

# Answers to Commonly Asked Questions About Job Elimination

## **About these Questions & Answers**

The following Questions & Answers contain information related to severance and related services. The JPMorgan Chase Severance Pay Plan is discretionary as to whether severance is provided and is a welfare plan under the Employee Retirement Income Security Act (ERISA). The answers provided herein are as per the terms of the Severance Pay Plan in effect for employees who receive written notification of position elimination on or after April 15, 2009. In the event of any conflict or discrepancy between the information in this document and the HR Policies and Plan documents, then the HR Policies and Plan documents will govern.

JPMorgan Chase reserves the right to alter, amend, change, or terminate these policies or plans at any time.

### **1.What is a Release Agreement?**

A Release Agreement is the written agreement in a form designated by the Company that describes legal claims you agree to waive in exchange for severance pay and other severance-related benefits. In addition, you release the Company from specified claims that you might have against it arising out of the employment relationship.

### **2.What does it mean to "execute" the Release Agreement?**

Executing the Release Agreement means you have considered, signed, and returned an original of the document to Human Resources within 45 calendar days of receiving the Notice Letter and Release Agreement.

### **3.What do I receive if I do not execute the Release Agreement or if I revoke the Release Agreement?**

If you do not execute the Release Agreement or if you revoke the Release Agreement, you will not receive severance pay or severance-related benefits including, but not limited to, on-going career services.

### **4.How many weeks of severance will be provided under the Severance Pay Plan?**

If you are eligible and execute the Release Agreement, you will receive a single lump sum payment of your severance pay benefits through payroll following your Termination Date. Your severance pay is determined based on your years of continuous service according to the schedule in the Severance Pay Plan applicable to you. Years of continuous service for the purposes of determining severance includes the period through your Termination Date. Severance is based on base salary (including shift differential and language differential, if applicable) at the time of your termination. If you have a partial year of service that is 183 days or longer, you will be credited with a full year of service.

### **5.What does it mean that any period of non-working notice will result in an offset by a correlating amount from the severance pay provided?**

Generally your Notice Period is considered a working Notice Period, during which time you remain an active employee for all purposes (i.e., you continue to work for the firm during that time frame, retain benefits coverage, etc.). In situations where you are not required to perform work during the Notice Period, your severance pay is offset by an amount correlating to the period of time during which you are not required to work.

Example: An employee receives written notification of job elimination on May 1 (with a Termination Date of June 14). The employee has five years of service and is eligible to receive 10 weeks of severance. The manager places the employee on a non-working Notice Period beginning May 15 and continuing until the Termination Date. Since the 10 weeks of severance pay is offset by the non-working Notice Period (i.e., four weeks non-working in this example), the employee will be eligible for six weeks of severance pay to be paid in a lump sum following his/her termination date.

### **6.Will taxes be withheld from my lump-sum severance payment?**

Yes, taxes will be withheld at the supplemental tax rates for federal, state and local withholding, as applicable.

**Please Note:** These rates may differ from the rates applied to your regular pay.

**7.If I am rehired by JPMorgan Chase after receiving severance, would I have to repay any portion of the severance pay I had received?**

You would have to repay the "unused" portion of your severance prior to being re-employed. For example, an employee who received 16 weeks of severance in a lump sum and was re-employed 12 weeks after termination would have to repay four weeks of severance at the time of re-employment. If that same employee were re-employed after 16 weeks, then no repayment would be required.

**8.If I am eligible to retire at the time of my termination for position elimination, will I still get severance pay?**

Yes, you will receive the severance pay for which you are eligible provided you have received the Notice Letter referred to above and you have executed the Release Agreement.

**9.What happens if an employee who received a Notice Letter dies before severance is paid?**

In the event of an employee's death, any unpaid severance will be paid to the beneficiary that the employee designated to receive his or her basic life insurance. If no beneficiary was named for basic life insurance, the payment will be made to the employee's estate. If the employee did not execute the Release Agreement prior to his or her death, the employee's beneficiary or estate will be required to do so in order to receive severance pay under the Plan.

