

## **Very Important Payout (VIP) Program Frequently Asked Questions (FAQ)**

### **What is the Very Important Payout Program?**

In November/December 2024, PTO-eligible team members will have the option to elect a payout of up to one week\* of PTO in June 2025 and up to one week of PTO in November 2025. Elections may be made in any number of hours desired, provided the total number of hours does not exceed a team member's weekly scheduled hours in Workday.

### **Who is eligible for a payout?**

All PTO-eligible team members are eligible to participate in the VIP program.

### **How do I request a payout?**

You must make an election in Workday between November 18, 2024 and December 31, 2024, in order to receive a payout next year. All elections are required to be made prior to January 1, 2025 and are completely irrevocable.

### **When will I receive the payout?**

If you elect a payout in 2025, the payment will be made on your regularly scheduled paycheck for the pay period that contains June 5, 2025 and/or November 6, 2025.

### **What if I request a payout but when the payout occurs, I have less PTO than my standard hours?**

You must maintain at least one week\* of PTO after the payout occurs, for a requested payout to be paid. If a payout will reduce your PTO balance below one week, you will not receive a payout (see example 2, following).

### **What if I have more than one week of PTO but not enough to cover the payout I requested?**

If you have more than one week\* of PTO, but not enough hours in excess of one week to cover the payout you requested, your payout will be reduced to ensure you maintain one week of PTO (see example 3, following).

### **What if I want to change or cancel my election?**

The PTO payout election is irrevocable. You may not change your election after December 31, 2024 (see example 4, following).

### **What if I move from a part-time position to a full-time position after January 1<sup>st</sup>, 2025? Can I still request a payout for 2025?**

All elections must be made before December 31, 2024, so if you move from a PTO-ineligible status to a PTO-eligible status, you will not be eligible for a payout in 2025. You will be able to request a payout in 2025 for the following year, 2026.

**What if I move to a part-time position after I made a PTO election?**

You must be PTO-eligible to receive a PTO payout. If you move from a PTO-eligible status to a PTO-ineligible status, your accrued PTO will be paid out according to policy and state law at the time you move positions (see example 5, following).

**What if I request a payout, but resign before the payment occurs?**

In order to receive a payout, you must be an active team member at the time of the payout. If your employment with Five Star or Ageility ends, your accrued PTO will be paid out according to policy and state law on your final paycheck.

**How much PTO can I roll over at the end of the year?**

You may roll over **ALL** of your accrued PTO at the end of the year. Your PTO policy has a maximum accrual, based on your potential annual accrual. (See policy for details.) Once your PTO balance reaches its maximum accrual, you will stop accruing PTO until the balance is reduced, by use or payout.

**VIP Examples****1. I have enough PTO for my payout - just as I planned!**

Suzy's scheduled hours in Workday are 37.5. She elects a 20-hour payout in June and a 37.5-hour payout in November. Suzy receives payments in June and November, as scheduled.

**2. Uh-oh. . . I had to use more PTO before my June payout.**

Suzy elects a 20-hour payout in June. She uses more PTO between January and May than expected and has only 15 hours of PTO remaining in June. Therefore, Suzy will not receive a payout because she is required to have a PTO balance of at least 37.5 hours after a payout to be eligible to receive the payout.

**3. By November, my payout will be less than I planned.**

Suzy elects a one-week payout (37.5 hours) in November. In November, Suzy's PTO balance is 55 hours. Suzy's payout will be reduced to 17.5 hours so that she maintains a balance of 37.5 hours (one week) after the payout.

**4. Are you SURE I can't change my payout plans?**

- Suzy elects a 20-hour payout for June. In February, she decides that she does not want a payout and contacts HR to cancel it. Unfortunately, because PTO payout elections are irrevocable, this is not allowed. Since Suzy enrolled in the payout in 2022, she will receive it, as elected, in June.
- Suzy elects a 20-hour payout for November. In February, she decides that she would like to increase her payout to 37.5 hours. Unfortunately, because PTO payout changes after Dec. 31, 2022, are not allowed, Suzy will receive a 20-hour payout in November.

**5. I want to work less hours a week. Now what?**

Suzy elects a PTO payout in December 2022 as a PTO-eligible team member. During 2023, she reduces her scheduled hours and is no longer PTO-eligible. Suzy will receive a PTO payout in accordance with policy and state law at the time of her status change. Suzy will not receive another PTO payout in 2023.