

To: All Fremont Hourly Employees on Layoff
From: Kathy Kozich, Fremont Human Resources Manager
Date: 4/15/2020
Subject: How Your Layoff Affects Your Benefits

Notification to explain how a temporary layoff or indefinite layoff affects your benefits.

Per our Collective Bargaining Agreement, a temporary layoff can be up to 3 weeks based on the production requirements of the Fremont Plant. During a temporary layoff, all benefits continue with no change.

However, if the layoff goes longer than 3 weeks, then, your status will be updated to indefinite layoff. If this happens, your medical and prescription coverage continues through the end of the current month plus another month.

- **EXAMPLE:** If your last day worked is 3/23 or 3/24, the indefinite layoff is effective April 13th. Your medical and prescription benefits will remain in effect for the remainder of April and continues for another month – through May 31st. You will be eligible for COBRA coverage on June 1st.

All other benefits (Short Term Disability, Basic Life, Dental, Vision, Voluntary Benefits, Flexible Spending Accounts, Life Insurance and Optional benefits) will end on the effective date of the Indefinite layoff; if you were laid off on 3/23 or 3/24 this means April 13th.

- You will receive a COBRA package to continue your Dental, Vision, and FSA past April 13th. In the example above, COBRA coverage for these benefits would be April 14th, if you choose to enroll, otherwise your coverage will end as of April 13th.
- You will also receive a portability/conversion packet from Unum for all life benefit elections once the indefinite layoff is effective.
- You will also receive notification from Transamerica to begin direct payment if you are enrolled in any whole life insurance.

Again, you should expect to see a COBRA Packet in the mail for dental, vision, and the FSA if you are enrolled in these benefits. In addition, **the company is paying your medical and prescription premiums through the end of April with no payment expected from you.** Beginning in May, however, you will be expected to make your premium contributions. Please note though that we are trying to handle this through payroll so we will not be asking you to drop off or mail your personal payments yet. We will update you if this changes.

NOTE ABOUT RETURN TO WORK: When an employee is recalled back to work within 18 months or time equal to seniority (whichever is less), benefits are reinstated per the collective bargaining agreement.