

FAMILY AND MEDICAL LEAVE ACT (FMLA) LEAVE POLICY

It is important that this policy be read in its' entirety as it explains the rights and responsibilities for employees taking a Family Medical Leave Act (FMLA) leave. It includes how and when payments must be made to continue health benefits during the leave, the requirement to use all available paid time off during the leave, the document process and response time that must be followed to qualify for FMLA leave.

The Company will grant FMLA leave for eligible employees for up to a total of 12 work weeks (26 work weeks for Military Caregiver Leave) in a 12-month period to take job-protected, unpaid leave (paid leave will be substituted and run concurrently for the FMLA leave period using all applicable and available vacation hours accrued, personal time, sick time, PTO, disability pay or other earned excused absence time). Eligible employees are entitled to up to 12 work weeks of leave because of the birth of the employee's child and to care for the newborn child, because of the placement of a child with the employee for adoption or foster care, because the employee is needed to care for a child, spouse, or parent with a serious health condition, because of the employee's own serious health condition, including pregnancy or a pregnancy-related condition that prevents the employee from performing the functions of his or her job, or because of any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a covered military member on active duty (or has been notified of an impending call or order to active duty) in support of a contingency operation. The FMLA definition of "child" includes biological, adopted, or foster child, a legal ward, or a child of a person standing *in loco parentis*. FMLA regulations define employees standing *in loco parentis* as those with day-to-day responsibilities to care for and/or financially support a child. The employee will be required to provide reasonable *in loco parentis* relationship documentation. In certain cases, FMLA leave may be taken on an intermittent basis rather than all at once, or the employee may work a part-time schedule. To the extent that any of the foregoing is modified by state law, this policy will be adjusted to comply with the state law.

The Company will grant Military Caregiver Leave for an eligible employee to care for a covered service member who is a current member of the Armed Forces including National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious illness or injury, or a covered veteran who was a member of any branch of the military (as long as the individual was a service member who was discharged or released under conditions other than dishonorable at any time during the five years prior to the first date the eligible employee takes FMLA leave to care for the covered veteran undergoing medical treatment, recuperation, or therapy for a serious injury or illness who is a spouse, son, daughter, parent, or is designated as the next of kin. The employee is permitted to take up to a total of 26 work weeks of unpaid leave during a single 12 month period. The "single 12-month period" begins on the first day the eligible employee takes FMLA leave to care for a covered service member or veteran and ends 12 months after that date. If an eligible employee does not take all of his or her 26 workweeks of leave entitlement during the "single 12-month period", the remaining part of the leave entitlement to care for the covered service member is forfeited.

For purposes of FMLA, "serious health condition" entitling an employee to FMLA leave means an illness, injury, impairment or physical or mental condition that involves in-patient (overnight stay) treatment in a hospital, hospice, or residential medical care facility, or continuing treatment by a health care provider. The term "treatment" includes (but is not limited to) examinations to determine if a serious health condition exists and evaluations of

the condition. A period of incapacity of more than three consecutive, full calendar days, and any subsequent treatment or period of incapacity relating to the same condition, that also involves treatment two or more times, within 30 days of the first day of incapacity. Treatment does NOT include routine physical examinations, eye examinations or dental examinations. Note: For purposes of determining eligibility for military caregiver leave, "serious health condition" will include a serious injury or illness that may render the service member medically unfit to perform his or her military duties. For veterans, a serious injury or illness is one that rendered the veteran medically unfit to perform his or her military duties or an injury or illness that qualifies the veteran for certain benefits from the Department of Veterans Affairs or substantially impairs the veteran's ability to work. This includes injuries and illnesses that were incurred or aggravated during military service but that did not manifest until after veteran left active duty.

