

LEIDOS, INC.

AMENDMENT NO. 24

CALIFORNIA VOLUNTARY DISABILITY PLAN

EFFECTIVE WITH RESPECT TO DISABILITIES COMMENCING
ON OR AFTER JANUARY 1, 2025

Leidos, Inc.

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TITLE VP Director of Corporate Benefits

DATE January 1, 2025

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Acronyms

<i>CFRA</i>	<i>California Family Rights Act</i>
<i>CUIC</i>	<i>California Unemployment Insurance Code</i>
<i>EDD</i>	<i>Employment Development Department</i>
<i>FMLA</i>	<i>Family and Medical Leave Act</i>
<i>PFL</i>	<i>Paid Family Leave</i>
<i>SDI</i>	<i>State Disability Insurance</i>
<i>VP</i>	<i>Voluntary Plan</i>
<i>VPDI</i>	<i>Voluntary Plan Disability Insurance (benefits)</i>
<i>VPFL</i>	<i>Voluntary Plan Paid Family Leave (benefits)</i>
<i>WBA</i>	<i>Weekly Benefit Amount</i>

Leidos, Inc.

AMENDMENT NO. 24

CALIFORNIA VOLUNTARY DISABILITY PLAN

As amended with respect to disabilities commencing on or after January 1, 2025, Leidos hereby amends and restates, in its entirety, the Leidos California Voluntary Disability Plan (CA VDP), so as to read as set forth below:

I. BENEFIT ENHANCEMENTS

The below element(s) constitute a greater benefit or right provided to the Employees covered under this Voluntary Plan.

- ❖ Claim Intake Process: (Page 13)
 - Extended claim filing period compensable from day of disability or period of family care leave
- ❖ For Plan Year 2025, employee contributions to the CA VDP are waived

II. LEGISLATIVE DISCLOSURE

REGULATORY/LEGISLATIVE CHANGES IMPACTING VOLUNTARY PLANS – 2025

- Senate Bill 951 - Revises the State Disability Insurance (SDI) weekly benefit amount (WBA) formulas to a 70% to 90% wage replacement for periods of disability beginning on or after January 1, 2025.
- Assembly Bill 2123 - Removes sub-sections (c) and (d) from the CUIC Section 3303.1 which gave employers the ability to require that employees take two weeks of earned unused vacation pay prior to the receipt of PFL benefits.

III. COVERAGE

A. Eligibility

California Employees under Leidos, Inc. are eligible for coverage under this Plan. Individuals employed on or after the effective date of the Plan will become eligible for coverage on the date of their employment.

B. Effective Date of Coverage

Individuals employed on or after the effective date of the Plan are covered as of the date of their employment, unless coverage is rejected in writing, in which case the individual will be required by law to participate in and make contributions to the California State Disability Insurance Plan. Any Employee who initially accepts coverage under this Plan may subsequently elect to withdraw from the Plan within ten (10) days following the effective date of any amendment to the Plan or, for any other reason, on the first (1st) day of the first (1st) Calendar Quarter following the date of such election, by notifying the Employer in writing. Any Employee who has rejected coverage, or who has withdrawn from the Plan and who subsequently elects, in writing to be covered under the Plan, will be covered on the first (1st) day of the second (2nd) Calendar Quarter next following the date of notifying the Employer in writing of such election. The original Plan effective date is January 1, 1976.

IV. DISABILITY BENEFITS

Effective with respect to periods of Disability commencing on or after the effective date of the Plan, the benefits set forth below will be payable to any Employee covered under the Plan:

- (i) who becomes disabled by any physical or mental illness, injury, elective surgery, including but not limited to pregnancy, childbirth, or related medical condition so as to prevent him/her from performing his/her regular or customary work; or
- (ii) who has been ordered not to work by written order from a State or local health officer because he/she is infected with, or suspected of being infected with, a communicable disease; or
- (iii) who is referred or recommended by a physician to participate as a resident in an approved alcoholic recovery program or drug-free residential program. However, if an employee has been referred or recommended by a medical authority to participate as a resident in an alcohol or drug abuse treatment facility, or in an approved outpatient program for alcohol or drug treatment, the maximum number of days for which benefits are payable will be 90 days per the CUIC, sections 2626.1(a) and 2626.2 (a).

The payment of all benefits is subject to the limitations and provisions hereinafter stated.

A. Disability Waiting Period

For each Disability Benefit Period, the Claimant claiming benefits under the Plan will serve a seven (7) day non-payable waiting period. Benefits will commence on the eighth (8th) consecutive day of Disability. A partial day of Disability will be counted as a full day for purposes of fulfilling the waiting period requirement. The Employee must have been examined or under the care of a Physician or Practitioner during some portion of the eight (8) day period.

B. Amount of Benefit

For periods of disability commencing on or after January 1, 2025, the weekly benefit amount shall be as follows:

(A) When the amount of wages paid to the individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest is less than seven hundred twenty-two dollars and fifty cents (\$722.50), then fifty dollars (\$50).

(B) When the amount of wages paid to the individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest is more than 70 percent of the state average quarterly wage, the weekly benefit amount shall be equal to the greater of 70 percent of the wages paid to an individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest, divided by 13, but not exceeding the maximum workers' compensation temporary disability indemnity weekly benefit amount established by the Department of Industrial Relations pursuant to Section 4453 of the Labor Code, or 63 percent of the state average weekly wage.

(C) When the amount of wages paid to the individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest is seven hundred twenty-two dollars and fifty cents (\$722.50) or more, but 70 percent or less than the state average quarterly wage, then the weekly benefit amount shall be equal to 90 percent of the wages paid to an individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest, divided by 13, but not exceeding the maximum workers' compensation temporary disability indemnity weekly benefit amount established by the Department of Industrial Relations pursuant to Section 4453 of the Labor Code.

