

To: LEIDOS California Employees
From: Karen Kanjian, Director of Corporate Benefits
Date: December 20, 2018
Re: California Voluntary Plan Benefits - Year 2019

State SDI

The State announced that effective **January 1, 2019**, the State Disability Insurance Plan tax rate **will remain 1.0%** and the taxable wage base **will increase to \$118,371** of an employee's annual earnings. The maximum annual deduction **will increase to \$1,183.71**. The State Disability Insurance Plan maximum weekly benefit **will increase to \$1,252**.

As you are aware, all of our California employees are covered by our improved Self-Insured California Voluntary Disability Plan, which is a State, approved replacement for your participation in the State Plan. Effective January 1, 2019 the following provisions will take affect for our improved Self-Insured California Voluntary Disability Plan:

Contributions:

LEIDOS

The **LEIDOS** Voluntary CASDI Plan employee contribution rate mirrors the State employee contribution rate and **will remain 1.0% of the taxable wage base of the first \$118,371**. This means LEIDOS Private California Voluntary Short Term Disability Plan employee's **2019** maximum annual contribution **will increase to \$1,183.71**.

Maximum Benefit:

The LEIDOS Voluntary Disability Plan will provide:

1. Benefit Class 1 – The amount of weekly benefit a Benefit Class 1 Employee will receive (subject to Limitations and Exclusions) is 60% of the Employee's Current Weekly Wage subject to a maximum weekly benefit of \$1,252.00 and a minimum weekly benefit of \$50.
2. Benefit Class 2 - The amount of weekly benefit a Benefit Class 2 Employee will receive (subject to Limitations and Exclusions) is 70% of the Employee's Current Weekly Wage subject to a maximum weekly benefit of \$1,252.00 and a minimum weekly benefit of \$50.

Paid Family Leave Benefits will be paid the same amount as the maximum and minimum weekly Disability benefit under the LEIDOS CASDI Voluntary Plan.

In accordance with the California Unemployment Insurance Code, employees who are participating in the Company's California Voluntary Disability Plan have the right to discontinue their coverage under this Plan by notifying the Company, in writing, of their decision **within ten (10) days** following the effective date of any amendment to the Plan.

QUESTIONS? If you have any questions about this new Voluntary Plan benefit or your disability benefits in general, please contact me. Additionally, if you wish to enroll in or withdraw from the Voluntary Plan, please contact me no later than **January 10, 2019**.