

Arkema Inc.

Name of Department/BU/Site

Revision No.: 1

Document No.: HR 100


Original Issue Date: March 1, 2008


Title:

**Salary Continuation Policy
 (Short Term Disability)**

Revision History

Revision Number	Purpose of Revision	Date
0	Original Document	March 1, 2008
1	Update after review	January 1, 2020

Prepared by	Reviewed/Revised by	Approved by
Steve Silver <i>HR Director, Manufacturing, Engineering, Technology, Labor Relations</i>	Louise Harman <i>Sr. Director, Total Rewards</i>	Chris Giangrasso <i>SVP, HR, Communications and Site Services</i> 

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1.0 Purpose

The Arkema Inc. Salary Continuation Program, also known as Short-Term Disability, is a payroll practice intended to help salaried and non-union hourly employees maintain a certain level of income when they are disabled and cannot work from a non-occupational injury or illness. The Salary Continuation benefit commences after an absence from work of more than seven consecutive calendar days and upon certification from Arkema’s external disability management company.


2.0 Applicability

- A. All full-time salaried and non-union hourly employees and those part-time salaried and non-union hourly employees who are scheduled to work a minimum of 20 hours per week are automatically covered under the Salary Continuation Program.
- B. For union employees, if a Collective Bargaining Agreement governs wages during periods of disability then the Collective Bargaining Agreement shall be followed.
- C. Employees are eligible to receive benefits after six months of continuous service with Arkema Inc. (the “Company”).
- D. The employee must not engage in outside employment while receiving Salary Continuation and must avoid activities that may delay recovery and a return to work during period of disability

3.0 Responsibilities

A. At all Company sites, the Company uses a disability management company to monitor and manage short-term disability claims. An employee who is disabled for more than seven consecutive calendar days must notify **Lincoln Financial Group**, the Company’s disability management company. Employees must initiate their claim either online at www.MyLincolnPortal.com, or by calling **1-800-505-4176**. The disability reported must result from a non-occupational related illness or injury. Occupational related injuries must be reported through the Workers Compensation process.

B. The **employee** is responsible for the appropriate and timely submission of medical documentation by both the employee and the physician, to Lincoln Financial Group. This will ensure continuation of pay under the Salary Continuation Program. Payment under the Salary Continuation Program may be stopped if the appropriate information documenting an employee’s disability is

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not complete and/or is not received within 15 calendar days after receiving a request for medical information from the Company and/or Lincoln Financial Group.

When Do I Report a Claim/Leave?

Your own serious illness, disability, or maternity leave: You may report a claim up to 30 days in advance of a planned disability absence OR as soon as you are aware that you will be disabled due to illness or injury for 7 or more calendar days.

Please refer to separate leave policies for: [Parental Leave](#) and [Military Leave](#)

How Do I Report a Claim/Leave?


1. Contact your supervisor to report your absence.
2. Refer to ANNA for “Authorization to Release Information” form, and leave with your physician or medical care provider at your next visit.

Note: Lincoln Financial Group requires your physician to provide information about your medical condition. If this information cannot be obtained, benefits may be delayed or denied.

3. Report your claim/leave via www.MyLincolnPortal.com. First time users must register using Company Code Arkema. Please have the following information available when you report your claim/leave:

- Your physician or medical care provider’s name, address, fax and telephone numbers
- Your manager’s name, telephone number and e-mail address
- Reason you are out of work (diagnosis/symptoms)
- Your last day worked, first day absent from work, and anticipated return to work date

Or you can call **1-800-505-4176** and speak with an Intake Specialist to report your claim/leave.

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4. Keep a record of your claim/leave number. Reporting your claim/leave online provides the added convenience of printing a report which includes your claim/leave number and a summary of your claim/leave details.

