

**ARTICLE 21
LAYOFF BENEFITS**

Section 21.1 Establishment of Plan. The Company will maintain a Layoff Benefit Plan to provide for lump sum or income continuation benefits as set forth in this Article. Such Plan will apply to employees who are laid off with an effective date on or after October 7, 2012.

Section 21.2 Eligibility. All bargaining unit employees who have at least one year of Company service and who are involuntarily laid off from the Company (including such employees who accelerate their layoff dates and employees laid off because of declining an offer for less than equivalent employment as defined by Company policy) are eligible to receive the benefit described in 21.3; provided, however, the following employees shall not be eligible for the benefit: employees who volunteer for layoff, except those who are laid off pursuant to Letter of Understanding related to Voluntary Layoffs; employees who upon their layoff become employed by a subsidiary or affiliate of the Company; employees who are laid off from the Company because of a merger, sale or similar transfer of assets and are offered employment with the new employer; employees who are laid off because of an act of God, natural disaster or national emergency; employees who are laid off because of a strike, picketing of the Company's premises, work stoppage or any similar action which would interrupt or interfere with any operation of the Company; and employees who terminate employment for any reason other than layoff, including, but not limited to, resignation, dismissal, retirement, death, or leave of absence.

Section 21.3 Amount and Payment of Benefit. An eligible employee's total lump sum or income continuation benefit shall equal one week of pay based on the employee's base salary at the time of layoff (but excluding any shift differentials or other premiums) for each full year of Company service as of the employee's layoff date, subject to a maximum benefit of 26 weeks of pay. Eligible employees may elect either of the following:

21.3(a) Benefits will be paid as a lump sum within a reasonable period of time following the effective date of layoff. Employees who accept the voluntary layoff pursuant to the Letter of Understanding related to Voluntary Layoffs shall be paid in a single lump sum. Employees who elect this option will have priority consideration recall rights under Article 8 canceled.

21.3(a)(1) Income continuation benefits will be paid in 80 hour increments, subject to an employee's total benefit, on regular paydays beginning with the second payday following the effective date of layoff. Income continuation benefits shall immediately cease upon the earlier of any of the following events: exhaustion of the employee's total income continuation benefit; re-employment with the Company or any of its subsidiaries or affiliates; failure to accept a formal offer of recall from layoff within ten workdays after it is extended or by such later date as may be stipulated by the Company; failure to report to work on the date designated by the Company; or change in the employee's employment status from layoff to resignation, dismissal, retirement, death, or leave of absence.

21.3(a)(2) Subject to continuation of the Plan, no employee shall be paid lump sum or income continuation benefits more than once during any three-year period; provided, however, if an employee is re-employed by the Company before payment of the employee's total income continuation benefit and is subsequently laid off in such three-year period under conditions which make the employee eligible for a benefit, any unused benefit will be payable to the employee under the procedures established by this Article.

Section 21.4 Benefit Not Applicable for Other Purposes. Periods for which an employee receives income continuation benefits shall not be considered as compensation or service under any employee benefit plan or program and shall not be counted toward Company service. Benefits under this Article may not be deferred into the Voluntary Investment Plan.

1 **Section 21.5 Continuation of Medical and Dental Coverage.** In the event of layoff, medical and
2 dental coverage for employees and dependents will continue until the employee is covered by any other
3 group medical or dental plan either as an employee or as a dependent, but in no event beyond three
4 months after the date of layoff. However, if the layoff occurs during or after a leave of absence, the
5 maximum total period of continued coverage is thirty (30) months in the case of medical leave or twenty-
6 four (24) months in the case of non-medical leave, measured from the end of the month in which the
7 leave of absence began, irrespective of the date of termination. Required contributions, if any, must be
8 paid during any period of such continuation of coverage.

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