

ACTIVE DUTY MILITARY SERVICE

USERRA Leave

Under the federal law known as USERRA, employees will be provided job-protected leave for active duty, training, or to meet other military-related obligations. USERRA applies to eligible employees who are:

- reservists in any branch of the U.S. Armed Forces or members of the National Guard in any state of the United States;
- employees who enter active military service with the U.S. Armed Forces or National Guard;
- members of the U.S. Commissioned Corps of the Public Health Service; or
- any other person designated by the President of the United States as entitled to benefits under USERRA during a time of war or emergency.

There is no length-of-service requirement for USERRA leave. It is available to both full-time and part-time employees. All time served during a USERRA leave is credited toward service at the Company as if the employee had been at work during the duration of the leave. A USERRA leave may continue for a maximum of five (5) years while the employee is in active service, except for specific circumstances as set forth in USERRA.

Obligation of Employee

1. You (or an appropriate officer of the uniformed services in which the service will be performed) must provide advance written or verbal notice of such service to the Company unless military necessity prevents giving notice, or notice is impossible or unreasonable.
2. You must have had no more than five years of total absences from the Company for all military service.
3. You must report to the Company or submit an application for re-employment after termination of your military service as described under *Return to Work upon Termination of Active Military Duty* below.

Company Benefits during Military Service

Leave of Absence

If you are called to active duty military service, the Company will grant a leave of absence with offset pay (as described below). In addition, your military service will count towards accrual of vacation leave.

Offset Pay

If you are eligible for offset pay, your ordinary base pay will be offset by the amount of pay that you receive from the government. (For example, if your gross base pay is \$4,000 per month and the government payment during military service is \$2,500 per month, then the Company will pay you the gross sum of \$1,500 per month.)

Benefits during Paid Leave of Absence

All benefits will continue and your portion of the cost of benefits will be deducted from your offset pay. If the offset pay is not sufficient to cover the cost of benefits, you will be responsible for making payment to the Company by check or money order. Covered benefits under a corporate-sponsored health plan will be secondary to the military's health plan for you and your dependent(s).

Benefits after Paid Leave of Absence

You will have the same rights to continuation of benefits as other employees on similar leaves of absence and will be entitled to continue any group health benefits in which you are enrolled consistent with applicable COBRA rules.

Return to Work upon Termination of Active Military Duty

You may return to work for the Company, provided that:

1. If the military leave period **is less than 31 days**, you report to work by the beginning of the first full regularly scheduled work period on the first work day that occurs eight hours following completion of the service and your safe return to your residence.
2. If the military leave period **is between 31 and 365 days**, you return to work within 14 days following completion of such service.
3. If the military leave period **is in excess of 365 days**, you submit an application for re-employment within 90 days after completion of such service.

You will be reinstated to the position you would have attained if no military leave had been taken or, if the USERRA leave is for more than 90 days, a position of like seniority, status, and pay. If you are not qualified for that position and cannot become qualified after reasonable effort, you will generally be reinstated to your former position.

The Company reserves all of its rights regarding re-employment and determinations including, without limitation, the right to assert any changed circumstances regarding such re-employment and the right to deny re-employment if, prior to the military leave, you were employed by the Company for a brief, non-recurrent period and there was no reasonable expectation that your employment would continue indefinitely or for a significant period.

Benefits

For the calculation of benefits, you will be treated as having earned compensation during your time on active military duty. The compensation deemed to have been earned while on active duty is your base pay at the time you left for active military duty, plus the average raise received by similarly situated employees during the period that you are on active military duty. The period of military service will be treated as corporate service for purposes of determining vesting and accrual of benefits under the Company's Thrift Plan and Retirement Plan. It will not be treated as a break in service.

You will have the opportunity to make up any deferrals to the Company Thrift Plan that was missed during the military leave. The Company will make any applicable matching contributions. You must make up those deferrals (employee contributions) by the earlier of: (1) three times the length of time of your military service; or (2) five years.

National Guard Service

For eligible employees, the Company will grant a paid (offset by military pay) two-week leave of absence for annual training duty or emergency National Guard duty at the call of a state governor.

Governing Law

If anything in this policy conflicts with any federal or state law, rule, or regulation concerning employees on active-duty military service, including USERRA, then the federal or state law, rule, or regulation shall control. Where state laws provide greater military leave rights than those provided by USERRA and this policy, such state laws apply and govern the administration of this policy at those Company facilities located in such states.