
RIF and Your Separation Benefits

Article Purpose

This article explains how severance eligibility, amount, and taxes work, and how severance payout is received, during the Reduction in Force (RIF) process. Questions included are:

- How is my severance amount determined?
- When will I receive my severance payout?
- How is the severance paid out?
- How is severance taxed?
- What are outplacement services and will they be provided?

How is my severance amount determined?

All employees impacted by a Reduction in Force are covered under either the Lumen Reduction in Force Policy or the Lumen Executive Severance Plan (depending on Job Grade). The plan applicable to you is linked on the Cover Letter of your separation package.

The Severance amount you are entitled to is based on your full completed years of service as of your termination date and may be adjusted for any prior severance received from a previous Reduction in Force.

To determine the severance amount you are entitled to, please reference:

- The table included on page 18 (Exhibit B: Employee Severance Weeks and Period of Subsidized COBRA Coverage chart) of the Lumen Reduction-In-Force Policy

Or

- The table included on page 49-50 (Exhibit D: Period of Subsidized COBRA Coverage for Directors and above) within the Lumen Executive Severance Plan document.

If you are exiting with Lower Performer Severance, the amount of severance you are entitled to can also be found in the applicable charts in the above listed exhibits.

When will I receive my severance payout?

Under the Reduction in Force Policy, your lump sum severance payment will be paid within 1-2 payroll cycles after the severance team receives your signed Separation and Release Agreement, and after the specified revocation period has expired, in accordance with the policy's timing provisions.

Under the Executive Severance Plan, the first installment of your severance pay will be paid within 1-2 payroll cycles after the severance team receives your signed Separation and Release Agreement, and after the specified revocation period has expired, in accordance with the plan's timing provisions. Your subsequent payments will continue on a bi-weekly basis after that.

How is the severance paid out?

If you currently receive a paper paycheck, your severance payment will be mailed to your address of record.

If you use direct deposit, Lumen will deposit your severance payment with your financial institution on file, and salary statements will be mailed to your home address.

How is severance taxed?

Federal taxes are deducted at the federal supplemental rate of 22%. In addition, all state and local taxes and other required withholdings such as Social Security will be withheld from the severance payments at the applicable rates established by law.

What are outplacement services, and will they be provided?

Outplacement services connect you with coaches who provide career transitioning services. If you choose to sign, and do not revoke, the Separation and Release Agreement, you will be eligible to receive outplacement services throughout the US or virtually through a vendor, Intoo, chosen by the Company.

Please contact the vendor to begin your outplacement assistance by:

- Calling: 800-705-6178
- Emailing: support@yournextstep.com