1. Benefit Class 1 – The amount of weekly benefit a Benefit Class 1 Employee will receive (subject to Limitations and Exclusions) is 70% of the Employee's Wages or Regular Wages subject to a maximum weekly benefit of \$1,681 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 90% of the Employee's Wages or Regular Wages subject to a maximum weekly benefit of \$1,681 and a minimum weekly benefit of \$50.

C. Maximum Benefit

The maximum benefit payable for any one (1) Disability Benefit Period will be fifty-two (52) times the applicable amount of weekly benefit.

D. Benefits for Less than One (1) Week

For each day of any period of Disability for which benefits are paid and which is less than a full week, the amount of benefit payable shall be one-seventh (1/7), of the amount of the weekly benefit.

E. Redirection of Benefit

An individual eligible to receive benefits under this Plan may choose to redirect a portion of his/her weekly benefit to cover all or part of the cost of employee paid benefits. In order to allow the Employer to redirect a portion of the Voluntary Plan benefit, the Employee must designate in writing, on a form available from the Employer, the weekly amount to be redirected for payment of the employee paid benefit. This redirection may be initiated at the time the Employee applies for Voluntary Plan benefits or at any time while receiving Voluntary Plan benefits. The Employee may terminate or change the terms of the Voluntary Plan redirection of benefits at any time while receiving benefits under this Voluntary Plan.

V. CONTRIBUTIONS

Employees covered under the Plan will make contributions to the Plan in an amount not to exceed that which is otherwise required by Sections 984 and 985 of the California Unemployment Insurance Code. In 2025, Employees that participate in the Plan contribute, through payroll deduction, **0.0%** of the employee's annual earnings. An Employee will not be required to make contributions to the Plan, while he/she is on an approved Family or Medical Leave.

Employees will be notified of the Plan contribution rate for the next year no later than December 31st of each year.

VI. LIMITATIONS AND EXCLUSIONS

A. No Benefits Are Payable

1. For any Disability which is not supported by a Certificate from a treating Physician or Practitioner which contains a diagnosis and diagnostic code prescribed in the International Classification of Diseases, or, where no diagnosis has yet been obtained, a detailed statement of symptoms. The Certificate must also contain a statement of medical facts including secondary diagnoses when applicable, within the Physician's or Practitioner's knowledge, based on a physical examination and a documented medical history of the Claimant by the Physician or Practitioner, indicating his/her conclusion as to the Claimant's Disability, and a statement of his/her opinion as to the expected duration of the Disability. The certificate must also include the physician's or practitioner's name, address, license number, and signature.

However, as to any Employee who is hospitalized in or under the care of any medical facility of the United States government, a Certificate as to the Employee's Disability, signed by any duly authorized medical officer of such facility, will be acceptable.

With respect to an Employee who is hospitalized in a county hospital, or hospitalized by said county hospital in another hospital, a Certificate stating the date that the Physician or Practitioner ordered the confinement of the Employee and the duration of such confinement, signed by the registrar of the hospital, will satisfy the requirement of this part.

A certificate does not need to show an actual disability if it states that an employee has been referred by a physician to participate as a resident in either an approved alcoholic recovery program or approved drug-free residential program.

However, such Certificate is not required:

- a. If the Employee submits evidence of receipt of temporary or permanent disability benefits under a workers' compensation law of any State, for any day, for which the Employee is entitled to receive Unemployment Compensation Disability (UCD) benefits reduced by such temporary or permanent workers' compensation benefits.

- b. If any Employee in good faith adheres to the teachings of any bona fide entirely upon prayer or spiritual means, the Certificate of a duly authorized or accredited practitioner of such bona fide church, sect, denomination or organization as to the Disability of the Employee and the estimated duration of such Disability, will be accepted.
 - c. If an Employee has been ordered not to work by written order from a state or local health officer because the Employee is infected with, or suspected of being infected with, a communicable disease.
- 2. If the Employee is confined, pursuant to commitment, court order, or certification, in an institution, or other place, as a dipsomaniac, drug addict, or sexual psychopath.
- 3. For any period of Disability for which benefits are paid or payable under any Unemployment Compensation Act of the United States or of any state.
- 4. For any day for which the Employee receives wages or regular wages from any employer (excluding vacation pay), except that such benefits will be paid for any seven (7) day week or partial week, in an amount not to exceed his/her maximum weekly amount provided by this Plan, which together with the wages or regular wages received, does not exceed his/her weekly wage, exclusive of wages paid for overtime work, immediately prior to the commencement of the Employee's Disability.
- 5. For any day of unemployment and Disability for which the Employee receives, or is entitled to receive benefits or cash payments for a) temporary disability indemnity, under a workers' compensation or employer liability law of this State, or any other state, or the federal government; or b) permanent disability benefits for the same injury or illness under the workers' compensation law of this State, any other state, or the federal government. If such cash payments for a) temporary disability; or b) permanent disability, are less than the amount he/she would otherwise receive as benefits under this Plan, he/she will be entitled to receive for such day, if otherwise eligible, disability benefits, reduced by the amount of such cash payments.
- 6. If an individual is a) incarcerated, in any federal, state or municipal penal institution, jail, medical facility, public or private hospital or in any other

place because of a criminal conviction of a federal, state or municipal law or ordinance, or b) who commits a crime and is disabled due to an illness or injury, caused by, or arising out of the commission of, arrest, investigation, or prosecution of any crime that results in a felony conviction.

