

RECREATION CENTERS OF SUN CITY WEST, INC.

POLICY STATEMENT - P5

Severance Compensation Policy

- 1.0 Severance compensation is a privilege granted by the employer, and nothing herein shall be considered to be a contractual employee benefit. Employees shall receive severance compensation in accordance with the policy in effect at the time of their termination.

- 2.0 Any regular scheduled full-time employee of the Recreation Centers of Sun City West, Inc., whether exempt or non-exempt, whose employment is terminated due to job elimination or for reasons beyond the employer's control other than inadequate performance, unlawful acts, cause, retirement or voluntary resignation, will be eligible for severance compensation in accordance with the following:
 - 2.1 Employees shall receive severance compensation equal to one week's salary for each full year of continuous employment, provided, that in no event shall an employee receive severance compensation in excess of a sum equal to twenty-five (25) weeks salary.

 - 2.2 In the year of termination and for the purpose of this policy, an employee working in excess of six (6) calendar months shall receive credit for having worked a full year. No credit or severance compensation shall be given for having worked six (6) calendar months or less.

Adopted: 10-21-93
Approved: 05-27-99
Approved: 04-08-04