

**LAM RESEARCH  
OREGON STATE SUPPLEMENT  
TO GLOBAL HUMAN RESOURCE POLICIES**

Effective 2013

This Handbook Supplement, along with the policies contained in the Global Human Resource Policies, apply to employees who work in the State of Oregon. Neither the Global Human Resource Policies nor the Oregon Supplement is intended to create a contract of continued employment or alter the at-will employment relationship. If you have any questions about these policies, please contact Human Resources.

## **EQUAL EMPLOYMENT OPPORTUNITY (HARASSMENT AND DISCRIMINATION)**

As set forth in the Global Human Resource Policies, the Company is committed to equal employment opportunity. In addition to the categories listed in the Global Human Resource Policies, Oregon employees and applicants are also protected from discrimination or harassment based on the following legally protected characteristic:

sexual orientation and gender identity (including gender-related identity and gender expression), marital status, family status, veteran status, military service, expunged juvenile records, age (18 and over), lawful tobacco use during non-working hours, on-the-job injuries and use of the workers' compensation system, having made or inquired about a wage claim, child support obligations, or having asked about or taken Oregon Family Medical Leave. Oregon Law further prohibits discrimination against employees based on having been a victim of sexual abuse, including domestic abuse, sexual assault or stalking. Discrimination and harassment are unlawful and will not be tolerated.

Oregon law also prohibits retaliation against employees who oppose unlawful employment practices.

In compliance with Oregon law and Company policy, we do not permit advertisements for job openings that require current employment as a qualification for the job.

## **FAMILY AND MEDICAL LEAVE OF ABSENCE**

The federal Family and Medical Leave Act ("FMLA") applies to all eligible employees. The Oregon Family Leave Act ("OFLA") applies to our eligible employees who work in Oregon.

Where permissible under applicable law, leave under OFLA and the federal Family Medical Leave Act ("FMLA") will run concurrently.

### **Eligibility**

If you need a leave for the reasons or purposes outlined in the next section, you are eligible for OFLA leave if:

You have worked for the Company for at least 180 days immediately before the date the leave begins; and

You have averaged at least 25 hours a week during the 180 days immediately before the date on which OFLA leave begins (but this requirement does not apply if you are requesting OFLA leave for parental leave purposes).

### **Reasons for OFLA Leave**

OFLA leave may be granted for these reasons or purposes:

To care for a spouse, same-sex domestic partner, child, parent, parent-in-law, grandparent, or grandchild of an employee (or of an employee's same-sex domestic partner) with a "serious health condition";

For your own "serious health condition;"

To care for a sick child (of the employee or of a same-sex domestic partner) requiring home care of the child who does not have a "serious health condition," *i.e.*, "sick child leave." This sick child leave is available only if no other family member is available to care for the child;

To be with (or care for) a child (of the employee or of a same-sex domestic partner) after birth, placement for adoption or foster care (or certain comparable situations), *i.e.*, "parental leave," including any time necessary for the legal process required for adoption or foster care if the child is under age 18 (or is incapable of self-care because of a physical or mental disability). This type of leave must be completed within one year of the birth or placement for adoption; or

For your own disability due to pregnancy, childbirth or related medical condition, *i.e.*, "pregnancy disability leave," or for absence for prenatal care. Note that absence for prenatal care is also covered without regard to disability. This "pregnancy disability leave" is available only if you are unable to perform any job duties which the Company is able to offer.

A "Serious health condition" means an injury, disease or condition:

That involves an overnight stay in a hospital or similar facility;

That the treating health care provider believes poses an imminent danger of death, is terminal in prognosis with a reasonable possibility of death in the near future, or is a mental or physical condition requiring constant care; or

That involves any period of absence due to pregnancy-related disability or for prenatal care.

### **Length of OFLA Leave**

Eligible employees are entitled to up to 12 workweeks of OFLA leave (up to an additional 12 weeks for any pregnancy-related disability) in any leave year. Absences due to a compensable, disabling on-the-job injury do not count against the 12

workweeks under OFLA (except when the employee refused a suitable offer of light-duty or modified work). However, such leave will count as leave under the FMLA.

Parents who use all 12 of their workweeks for OFLA parental leave to care for a newborn, newly adopted or newly placed foster child are also entitled to take up to 12 workweeks of OFLA leave to care for a child who requires home care because of an illness or an injury that is not a serious health condition, *i.e.*, “sick child leave.”

A 12-month period begins on the date of your first use of FMLA Leave. Successive 12-month periods commence on the date of your first use of such leave after the preceding 12-month period has ended (*i.e.*, a rolling look back period).

### **Other family members employed by the Company.**

If you and a qualifying family member both work for the Company, two of you can only take OFLA leave at the same time if one needs to care for the other with a serious health condition, needs to care for a child with a serious health condition while another also has such a condition, or both family members have a serious health condition at the same time.

Pay. OFLA leaves are unpaid, and you may use all accrued PTO before going on unpaid status.