The Company will grant Qualifying Exigency Leave for eligible employees with a spouse, son, daughter or parent who is serving in any branch of the Armed Forces, including the National Guard or Reserves, and who is deployed or called to active duty in a foreign country. For purposes of qualifying exigency leave, an employee's son or daughter on covered active duty refers to a child of any age. The employee is permitted to take up to a total of 12 work weeks of unpaid leave during the 12 month-period established by the Company as described under Section "Determining the 12 month period." Qualifying exigencies may include:

- Short-notice deployment:
 - Leave may be granted to address any issue that arises from the fact that a covered military member is notified of an impending call or order to active duty in support of a contingency operation seven or less calendar days prior to the date of deployment. Leave taken for this purpose can be used for a period of seven calendar days beginning on the date a covered military member is notified of an impending call or order to active duty in support of a contingency operation;
- Military events and related activities:
 - To attend any official ceremony, program, or event sponsored by the military that is related to the active duty or call to active duty status of a covered military member;
 - To attend family support or assistance programs and informational briefings sponsored or promoted by the military, military service organizations, or the American Red Cross that are related to the active duty or call to active duty status of a covered military member;
- Childcare and school activities:
 - When the active duty or call to active duty status of a covered military member necessitates a change related to the following, leave may be granted: To arrange for alternative childcare; To provide childcare on an urgent, immediate need basis (but not on a routine, regular, or everyday basis); To enroll in or transfer to a new school or day care facility; To attend meetings with staff at a school or daycare facility for circumstances outlined under the law. Eligible dependents include a biological, adopted, or foster child, a stepchild, or a legal ward of a covered military member, or a child for whom a covered military member stands in loco parentis, who is either under age 18, or age 18 or older and incapable of self-care because of a mental or physical disability at the time that FML is to commence;
- Care of the military member's parent who is incapable of self-care:
 - Arranging alternative care, providing care on a non-routine, urgent, immediate basis, admitting or transferring a parent to a new care facility and

attending certain meetings with staff at a care facility such as meetings with hospice or social service providers. Employee taking leave does not need to be related to the military member's parent but the military member must be parent, spouse, son or daughter of the employee taking the FMLA leave and the parent must be the parent of the military member (including an individual who stood in loco parentis to the military member when the member was a child.

- Financial and legal arrangements as outlined under the law;
 - To make or update financial or legal arrangements to address the covered military member's absence;
 - To act as the covered military member's representative before a federal, state, or local agency for purposes of obtaining, arranging, or appealing military service benefits while the covered military member is on active duty or call to active duty status, and for a period of 90 days following the termination of the covered military member's active duty status;
- Counseling:
 - To attend Counseling provided by someone other than a health care provider for oneself, for the covered military member, or for the eligible dependents of the covered military member
- Rest and recuperation
 - To spend time with a covered military member who is on short-term, temporary, rest and recuperation leave during the period of deployment;
 - Eligible employees may take up to fifteen calendar days of leave for each instance of rest and recuperation;
- Post-deployment activities.
 - To attend arrival ceremonies, reintegration briefings and events, and any other official ceremony or program sponsored by the military for a period of 90 days following the termination of the covered military member's active duty status; and
 - To address issues that arise from the death of a covered military member while on active duty status, such as meeting and recovering the body of the covered military member and making funeral arrangements;
- Additional activities
 - To address other events which arise out of the covered military member's active duty or call to active duty status provided that the employer and employee agree that such leave shall qualify as an exigency, and agree to both the timing and duration of such leave.

Determining the 12 month period

In determining the 12-month period in which the 12 work weeks (or qualifying 26 work weeks) of leave entitlement occurs, the Company utilizes the 12-month period measured forward from the date the employee's first FMLA leave begins. An employee would be entitled to 12 work weeks of leave during the 12-month period beginning on the first date FMLA leave is taken; the next 12-month period of eligibility would begin the first time FMLA leave is taken after completion of any previous 12-month period. Example: An employee begins a qualifying FMLA leave as of Feb. 22, 2008; the employee may take up to the qualifying number of work weeks allowed under the policy during the 12-month period from Feb. 22, 2008 through Feb. 21, 2009. The next 12-month period would begin on the first date of a qualifying FMLA leave that commences on or after Feb. 22, 2009.

