

FAMILY & MEDICAL LEAVE POLICY

Iowa Bankers complies with all applicable federal and state labor and employment laws, including the Family and Medical Leave Act of 1993 (FMLA). Under the FMLA, eligible employees are entitled to certain rights, and have certain obligations, with respect to unpaid leave for certain family and medical reasons.

FMLA Leave Eligibility

An *eligible employee* under the FMLA is an employee who has been employed by the company for at least 12 months, who has worked at least 1,250 hours in the past 12 months, and who works at a facility in which at least 50 employees are employed by the company either at that facility or within 75 miles of that facility.

Reasons for FMLA Leave

An eligible employee may take FMLA leave of up to 12 weeks per *leave year*, for any of the following reasons:

- to care for a newborn child, or a child newly placed in the employee's custody through adoption or foster care for a period of up to one year after such birth or placement;
- to care for the employee's spouse, child, or parent who has a serious health condition; or
- because of the employee's own serious health condition if that condition renders the employee unable to perform his or her job functions.

Leave may also be granted in the following circumstances:

- A spouse, child, parent or next of kin (nearest blood relative) of an active duty service member may receive up to twenty-six (26) work weeks of unpaid leave in a twelve (12) month period to provide care for an injured service member.
- A spouse, child, or parent of a service member called to active duty may receive up to twelve (12) work weeks of leave due to exigent circumstances relating to the active duty assignment.

Any leave taken by an eligible employee for one or more of the above reasons will be counted against that employee's annual FMLA leave entitlement. The employee is not entitled to more than twenty-six (26) weeks of combined leave within any twelve (12) month timeframe.

Serious Health Condition

For the purpose of determining whether an eligible employee or his or her spouse, child, or parent has a *serious health condition*, such a condition includes any injury, illness, impairment, or physical or mental condition that requires either in-patient care in a medical facility (for example, overnight hospitalization), or continuing treatment by a health-care provider. These terms are construed by the company in accordance with applicable federal laws and regulations.

Leave Year

For the purpose of this policy, the *leave year* within which an eligible employee may take his or her 12 weeks of FMLA-protected leave is determined by a rolling 12 month period that is measured back from the date FMLA is used by the employee.

Compensation for FMLA Leave

Generally, FMLA leave is not paid. However, employees who request FMLA leave will be required to use all accumulated paid time benefits available to them except during the period of time they may be receiving other compensation such as short-term disability or worker's compensation. Paid time benefits include vacation, sick, and intermittent sick leave. Such paid leave will be counted towards the employee's 12 weeks of FMLA leave granted per leave year.

Intermittent or Reduced Hours Leave

In the case of leave taken to care for a seriously ill spouse, child, or parent; or due to the employee's own serious health condition, an employee may take leave intermittently (i.e., periodically) or on a reduced hours schedule (i.e., reduced number of working hours per day or per week) only when such leave is medically necessary, as certified by the employee's or family member's health-care provider. Otherwise, such leave is not permitted except at the sole discretion of the company. An employee who takes leave intermittently or on a reduced leave schedule may be temporarily transferred to another position for which the employee is qualified to better accommodate that leave.

Job and Benefits Security

An eligible employee who takes leave under the FMLA and who returns to work before his or her annual FMLA entitlement has expired will be restored to the position he or she held when the leave commenced, or to an otherwise equivalent position with respect to pay, benefits, and other terms and conditions of employment, unless the employee would no longer have been employed in such a position had the employee not taken such leave. Additionally, any unused employment benefits that had accrued to an eligible employee prior to the commencement of leave will be restored upon return from FMLA leave.

Continuation of Group Health Plan Coverage

Group health plan coverage will be maintained by the company during an eligible employee's period of FMLA leave to the extent and under the same circumstances as it ordinarily is furnished to that employee. If the employee is taking unpaid leave, arrangements should be made in advance with Human Resources for payment of the employee's share of the premiums. Failure to pay such premiums during leave may result in the loss of health coverage. An eligible employee who fails to return to work after the expiration of the FMLA leave period for reasons that are not beyond his or her control will be expected to reimburse the company for health-care premiums paid by the company during the leave period.

Employee Notice Requirements

An eligible employee must give the company at least 30-days' notice of his or her intent to take leave under the FMLA. If the employee is unable to give such notice because the need for leave is not foreseeable, then the employee must give as much notice as practicable. Typically, this will mean giving notice to the company within one or two working days of learning that FMLA leave must be taken. Any employee who fails to give the requisite notice may be delayed in receiving authorization for leave.

Health-Care-Provider Certification

In cases of leave to be taken to care for a seriously ill family member or due to the employee's own serious health condition, an eligible employee must provide the company with a completed and signed health-care-provider certification indicating that the employee requires FMLA leave. This certification must be returned to the company within 15 days after the employee gives notice of his or her intent to take FMLA leave, and must contain the following information:

- the date on which the serious health condition commenced;
- the probable duration of the condition;
- the treatment regimen prescribed;
- any appropriate medical facts within the health-care-provider's knowledge regarding the condition;
- if applicable, a statement that the employee is needed to provide care for his or her spouse, child, or parent and an estimated duration of such need; and
- if applicable, a statement regarding the medical necessity of intermittent or reduced hours schedule leave.

Failure to return this certification in a timely manner may result in delays in securing authorization for leave, and failure to return the certification at all will preclude the employee from taking leave.

The Company also may require, at its own expense, a second and third health-care-provider opinion if there is a question as to the validity of the certification provided by the employee.

Leave Relating to Care of a Service Member

In order for the spouse, child, parent, or next of kin (nearest blood relative) to receive up to twenty-six (26) weeks of unpaid leave to provide needed care for a service member, the eligible service member must be:

- i. a member of the armed services, including National Guard or reserves;
- ii. who, while on active duty, sustained a serious injury or illness in the line of duty that renders that person medically unfit for duty; and
- iii. who is undergoing treatment, including outpatient treatment, through a military facility for such serious injury or illness; or
- iv. is on the temporary disability retired list for such serious injury or illness.

Certification is required for the type of leave requested. Such certification may need to be obtained from the military treatment facility or other military unit established for outpatient treatment and management.