7. If the Employee has willfully, for the purpose of obtaining benefits, either made a false statement or representation, with actual knowledge of the falsity thereof, or withheld a material fact in order to obtain any benefits under this Plan. Disqualifications because of false statement or representation will be effective from the date the disqualifying determination is issued and for not less than seven (7) nor more than thirty-five (35) days immediately following such day. If there is a recurrence of the same exclusion, subsequent to the initial exclusion during such period, the period excluded will be extended for an additional period not to exceed fifty-six (56) days.

B. Benefits will be limited to the State Disability Plan Level of Benefits Payable From This Plan Under The Following Situation:

1. For disabilities occurring before 12:00 midnight on the fifteenth (15th) day following the commencement of a layoff without pay or a leave of absence without pay, whichever occurs first.

VII. PRORATION OF BENEFITS

In case of any period of Disability for which an Employee entitled to benefits hereunder is simultaneously covered by one (1) or more other California plans (including Voluntary Plans and the State Disability Insurance Plan), and accordingly is entitled to other Unemployment Compensation Disability (UCD) benefits on account of the same disability, the amount payable under this Plan for such period of Disability will be:

- A. The amount, if any, by which the basic benefits to which the Employee otherwise would have been entitled under this Plan exceeds the benefits to which he/she would have been entitled under the California Unemployment Insurance Code if the Employee were not covered by any Voluntary Plan; plus
- B. The quotient of the amount of basic benefits to which the Employee would have been entitled under the California Unemployment Insurance Code, if he/she were not covered by any Voluntary Plan divided by the number of plans (including Voluntary Plans and the State Disability Insurance Plan) under which the Employee is simultaneously entitled to benefits.

VIII. TERMINATION OF INDIVIDUAL EMPLOYEE COVERAGE

An employee's coverage will terminate:

- A. Termination of the employer-employee relationship. Coverage ends on the end date of the pay period in which the termination of employment occurs. A day is defined as the 24-hour period beginning at midnight and ending the following midnight per California Code of Regulations (CCR), title 22, section 3254-3.; or
- B. On the date he/she ceases to be an eligible Employee; or
- C. As of the beginning of the Calendar Quarter next following the Employee's giving notice, in writing, of his/her intention to withdraw from the Plan; or
- D. Termination of approval of the VP by the Director of the EDD.
- E. Withdrawal of the VP by the Employer or a majority of its Employees employed in the State covered by the Plan.

Coverage cannot be terminated for the following reasons:

- A. When the Plan elects to extend benefits for a specified period longer than required by law.
- B. When a covered employee becomes disabled on the date in which coverage under the Plan would otherwise be terminated.
- C. The Plan remains liable for all subsequent VPFL claims for the same care or bonding recipient through the end of the 12-month period.

The VP is liable for a VPFL claim when the claim effective date is before the termination of the employer-employee relationship.

- D. When a covered employee receives wages from the VP employer during a leave of absence or layoff. Coverage cannot be terminated before 15 full days after the last day wages were paid.

The VP is liable for a VPFL claim if the employee was covered beginning with the last day worked and up to 15 full days after an unpaid leave of absence or layoff. The VP remains liable for all VPFL claims for the same care or bonding recipient through the end of the 12-month period, regardless of whether the family leave is consecutive or intermittent.

- E. When a covered employee who is on a leave of absence or layoff without pay becomes disabled within 15 full days following the last day of work and has a second, unrelated disability before the employee recovers from the original condition. Coverage will not be terminated during the uninterrupted period of disability.
- F. When a covered employee is terminated, laid off, or given a leave of absence without pay while receiving "other benefits" such as workers' compensation, and then has a second, unrelated disability while receiving such "other benefits." Coverage will not be terminated during the uninterrupted period of disability regardless of whether VPDI benefits are immediately payable under the Plan.
- G. When a covered employee becomes disabled after leaving work due to a trade dispute. Coverage will not be terminated as long as the trade dispute is in active progress.
- H. When a covered employee becomes disabled due to pregnancy and begins a period of family leave to bond with that child. Coverage will not be terminated at any time during the disability benefit period.

IX. COMPLIANCE

The Employer hereby guarantees that: (1) each Employee covered by this Plan will in all respects be afforded rights at least equal to those afforded by the State Disability Insurance Plan, and will receive a weekly rate and maximum amount and duration of benefits at least equal to those which the Employee would have received from the State Disability Insurance Plan, but for coverage by this Plan. Except as otherwise provided, this Plan will be administered in conformity with all applicable rules and regulations governing the State Disability Insurance Plan. If an invalid State Disability Insurance Plan award is received due to insufficient qualifying earnings, the Employee may be entitled to further benefit considerations under the benefit rights of the long-term unemployed. If during the Base Period, the Employee was in military service, received Workers' Compensation benefits, had extended unemployment, or did not work due to a trade dispute, the Employee may be able to substitute Wages paid in prior Calendar Quarters to establish or increase his/her benefit amount. The Employee can contact the Claims

Administrator, Sedgwick or the State Disability Insurance Field office in his/her local area for further information. (2) No Employee will be excluded or restricted from this Plan due to age, sex, income, or pre-existing health condition.

X. CLAIM INTAKE PROCESS

To claim benefits under this Plan, Employees should call the Claims Administrator (Sedgwick) at the toll-free number 877-399-6443. Except for good cause, a claim must be filed within sixty (60) days from the first (1st) compensable day of unemployment and Disability or Paid Family Leave.

An individual eligible to receive benefits under this plan may choose to redirect a portion of his or her weekly benefit to cover all or part of the cost of Employee paid benefits. In order to allow the Employer to redirect a portion of the Voluntary Plan benefit, the Employee must give permission, in writing, for the weekly amounts to be redirected for payment of the Employee paid benefits. This redirection may be initiated at the time the Employee applies for Voluntary Plan benefits or at any time while receiving Voluntary Plan benefits. The Employee may terminate or change the terms of the voluntary plan redirection of benefits at any time while receiving benefits under this Voluntary Plan.