Eligibility for Family and Medical Leave Of Absence

To be eligible for a leave of absence under this policy, an employee **must** have been employed by the Company for at least twelve months. All service will be credited toward the 12 months unless there is a 7-year gap in service. The employee must also have worked at least 1,250 hours during the twelve-month period immediately preceding the commencement of the leave of absence (employees who qualify for rights under USERRA shall be credited with the hours of service that would have been performed but for the military service and the employee's pre-service schedule will be used for calculating their credited hours). The employee must also be employed at a worksite where 50 or more employees are employed by the employer within 75 miles of that worksite.

Application for Leave of Absence/Notice by Employee/Certifications

Any employee who desires a leave of absence pursuant to this policy **must complete, sign, and submit an Application for Leave Of Absence. ALL completed paperwork (the signed application and appropriate certifications/forms as described under Section "Certification Procedure") must be sent to PO Box 538, Willow Grove, PA 19090 for determination of qualifying FMLA leave within 15 days of original receipt by the employee, unless it is not practicable under the particular circumstances to do so despite the employee's diligent, good faith efforts. The employee should specify the manner in which they wish to receive the FMLA leave "Designation Notice" (WHD Form WH 382) on their Application for Leave Of Absence. The determination notice can be sent to an email address, mailed to their home address on file or alternate address indicated on the application. If not clearly indicated on the Application, the Company will send the notification to the home address on file.** When the need for leave of absence is foreseeable or anticipated, such as planned medical treatment or the birth of a child, the employee must make efforts to schedule leave so as not to disrupt the Company's operations and must submit the Application For Leave Of Absence not less than 30 days before the date the leave is to begin. If the need for leave was not foreseeable, the employee must submit an Application for Leave Of Absence as far in advance of the date the leave is to begin or as soon after as is practicable. Employees needing intermittent FMLA leave or leave on a reduced schedule must attempt to schedule their leave as not to disrupt the employer's operations. In addition, an employer may assign an employee to an alternative position with equivalent pay and benefits that better accommodates the employee's intermittent or reduced leave schedule.

The leave of absence pursuant to this policy may be taken by an employee on an intermittent (rather than on an uninterrupted) basis or on a reduced schedule if medically necessary as a result of an employee's serious health condition or that of his or her spouse, child or parent, or Military Caregiver Leave or Qualifying Exigency Leave. However, except as allowed by local law, a leave of absence pursuant to this policy may not be taken on an intermittent or reduced schedule basis when the reason for the leave is the birth of a child or the placement of a child for adoption or foster care.

Certification Procedure

Every Application for Leave Of Absence pursuant to this policy must include the completed applicable Certification of Health Care Provider forms filled out by a licensed medical care provider (except when the reason for the requested leave of

absence is the birth or the placement of a child for adoption or foster care or Military Leave where other qualifying medical certification may be provided). If the leave is for Military Family Leave, the applicable form for “Certification of Qualifying Exigency” or “Certification for Serious Injury of Illness of Covered Service member” must be completed and included with the Application for Leave of Absence form along with the applicable medical certification forms.

Certification requirements to be provided for Military Caregiver Leave:

- 1) contact information for the authorized health care provider completing the certification, the type of medical practice or specialty, and affiliation with the military, if any;
- 2) whether the injury or illness was incurred or aggravated by service in the line of duty on active duty, when it began or was aggravated, and its likely duration;
- 3) a statement of appropriate facts regarding the servicemember’s health condition sufficient to support the need for FMLA leave
- 4) information to show that the servicemember needs care and estimates for the period and dates of treatment or recovery needed;
- 5) if care is needed intermittently or on a reduced schedule, the schedule of treatments or appointments, or an estimate of the frequency and duration of periodic care;
- 6) your name, the name of the covered servicemember, and your relationship to the service member; and
- 7) information on the servicemember’s branch, rank, and unit assignment or the veteran’s date and type of separation.

If your family member is a current servicemember who needs care, you may present a copy of an Invitational Travel Order (ITO) or Invitational Travel Authorization (ITA) issued to any member of the covered servicemember’s family for certification for the time specified on the ITO/ITA.

