



March 27, 2020

To: All Domestic Employees

From: Pandemic Working Group

Re: COVID-19 – New Federal Legislation

As we have mentioned in previous advisories, due to our status as part of the country’s “critical infrastructure,” we have the privilege of being able to continue operations during this pandemic. Indeed, as President Trump has put it, we have a “special responsibility” to conduct normal business operations. We are finding great consistency among state and county COVID orders in acknowledging this special status. As you know, many other industries – those that do not enjoy our status – have been shut down entirely or severely restricted. With our privilege comes responsibility, however. In order for AMVAC to make it through the pandemic, we are depending upon our employees to continue giving it your best. We appreciate the sacrifice that many of you are making and ask that you continue to stay the course.

Mindful of the hardship that that the pandemic has caused, and may yet cause, to many employees and their families, Congress and the President have passed legislation called the Families First Coronavirus Response Act (FFCRA) which is intended to ease the effect of the pandemic on eligible employees who are directly affected by the virus.

Families First Coronavirus Response Act (FFCRA)

The FFCRA goes into effect on April 1, 2020, and, due to the size of our domestic workforce, AMVAC is included within the scope of the act. The eligibility requirements are narrowly defined, as are the terms of compensation, and we have set them forth below in summary form. In consideration for making these payments, employers are eligible to receive relief from payroll taxes that they would otherwise be paying to the IRS. Under FFCRA, there are two types of leaves of absence – sick leave and family leave. These have different eligibility requirements and different pay scales, and this is how they work:

Eligibility

An employee qualifies for paid leave if he or she is unable to work (and unable to telework) because:

1. The employee is subject to a federal, state, or local quarantine or isolation order for COVID-19;
2. The employee is advised by a health care provider to self-quarantine due to COVID-19 concerns;
3. The employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis;
4. The employee is caring for an individual who is under a quarantine or isolation order or has been advised to self-quarantine by a health care provider; or
5. The employee is caring for a child whose school or childcare has been closed due to COVID-19.

COVID Sick Leave

Full-time persons who go out on leave for reasons (1)-(3) above may take a COVID Sick Leave, for which they are entitled to receive up to 2 weeks' (or 80 hours) pay, at their regular rate of pay but not to exceed \$511 per day or \$5,110 for the full two-week period. In other words, if the employee's rate of pay is below the cap, then he or she gets full pay for that period. If it is above, then he or she is limited to the daily and bi-weekly cap. Employees may also take a sick leave under FFCRA for reasons (4)-(5) above for up to two weeks and are entitled to 2/3 their regular rate of pay but not to exceed \$200 per day or \$2,000 total. Part-time employees are also entitled to paid sick leave under the FFCRA, but for fewer hours depending on how many hours they normally work.

COVID Family Leave

An employee qualifies for up to 12 weeks of COVID Family Leave if he or she has been employed at least 30 days by AMVAC and is unable to work (and unable to telework) because he or she is caring for a child whose school or day care is closed for reasons relating to COVID-19. COVID Family Leave is for up to 12 weeks. 10 weeks is paid at 2/3 the employee's regular rate, not to exceed \$200 per day or \$10,000 per 10-week period. The last two weeks of the 12 are unpaid, though an employee may elect to use available sick days and/or other accrued, unused vacation days for the other 2 weeks.

What's Next

We realize that this is a lot to absorb in one sitting. Commencing on April 1, 2020, if you believe that you are eligible for either sick leave or family leave under FFCRA, then please contact HR to walk through the requirements and compensation calculations. It is worth clarifying here that the benefits available under FFCRA are exclusively related to COVID. Thus, for example, if you are sick with non-COVID symptoms or have child-care issues unrelated to COVID, then FFCRA paid leave is not available and the standard rules on use of sick days, vacation days and FMLA would apply. Also, employees who request to take a leave under this policy will be required to provide supporting documentation to HR as reasonably appropriate.

We will be posting mandatory notices from the Department of Labor in conspicuous places at each of our domestic facilities. In addition, as we implement the FFCRA, we will publish a set of Q&As to cover specific concerns and questions that you may have.

If you have questions on any of these matters, please contact either Teresa Chavez (teresac@amvac.com) or Tim Donnelly (timd@amvac.com).