



Flexible Leave Policy

- I. **Scope.** It is the policy of Fairhaven Solutions, LLC to forego any previously implemented leave accrual system as of the effective date of the Flexible Leave Policy. The Flexible Leave Policy (hereinafter referred to as “leave policy”) replaces any other time-off policy previously upheld by Fairhaven Solutions, LLC to include paid holidays, sick leave, vacation hours, comp or over time, etc. All full-time employees will be eligible for benefits under the Flexible Leave Policy as of the date of hire.
- II. **Policy Statement.** Fairhaven Solutions, LLC (hereinafter referred to as “Fairhaven” or “the company”) hires remarkable, trustworthy, professional adults that contribute to the collective success of the company. It is the intent of the company to create and support a healthy work-home life balance for its employees and provide them with the necessary autonomy and flexibility to manage both work and home life obligations accordingly, which in turn maximizes the collective productivity of the company.
- III. **Policy.** This leave policy covers two types of leave: (1) paid time off (PTO) and (2) sabbatical or unpaid leave, also known as leave without pay (LWOP). PTO is inclusive of bereavement, federal holidays, jury duty, military leave, sick leave, and vacation or personal time off. Under the purview of this leave policy, employees are allowed to schedule paid time off as necessary—subject to manager approval—if there are no outstanding or pending deadlines, events, projects, or deliverables that require the employee’s presence or participation that could negatively impact the company or its relationship with a client due to the employee’s absence as a representative of the company. Meeting company, client, and contractual requirements and/or obligations is a core tenet within this policy.

This policy is dependent upon effective communication and proper notification. Should an employee decide to take leave without notifying the appropriate members of management, this will be considered a “no-call/no-show” and will be subject to reprimand. If an employee fails to report to work or is not available to be contacted for (3) consecutive days without notifying their direct manager or any other member of Fairhaven management, it will be considered a voluntary resignation of employment based on job abandonment. Under no circumstances does this leave policy permit employees to take leave without notifying a manager prior to taking off, regardless of the reason for the time off.

- IV. **Employee Obligations.** Employees are required to communicate and collaborate with their team members and/or manager(s) as necessary to ensure that leave taken does not disrupt or delay client delivery and/or operations. Employees are expected to delegate, postpone,

or otherwise manage any projects that may be affected by their time off. Employees are also expected to understand that leave could be approved or denied on a scenario-by-scenario basis. When requesting paid time off, the request must be approved by the employee's direct manager. When requesting a sabbatical or unpaid leave, the request must be approved by the Owner.

- V. Bereavement.** In the event of a death in the immediate family, Fairhaven will grant an employee up to 5 days of paid time-off for bereavement. An employee should discuss their time-off needs with their management at the earliest appropriate time. Approved bereavement is classified as a subtype of PTO.
- VI. Holidays.** Fairhaven recognizes the below listed holidays. Employees are encouraged to take these paid days off to recharge or spend time away from work. There is no need to request or receive approval to take these days off. If business circumstances dictate, working on a company recognized holiday is allowed but must be pre-approved by management. Holidays are classified as a subtype of PTO.
- New Year's Day
 - Good Friday
 - Memorial Day
 - Independence Day
 - Labor Day
 - Veterans Day
 - Thanksgiving Day
 - Christmas Eve
 - Christmas Day
- VII. Jury Duty.** Fairhaven believes that it is important for employees to fulfill their civic duties. Under normal circumstances, Fairhaven will grant paid time-off for the duration of jury duty. It is expected that the employee will notify management immediately upon a pending selection for jury duty. Proof of compensation received for jury duty should be submitted to Fairhaven's accounting department. Approved jury duty is classified as a subtype of PTO.
- VIII. Military Leave.** Fairhaven will grant an employee up to 2 weeks of paid time-off each year to fulfill military reserve duty. The employee is expected to provide the company with a letter from their commanding officer outlining the military leave. Compensation received for military leave should be submitted to Fairhaven's accounting department. Approved military leave is classified as a subtype of PTO.
- IX. Sick Leave.** Under this policy, there is no accrual bank or separation between sick days and vacation days. As such, employees are allowed to take up to 10 days of paid sick leave at a single time when they (or a dependent family member) have become stricken with illness or do not feel well. Fairhaven understands that illnesses cannot be planned or predicted, therefore, sick leave does not require a request for approval. An employee is expected to

notify management as soon as they are aware that they will be unable to report to work. Sick leave is classified as a subtype of PTO.

- X. **Vacation or Personal Time Off.** Employees are allowed up to 3 weeks of vacation or personal time off at a single time. An employee is expected to notify their management in advance of scheduling vacation or personal time off. Depending on the circumstances, vacation or personal time off may be subject to approval. Vacation or personal time is classified as a subtype of PTO.

- XI. **Sabbaticals.** Sabbatical leave is defined as a period in which a person does not report to their regular job but wishes to remain employed with that company. Fairhaven may approve a sabbatical for an employee if the company believes it is in the best interest of the employee and Fairhaven. A separate, signed Request for Sabbatical document is required to be submitted by the employee to Fairhaven and approved by Fairhaven prior to the start of any leave period related to the sabbatical; otherwise, the request will be denied.

