

COVID 19 Furloughs
Memorandum of Understanding
2020 Walt Disney Parks & Resorts U.S.
And
Service Trades Council Union
Full Time and Part Time Agreements

This Memorandum of Understanding (“MOU”) is between Walt Disney Parks and Resorts U.S. (“Company”), and the Service Trades Council Union (“Union”), collectively referred to as the “Parties” with respect to the 2017 Full Time Agreement and the 2017 Part time Agreement between the Parties (“Agreements”).

As a result of legal mandates and guidance issued by federal, state and local authorities, the Company was required to close Walt Disney World Resort and other associated work sites where employees represented by the Union are employed on March 16, 2020. These operations remain closed until further notice.

Due to the uncertainty regarding the timing of the resumption of business operations, the Union and the Company agree that effective April 19, 2020, non-essential employees covered by the Agreements will be considered furloughed without pay until further notice.

Non-furloughed employees (Essential Employees)

- During this time period, Full Time non-furloughed employees will be scheduled to work to support essential business functions or support the resumption of business operations.
- The essential business functions and the necessary skills, qualifications and abilities to perform those essential functions will be identified by the Company. Essential work by classification may be identified in global scheduling pools. The selection of essential employees will first be offered based on seniority and will be assigned to the most senior qualified including per Article 9, Section 4. If positions remain unfilled, assignment of essential employees will be by the least senior employee in the job classification who possess such skills, qualifications and abilities. If an employee refuses assignment or work because of extenuating circumstances related to COVID 19, the Company shall assign the next employee in reverse seniority provided no grievances shall be filed in regards to such exemptions.
- During this period, non-furloughed employees who are scheduled to work should continue to report to their work location and clock in and out as normal. They will receive their regular rate of pay, including any premiums and/or differentials for which they are eligible under the Agreement, for all hours worked.
- Employees performing essential business functions will be scheduled for a minimum of 40 hours per week during complete closure. Once the Company begins work to support resumption of business operations, the minimum scheduled hours will revert to the contractual 32 hours per week.
- The Company shall continue to train employees on proper and safe techniques for limiting the spread of COVID 19 when cleaning and interacting with members of the public and others and shall provide employees with appropriate supplies and protective equipment, in accordance with recommendations of Centers for Disease Control and Prevention, the Occupational Safety and Health Administration and/or local public health agencies.

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- The Employer has implemented routine and enhanced cleaning standards for all areas of the Employer's facility, including guest rooms, public areas and kitchens, to the full extent recommended by the Centers for Disease Control and Prevention, the Occupational Safety and Health Administration and/or local public health agencies.

Furloughed Employees (Non Essential Employees)

- Full time employees placed on a furlough will remain eligible for group insurance benefits (i.e. medical, dental, vision, life insurance and disability) in accordance with their current enrollment, with the Company paying both the employer and employee weekly contributions until such time they as the employee is recalled from furlough. Employees who have not elected coverage, including employees on a leave of absence who have not elected coverage, will not be eligible for Company paid benefits. Employees who become eligible for coverage for Group Insurance in accordance with Article 23, Section 2(c), due to a qualifying life event or during an open enrollment period will be provided the opportunity to elect coverage.
- Furloughed Part Time employees who are currently eligible and elected medical insurance in accordance with the Affordable Care Act for calendar year 2020 will remain eligible in accordance with their current enrollment, with the Company paying both the employer and employee weekly contributions until such time they as the employee is recalled from furlough. Part Time Employees who have not elected coverage, including employees on a leave of absence, will not be eligible for Company paid benefits. Eligibility for Affordable Care Act medical coverage for calendar year 2021 for Part Time employees will be calculated by giving the employee credit for average hours paid from the beginning of the monitoring period until the start of the furlough for each week of the furlough for the purposes of determining ACA eligibility only.
- For the purposes of Full Time Monitoring only (Article 13, Section 5), Full Time Cast Members will receive credit for 40 hours per week in which they are furloughed. Due to the current closure, employees who are trending below the minimum number of hours will receive notification upon recall in lieu of the ninety day notice.
- Due to the unknown duration of the closure, a definitive recall date will not be provided at the time notice of furlough is given.
- Full time and part time furloughed employees shall be recalled to work in the same manner as outlined in Article 9, Section 4 and Article 15, Sections 3, 4, 5, 6 and 7 of the Full Time Agreement. For the purposes of recall, no furloughed employee will lose their skills, abilities and proficiencies due to the furlough and closure.
- Furloughed employees will remain eligible for privileges and perquisites on the same basis as all Walt Disney World employees of the Company during the length of the furlough (e.g. Disney Aspire, Main Entrance Pass, Hub Access, etc.)
- Furloughed employees who participate in the Walt Disney World Co. and Associated Companies Retirement Plan will receive credit for the length of the furlough for the purpose of determining Credited Years of Service and Credited Hours of Service.

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- Furloughed employees will be able to make a one-time election of the amount of accrued, unused vacation, Floating Holidays or, for part time employees, Paid Time-off (Article 25 of the Part time Agreement) to be paid on a regular pay cycle. Payment will be based on standard scheduled hours in full hour increments, not to exceed 40 hours a week until exhausted. The election must be made during the one time election window, April 12-18.
- Request to receive payment for accrued vacation in accordance with Article 21 Section 6 or sick pay in accordance with Article 23, Section 3 will not be approved during the furlough period. Pre-approved vacations, personal holidays and PTO will not be paid or removed from a furloughed employees' bank during furlough period.
- The Company will provide furloughed employees access to a Furlough Resources Guide on the HUB providing detailed information on the unemployment insurance application process and a link to the state site. Furloughed Cast Members will also have the opportunity to schedule a one-on-one appointment with a representative from Disney Human Resources for further assistance.
- If a Cast Member returns from a leave of absence during the furlough period, they will be placed on furlough in accordance with the terms of this agreement.
- Testing for COVID 19 ordered by a healthcare provider will be provided at no cost for Employees enrolled in a Company medical plan.
- The Parties agree to resume the progression of all open grievances.
- The Parties agree that the following contractual timelines will be automatically extended for the length of the furlough for furloughed employees: probationary periods and qualifying periods.
- The parties agree to meet as necessary to discuss any employee impacts not addressed herein related to the resumption of business operations.

This Memorandum of Understanding is non-precedent setting and shall not be used as an interpretation of the Agreement.

This Memorandum of Understanding expires upon conclusion of the closure and furlough period.

Signed:



Christie Sutherland
Director Labor Relations

Signed:



Matt Hollis
President Service Trades Council Union