<b>Other Information</b>
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**10.Will I be eligible for unemployment compensation after my job is eliminated?**



Your eligibility for unemployment benefit payments will be determined by your local Unemployment Insurance Office.

**11.When I leave JPMorgan Chase, will I receive pay for any earned and unused time off, such as vacation?**

Yes. You will be paid for any earned and unused vacation and floating holidays. Other unused sources of paid time off will be paid out if the laws in the state where you work require payment.

If you have used more vacation than you have accrued by your Termination Date, this will be considered a salary advance and will be recovered at termination. If you have been paid for any time to which you are not entitled, the overpayment amount will be counted toward your vacation allotment, unless state or local law has different requirements.

**12.What happens to my tuition reimbursement benefits?**

If your job is eliminated and your employment terminates before or after you complete your approved courses, you must submit satisfactory grades and receipts within 90 days of course completion for tuition reimbursement. If you have questions regarding the Tuition Assistance Program, please call the HR Answers Contact Center at 1-877-JPMCHASE (1-877-576-2427 ). If you have a hearing impairment you may call the TDD number at 1-800-719-9880 .

**13.Will I receive the performance appraisal and salary increase that are scheduled to occur prior to my Termination Date?**

Planned reviews and salary increases generally will continue in accordance with salary administration guidelines while you are an active employee.

**14.What career services assistance will I receive?**

You will be eligible for a wide array of personal career transition services to help you plan for your future. You will be able to register with Lee Hecht Harrison for services during your notification period, but no later than 90 days from your termination date (employees at the Vice President level and above are eligible for 6 months of services, and employees below the Vice President level are eligible for 3 months of services, if the Release Agreement is executed). These services include the following:

- Tools, resources, and classes to help identify skills, build marketing tools, and prepare to launch a job search
- Individual sessions with an experienced career counselor
- Self-assessment tools - skills, values, interests
- Workshops on topics such as resume writing, networking and interviewing
- Assistance in researching companies and targeting industries, specific companies, and job market opportunities

**15.Can I begin using career services before I execute the Release Agreement?**

Yes, but if you don't execute the Release Agreement by the 45th calendar day of receiving notice, or you revoke the Release Agreement, you are no longer eligible to use career services.

**16.Can I work for JPMorgan Chase as a temporary employee (i.e., through a temporary agency) or as a consultant or contractor?**

You are not eligible to return to the firm as a temporary worker (i.e., placed through an agency), a consultant or a contractor for one year. However, there are no time restrictions for returning to regular employment with JPMorgan Chase if you are offered a position following your Termination Date.

**17.Will I be eligible to receive a severance payment and related benefits if I do not comply with requests made by my manager or I am determined to have violated the Firm's Code of Conduct?**

No. Even if you execute and return the Release Agreement, you will not be eligible for the severance pay and related benefits described in your Notice letter if you fail to perform the job responsibilities and other assigned duties reasonably requested by your manager during the Notice Period. You also may be ineligible to receive severance pay and related benefits if JPMorgan Chase determines that you violated the Code of Conduct or other Firm policies during your employment. For example, if the Firm determines that you engaged in misconduct by successfully transmitting, or attempting to transmit, Firm confidential information to your personal email account for any reason, or outside of the Firm without a specifically authorized JPMorgan Chase business purpose, you may be terminated for misconduct and ineligible to receive the severance pay and related benefits described in your Notice Letter.

**18.What if I obtain a position with the Company prior to termination of my employment and it's not a good fit?**

If you receive a Notice Letter and subsequently accept another position with the Company prior to the termination of your employment, there is a 90-day period of time for you and your manager to determine whether the position is a good fit. If within 90 days of your placement in the new position, you or your manager determines that the position is not suitable, you are eligible to receive the severance outlined in your Notice Letter, provided you execute another Release Agreement at the end of the placement and you terminate employment with the Company. If you determine the position is not a good fit, reach out to your current manager prior to the end of the 90-day period to discuss next steps and engage HR if needed.