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## Family and Medical Leave Act – Rights and Obligations

1-888-TALK2HR (1-888-825-5247)

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This is a summary of your rights and obligations under the federal Family and Medical Leave Act (FMLA). Under this law, Chevron is required to grant you an unpaid leave of absence to handle family matters, including your own serious illness, and to protect your job while you are gone. In addition, Chevron is required to offer you continued health care coverage while you are on leave. Chevron's Family Leave Policy and disability policies meet or exceed the requirements of this law.

Chevron is required to give you the following information about the Family and Medical Leave Act. Please read it and keep it with your benefits material.

### General information

This law went into effect on Aug. 5, 1993, for most employers. However, if a collective bargaining agreement was in effect on that date, the law went into effect no later than Feb. 5, 1994.

The law contains provisions about employer coverage; employee eligibility and entitlement; notice and certification of the need for a leave; continuation of health benefits during leave; job restoration after leave; and protections for employees who request to take a leave. The law also requires employers to keep certain records.

### Employer coverage

The law applies to all private-sector employers who employed 50 or more employees in 20 or more work weeks in the current or preceding calendar year and who are engaged in commerce or in any industry or activity affecting commerce, including joint employers and successors of covered employers.

### Leave entitlement

If you are an eligible employee, you may take up to 12 weeks of unpaid leave during any 12-month period for one or more of the following reasons:

- the birth of a child and care for the child within one year of birth;
- the placement of a child for adoption or foster care with the employee and to care for the newly placed child within one year of placement;
- to care for an immediate family member (spouse, child, parent) with a serious health condition (see Page 3 for the definition of a serious health condition);
- for medical reasons, when you are unable to work because of your own serious health condition;
- for "any qualifying exigency" arising out of the fact that the employee's spouse, domestic partner, son, daughter, or parent is on or has been notified of an impending call to active duty to a foreign country.

If you are an eligible employee, up to 26 weeks of unpaid leave during a 12 month period, to care for a family service member (spouse, son, daughter, parent or next of kin) who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability military retired list, for a serious injury or illness.

If your spouse is employed by the company, he or she may also be entitled to a leave. Spouses employed by the same employer are jointly entitled to a combined total of 12 work weeks of leave for the birth or placement of a child for adoption or foster care, and to care for a parent (but not a parent-in-law) who has a serious health condition.

If you take a leave for a birth or placement for adoption or foster care, your leave must end within 12 months of the birth or placement. In addition, you must take the leave in a minimum of two-week increments (except that you may take a shorter period of leave on two occasions).

Under some circumstances, you may take leave intermittently when medically necessary to care for a seriously ill family member or because you are seriously ill and unable to work. Intermittent leave may be taken in blocks of time down to one hour, or by reducing your normal weekly or daily work schedule.

## **Employee eligibility**

To be eligible for a leave covered by the Family and Medical Leave Act, you must meet all of the following:

- work for an employer who is covered by the law;
- work for the employer for a total of 12 months;
- have worked at least 1,250 hours over the previous 12 months;
- work at a location in the United States or in any territory or possession of the United States where at least 50 employees are employed by the employer within 75 miles.

Please note: the hours worked eligibility requirement for the Family and Medical Leave Act may be re-evaluated at the first absence after the conclusion of the 12-month period applicable to your leave. The applicable 12-month period continues for 12 months from the date of the first Family and Medical Leave Act approved absence for a serious health condition. If your need for leave extends beyond this 12-month period, your eligibility for the Family and Medical Leave Act may be re-evaluated based on hours worked. If you do not meet the hours worked eligibility requirement at that time, your request for leave beyond that date may be denied.

## **Paid leave can count**

Accrued paid leave, such as Short-Term Disability benefits or vacation, may be used to cover some or all of the leave you are entitled to under this law. Please contact your supervisor if you want to use all or part of your accrued vacation during your leave, and he or she will have your vacation coded in the payroll system. Chevron is responsible for notifying you if your use of paid or unpaid leave counts as a leave covered under law based on information you provide.