An Employee who files a claim will receive a Notice of Computation (DE 429D) from the State, which shows the maximum amount, he or she should be paid. If an Employee was in the military service, received Workers' Compensation benefits, or did not work because of a trade dispute during his or her Base Period, he or she may be able to substitute wages paid in prior quarters to make the claim valid or increase the benefit amount. If the claim is invalid because of extended unemployment during his or her Base Period, the Employee may also be able to substitute wages paid in prior quarters to make the claim valid. An Employee may appeal the accuracy of the computation or recomputation to the California Employment Development Department within thirty (30) days after the notice of computation or re-computation was mailed. Written appeals must be signed by the Employee and include the Employee's name and Social Security number, as well as the name of the Employer and the reason for filing the appeal. Voluntary Plan appeals related to Disability benefits may be sent to any Employment Development Department office.

The Employee must establish medical eligibility for each uninterrupted period of Disability or Paid Family Leave by filing a first claim for benefits supported by the Certificate of a treating Physician or Practitioner that establishes the sickness, injury, or pregnancy of the Employee or that warrants the care of the Care Recipient. For

subsequent periods of uninterrupted Employee Disability or care of the Care Recipient after the period covered by the initial Certificate or any preceding continued claim, the Employee must file a continued claim for those benefits supported by the Certificate of a treating Physician or Practitioner. A Certificate filed to establish medical eligibility for the Employee's own sickness, injury, or pregnancy or that warrants the care of the Care Recipient must contain a diagnosis and diagnostic code prescribed in the International Classification of Diseases, or, if no diagnosis has yet been obtained, a detailed statement of symptoms.

A Certificate filed to establish medical eligibility of the Employee's own sickness, injury, or pregnancy or care of the Care Recipient must also contain a statement of medical facts, including secondary diagnoses when applicable, within the Physician's or Practitioner's knowledge, based on a physical examination and a documented medical history of the Employee or Care Recipient by the Physician or Practitioner, indicating the Physician's or Practitioner's conclusion as to the Employee's Disability or Care Recipient's need for care, and a statement of the Physician's or Practitioner's opinion as to the expected duration of the Disability or need for care.

Under the provisions of the California Unemployment Insurance Code, the Employer or its authorized Administrator will have the right to:

- A. require supplemental forms from the Physician or Practitioner or those authorized to certify the Employee's Disability or Care Recipient's Serious Health Condition as often as deemed necessary, and
- B. have a Physician or Practitioner examine any Employee or Care Recipient while the Employee is claiming benefits under this Plan. This may be done as often as may be reasonably required during the period payment may be due under this Plan. Continued medical certification, signed by a certified Physician or Practitioner, must be submitted within twenty (20) days of the date the Employee is issued a notice of final payment or the Employee receives a request for additional medical certification, whichever is later. Additional medical certification may be requested as often as may be reasonably required during the period payment may be due under this Plan.

XI. APPEALS - VOLUNTARY PLAN DISABILITY (VPDI) BENEFITS

An Employee covered under a Voluntary Plan may appeal the denial of a claim to the California Employment Development Department within thirty (30) days from the date the notice of denial was mailed. An employee may also appeal if the employee does not receive notice denying benefits within 30 days after the claim was sent to the Voluntary

Plan. In such cases, the employee must file the appeal after 30 days and within 60 days from the date the claim was sent to the VP. In both cases of denial and lack of notice of denial, the employee must send the appeal to the EDD for processing. Written appeals must be signed and will include the Employee's name and Social Security number, as well as the name of the Employer and the reason for filing the appeal. VPDI appeals may be sent to any EDD office.

As provided in the California Code of Regulations, an Employee may elect to continue to receive Disability benefits pending the outcome of an appeal to an administrative law judge when the voluntary plan had determined the Employee initially eligible and subsequently found the Employee to be ineligible. The Employee may be required to repay such benefits if the administrative law judge affirms the determination of ineligibility or disqualification.

XII. OVERPAYMENTS

In the event that the calculation of a benefit under this Plan results in an overpayment to the Employee for any reason, the Employee will be required to repay such overpayment to the Plan only to the extent permitted under the California Unemployment Insurance Code and the California Code of Regulations. The Employer will make reasonable arrangements with the Employee or his/her legal representative for the repayment to the Plan of such overpayment, including but not limited to, reduction of future benefits under the Plan or the reduction of future pay from the Employer as allowed under the California Unemployment Insurance Code and the California Code of Regulations. An Employee may appeal the overpayment determination to the California Employment Development Department within thirty (30) days from the date the notice of overpayment was mailed. Written appeals must be signed by the Employee and include the Employee's name and Social Security number, as well as the name of the Employer and the reason for filing the appeal. Voluntary Plan appeals related to Disability benefits may be sent to any Employment Development Department office.

XIII. OTHER REQUIREMENTS

- A. Security, as required by the Employment Development Department, will be deposited to secure the operation of the Plan. The amount of deposit will be determined by the Employment Development Department and will be deposited with the State Treasurer for the purpose herein specified.

