UNPAID PERSONAL LEAVE OF ABSENCE POLICY

PURPOSE:

Holley recognizes that team members have personal matters or responsibilities that may require the team member to take time off from work for more than a short-term basis. The purpose of this policy is to provide team members with unpaid time off from work, for a reason that does not fall under any other Holley policy regarding attendance (e.g., Family Medical Leave or Paid Time Off).

SCOPE:

This policy applies to all full-time hourly and salary, non-exempt and exempt team members.

RESPONSIBILITY:

Management Team, Human Resources Department and Payroll Department

POLICY:

It is the policy of the Company to consider the granting of an unpaid leave of absence for absences of 5 or more working days, not to exceed 1 month, to an eligible team member in the event of a personal emergency or other compelling personal circumstances if the team member is not eligible for any other type of leave and where the granting of such leave will not result in the disruption of business functions, except as otherwise required by applicable law.

- **Requests for Leave**

Requests for unpaid leave of absence are submitted to Human Resources via an "Unpaid Leave of Absence Application form" located on the HR Intranet or available in Human Resources.

Upon receipt of the request, Human Resources will review the request and route through management for the appropriate approvals.

Requests must be submitted at least thirty (30) days in advance when possible. A determination will be made and the team member will be notified as soon as possible.

- **Conditions for Approval**

Company reserves the right to determine, on a case-by-case basis, whether requests for unpaid leave of absence will or will not be granted. Decisions are based on applicable state or federal law, the team members compelling circumstance, the anticipated department workload, and staffing considerations during the proposed period of absence, and the ability of Company to provide for the continuation of the requesting team member's position requirements.

- **Effect on Earnings and Benefits**

If a request is approved, the team member is placed on an unpaid leave of absence status and must exhaust all accrued paid time off, except otherwise required by applicable law. The team member will not earn any wages during the period of unpaid leave of absence, except as otherwise required by applicable law.

Holiday pay will not be paid for holidays that fall during the leave of absence period, except as otherwise required by applicable law.

An unpaid leave of absence will not be considered a break in service; however, team members will not accrue PTO for any the period of the approved leave.

Holley will continue to pay its employer-paid portion of the team member's insurance benefits expense during the period of unpaid leave of absence. The team member is responsible for payment of any benefits they may have elected. Failure to make these payments may result in the loss of those benefits.

An unpaid leave of absence will terminate if the team members files for unemployment benefits or accepts employment elsewhere on a schedule concurrent with their established work schedule at Holley.

- **Reinstatement**

Team members approved for an unpaid leave of absence will be reinstated to their position upon their return, contingent on the team member's ability to perform the essential functions of the job and upon there being no intervening change in staffing needs due to reorganization or economic conditions.

Failure of the team member to report back to work on or before the expiration of an unpaid leave of absence may be considered job abandonment. In this situation employment will be terminated effective the last day of the approved leave.

Activities conducted by team members on unpaid leave of absence shall not be considered as services performed in the course and scope of their employment with Holley, nor shall Holley be liable for injuries received or expenses incurred by the team member during the course of leave activities.