After a leave has ended, the absence cannot be credited as leave covered by the law unless one of the following occurs:

- The company knows why you were absent but is waiting for medical certification (or is in the process of obtaining a second or third medical opinion) to confirm whether the absence qualifies as a leave under the law.
- You are absent for a brief period (four to six work days, typically) for a reason that qualifies under the law, and the company is unaware of the reason. In this case, you must notify the company within two business days of returning to work that the absence was for a reason that is covered by the law. If you don't do this, you may not later assert that you are eligible for the protection granted by the law.

## **Notice and certification**

You must provide 30 days of advance notice when you can foresee the need for a leave and such notice is practical. You may also be required to provide:

- medical certifications supporting the need for leave due to a serious health condition affecting you or an immediate family member;
- second or third medical opinions (at the company's expense) and periodic recertification;
- periodic reports during the leave regarding your status and intent to return to work.

When you need to take a leave for planned medical treatments for a family member or for your own illness, you must try to schedule the treatment so as not to unduly disrupt the company's operation.

## **Company obligations**

The company must post a notice approved by the Secretary of Labor explaining rights and responsibilities under the law. An employer that willfully violates this posting requirement may be subject to a fine of up to \$100 for each separate offense.

Also, the company must inform you of your rights and responsibilities under the law and give you specific information about what is required of you and what might happen under certain circumstances, such as if you do not return to work after the leave.

## **Continuation of health benefits**

When you take a leave covered by the law, Chevron is required to offer you group health coverage as if you had continued to work. Chevron will pay the company portion of your health coverage contributions and you must pay your share of the contributions. While you are receiving Short-Term Disability benefits or vacation pay, your share of the contributions will be paid through deductions from your paychecks. During unpaid leave, arrangements will be made for you to pay your share of health care contributions. You will receive information from Chevron's Human Resources (HR) Service Center about how to make premium payments during your leave. If you do not pay your share of the health care contributions on a timely basis, your coverage for yourself and/or your dependents may be terminated for the remainder of your leave. Please contact the HR Service Center at 1-888-TALK2HR (1-888-825-5247) if you have questions about continuing your benefits while on leave.

The company reserves the right to recover contributions it paid toward your health coverage if you do not return from the leave.

## **Job restoration**

When you return from leave, you must be restored to your original job, or to an equivalent job in the same general geographical work location with equivalent pay, benefits, and other employment terms and conditions.

If you take a leave, you cannot lose any employment benefit that you earned or were entitled to before the leave. In addition, the time you are on the leave cannot be counted against you under a "no fault" attendance policy.

## Special rule for key employees

There is a special rule about job restoration for highly paid “key” employees. In this case, a key employee is defined as an eligible salaried employee who is among the highest paid ten percent of employees within 75 miles of the work site.

If you are a highly paid key employee, an employer may refuse to reinstate you after a leave if reinstatement will cause substantial and grievous economic injury to the employer. To do this, an employer must do all of the following:

- notify you of your status as a key employee in response to your notice of intent to take a leave;
- notify you as soon as it decides to deny job restoration, and explain the reasons for this decision;
- offer you a reasonable opportunity to return to work from leave after giving this notice;
- make a final determination as to whether reinstatement will be denied at the end of the leave if you then request restoration.

## Unlawful acts

It is unlawful for any employer to interfere with, restrain, or deny the exercise of any right provided by the law. It is also unlawful for an employer to discharge or discriminate against you for opposing any practice, or because of involvement in any proceeding related to the law.

## Enforcement

The U.S. Labor Department’s Employment Standards Administration, Wage and Hour Division administers and enforces the law, and investigates complaints. If violations cannot be satisfactorily resolved, the department may bring action in court to compel compliance. You may also bring a private civil action against an employer for violations.

## Other provisions

Salaried executive, administrative and professional employees of the company who meet the Fair Labor Standards Act (FLSA) criteria for exemption from minimum wage and overtime under Regulations, 29 CFR Part 541, do not lose their FLSA-exempt status by using any unpaid leave under this law. This special exception to the “salary basis” requirements for FLSA’s exemption extends only to eligible employees’ use of leave required by the law.