- B. The Employer agrees to furnish to the Employment Development Department the information, reports, and records as are required for the proper administration of the Plan.
- C. The Employer agrees to pay all valid assessments or charges levied by the Employment Development Department in accordance with the California Unemployment Insurance Code. All State assessments and administrative expenses may be paid for directly from the Voluntary Plan Fund established for this Plan.
- D. The Plan will continue in effect for a period of one (1) year from the effective date and continuously thereafter unless EDD finds that the Employer or a majority of its Employees covered by the Plan have given notice of withdrawal or otherwise rejected coverage under the Plan, or thirty (30) days advance written notice is given to the State of the termination of the Plan. Termination will be effective only on the anniversary of the effective date of the Plan next following the filing of the notice; except that the Plan may be terminated on the operative date of any law increasing the benefit amounts provided by Sections 2653 and 2655 or the operative date of any change in the rate of worker contributions as determined by Section 984, if notice of the termination of the Plan is transmitted to the Director of Employment Development Department not less than thirty (30) days prior to the operative date of such law or change. If the Plan is not terminated on such thirty (30) days' notice because of the enactment of a law increasing benefits or because of a change in the rate of worker contributions as determined by Section 984, the Plan will be amended to conform to such increase or change on the operative date of the increase or change. Withdrawal may also be effective on the date of acquisition by the successor employing unit. The EDD needs to receive a written notice no later than 30 days from the date of acquisition. The successor will be deemed to consent with the provisions of the VP if the successor fails to notify the EDD of determination to withdraw.

XIV. VOLUNTARY PLAN PAID FAMILY LEAVE PROVISIONS

It is the intent of the Plan to pay Voluntary Plan Paid Family Leave (VPFL) benefits as required under Section 3300 et seq. of the California Unemployment Insurance Code.

Unless expressly stated to the contrary in this section, all other provisions of the Voluntary Plan will apply to the administration of the VPFL Program.

Effective with respect to periods for Paid Family Leave (PFL) commencing on or after January 1, 2025, any Employee covered under this Plan who takes PFL to care for another's Serious Health Condition, Bond with a Child or participate in a qualifying event resulting from a family member's military deployment to a foreign country, will

be paid benefits for the period of such leave as follows, subject to the provisions of the “Exclusions and Limitations” listed in Section XIV.I.

A. COVERAGE

1. Eligibility

All Leidos, Inc. California Employees who are covered by the Plan are also covered for PFL benefits.

2. Effective Date of Coverage

Covered Employees may file claims for PFL benefits commencing on or after July 1, 2004.

B. PAID FAMILY LEAVE BENEFITS

Effective with respect to periods of PFL benefits on or after the effective date of coverage, the benefits set forth below will be payable to any Employee covered under the Plan:

1. Who requires PFL benefits to care for a Child, Grandchild, Grandparent, Parent, Parent-In-Law, Sibling, Spouse, or Domestic Partner with a Serious Health Condition; or
2. Who requires time to Bond following the birth of a new Child of the Employee, Employee’s Spouse or the Employee’s Domestic Partner; or
3. Who requires time to Bond with a new Child in connection with adoption or Foster Care placement of the new Child of the Employee, Employee’s Spouse or the Employee’s Domestic Partner.
4. Who requires PFL benefits for each full day during which he or she is unable to work due to participating in a qualifying exigency related to the covered active duty or call to covered active duty of the individual’s spouse, domestic partner, child, or parent in the Armed Forces of the United States.

The payment of all benefits is subject to the limitations, exclusions and provisions hereinafter stated.

C. PFL Waiting Period

Pursuant to AB908, effective January 1, 2018, the waiting period for all PFL claims is eliminated. Benefits will commence on the first day of eligible PFL.

D. Amount of PFL Benefit

The maximum and minimum weekly PFL benefit amounts for which an Employee is covered under PFL will be the same amount as the maximum and minimum weekly Disability benefit payable as described above in Section IV.B. under the Voluntary Plan.

E. Maximum Total Benefit

The maximum total benefit for a period of Paid Family Leave will be limited to eight (8) times the weekly benefit amount in a Twelve (12) Month Period. Individuals will be eligible for up to Eight (8) weeks of paid benefits under CA PFL.

REGULATORY/LEGISLATIVE CHANGES IMPACTING VOLUNTARY PLANS – 2025

- Senate Bill 951 - Revises the State Disability Insurance (SDI) weekly benefit amount (WBA) formulas to a 70% to 90% wage replacement for periods of disability beginning on or after January 1, 2025.
- Assembly Bill 2123 - Removes sub-sections (c) and (d) from the CUI Section 3303.1 which give employers the ability to require that employees take two weeks of earned unused vacation pay prior to the receipt of PFL benefits.

F. Benefits for Less than One (1) Week

For each day of any full time continuous period of PFL for which benefits are paid and which is less than a full week, the amount of benefit payable will be one-seventh (1/7), of the amount of the weekly benefit for each full day during which an Employee is unable to work due to caring for a seriously ill or injured Family Member or Bonding with a minor Child

within one year of the birth or Placement of the new Child in connection with Foster Care or adoption.

If PFL is taken intermittently or part-time, benefits will be calculated and paid on a wage loss basis, per CUIC 2656.

G. Eligibility Requirements

PFL benefits are payable only upon compliance with all requirements for payments of benefits as set forth in the California Unemployment Insurance Code for the payment of PFL. Such requirements include, but are not limited to, the following:

- 1. For All PFL Claims** benefits can be paid only after the Employee meets all of the following requirements:
 - a.** The Employee must be unable to perform his/her regular or customary work due to providing care to a seriously ill family member or to bond with a new child within one year of the birth or placement of the child in connection with foster care or adoption.
 - b.** The Employee must be an Employee of the Company at the time the PFL begins, except as required by CUIC Section 3302.1(c).
 - c.** The Employee must have lost wages because of caring for the Serious Health Condition of a Family Member or Bonding with a new Child.
 - d.** The Employee must have earned at least three-hundred (\$300) in wages in subject employment in the Base Period.
 - e.** The Employee must file a claim no later than (60) days after the first (1st) day of the Family Care Leave or benefits may be reduced/denied.

