Date: November 27, 2017

To: Colgate Employees – Eligible for Paid Family Leave

Subject: Overview of New York State Paid Family Leave Benefits Law

This is to notify you that the New York State Paid Family Leave Benefits Law (“PFL”) will go into effect on January 1, 2018. We want to provide you with a basic overview of PFL, as well as a brief explanation regarding what this new law means for employees in 2018.¹

**What is PFL?**

PFL is a paid leave benefit designed to provide eligible employees with the ability to take up to twelve (12) weeks of paid family leave (once fully implemented) during a 52-week time period for certain qualifying reasons. The amount of benefits paid to an eligible employee will be a percentage (%) of average weekly wages up to the state average weekly wage. PFL will be phased-in over the next four years as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Weeks Available in 52-Week Period</th>
<th>Max % of Employee Average Weekly Wage, capped at the State Average Weekly Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>8</td>
<td>50%</td>
</tr>
<tr>
<td>2019</td>
<td>10</td>
<td>55%</td>
</tr>
<tr>
<td>2020</td>
<td>10</td>
<td>60%</td>
</tr>
<tr>
<td>2021 (and beyond)</td>
<td>12</td>
<td>67%</td>
</tr>
</tbody>
</table>

Therefore, in 2018 (only), an eligible employee may take up to eight (8) weeks of PFL for certain qualifying reasons and receive paid benefits that amount to 50% of the employee’s average weekly wage (capped at 50% of the state average weekly wage of $1,305.92, which is a maximum of $652.86/week).

**Who is eligible to take PFL?**

Under PFL, there are two (2) ways in which an individual can become an “eligible employee”:

1. A full-time employee (who is regularly scheduled to work *at least* 20 hours per week) becomes eligible to apply for, and take, PFL once they have worked for the University for 26 consecutive work weeks; or
2. A part-time employee (who is regularly scheduled to work less than 20 hours per week) is eligible to apply for, and take, PFL once they have worked for the University for 175 days.

¹ The material set forth in this memorandum has been provided for informational purposes only. Employees should refer to, and rely upon, the law, governing regulations and the University’s PFL policy (once finalized and distributed).
Note: Time spent on paid vacation, sick and personal leaves will be counted towards the PFL eligibility criteria, provided deductions were taken during that paid time. However, time spent on paid NYS disability leave or an unpaid leave of absence is not counted for establishing an employee’s eligibility under PFL.

What are the “qualifying reasons” for which PFL can be taken?
As noted above, eligible employees may apply for, and be approved to take, PFL for certain qualifying reasons:

1. **Bonding:** to bond following the birth, adoption, or placement of a new child; or
2. **Caring:** to care for a qualifying family member with a serious health condition; or
   - For purposes of this provision, the term “family member” can include: spouse, domestic partner, child, parent, parent-in-law, grandparent, or grandchild.
3. **Preparing:** to prepare for a qualifying exigency arising from a family member’s military service.
   - For purposes of this provision, the term “family member” shall include: spouse, domestic partner, child or parent of the employee who is on active duty (or has been notified of an impending call to active duty) in the Armed Forces of the United States.
   - For purposes of this provision, the term “qualifying exigency” shall have the same meaning and interpretation under PFL as the term currently has under the federal Family and Medical Leave Act (FMLA).

How is PFL funded?
PFL is an employee-funded benefit. Eligible employees will receive partial pay while taking approved PFL through an insurance policy that will be funded by a small weekly payroll deduction taken from an employee’s paycheck (on a post-tax basis). For the month of December 2017 only, the University will make the requisite premium payment on behalf of all University employees (unless an employee has lawfully executed a waiver opting out of PFL). In January 2018, and thereafter, the University will collect the necessary PFL premium contributions by taking payroll deductions from employee paychecks. The payroll deduction amount is set in accordance with state law and will be readjusted annually.

For 2018 (only), the deduction amount has been set at 0.126% of an employee’s weekly wage, capped at 0.126% of the state average weekly wage. **Based on the current annualized state average weekly wage, the maximum annual amount that can be deducted from an employee’s wages for 2018 is $85.56.** This amount will be less for employees whose wages are lower than the current state average weekly wage ($1,305.92). The amount of each deduction will be reflected on each employee’s individual pay stub.

**PLEASE BE ADVISED THAT THE UNIVERSITY WILL BE DEDUCTING THE MANDATORY PREMIUMS FOR PFL DEDUCTIONS FROM YOUR PAYCHECK BEGINNING IN JANUARY 2018.**

Prior to January 1, 2018, the University will distribute a policy which will contain further details regarding PFL (notice obligations, supporting documentation, benefits, reinstatement rights, etc.). Employees are encouraged to contact the Human Resources Department at x7565 with any questions regarding this new PFL benefits program.