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IMPORTANT UPDATE AFFECTING PAID LEAVE

March 27, 2020

To:AutoGate EmployeesFrom:Bill, Don and Diane

Re: Paid Sick Leave Status and How It Affects You.

As information about COVID-19 changes, so must our response to it, so your understanding and cooperation is truly appreciated. This is something that is new to us so we are doing the best we can under the circumstances. Many things that were passed by the government were reactive to the situation and as we dig deeper into these programs, we are finding that many things have a grey area. *Rest assured that we are doing what we can to keep everyone informed.*

The Board of Directors held a meeting this morning in response to information we obtained late last evening regarding the State mandate that was issued on March 22, 2020 ordering all non-essential businesses to shut down and also the Wage and Hour mandatory FFCRA to provide paid sick leave to all employees for specified reasons related to COVID-19.

When we decided to shut down on March 25th, we based that decision on overwhelming feedback from our employees and information we believed to be accurate at the time. As more information has been released, we, along with many other companies have been faced with some issues as to the interpretation of these government orders and acts.

The first item to address is the effective date of eligibility. Although the order was issued on March 22 to "stay at home", the Department of Labor is stating that provisions for the 80 hours of Paid Sick Leave will apply from April 1 through December 31, 2020. What this means for you is that the time you have not been at work this past week is not eligible to be paid through this program. You would be eligible to apply for unemployment.

The second item we need to address is the Qualifying Reasons for Leave Related to COVID-19. (Listed below) Some of you will qualify for this paid sick leave by reason #2, 3, 4, 5 or 6. If you believe you qualify under one of these reasons and wish to be paid under this Act, you will need to contact Wendy in HR to start the pap erwork process so we can cover your wages under this new Act. This is only after April 1st. You can reach Wendy at 419-588-2796 ext.124. or email <u>Wendy@autogate.com</u>. You must provide documentation relating your leave to COVID-19.



QUALIFYING REASONS FOR LEAVE RELATED TO COVID-19 An employee is entitled to take leave related to COVID-19 if the employee is unable to work, including unable to telework, because the employee:

1. is subject to a Federal, State, or local quarantine or isolation order related to COVID-19;

2. has been advised by a health care provider to self-quarantine related to COVID-19;

3. is experiencing COVID-19 symptoms and is seeking a medical diagnosis;

4. is caring for an individual subject to an order described in (1) or self-quarantine as described in (2);

5. is caring for his or her child whose school or place of care is closed (or child care provider is unavailable) due to COVID-19 related reasons; or

6. is experiencing any other substantially-similar condition specified by the U.S. Department of Health and Human Services.

If you believe you qualify under item #1 of the list, it has since been determined that the mandated State Health Department order to "stay at home" is not considered a qualifying reason to entitle the employee to "take leave" and receive payment under the FFCRA guidelines. What this means for you is that when you left here on March 24th, if you were not experiencing any of the other conditions (#2 through #6) above, we cannot issue paid sick leave under this Act. You can request to use any available vacation you might have.

We understand a lot of you thought you could "stay at home" under the Act and still get paid. We also read and understood it this way. It was one of the two reasons we made the decision to close after we had originally said we were going to remain open.

In an effort to find the best solution to this unfortunate circumstance, AutoGate is officially placing most of its hourly employees on furlough from March 25th through April 6th. What does this mean for you? A furlough is similar to a layoff, but it provides AutoGate the ability to call the employees back to work quickly and easily and employees will retain all benefits while they are not working. AutoGate will continue to keep all insurance in effect for any employee already enrolled through the end of April. You will maintain status for vacation and all other benefits. You should expect that you will return to work either on a specific date or for a specific condition for resuming duties. If the "stay at home" order is lifted, a scheduled return to work process will be put in place and you will be notified when you should return. If the order is extended beyond April 6th, management may opt to return employees to work on an as needed basis operating as an essential business based on customer needs. Salaried employees working from home offices are expected to continue working on and completing projects that have been assigned.

Any employee who has not worked since March 25th should immediately apply for unemployment. The links are on the webpage to take you directly to the special website to file quickly and without a waiting week. Please be sure to use the **special code #2000180**.

We strongly encourage all affected employees, even if you might qualify for sick pay through the FFCRA to file for unemployment instead. This benefit is most likely more than your base 40-hour weekly pay. If you have questions regarding your best option for filing, contact either Wendy or Diane.

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