- 2. For Care of a Family Member** The following requirements must also be met if the PFL claim is to care for the Serious Health

Condition of a Family Member and benefits must be used within 12 months of the first day of family leave:

- a. The Care Recipient must be the Employee's Child, Grandchild, Grandparent, Parent, Parent-In-Law, Sibling, Spouse, or registered Domestic Partner.
 - b. The Care Recipient must be under the continuing treatment or supervision of a licensed Physician or Practitioner, or accredited religious practitioner while the Employee is receiving benefits.
 - c. The Care Recipient's Physician or Practitioner, or accredited religious practitioner must complete the certification that he/she requires care. Certification from a religious practitioner is acceptable only if the practitioner has been accredited by the Employment Development Department.
 - d. The Care Provider must provide evidence of the relationship to the Care Recipient to support the claim such as a birth certificate, marriage license, or registered Domestic Partnership.
- 3. For Bonding with a New Child** The following requirements must also be met if the PFL claim is to Bond with a new Child:
- a. The PFL must take place within twelve (12) months of the birth, adoption or Foster Care Placement of the Child.
 - b. The new Child must be either a biological Child, stepchild, adopted Child, or foster Child of the Employee, Employee's Spouse or that of the Employee's registered Domestic Partner.

H. **CONTRIBUTIONS**

Employees covered under the Plan will make contributions to the Plan at a rate equal to or less than the contribution rate established by the

California Employment Development Department for the State Disability Insurance Plan each year. Contributions for the PFL Program will be included in this Plan contribution.

I. LIMITATIONS AND EXCLUSIONS

No Benefits Are Payable

1. For any period for which the Employee is receiving Unemployment Insurance or SDI/ VDI benefits.
2. For any period for which the Employee is receiving Workers' Compensation benefits at a weekly rate equal to or greater than the PFL rate.
3. To an Employee who is incarcerated in a jail, prison, or recovery home because of a criminal conviction
4. To an Employee who has willfully made a false statement or knowingly concealed a material fact in order to obtain the payment of any benefits, such violation being punishable by imprisonment and/or by a fine not exceeding twenty-thousand (\$20,000) or both. If the director finds that any individual falsely certifies the medical condition of any person in order to obtain PFL benefits, with the intent to defraud, the individual will have to pay the amount of the overpayment and a penalty in the amount of 30 percent of the benefits paid as a result of the false certification. By authority of Sections 1143, 2102, 2116, 2122 and 3305 of the California Unemployment Insurance Code.
5. For the same period of time in a day for which another Family member is ready, willing, able, and available to provide the required care.

J. MEDICAL DETERMINATIONS FOR CARE OF A FAMILY MEMBER

1. PFL requires medical verification of the Care Recipient's condition and need for care, including diagnosis and International Classification of Diseases (ICD) code.
2. An approved Physician or Practitioner, as indicated in CUIC Section 2708, must certify the need for full or part-time care by

the Employee. This includes “providing psychological comfort”, arranging for “third party care for the Child, Grandchild, Grandparent, Parent, Parent-In-Law, Sibling, Spouse, or Qualified Domestic Partner, as well as directly providing or participating in the medical care”.

3. The Department of Labor’s regulations require employers to preserve the confidentiality of the Care Recipient’s protected health information regardless of whether the individual is an Employee or an Employee’s Family Member.
4. When an employee for the first time requests leave because of a qualifying exigency arising out of the covered active duty or call to covered active duty, or notification of an impending call or order to covered active duty, of the employee’s spouse, domestic partner, child, or parent in the armed forces of the United States, authorize the Employment Development Department to require the employee to provide a copy of the covered active duty orders or other documentation issued by the military that indicates that the employee’s spouse, domestic partner, child, or parent is in the armed forces of the United States, is on covered active duty or call to covered active duty, and the dates of the covered active duty service.

K. CONFLICTING WAGES

Receipt of other wages or benefits may be in conflict with PFL benefits. Per CUIC Section 3303, PFL benefits will not be payable for periods for which an Employee has received or is entitled to receive SDI/VDI, Unemployment Insurance or Worker’s Compensation benefits.

L. BENEFIT INTERRUPTION AND TERMINATION

A “Notice of Final PFL Payment” will be issued when records show:

1. Benefits have been paid through the date estimated by the Care Recipient’s Physician or Practitioner that care is no longer required.
2. The Employee has used the maximum amount of PFL benefits of eight (8) weeks in a Twelve (12) Month Period.

M. APPEALS - VPFL BENEFITS

1. Appeal of Denial of VPFL Benefits

An Employee who is denied benefits under the terms of this Plan may appeal the denial within thirty (30) days after service of the denial. An Employee may also appeal if he or she does not receive notice denying benefits within thirty (30) days after the claim was sent to the VP. In such cases, the Employee must file the appeal after thirty (30) days and within sixty (60) days from the date the claim was sent to the VP. In both cases of denial and lack of notice of denial, the Employee must send the appeal to the Employment Development Department for processing. Written appeals must be signed by the Employee and include the Employee's name and Social Security number, as well as the name of the Employer and the reason for filing the appeal. Voluntary Plan appeals related to PFL benefits must be sent to:

Paid Family Leave
PO Box 997017
Sacramento, CA 95799-7017

2. Payment of Benefits Pending Appeal

As provided in the California Code of Regulations, an Employee may elect to continue to receive Paid Family Leave benefits pending the outcome of an appeal to an administrative law judge when the Voluntary Plan had determined the Employee initially eligible and subsequently found the Employee to be ineligible. The Employee may be required to repay such benefits if the administrative law judge affirms the determination of ineligibility or disqualification.

3. Disputed Coverage Appeals

An Employee, the EDD, or the VP may appeal a denial of coverage for VPFL within thirty (30) days of the date the notice of denial was mailed.

