

Unpaid Leave of Absence Policy

Policy Number: HR-LOA-012 **Effective Date:** January 1, 2020 **Last Updated:** May 15, 2023 **Owner:** People Operations **Applies To:** All employees globally

Purpose

This policy outlines the circumstances under which employees may request unpaid leave and the terms that apply during such leave.

Eligibility

General Requirements

- Minimum 1 year of continuous employment
- Good standing (no active performance improvement plans)
- All paid leave entitlements exhausted (except annual leave)

Exceptions

- Legal requirements (FMLA, etc.) may have different eligibility criteria
- Emergency situations reviewed case-by-case

Types of Unpaid Leave

Personal Leave

For personal matters not covered by other leave policies: - Maximum duration: 4 weeks per rolling 12-month period - Examples: personal travel, family obligations, education, personal projects - Approval: Manager + HR

Extended Medical Leave

When paid sick leave and short-term disability are exhausted: - Duration: As medically necessary, up to 12 weeks - Medical documentation required - Approval: HR (in coordination with disability provider) - See also FMLA Policy (HR-LOA-005)

Extended Parental Leave

Beyond paid parental leave entitlement: - Maximum duration: 12 weeks additional - Must be taken within 12 months of birth/placement - Approval: Manager + HR - See Parental Leave Policy (HR-LOA-003)

Educational Leave

For formal education programs: - Maximum duration: 12 months - Must be degree or certification program - Approval: Manager + HR + VP - May qualify for job protection guarantee

Caregiver Leave

For long-term caregiving of family members: - Maximum duration: 12 weeks per rolling 12-month period - Documentation may be required - Approval: Manager + HR

Requesting Unpaid Leave

Timeline

1. Discuss with manager as early as possible
2. Submit request in Workday at least 2 weeks in advance (when foreseeable)
3. Include: dates, reason category, any supporting documentation
4. HR reviews eligibility within 5 business days
5. Final approval communicated in writing

Required Information

- Start and end dates
- Type of leave
- Reason (brief description)
- Plan for work coverage during absence
- Documentation (if applicable)

During Unpaid Leave

Benefits Impact

Benefit	Status During Unpaid Leave
Health Insurance	Continues (employee pays full premium)
Dental/Vision	Continues (employee pays full premium)
Life Insurance	Continues (company paid)
Equity Vesting	Pauses
401(k)/Pension	No contributions
Annual Leave Accrual	Pauses
Sick Leave Accrual	Pauses
Tenure	Pauses

Health Insurance Premium Payment

- Premium must be paid monthly during leave
- HR will provide payment instructions
- Failure to pay premiums may result in loss of coverage
- COBRA applies if coverage lapses

Communication Expectations

- Monthly check-in with HR recommended
- Update HR on any changes to return date
- Provide 2 weeks notice of return (when possible)
- Not expected to perform work or check communications

Returning from Leave

Position Guarantee

- Leaves of 4 weeks or less: Same position guaranteed
- Leaves of 4-12 weeks: Same or comparable position
- Leaves over 12 weeks: Best efforts to provide comparable position
- No guarantee for leaves beyond maximum duration

Return Process

1. Confirm return date with HR at least 2 weeks in advance
2. Coordinate with manager on return-to-work plan
3. Complete any required return documentation
4. First week: Catch-up briefings and gradual workload ramp-up

Failure to Return

If you don't return on the agreed date without notification: - After 3 business days: HR will attempt contact - After 5 business days: Considered voluntary resignation - Benefits continuation/COBRA rights provided

Denial of Leave

Unpaid leave may be denied if: - Eligibility requirements not met - Business needs cannot accommodate absence - Similar leave recently taken - Documentation not provided when required

If denied: - You will receive written explanation - You may request reconsideration with additional information - Alternative arrangements may be discussed

Impact on Other Entitlements

Annual Leave

- Does not accrue during unpaid leave
- Accrued balance preserved for return
- Cannot use unpaid leave to extend annual leave beyond limits

Performance Reviews

- Review cycle adjusted for employees on leave
- Ratings based on period worked
- Review occurs after return from leave

Promotion and Raises

- Not eligible for promotion during unpaid leave
- Annual increases processed at normal time based on last rating
- Promotion effective upon return requires normal approval process

Extended Leave (Beyond Policy Limits)

For circumstances requiring leave beyond policy limits: 1. Discuss with HR at least 30 days before current leave expires 2. Request extension in writing with reason 3. VP approval required 4. Job protection not guaranteed beyond policy limits 5. May be considered resignation depending on circumstances

Special Circumstances

Immigration Status

Unpaid leave may affect visa status. International employees must consult with HR before requesting leave.

Union Employees

Where applicable, union agreements may have different terms. Contact HR for details.

Disability-Related Leave

May qualify for additional protections under ADA/local disability law. Contact HR for interactive process.

Frequently Asked Questions

Q: Can I work another job during unpaid leave? A: Generally no. Conflict of interest policy still applies. Discuss with HR if considering.

Q: Does unpaid leave affect my employment anniversary? A: Yes, tenure pauses during unpaid leave and resumes upon return.

Q: Can I use annual leave before unpaid leave starts? A: Yes, you may use annual leave to extend your time away, but it must be approved separately.

Q: What if I get sick during unpaid leave? A: Sick leave cannot be used during unpaid leave. However, you may be eligible for short-term disability if a new condition arises.

Contact

For questions about unpaid leave, contact People Operations at leave@novatech.com or via #ask-hr on Slack.

Related Documents: FMLA Policy (HR-LOA-005), Parental Leave Policy (HR-LOA-003), Benefits Guide (HR-BEN-001), Conflict of Interest Policy (HR-EMP-006)