If your family member is a veteran with a serious injury or illness, you may provide a copy of a VASRD rating determination or the enrollment notice from the VA’s Program for Comprehensive Assistance for Family Caregivers for certification of the veteran’s serious injury or illness. The enrollment notice may be issued to any member of the veteran’s family. However, we may need to obtain additional information to support your leave request, but any such request will be based on what is allowable under the FMLA law.

For purposes of providing medical certification, an authorized health care provider may be a DOD, VA, TRICARE network, non-network TRICARE, or non-military-affiliated health care provider. We may only request a second and third opinion of a covered servicemember’s serious injury or illness when the certification is provided by a non-military-affiliated health care provider. Recertification is not permitted for a certification for military caregiver leave.

All required forms, including the written medical certification, must be submitted to the **Benefits Department, PO Box 538, Willow Grove, PA 19090** within 15 days of original receipt by the employee, unless it is not practicable under the particular circumstances to do so despite the employee’s diligent, good faith efforts. The Certificate of

Health Care Provider forms must be completed in full and signed. They shall be attached to the Application for Leave Of Absence if this form was not previously submitted. It is the responsibility of the employee to submit the Certification of Health Care Provider forms or other acceptable documents related to Military Caregiver Leave to the **Benefits Department, PO Box 538, Willow Grove, PA 19090.**

For applicable leaves (other than Military Caregiver Leave as defined above), in its discretion, and at its own expense, the Company may require a second medical opinion after an employee submits a medical certification. If the second medical opinion differs from the original medical certification, the Company may require the employee to submit to examination by a third physician, the identity of whom will be agreed upon by the Company and the employee requesting the leave of absence. The Company may require periodic re-certification by an employee's medical care provider as allowable under FMLA regulations.

Conditions of Family and Medical Leave Of Absence

The following conditions apply to a leave of absence pursuant to this policy:

1. An employee taking an approved leave of absence must provide an update of his or her status as outlined in the provided "Notice of Eligibility and Rights & Responsibilities" document that will be provided in response to a leave request.
2. An employee taking an approved leave of absence may not engage in other work or employment during the leave of absence. If an employee engages in other work or employment during the leave of absence, the employee will be considered to have violated the terms of the leave of absence, and to have voluntarily terminated his or her employment with the Company.
3. If an employee is granted a leave of absence on an intermittent basis or a reduced scheduled basis, the Company may require the employee to temporarily transfer to an alternative position that accommodates the employee's recurring absence or part-time schedule.
4. A husband and wife who are eligible for FMLA leave and are both employed by the Company are limited to a combined total of 12 work weeks of leave (26 workweeks for qualified military caregiver leave), during the 12-month period if the leave is taken to care for the employee's parent (care for parents-in-law is not covered by the FMLA) with a serious health condition, for the birth of the employee's son or daughter or to care for the child after the birth, or for placement of a son or daughter with the employee for adoption or foster care or to care for the child after placement. This limitation on the total weeks of leave applies to leave taken for the reasons specified as long as a husband and wife are employed by the "same employer." It would apply, for example, even though the spouses are employed at two different worksites of an employer located more than 75 miles from each other, or by two different operating divisions of the same company. On the other hand, if one spouse is ineligible for FMLA leave entitlement, the other spouse would be entitled to a full 12 weeks of FMLA leave. Where the husband and wife both use a portion of the total 12-week FMLA leave entitlement for either the birth of a child, for placement for adoption or foster care, or to care for a parent, the husband and wife would each be entitled to the difference between the amount he or she has taken individually and 12 weeks for FMLA leave for other purposes. For example, if each spouse took 6 weeks of leave to care for a parent (care for parents-in-law is not covered by the FMLA), each could use an additional 6 weeks due to his or her own serious health condition or to care for a child with a serious health condition.
5. The employee will be required to make their portion of their premium payments for continued health benefit coverage during any portion of the approved FMLA leave

that is unpaid. Contact information for making payment arrangements will be provided in the “Notice of Eligibility and Rights & Responsibilities” form. Failure to make the required premium payments will result in cancellation of benefits from the date the last premium payment was paid.