In disputed coverage cases in which a denial of coverage is not furnished, an appeal will be filed after twenty-five (25) days and within fifty-five (55) days from the date the appellant sends a request for payment of benefits to the Department or VP. If eligible, the Employee will be paid benefits by the Plan that initially received the claim, pending disposition of the Disputed Coverage appeal.

XV. DEFINITIONS

A. *Base Period* means the following:

If the claim begins in:	The "Base Period" is the twelve (12) months which ended the
January, February, or March	September 30
April, May, or June	December 31
July, August, or September	March 31
October, November, or December	June 30

- B. *Benefit Class 1 Employee*** - means an Employee who earns 1/3 or more of the State Average Quarterly Wage during the Base Period.
- C. *Benefit Class 2 Employee*** - means an Employee who earns less than 1/3 of the State Average Quarterly Wage during the Base Period.
- D. *Bond or Bonding*** means to develop a psychological and emotional attachment between a child and his or her primary care giver(s). Bonding involves being in one another's physical presence.
- E. *Calendar Quarter*** means a period of three (3) consecutive months commencing with the first (1st) day of January, April, July or October.
- F. *Care Provider*** means the Family Member who is providing the required care for a Serious Health Condition of the Care Recipient, the Family Member who is Bonding with a new Child or the Family Member who is providing care for the parent who is incapable of self-care on an urgent, immediate need basis when the need to provide this care arises from the covered active duty or call to covered active duty of the spouse, domestic partner, child, or parent in the Armed Forces of the United States.

- G. *Care Recipient*** means the Family Member who is receiving care for a Serious Health Condition, the new Child with whom the Care Provider is Bonding or the parent who is incapable of self-care on an urgent, immediate need basis when the need to provide this care arises from the covered active duty or call to covered active duty of the spouse, domestic partner, child, or parent in the Armed Forces of the United States.
- H. *Care Recipient Period*** means all periods of Family Care Leave that an Employee takes within a Twelve (12) Month Period to care for the same Care Recipient.
- I. *Certificate*** means the signed statement of a Physician or Practitioner, or a registrar of a county hospital of this State, on a form prescribed by the EDD, except that a Certificate signed by a physician licensed by and practicing in a state other than California or in a foreign country, or in a territory or possession of a country, except a duly authorized medical officer of any medical facility of the United States Government, will be accompanied by a further certification that such physician holds a valid license in the state or foreign country, or in the territory or possession of the country, in which he or she is practicing.
- J. *Child*** means a biological, adopted, or foster son or daughter, a stepson, a stepdaughter, a legal ward, a son or daughter of a Domestic Partner, or the person to whom the Employee stands In Loco Parentis. This definition of a Child is applicable regardless of age or dependency status.
- K. *Claimant*** means an individual who has filed a claim for benefits from the Voluntary Plan or the State Disability Insurance Plan for Disability or Paid Family Leave benefits.
- L. *Claims Administrator*** means Sedgwick, an independent Claims Administrator. Claims are sent to Sedgwick – Pasadena Office P.O. Box 14435, Lexington, KY 40512-4435, (877) 399–6443.
- M. *Disability*** means a physical or mental illness or injury that renders an Employee unable to perform his or her regular or customary work. “Disability” refers to claims for unemployment Disability compensation for an Employee’s own illness or injury. The term Disability always applies to the Employee’s own condition and not PFL claims. An individual is unable to perform his or her customary work if he or she is ordered not to work by written order from a State or local health

officer because he or she is infected with, or suspected of being infected with, a communicable disease.

- N.** ***Disability Benefit Period for Disability purposes*** means a continuous period of unemployment and Disability beginning with the first (1st) day an Employee files a valid claim for Disability benefits. Two (2) consecutive periods of Disability due to the same or related condition, and separated by not more than sixty (60) days is considered to be one (1) Disability Benefit Period and does not require the Employee to serve an additional 7 day Waiting Period.
- O.** ***Disability Benefit Period for purposes of VPFL***, means the period of unemployment beginning with the first (1st) day an Employee establishes a Valid Claim for VPFL to care for the Serious Health Condition of a Family Member, or to Bond with a new Child during the first (1st) year after the birth or Placement of the new Child in connection with Foster Care or adoption or to participate in a qualifying exigency related to the covered active duty or call to covered active duty of the employee's spouse, domestic partner, child, or parent in the Armed Forces of the United States. Periods of Family Care Leave for the same Care Recipient, bonding or military recipient within a Twelve (12) Month Period will be considered one (1) Disability Benefit Period. Periods of a mother's Disability for pregnancy and periods of Family Care Leave for Bonding associated with the birth of that child will be considered one (1) Disability Benefit Period.
- P.** ***Domestic Partner*** has the same meaning as defined in Section 297 of the California Family Code.
- Q.** ***Employee*** means any individual whose service with the Employer is considered employment within the meaning of the California Unemployment Insurance Code.
- R.** ***Employer or Company*** means Leidos (and designated subsidiaries).
- S.** ***Exigency means*** Leave because of a qualifying exigency related to the covered active duty or call to covered active duty of an employee's spouse, domestic partner, child, or parent in the Armed Forces of the United States, as specified in Section 3302.2 of the Unemployment Insurance Code.
- T.** ***Family Care Leave*** means either of the following:

1. Leave to Bond with a new Child within the first (1st) year of the Child's birth or Placement in connection with Foster Care or adoption.
2. Leave to care for a Child, Grandchild, Grandparent, Parent, Parent-In-Law, Sibling, Spouse, or Domestic Partner who has a Serious Health Condition.
3. Leave for a qualifying exigency.

