
RIF and Your Pay

Article Purpose

This article answers common questions about how the Reduction in Force (RIF) process affects pay related matters such as your final paycheck, W-2, and any supplemental compensation (Short-Term and Long-Term Incentives, Sales Commissions). Questions included are:

- When and how will I be paid for my last hours worked?
- Will I be paid for my Paid Time Off (PTO)?
- What if I am a commission-eligible employee? Will I still receive those payments?
- How will I receive my year-end W-2 documents?
- What about my Stock-Based Compensation?
- How can I access my vested shares?
- Am I eligible for a Short-Term Incentive payment?

When and how will I be paid for my last hours worked?

Pay for final hours worked, less appropriate deductions will be processed with the next scheduled bi-weekly payroll cycle, unless state law requires otherwise (this is also referred to as your “final paycheck”). 401(k), 401(k) loan, and benefit deductions end as of your final paycheck for hours worked.

Any applicable Garnishment/Support Deductions will continue, including severance payments. If there is a support payment and the state requires lump sum reporting, there is a possibility that if the employee is in arrears in support, the state can deduct up to 100% of the net of the check to satisfy the arrears balance. The percentage deducted is dependent upon the state rule on limitations.

If you currently receive a “paper” paycheck, your final pay and severance payment will be mailed to your address of record. If you use direct deposit, Lumen will deposit your final pay and your severance payment with your financial institution on file, and salary statements will be mailed to your home address. If you do not receive your salary statements within 7-10 days of that deposit, or you have questions regarding your final paycheck or salary statement you can email HRconnect-NA@lumen.com for assistance.

Will I be paid for my Paid Time Off (PTO)?

Your most recent paystub reflects the number of PTO hours you have accrued. You stop accruing PTO on your last day with the company. If you have used more hours than you have accrued as of your termination date, the dollar value of those hours will be deducted from your final paycheck if allowed by local law. If you owe more than the value of your final paycheck or deductions are not allowed, you will have to repay the amount owed. Any earned but unused PTO hours will be paid in your final paycheck.

For a copy of the PTO Policy or if you have questions regarding PTO, please contact the HRConnect team [here](#), or former employees can send an email to HRconnect-NA@lumen.com.

Note that Flexible Time Off (FTO) is not accrued, and therefore is not paid out upon your separation. If an employee transferred from PTO to FTO, has had accrued PTO hours placed in a frozen bank, and if the employee exits before the end of the transfer year, the frozen bank will be paid out on your final check.

What if I am a commission-eligible employee? Will I still receive those payments?

Unpaid Sales Compensation will be determined by Lumen and paid in accordance with the terms of the applicable sales compensation plan. Based on the Lumen pay schedule, commission checks will be paid on a Friday that is not a payroll Friday. For questions about the amount of the commission check or what accounts are being recognized, please contact the Sales Compensation team directly by email: fesc2@lumen.com

If you owe any monies to the company for any overpayments, you are obligated to repay the overpayments and such monies may be offset against any monies otherwise owed by company to employee to the extent allowed by law. Note for employees that are paid sales commissions, commissions are paid in arrears and through date of eligibility from which they terminated. If after final calculation, an employee has been overpaid commission, they will receive a letter after their final commissions have been calculated requesting payment back to the company.

How will I receive my year-end W-2 documents?

Lumen employees who have left the business will receive their W-2 by mail.

Remember to update your address with the company so that the W-2 is sent to the correct address. The deadline to mail W-2 forms is January 31, so anticipate your W-2 for this year in early February of next year.

Direct additional questions about your W-2 to [ServiceNow](#). Former employees can send an email to HRconnect-NA@lumen.com.

What about my Stock-Based Compensation?

If you hold equity that you obtained under a stock-based compensation program, review the applicable plan document and the award agreement under which the grant was made to determine what affect your separation may have on your outstanding stock-based compensation awards.

Certain unvested awards may be eligible for accelerated vesting subject to CEO approval and receipt of your signed Separation and Release Agreement. If applicable, acceleration details are outlined in your Lumen Stock Based Compensation Summary. If you are eligible for this consideration, this process is handled retroactively, following your termination date. In the interim, you may receive notification from Lumen's stock plan administrator, E*Trade, that your unvested shares have been canceled. This is a systemic cancellation, and Lumen will process your eligible acceleration after all the above conditions have been met.

In addition, should your awards be accelerated as described above, you will receive a cash payment from Lumen which represents dividends which were earned and accrued on your gross vested shares prior to vesting. This payment will generally be made within 30 calendar days following the vest date and will be made via the same method that you normally receive your paycheck, (i.e., direct deposit or paper check). Future dividends earned on vested shares will be paid on the normal shareholder payout date, and will be paid by E*Trade, or the broker holding the shares, should you transfer them.

If you have questions after reviewing these documents, please contact representatives in the Company's stock administration group by submitting a ticket on [ServiceNow](#) if you are a current employee, or send an email to HRConnect-NA@lumen.com if you are a former employee.

How can I access my vested shares?

Lumen's stock plan administrator is E*Trade Financial Corporation. You can access your account at etrade.com or (800) 838-0908.

Am I eligible for a Short-Term Incentive payment?

If you were employed for a minimum of three months in the plan year and in an eligible position for at least one month, and you sign your Separation and Release Agreement, you will be eligible to receive a pro-rated STI payout for the period you worked in an eligible position.

Employees exited under Section V.D of the Reduction in Force Policy, or 4.01A of the Executive Severance Plan, are not eligible for STI payout.

If an STI payment is due, it will be paid in a lump sum, minus any legally required withholdings and/or applicable deductions, in the same pay period as STI payouts (if any) to active, eligible employees (this typically occurs towards the end of the first quarter of the following year).

For additional information, please refer to the Lumen Short Term Incentive (STI) Plan; i.e. STI Addendum on InsideLumen.