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Policy Number 260

BACHMAN MACHINE COMPANY CORPORATE POLICY

Effective Date: 01-01-2000 Supersedes Policy No. _____ Date: _____

SUBJECT: LEAVES OF ABSENCE

Objective: The objective of this policy is to establish the procedure, requirements, and the guidelines necessary to issue and administer the Company's Leave of Absence program in a manner that is consistent with Company needs and any regulatory agencies.

Scope: The scope of this policy applies to all Bachman Machine Company locations and to all subsidiary operations.

Policy Statement: Bachman Machine Company recognizes that there may be times when it is necessary for an employee to need time off from work for a reason other than that provided under the vacation benefit or the Family and Medical Leave Act. If a need arises where an employee requires time off work to tend to these personal needs or problem issues, he/she should first discuss the request with his departmental supervisor.

If approved by the departmental supervisor, any leave of absence requested will be considered as non-precedent setting and granted on an individual basis at the sole discretion of the Company. The supervisor should take into consideration the purpose of the requested leave, the employee's work record and the needs and production requirements of the Company at that particular time.

Personal Leave of Absence: Whenever business conditions permit, the Company, at its sole discretion, can grant personal leave for a predetermined period, not to exceed a 30 day maximum length, if, in the opinion of management, the employee shows good cause.

Personal Leave Pay Status: If approved by the Company, all personal leaves will be taken without pay and only when the employee has no vacation eligibility remaining to be taken. Personal leaves will not be approved if requested to be taken in conjunction with or as an extension of FMLA situations. An example of circumstances when an employee

may request a personal leave is; to attend out of state weddings, funerals or family gatherings, additional time off for bereavement activities, time off to participate in non-work related seminars, training or professional meetings and/or functions.

Returning To Work: If, or when, an employee's leave of absence is approved through his/her supervisor, he/she should immediately contact the Human Resources Manager to discuss the procedures concerning his/her return to work, the payment of benefit co-pay costs during the absence, and the consequences of not returning to work at the assigned or agreed upon date.

Military Leave Of Absence: Any Bachman Machine Company employee, regardless of his/her length of service, who is required to be off from work in order to fulfill his/her obligations as a member of the Armed Forces, a reserve component of the Armed Forces or the National Guard, shall be granted a leave of absence in accordance with federal and state laws. An employee must present written documentation, which, in the opinion of the Company, sufficiently establishes his/her need for a military leave of absence. This documentation should be submitted to the employee's supervisor as soon as possible before requesting or taking the leave.

Military Pay Status: All military leave will be taken without pay. Vacation eligibility can be scheduled for the time that the employee is on military leave contingent upon the amount of vacation eligibility he/she has earned and not used.

Reinstatement Rights For Active Service: Upon the completion of active military service and in compliance with the "Veterans Re-employment Act", an employee will be restored to their former position or a position of like status and pay. This assumes, however, that the employee is still qualified to perform the duties of the former position and that he/she returns to work within 90 days after the discharge from military service.

Military Service Credit: An employee returning to the Company after completing his/her military service, within the required 90 day time period, will be given continued Company service credit for the time spent on active military leave. The employee will

not be denied any benefit, promotion, right or other incident or advantage of employment because of the absence due to his/her military obligation or requirement.

Maternity Leave: Maternity leave of Absence will be treated in the same manor as a disability/medical leave for the purpose of pay and benefits. The maximum length of a maternity leave of absence shall be governed under the Family Medical Leaves Act of 1993.

Family Medical Leave Act: For the details and requirements of this act, please see the Company policy titled, Family Medical Leave Act of 1993 (FMLA).

Benefit Status While On Leave Of Absence: Bachman Machine Company does not provide group benefit coverage for employees and/or their family while the employee is on an unpaid leave. Consequently, it is extremely important that an employee who has been approved for a leave of absence, make prior arrangements with the Human Resources Department to pay their employee group benefit costs and/or co-pay costs necessary to maintain uninterrupted benefit(s) coverage.

Effect: The effect of this policy shall be to:

- Establish the requirements and guidelines necessary for determining and administering a “ Leave of Absence” such as, personal leave, military leave, and/or maternity leave.
- Designate the pay status, benefit continuance, the maximum length, and Company service issues for any approved leave of absence.
- Identify the re-employment rights of the employee who is returning from an approved leave of absence leave.