6. If at the time of applying for a leave of absence or during the leave of absence, the employee intends not to return to work, decides not to work after completion of the leave of absence, or is unable to return to work at the end of the leave, the employee is required to provide written notice to **PO Box 538, Willow Grove, PA 19090** or by phone at 800-248-8733. Employees who do not return to work for reasons other than a qualifying continued medical condition or extenuating circumstances will be liable to and required to reimburse the Company for any company contributions made on behalf of the employee to maintain the employee’s benefits during the FMLA.

Status of Employee Compensation and Benefits during Family Medical Leave Of Absence

The Company may apply any part of an employee’s accrued paid vacation time and/or paid sick/personal time toward any part of the 12 work week (26 work week) period allowed for an approved leave of absence pursuant to this policy. The “Notice of Eligibility and Rights & Responsibilities” form will indicate the requirement to use the applicable accrued paid time as substitution for any part of the unpaid FMLA leave. The decision to compensate an employee for any part of an approved leave of absence not covered by accrued paid vacation time and/or paid personal/sick time/PTO/excused absence time is within the sole discretion of the Company. Nothing in this policy will result in an increase on the amount or type of paid leave, if any.

An approved leave of absence pursuant to this policy will not, however, result in the loss of any employment benefit that may have accrued before the date the leave of absence started. Unless directed otherwise, the Company will continue group insurance. **For health, dental, vision, life and disability (if applicable) the employee will be required to pay the same premium portion as though active during any portion of the leave that is paid. If no paid time is available and any portion of leave is unpaid, the employee will be required to make premium payment contributions to continue health, dental and vision coverage during the unpaid leave period. Premium payments for continuation of benefits will be required to be made payable to the Company, and must be submitted on a monthly basis. If an employee chooses not to make premium payments, coverage will be cancelled as of the date the last premium payment was made, and the employee will incur a lapse in coverage for the leave period. If a lapse in coverage has occurred, an employee who returns to work at the end of the qualifying leave period, will have coverage reinstated by reapplying for coverage within 30 days of their return to work date and all coverage will be reinstated as of their return to work date. If they elect not to return to work, they may elect to continue health coverage through COBRA from the date following the end of the FMLA leave period or the date they notify the Company that they will not be returning from the FMLA leave. Please refer to the “Notice of Eligibility and Rights & Responsibilities” form for additional contact details.**

Return from an Approved Family and Medical Leave Of Absence

Upon returning from an approved leave of absence granted as a result of an employee's own serious health condition, an employee must present written medical certification from his or her medical care provider stating that he or she is able to perform the essential functions of their job with or without reasonable accommodation as allowable under FMLA regulations. When applicable, your GF, Supervisor or Regional office may require a completed Physical Capacities Report (Fitness for Duty) to be completed by your medical care provider, and may include a copy of your job description to be presented for their review. Once the applicable forms have been received, the Company will place the employee in his or her former position. In the event the former position is not available, the employee will be placed in an equivalent position with equivalent compensation and benefits.

If an employee does not return to work on the agreed upon date, the employee will be considered to have voluntarily terminated his or her employment unless documentation is provided to support and allow a determination to be made that a continued need for leave will be granted as a qualifying reasonable accommodation under the Americans with Disabilities Act (ADA). Under no circumstances will a leave of absence be approved for longer than a period of 12 work weeks with the exception of the Military Caregiver Leave which provides up to 26 weeks unless otherwise required as a reasonable accommodation under the Americans with Disabilities Act (ADA), or for any leave period pursuant to state statutes that provides a greater benefit than the 12 work weeks.

With respect to "highly paid" or "key" employees, there may be circumstances where no positions are available upon the expiration of his or her leave of absence. Under these circumstances, the employee may be terminated from the Company. A "key" or "highly paid" employee is a salaried employee who is among the highest paid 10% of those employees working within 75 miles of the company location at which the employee is assigned.

Additional Information

Additional information regarding the FMLA may also be obtained by contacting the nearest office of the Wage and Hour Division, listed in most telephone directories under U.S. Government, Department of Labor. Specific phone numbers and website information is also listed on the "Your Rights under the Family and Medical Leave Act of 1993" poster.

If any regulations in effect as of the date of the handbook are subsequently amended, they are incorporated herein when effective.