5. You may securely check the status of your claim/leave online at www.MyLincolnPortal.com or by calling your Case Manager at 1-800-291-0112

C. The **Human Resources Representative** is responsible to inform the employee of the process and provide support to the employee. In addition, to act as a liaison with Lincoln Financial Group and with the Benefits Department when questions or concerns arise.

D. The **Benefits Department** is responsible to own, train and communicate this process to the Human Resources Representatives and to serve as the technical experts and liaison with Lincoln Financial Group on any escalated issues.

E. Individual sites according to internal procedures, will determine the minimum period of day absent required for a physician statement. An employee's regular pay may continue during this period; however, individual sites will determine eligibility.


F. An employee may be required to undergo an examination by a doctor designated by the Company for return to work fitness for duty purposes. The Company will pay the cost of any required examination

4.0 Requirements

A. The Salary Continuation program replaces an employee's income for up to 26 weeks if the employee is unable to work due to illness, disabling injury, or disability resulting from pregnancy or childbirth.

B. The program pays either all or two-thirds of an employee's base salary, depending on the length of service as indicated below:

Years of service	Full Salary	Two-Thirds Salary	Total Weeks
6 months – Less than 2 years	2 weeks	24 weeks	26 weeks
More than 2 – Less than 3 years	3 weeks	23 weeks	26 weeks
More than 3 years	26 weeks	0 weeks	26 weeks

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C. Benefits are calculated on annual base pay, which does not include any bonus, overtime pay, and shift differential or any other form of additional compensation.

D. Benefits for eligible part-time employees are calculated on a pro-rated basis according to the percentage of a full-time schedule they are assigned to work.

Benefit Determination

E. The Salary Continuation benefit is based on continuous years of employment.

F. Maximum benefits of 26 weeks are based on all absences during the calendar year due to any absence covered by this policy.

G. The Salary Continuation benefit renews each year on January 1.

However,

1. A maximum of 26 weeks salary continuation may be paid for any one absence.

a. For example, an employee who begins to receive salary continuation benefits on November 1, 2018, would have benefits stop on May 1, 2019


2. Or, a maximum of 26 weeks salary continuation may be paid in any one calendar year.

a. For example, an employee who begins to receive salary continuation benefits on November 1, 2018 and returns on January 15, 2019, will have 24 weeks of Salary Continuation benefits available for the remainder of calendar year 2019.

H. Unused weeks of Salary Continuation benefits may not be accumulated from year to year.

I. Salary Continuation will stop at the end of the maximum 26 weeks. Lincoln Financial Group will initiate long-term disability evaluation at six to eight weeks prior to the end of the Salary Continuation period.

J. Separate periods of absence that result from the same or related causes are treated as a single period of disability unless an employee is actively at work for at least two weeks in between each absence. However, no more than 26 weeks of Salary Continuation are payable in a calendar year.

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Non-Discrimination and No Retaliation

The Company will not discriminate or retaliate against any employee who exercises their rights under this policy. The Company will also comply with federal and state specific laws, including those which govern privacy and confidentiality of, as well as non-discrimination and non-retaliation for reproductive health decisions made by employees and/or their dependents.

Employees Who Are Covered by Collective Bargaining Agreements


For union employees, refer to your collective bargaining agreement.

Compliance with Laws

To the extent that short term disability is governed by federal, state or local law, such law shall govern.

Modifications and Amendments

Nothing in this policy creates a contract, either express or implied. Arkema Inc. reserves the right at any time to change, suspend, terminate, or amend this procedure for any reason in its sole discretion.

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ANNUAL POLICY AND PROCEDURE REVIEW FORM

Document Number: HR 100


Document Title: Salary Continuation Policy

I have conducted the annual review of this document and there are no changes* that need to be made during this review period.

Reviewer

Print Name: Steve Silver
Signature: 
Date: 11/21/2020

Approver

Print Name: CHRIS GIANGRASSO
Signature: 
Date: 11/3/2020

* Typographical changes (e.g., spelling errors, punctuation) are not considered changes for the purposes of this review.