

## Furlough FAQs - Employees

These cost savings measures are temporary adjustments taken because of the significant impact that the COVID-19 outbreak is taking on our industry and the overall economy.

**Q. How will I know if I am being impacted?**

**A.** Your manager will speak with you to let you know if you are impacted as soon as possible, and if so, will work with you to schedule your furlough days.

**Q. Are part-time employees being furloughed?**

**A.** No, these actions do not impact our part-time employees.

**Q. What if I am working on a project with specific deadlines to meet?**

**A.** Your manager will work closely with you to schedule the furlough days to accommodate things like work deadlines and your own personal needs. We will aim to be as flexible as possible, while also keeping our needs to staff the business in mind.

**Q. Is everyone in the company participating?**

**A.** The majority of employees will be impacted by some cost savings measures. There are some specific roles and employees exempted based on business needs. All corporate employees and managers/supervisors across the company will be impacted by the cost savings measures.

**Q. This is a financial hardship for me. Can I have an exception?**

**A.** Unfortunately, we cannot make individual exceptions. We recognize that furloughs create hardships, and we encourage all employees to make use of resources such as the Employee Assistance Program, which can help you and your family manage through this difficult time.

**Q. Does this mean there won't be any layoffs this year?**

**A.** It is important to note that as we continue to consolidate some operations to achieve greater efficiencies, there will be some position eliminations as our normal course of business, but that is different than a companywide or division-wide layoff. We remain committed to integrating the two organizations fully in line with the synergy plan.

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**Q. Will there be another furlough in Q3?**

**A.** Our hope is that future furloughs will not be necessary, but business conditions combined with economic trends will be the major factors as we continue to assess the market. No decision on this can be made at this time.

**Q. I am required to take the unpaid leave. Has the company considered wage reductions instead?**

**A.** Wage reductions and reduced work weeks are other methods of reducing costs that we are implementing.

**Q. Can I give up a week of PTO instead?**

**A.** No, because vacation days are paid, there is no savings to the company.

**Q. Why are the rules different for non-exempt and exempt employees?**

**A.** Non-exempt and exempt employees are subject to different rules set by the U.S. Department of Labor. Basically, non-exempt employees may take furloughs in increments as small as one day, while exempt employees must take increments of one week.

**Q. If a salaried employee works while on furlough because of an emergency, can he or she then take a new furlough week later?**

**A.** Every exempt (salaried) employee will need to complete the furlough as one full payroll week. Furloughs need to be scheduled so backup personnel are available. If there is an emergency and you need to return to work, a new furlough will be scheduled for a later week within the same month. Your supervisor must approve your return to work in advance.

**Q. How will my furlough be scheduled?**

**A.** Furloughs will be scheduled so that normal operations can continue without interruption during the furlough period. Please discuss any issues with your supervisor.

**Q. Why can't I do any work while I am out?**

**A.** There are very specific rules that must be followed. Federal and state laws require that employees, whether hourly or salaried, must not do any kind of work on an unpaid leave. That includes reading or responding to e-mails, calling or responding to calls from colleagues and being on site at your location at any time during your furlough days.

**Q. Who will cover my job while I am out?**

**A.** You and your supervisor should discuss how your responsibilities will be handled while you are out.

**Q. What happens to my benefits while I am out on short term furlough?**

**A.** Health & Insurance Benefits (Medical/Rx, Dental, Vision, EAP, Life Insurance, AD&D, Healthcare FSA, Dependent Care FSA, Critical Illness/Accident, Voluntary Benefits) will continue while you are on a furlough to the extent you have eligible pay. Any missed deductions due to not receiving pay (or enough pay) while on a furlough will be taken in future pay periods. Health and life insurance deductions will continue to be based on your rate of pay, not on your reduced pay as a result of the furlough. That means that the amount of your life insurance coverage (equal to 1x your annual rate of pay) will not go down as a result of your unpaid furlough time. Similarly, your payroll deduction for medical insurance, which is based on your rate of pay and the salary bracket that you fall into, will remain unchanged since your rate of pay also remains unchanged.

Health Savings Account (HSA) deductions will be taken while on furlough to the extent that you have eligible pay. If a deduction could not be taken, once you return to work your goal amounts will be re-amortized based on your annual goal amount and the updated deduction will be reflected in future paychecks. Please note that you can change or stop your HSA deduction amounts at any time.

401(k) deferrals, match and loan payments will be taken while on furlough to the extent that you have eligible pay. Please note that you can change or stop your 401(k) deferral amount at any time. If you have a 401(k) loan, payments will be taken while on furlough, however, if a deduction could not be taken your loan may be re-amortized at a later date to keep you current.

You will continue to earn vacation credit during your furlough. You are not eligible for a distribution of your pension benefits while you are out on furlough since furloughs are considered an unpaid leave. Garnishments will continue to be taken.

Generally, if you are furloughed for more than one month consecutively you may be sent an invoice for your applicable benefit deductions.

**Q. Am I eligible for state unemployment benefits while I am out on furlough?**

**A.** Unemployment benefits vary by state. Some states have waiting periods before unemployment benefits commence; others do not. You should contact your local unemployment office for more information.

**Q. What other resources do I have to assist me while I am out on furlough?**

**A.** Your local Employee Assistance Program can provide counseling or direct you to resources in your community to help you and your family through this difficult period. As a reminder, the 401k Savings Plan provides you with the ability to borrow from your account, provided you are eligible under the terms of the Plan.

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*In the event there is any discrepancy between this document and the official Plan documents, the terms of the Plan documents control. The Plan benefits offered to union employees are subject to the applicable collective bargaining agreement. The Company reserves the right to amend or terminate a Plan at any time.*

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