Additionally, any leave taken in excess of 3 weeks at a single time is considered a sabbatical and does not apply to the regular use of PTO under this policy, thus qualifying this form of leave to be requested, submitted, and approved prior to taking off. As such, sabbaticals are considered voluntary, unpaid leave or leave without pay (LWOP) and employees will not continue to receive compensation during their extended leave unless otherwise documented in the Request for Sabbatical form. At the end of the sabbatical, if the employee returns, their compensation will be reinstated to levels approved and in place prior to their sabbatical. Sabbaticals will be reviewed and approved on a case-by-case basis and final decisions will be made by the Owner.

- XII. **General Guidelines.** Due to this leave policy not being based on a traditional accrual system, there is no bank of hours to which an employee is entitled to. This means that elements such as “use it or lose it”, “borrowing hours” or “rollover” that are typically consistent with accrual leave systems, do not apply under this policy. Employees are encouraged to take the time off that they need to recharge. However, should an employee choose not to take any days off, please note that the employee would not have a bank of hours to “rollover” into the following year. Employees will not have to worry about “losing” hours that are not used or “borrowing” hours to be used as there is no bank of leave hours. Employees are expected to adhere to the Employee Obligations in paragraph IV whenever scheduling paid time off and follow the guidelines listed in each corresponding section of a specific subtype of leave when necessary.

Generally, an employee should request paid time off from their direct manager for these subtypes of PTO: bereavement, jury duty, military leave, and vacation. While requests for bereavement, jury duty, and military leave are generally granted, requests for vacation or personal time off is subject to approval by the employee’s manager and may be approved or denied depending on the circumstances. Employees are not expected to request sick leave in advance but are expected to communicate with their manager as soon as possible. An

employee wishing to take a sabbatical (LWOP) is required to request approval from the Owner and understand that the request may be approved or denied at the Owner's discretion. The below chart simplifies these key elements and distinct differences between certain the types of leave.

Type of Leave	Request Required?	Paid or Unpaid?	Submit to Manager or Owner?	Generally Granted or Subject to Approval?
Bereavement	Yes	PTO	Manager	Generally Granted
Federal Holidays	No	PTO	N/A	N/A
Jury Duty	Yes	PTO	Manager	Generally Granted
Military Leave	Yes	PTO	Manager	Generally Granted
Sick Leave	No	PTO	N/A	N/A
Vacation	Yes	PTO	Manager	Subject to Approval
Sabbatical	Yes	LWOP	Owner	Subject to Approval

XIII. Examples. Sections V, VIII, IX, and X of this policy mention a maximum amount of time off per each corresponding type of leave. Please note that those maximum amounts refer to the number of consecutive days off an employee is allowed to take at once. For example, an employee who has the flu and is taking sick leave under this policy is allowed a maximum of 10 days of paid sick leave to recover from that illness. If that employee takes the full 10 days of leave, the employee is expected to return to work on the 11th day. Another example: an employee who plans to attend a family vacation in Costa Rica is allowed to spend a maximum of 3 weeks on that vacation under this policy. The employee is expected to return immediately after the third week of his/her absence. The following chart provides guidance for managers regarding maximum time allowed to be granted per leave requests. If certain circumstances deem that you deviate from these time allotments to accommodate an employee request, please consult with the Owner prior to approval or denial of an employee's request.

Type of Leave Request	Maximum Time Allowed to be Granted Per Single Request
Bereavement	Usually up to 5 Days
Jury Duty	Duration of Trial
Military Leave	Up to 2 Weeks
Sick Leave	Up to 10 Days
Vacation	Up to 3 Weeks

XIV. Abuse. This leave policy is built on trust between the company and its employees. Abuse of this policy is frowned upon and will be reprimanded as necessary. Fairhaven reserves the

right to deny time-off requests at the company's discretion should it appear or be determined that an employee is attempting to misuse, abuse or exploit the good-faith gesture of this policy. Gross abuse of this policy could result in revocation of paid leave benefits. While providing proof of certain leave requests are not required, Fairhaven management reserves the right to request verification of absences (such as a doctor's note) when legal and appropriate to do so.

Should an employee be suspected of abuse or misuse of this leave policy, an evaluation or investigation into an employee's use of the Flexible Leave Policy may occur where dishonesty and/or validity of certain requests are called into question or investigated to determine a trend or pattern of abuse of this policy.

- XV. Not Allowed.** The below list includes behavior that is not allowed under this policy. The items on this list will be considered gross abuse and/or misuse of the Flexible Leave Policy and will result in a possible revocation of paid leave benefits. Please read this list carefully and ask management if you are unsure of anything.
- Failure to communicate with team members and managers prior to taking time off. Employees are required to provide notification to Fairhaven prior to using leave in order to comply with this policy.
 - Employees are not allowed to schedule weekly or monthly off day occurrences such as every Friday off, every other Monday off, or every 1st, 15th and 30th.
 - Employees are not allowed to schedule days off or "call out" simply to avoid deadlines, events, projects, or deliverables.
 - Frequent, excessive absence, whether planned or unplanned, scheduled or unscheduled is prohibited as it reflects badly on both the employee and the company.
 - If for some reason, Fairhaven management has denied your request for time off regardless of which category the leave may fall under, employees are not allowed to "call out" on the dates that were denied in your request.
 - If an employee is terminating their employment with the company, you may not schedule or take "two weeks" PTO near or before your separation date.
- XVI. Separation of Employment.** Fairhaven's Flexible PTO is not on an accrual basis and therefore there is no accrued leave balance or bank. Because the PTO is not accrued, it has no cash value and as such is not payable upon termination.
- XVII. Effective Date.** This Policy is effective as of 1 May 2022 and will remain in effect until a modification is issued.