

NOTICE OF AN IMPORTANT CHANGE REGARDING OUR FEDERAL FAMILY AND MEDICAL LEAVE COMPLIANCE AND PLAN ADMINISTRATION

The Family and Medical Leave Act (FMLA) provides eligible employees up to 12 work weeks of unpaid, job-protected leave for qualified family and medical reasons within a 12 month period. Effective January 1, 2022, we will begin calculating an employee's entitlement on a "rolling" 12 month period, measured backward from the date of an employee's first use of FMLA leave for a given qualifying event. This letter fulfills the requirement to provide 60 days notice of the change to all employees.

This method will ensure continued access to the FMLA entitlement for eligible employees. It will provide employees with greater transparency into the process, a more efficient service delivery model and improved administration.

Current method: We use the calendar year as the 12 month measuring period for FMLA; this means that eligible employees are entitled to 12 unpaid weeks starting each January 1st which can be used through December 31st.

New Method: Beginning January 1, 2022, our method for calculating the 12 month period will change to a "rolling" 12 month period measured backward from the date of an employee's first use of FMLA leave for a given qualifying event. With this method, when an employee requests FMLA leave, we will look back 12 months and determine the total amount of FMLA used. That amount will be subtracted from the 12 week maximum and the balance, if any, is the amount of leave currently available for use. An employee will regain FMLA entitlement for time used 12 months after the date the time was used.

During the 60 day transition period, any employee who takes FMLA between now and December 31, 2021, will do so under the 12 month period which is of the greatest benefit to that employee.

For Wisconsin employees: Per Wisconsin law, leave entitlements under Wisconsin's Family and Medical Leave are calculated on a calendar year beginning on January 1st and ending on December 31st of each year. The change to the Federal FMLA calculation method will not impact how your entitlement is calculated under the Wisconsin Family and Medical Leave.

You may refer to Corporate Policy 3.9 for more information regarding FMLA rights and responsibilities.

Hourly Employees: Please direct questions you have regarding your eligibility and entitlement for FMLA to Sedgwick at (888)322-4462 or go to mySedgwick at <https://www.mysedgwick.com/FCA>.

Posted: November 1, 2021