U. **Family Member** means Child, Grandchild, Grandparent, Parent, Parent-In-Law, Sibling, Spouse, or Domestic Partner as defined.

V. **Foster Care** means twenty-four (24) hour care for children in substitution for, and away from, their Parents or guardian. Such Placement is made by or with the agreement of the State as a result of a voluntary agreement between the Parent or guardian that the Child be removed from the home, or pursuant to a judicial determination of the necessity for Foster Care, and involves agreement between the State and foster family that the foster family will take care of the Child. Although Foster Care may be with relatives of the Child, State action is involved in the removal of the Child from parental custody.

W. **Grandchild** means Child of the Employee's Child

X. **Grandparent** means a Parent of the Employees' Parent.

Y. **In Loco Parentis** exists when a person undertakes care and control of a Child in the absence of such supervision by the natural Parents and in the absence of formal legal approval. This includes persons with day to day responsibilities to care for and financially support a Child. It also includes the person who had such responsibility for the Employee when the Employee was a Child. A biological or legal relationship is not necessary.

Z. **Paid Family Leave or PFL** means the program that provides up to eight (8) weeks of wage replacement to workers who take time off to care for the Serious Health Condition of a Child, Grandchild, Grandparent, Parent, Parent-In-law, Sibling, Spouse, or registered Domestic Partner, to Bond with a new Child or to take time off for a qualifying exigency.

- AA.** **Parent** means a biological, foster, or adoptive parent, a Parent-In-Law, a Stepparent, a legal guardian, or other person who stood In Loco Parentis to the Employee when the Employee was a Child.
- BB.** **Parent-In-Law** means the Parent of a Spouse or Domestic Partner.
- CC.** **Physician or Health Care Provider (H.C.P.)** includes physicians and surgeons holding an M.D. or D.O. degree, psychologists, optometrists, dentists, podiatrists, chiropractic practitioners, physician’s assistants, and nurse practitioners licensed by California state law and acting within the scope of their practice as defined by California state law. “Psychologist” means a licensed psychologist with a doctoral degree in psychology, or a doctoral degree deemed equivalent for licensure by the Board of Psychology pursuant to Section 2914 of the Business and Professions Code, and who either has at least two (2) years of clinical experience in a recognized health setting or has met the standards of the National Register of the Health Service Providers in Psychology.
- DD.** **Placement** means a change in physical custody of a Child from a public agency or adoption agency into the custody of Foster Care or adoptive Parents.
- EE.** **Plan** means the Voluntary Plan described in this document.
- FF.** **Practitioner** means a person duly licensed or certified in California acting within the scope of his or her license or certification who is a dentist, podiatrist, a nurse practitioner, or physician assistant. In the case of a nurse practitioner or physician assistant, performance of a physical examination by a nurse practitioner or physician assistant in collaboration with a physician and surgeon. As to normal pregnancy or childbirth, practitioner includes a midwife, a nurse midwife, nurse practitioner or physician assistant who has performed a physical examination under the supervision of a physician or surgeon.
- GG.** **Serious Health Condition** means an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential health care facility, or continuing treatment or supervision by a Health Care Provider, as defined in Section 12945.2 of the California Government Code.
- HH.** **Sibling** means a person related to another person by blood, adoption, or affinity through common legal or biological parent.

- II. **Spouse** means a partner to a lawful marriage.
- JJ. **State** means the State of California.
- KK. **State Plan or State Disability Insurance Plan or SDI Plan** means the benefits payable from the State Disability Insurance Plan pursuant to Part 2 of Division 1 of the California Unemployment Insurance Code (CUIC).
- LL. **Stepparent** means a person who is a party to the marriage with respect to a minor Child of the other party to the marriage.
- MM. **Termination of the Employer-Employee Relationship** means that employment ceases with no mutual expectation or intention to continue the employment relationship. Reasons for Termination of the Employer-Employee Relationship include, but are not limited to, separation, dismissal, resignation, and retirement.
- NN. **Twelve (12) Month Period** means the three-hundred and sixty-five (365) consecutive days that begin with the first (1st) day an Employee first (1st) establishes a Valid Claim for VPDI or VPFL.
- OO. **Valid Claim** means any claim for PFL benefits made in accordance with the provisions of the California Unemployment Insurance Code Section 3302, and any rules and regulations adopted there under, if the individual claiming benefits is unemployed and has been paid the necessary wages in employment for Employees to qualify for benefits under Section 2652 and is caring for the Serious Health Condition of a Family Member, or Bonding with a new child during the first (1st) year after the birth or Placement of the Child in connection with Foster Care or adoption.
- PP. **Voluntary Plan or VP** means a voluntary plan established pursuant to Part 2 of the CUIC.
- QQ. **Voluntary Plan Family Leave or VPFL** means Paid Family Leave benefits paid by the voluntary plan.
- RR. **Wages or Regular Wages** for the purposes of benefit determination means:

1. For full-time Employees, the basic rate of pay (prior to any voluntary salary reduction) paid to the Employee by the Company (excluding overtime, shift differential pay, bonuses, commissions, etc.) during the last pay period immediately prior to the date of Disability.
2. For part-time and short-term or temporary Employees, the average weekly compensation paid to the Employee by the Company (excluding overtime, shift differential pay, bonuses, commissions, etc.) during the previously completed Calendar Quarter immediately prior to the date of Disability (i.e., total wages earned in prior quarter divided by thirteen (13) weeks equals average weekly base pay).

SS. **Week** means the seven (7) consecutive day period beginning with the first (1st) day with respect to which a Valid Claim is filed for benefits and thereafter the seven (7) consecutive day period commencing with the first (1st) day immediately following such week or subsequent continued weeks of Paid Family Leave.