum cap. For example, an employee with seven (7) years of service earns 25 PTO days each year and cannot have more than 37.5 days in his/her PTO “bank.” Once an employee has earned 37.5 PTO days, no further PTO days are added to the bank.

4.1.3. When an employee is granted a leave of absence, PTO will continue accruing at the employee’s normal accrual rate for up to twelve (12) weeks while out on leave. If the employee requires additional leave of absence beyond the initial twelve (12) weeks, PTO will stop accruing and will resume the week the employee returns to work.

**4.2. USING PTO**

4.2.1. PTO can be used in one (1) hour increments for non-exempt employees and four (4) hour increments for exempt employees, except as stated in the Addendum (Section 4.4).

4.2.2. Employees may not use more PTO than they have accrued.

4.2.3. PTO is based on the employee’s regular rate of pay at the time of absence. PTO does not include overtime or any special forms of compensation such as incentives, commissions, and/or bonuses, except as stated in the Addendum (Section 4.4).

4.2.4. An employee on an extended absence for illness or injury must apply for any other available/applicable compensation and benefits.

If an employee is on FMLA or any other extended leave of absence, he/she must exhaust any accrued PTO balance concurrently with any payments received in connection with his/her FMLA or other extended leave of absence, such as any payments received from state disability insurance or employer-provided disability insurance programs.

Notwithstanding the above, the combination of any such disability payment and PTO cannot exceed the employee’s normal weekly earnings. Use of PTO will supplement the employee’s income while out on a leave of absence to ensure their bi-weekly income is made whole to their regular bi-weekly wages.

4.2.5. An Employee who has an unexpected need to be absent from work must notify his/her manager/supervisor before the scheduled start of the shift or workday.

- 4.2.6. PTO requests for reasons other than illness, family leave, or other forms of leave protected by law, are subject to management review and may be denied based on business demands.
- 4.2.7. Upon tendering resignation or termination of employment, employees will be eligible to receive payment for accrued & unused PTO accrued through the last day of employment. The payment of this accrued & unused PTO will be paid along with the employee's final pay check.
- 4.2.8. Employees are eligible to utilize PTO upon accrual.
- 4.2.9. Employees must accurately report all PTO hours taken.

### 4.3. COMPANY HOLIDAYS

- 4.3.1. The Company observes eleven (11) paid holidays each year, including one Floating Holiday, by providing compensation for full-time and part-time employees when the holiday falls on a normally scheduled workday. Holiday pay will be reflective of the number of hours in the employee's normally scheduled workday, unless otherwise directed by a manager/supervisor. Please see the Holiday Schedule published by the Company on an annual basis
- 4.3.2. If a holiday falls on a Saturday, Aristocrat typically observes the holiday on the previous Friday. If a holiday falls on a Sunday, Aristocrat typically observes the holiday on the following Monday.
- 4.3.3. In addition to the eleven (11) paid holidays, employees are entitled to one (1) Service Day to be utilized by the employee in providing local community services.
- 4.3.4. Employees must use the Floating Holiday and Service Day in the calendar year in which they are granted.
- 4.3.5. You will not be paid for an unused Floating Holiday or Service Day upon termination of employment.
- 4.3.6. Your Floating Holiday and Service Day must be scheduled with your manager's approval and you should give as much advance notice as possible. Your manager may deny a request for a particular day based on operational requirements and staffing levels.
- 4.3.7. Employees are eligible for holiday pay, including the Floating Holiday and Service Day, upon hire.
- 4.3.8. To qualify for holiday pay, the employee must work the last regularly scheduled workday before and after the holiday (except for authorized time off). If an employee is scheduled to work on any of the holidays and calls in sick, he/she will not qualify for holiday pay.
- 4.3.9. Holiday pay is based on the employee's regular base rate of pay for the number of hours the employee is normally scheduled to work.
- 4.3.10. If a non-exempt employee is scheduled to work on a holiday, he/she will be paid at a rate equal to one and one-half (1 ½) times the normal rate of pay for any hours worked in addition to the holiday pay itself.
- 4.3.11. Exempt employees who are required to work on a holiday will be entitled to an alternative day off.

4.3.12. Employees on leaves of absence or unpaid suspension will not receive holiday pay.

4.3.13. Holiday pay is not included in the calculation of overtime.

**4.4. ADDENDUM: STATE-SPECIFIC RULES RELATING TO PTO**

4.4.1. Exempt employees in the following states may use PTO in increments shorter than 4 hours if the employee’s use of PTO is illness of the employee or a child, sibling, parent, grandparent, spouse, or registered domestic partner of the employee:

**Arizona, California, New Jersey, and Oregon:** 1 hour

**Washington:** 2 hours

4.4.2. The rate of pay for non-exempt employees on PTO in California and Washington will be calculated by taking the employee’s total earnings, including commissions and bonuses, earned during the remainder of the workweek in which the leave was taken, and dividing those total earnings by the total number of hours that the employee worked during that workweek. If the employee does not work any hours during the workweek in which PTO is taken, the rate of pay will be calculated based on the employee’s total earnings and total hours in the preceding 90 days of employment.

**5. PRODUCT MADNESS SEMI-MONTHLY PTO ACCRUAL SCHEDULE**

Length of Service	Accrual Per Semi-Monthly Paycheck	PTO Days Earned Each Year	PTO Bank Maximum
Less than 2 years	5.0 hours	15 days (120 hours)	22.5 days (180 hours)
Between 2 and 5 years	6.67 hours	20 days (160 hours)	30 days (240 hours)
Between 6 and 14 years	8.83 hours	25 days (200 hours)	37.5 days (300 hours)
15 years and more	10 hours	30 days (240 hours)	45 days (360 hours)