The Family and Medical Leave Act does not affect any other federal or state law that prohibits discrimination, nor does it supersede any state or local law that provides greater family or medical leave protection. In addition, it does not affect an employer’s obligation to provide more generous rights under a collective bargaining agreement or employment benefit plan.

## Definitions

Here are definitions of terms according to the law:

*Serious Health Condition* means an illness, injury, impairment, or physical or mental condition that involves either of the following:

- any period of incapacity or treatment connected with inpatient care (an overnight stay) in a hospital, hospice or residential medical care facility, and any period of incapacity or later treatment in connection with such inpatient care.
- continuing treatment by a health care provider that includes any period of incapacity (inability to work, attend school or perform other regular daily activities) due to:
  1. a health condition (including treatment for or recovery from the condition) that lasts more than three consecutive days, and any later treatment or period of incapacity relating to the same condition that includes one of the following:
    - treatment two or more times by or under the supervision of a health care provider;
    - one treatment by a health care provider with a continuing regimen of treatment.
  2. pregnancy or prenatal care. A visit to the health care provider is not necessary for each absence. (Note: In California, an employee who is disabled due to pregnancy, childbirth or related medical conditions may take a pregnancy-related disability leave for the period of actual disability, up to a maximum of four months. This is in addition to family care leave under California law.)
  3. a chronic serious health condition that continues over an extended period of time, requires periodic visits to a health care provider, and may involve occasional episodes of incapacity (for example, asthma or diabetes.) A visit to a health care provider is not necessary for each absence.
  4. a permanent or long-term condition for which treatment may not be effective (for example, Alzheimer’s disease, a severe stroke or terminal cancer). Only supervision by a health care provider is required, rather than active treatment.
  5. any absences to receive multiple treatments for restorative surgery or for a condition that would likely result in a period of incapacity of more than three days if not treated (for example, chemotherapy or radiation treatments for cancer).

Ordinarily, unless complications arise, conditions such as **the following do not meet the definition of a serious health condition and do not qualify under the law:** the common cold, the flu, earaches, upset stomach, minor ulcers, headaches other than migraine, routine dental or orthodontic problems, periodontal disease, etc.

*Health Care Provider* means any of the following:

- doctors of medicine or osteopathy authorized to practice medicine or surgery by the state in which the doctor practices;
- podiatrists, dentists, clinical psychologists, optometrists and chiropractors (limited to manual manipulation of the spine to correct a subluxation [partial dislocation] as demonstrated by an X-ray to exist) authorized to practice and performing within the scope of their practice under state law;

- nurse practitioners, nurse-midwives and clinical social workers authorized to practice and performing within the scope of their practice, as defined under state law;
- Christian Science practitioners listed with the First Church of Christ Scientist in Boston, Massachusetts;
- any health care provider recognized by Chevron.

#### Further information

The Reed Group is an outside vendor who administers the FMLA for Chevron. If you're absent from work for any length of time for a reason that's covered under [FMLA](#) or a related state leave law and you want job protection for your absence, including time off to get medical treatment for your own serious health condition, time off to care for a seriously ill family member, or time off to bond with a newborn, newly adopted child, or a newly placed foster child, contact Reed Group by calling the HR Service Center toll-free at 1-888-TALK2HR (1-888-825-5247) and selecting option 5 or accessing the Disability Management website at <http://hr2.chevron.com/disabilitymanagement/>.

If you want more details about your eligibility for leave under company policies please contact your HR representative. He or she can also provide you with details about Chevron's Family Leave Policy. For information on how a leave affects your benefits, please call the HR Service Center at 1-888-TALK2HR (1-888-825-5247). In addition, information about the Family Leave Policy may be found in the HR Policies, Guideline 112, as well as on form F-16: *Request for Family Leave of Absence Without Pay*.

For more information about the Family and Medical Leave Act, you may also contact the nearest office of the Wage and Hour division listed in most telephone directories under U.S. Government, Department of Employment Standards Administration. California-based employees may obtain more details on the State of California's Family Rights Act from the nearest office of the State Fair Employment and Housing Commission.

The final rule implementing the Family and Medical Leave Act is contained in the Jan. 6, 1995, *Federal Register*.