



PARENTAL LEAVE PROGRAM

Community Brands (“Company”) offers parental leave to full-time regular employees who have been employed by the Company for at least one year and who meet other eligibility requirements.

COMPONENTS OF PAID PARENTAL LEAVE

The types of paid leave under this policy (together referred to as “Parental Leave”) related to the birth or placement for adoption of a child are:

1. **MATERNITY SUPPLEMENT** is available to eligible employees who are medically disabled due to pregnancy, childbirth, and/or complications arising from these conditions and are receiving benefits under the Company’s Short-Term Disability Program.
2. **BONDING AND CHILDREARING PAID LEAVE (“BCPL”)** is available to eligible employees who have become parents due to either birth or placement for adoption of a child.

Part-time employees, temporary employees, independent contractors, interns, and employees on a personal or military leave of absence are not eligible for paid Parental Leave.

MATERNITY SUPPLEMENT

Short-Term Disability Program. Employees who are medically disabled due to pregnancy, childbirth, and/or complications arising from these conditions may be eligible for Short-Term Disability benefits offered by the Company. Eligibility, the length of the medical leave, waiting periods and the percentage of full-time pay will be determined in accordance with the terms and conditions set forth in the Short-Term Disability Program.

Maternity Supplement. During the time the employee is receiving Short-Term Disability benefits due to pregnancy, childbirth and/or complications arising from these conditions, the Company will pay eligible employees, up to a maximum of 7 weeks, the difference between what the employee receives from the Short-Term Disability benefits and the employee’s regular rate of pay (“Maternity Supplement”). Any waiting period required by the Short-Term Disability policy (generally the first week) will be covered by PWPSTD (**P**aid **W**aiting **P**eriod for **S**hort-Term **D**isability).

Eligibility. To be eligible for the Maternity Supplement, an employee must:



- (1) be eligible for Short-Term Disability benefits under the Company's Short-Term Disability Program;
- (2) have been employed by the Company for one year or more; and
- (3) have a medical need for time off due to pregnancy or childbirth as certified by the employee's health care provider. (General medical guidelines state that a woman who has a normal delivery has a medical need of 6 weeks of time off, and a woman who has a c-section delivery has a medical need of 8 weeks of time off to recover.)

The Maternity Supplement will only apply for the weeks that the eligible employee is receiving Short-Term Disability benefits as determined by the terms and condition of that program for up to seven weeks. If an employee has a medical need for additional time off due to pregnancy or childbirth after the Maternity Supplement benefit is exhausted, the employee will then only receive the benefits under the Short-Term Disability policy with no supplement.

Employees who qualify for Short-Term Disability benefits but do not meet the other eligibility requirements for the Maternity Supplement will only receive the benefits under the Short-Term Disability program.

BONDING AND CHILDREARING PAID LEAVE

For full-time regular employees who have been employed by the Company for at least one year, the Company will provide up to two weeks of paid leave following the birth or placement for adoption of a child for bonding and childrearing. An eligible employee who gives birth to or adopts more than one child at a time is eligible for only two weeks of paid leave under this policy.

The Bonding and Childrearing Paid Leave ("BCPL") must be taken in one increment of up to two weeks and must be completed within the 12-month period immediately following the birth or placement for adoption of the child(ren).

Employees can take any amount of leave up to two weeks to be eligible for BCPL but will only receive BCPL for the actual amount taken. For example, an employee may decide to take one week of leave after the birth by his/her spouse of their child. This employee will receive one week of BCPL.

Once the Employee's eight or ten weeks (depending on type of delivery) are exhausted under the Parental Leave Program Policy, any additional time taken under FMLA guidelines, up to a total of 12 weeks, if eligible, will be unpaid leave. Employees who adopt the child(ren) of a spouse or domestic partner who are not newly born to or newly placed for adoption with the spouse/domestic partner are not eligible for BCPL.



PPTO – WHILE ON LEAVE/RETURN FROM LEAVE

Using PPTO during leave, either before or after, is not permitted. An employee must return to active work for a period of 6 weeks before they can utilize any further PPTO.

BENEFITS AND COMPENSATION FOR PARENTAL LEAVE

Pay received under the Parental Leave Program will be based on the employee's rate of compensation at the time that the leave commences. Pay offered under the Parental Leave Program is not an entitlement; any pay under the Parental Leave Program will be paid only if actually used for the purposes and within the timeframe set forth in this policy. Holidays which occur while on leave under the Parental Leave Program will be paid under this program and not paid as a Holiday.

Employees on paid Parental Leave are eligible to continue employee benefits on the same basis as other employees who are actively providing service to the Company.

While the employee is on paid Parental Leave, regular payroll deductions for benefits (health insurance, 401k contributions, etc.), if any, will continue to be made from the employee's pay.

Other benefits such as PSSSL and Holiday pay will not continue to accrue during paid Parental Leave.

If the employee's leave under this policy qualifies for other types of leave, paid or unpaid (such as unpaid FMLA leave), such leave will run concurrently with leave under this Parental Leave Program.

APPLICATION AND EVALUATION OF REQUESTS FOR PARENTAL LEAVE

The Company encourages honest and candid communication about future plans after the birth or placement for adoption of a child because it helps the Company to better plan to meet business requirements. Advance planning is necessary to cover internal and external client service needs and business needs while an employee is on a leave of absence. Absent a medical emergency or an early placement for adoption, discussions should begin as soon as possible between the employee and his or her supervisor to enable the development of a transition plan for responsibilities.

Requests for paid Parental Leave must be submitted to Human Resources and Manager at least 60 days in advance of the anticipated leave, if possible, and if not possible, as soon as practicable. The employee must clearly communicate the anticipated return to work date.



As with all policies, this policy is not a contract and may be, revised modified, discontinued, or amended at any time, in whole or in part, for any reason and without prior notice, consent or approval within the sole discretion of the Company. The Company has absolute discretion to make the sole and final determination as to any and all issues arising out of this program.

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