### **Requesting Leave**

- Except in very unusual or emergency situations, you must request leave as soon as is practicable after you learn of the need for time away from work.
- If you do not give the Company timely notice, we may deny or delay the start of your leave (for up to 30 days in some circumstances), and/or you may be subject to disciplinary action.
- If you know of the need for the leave 30 or more days in advance, you must complete the leave of absence forms at least 30 days before leave is to begin.
- In unusual or emergency situations (for example, if you are injured in an accident, suddenly become ill, give premature birth, experience a death in your family, etc.), you must make an oral request to your manager for leave within 24 hours (or as soon thereafter as is practicable). All oral requests for leave must then be confirmed in writing as soon as is practicable and in no event later than three calendar days after you return to work.
- As long as you are using some form of paid leave (for example, PTO) to cover missed time, you need comply only with the notice provisions of those policies.
- You also need to consult with the Third Party Administrator when scheduling intermittent or reduced leave for planned medical treatment or supervision so that time off can be scheduled to minimize disruption to the normal work schedule.

- **IMPORTANT:** If you are seeking to use paid (for example, PTO) or unpaid leave for a purpose that may qualify for FMLA and/or OFLA leave, you must notify the Company so that you will receive all of the benefits to which you are entitled. Failure to notify the Company of reasons for any absence, whether a partial or full day, which might qualify, could result in the absence being counted against you for attendance and other purposes (e.g., pay increases, promotional opportunities, etc.).

### **Initial Medical Certification**

- Cost of Medical Certification. If we require medical certification and your insurance or other benefit plan does not cover the cost, we will pay for the medical certification.
- For your own condition. For leaves due to your own health condition, your health care provider must review your essential job functions and certify that your condition prevents you from performing at least one of them.
- For other family members. For leaves due to a family member's health condition, we will require written certification from the treating health care provider(s), except for an Oregon employee whose child has an illness requiring home care that does not qualify as a serious health condition. In that case we may require medical verification starting with the fourth day or part of a day of absence in any OFLA leave year. In that case, we will pay for the cost of the certification to the extent not covered by your insurance or benefit plan. In appropriate situations, we may also require documentation of the individual's relationship to the employee.
- Time Limits and Required Forms. Medical certification forms are available from the Employee Success Department, and must be fully completed and returned prior to the start of any leave for which you have 30 days' advance notice. In other circumstances (for example, in emergencies or other unusual circumstances where it was impossible to foresee the need for leave that far in advance), you need to return the completed form as soon as is practicable but no later than within 15 calendar days of the date you wanted to begin or began your absence or of our request for certification or recertification). If you fail to provide a timely, fully completed certification or recertification, you may be denied continuation of the leave until complete and sufficient medical verification is received.
- Medical Recertifications. We normally require employees to provide recertification of the medical need for continuing leave every 30 days, and more often where circumstances have changed significantly or we have received information casting doubt on the validity of the prior certification. See "Time Limits and Required Forms" immediately above for other requirements.

- Medical/Professional Examinations. We may request a second (or third) medical opinion (except for an Oregon employee who has a sick child requiring home care who does not have a serious health condition) at our expense if we question the initial certification. We may also initiate an unpaid leave of absence and/or require a medical or other professional examination at our expense in circumstances where your performance, conduct or behavior, the nature of your job and/or your condition raises an issue as to your fitness for duty or ability to safely perform your regular job duties.
- Return-to-Work Releases. An employee who is absent for five or more calendar days in any 30-day period because of an illness, injury or other condition (other than one returning from intermittent leave) will be required to provide a return-to-work release from your health-care provider confirming that you are able to return to work — before you will be returned to work. We may require such a release for absences of less than five calendar days as well.
- All medical releases must clearly explain your work abilities and any limitations or restrictions. Reinstatement may be delayed until you have provided a release meeting these standards, so contact Third Party Administrator if you have any questions. An employee who does not timely provide the required release is subject to disciplinary action up to and including termination.
- Confidentiality. All medical information will be kept in the employee's confidential medical file and will not be the basis for any personnel actions or decisions other than those related to family and medical leave, reasonable accommodation, or as otherwise allowed by law.

### **What Are My Reinstatement Options After Leave?**

- Basic Reinstatement Policy. Reinstatement is always subject to what your employment status would have been had you not been on leave. As an example, if your office or department experienced a layoff while you were on leave, and if you would have been affected had you been working at the time, you will be placed on the same status with the same reinstatement rights, benefits, etc., that you would have received had you been at work rather than on leave.
- Reinstatement Requests. An employee who does not make contact within one working day after a leave expires, or who was earlier able or released to return to work and does not make contact, will be charged with a call-in violation for that and each additional workday missed. (Three call-in violations, consecutive or cumulative, in any 12 months generally will result in termination, as will three consecutive workdays' absence without notice unless, in our opinion, the failure(s) to notify was clearly beyond your control.) **Important: If you know that you will need more — or less — time than originally estimated, you must notify the Company within two business days or risk possible disciplinary action and/or a delay in reinstatement.**

- Reinstatement from OFLA Leave. Employees returning from OFLA and/or FMLA leave will be reinstated to their former job if it exists. If the former job does not exist, reinstatement will be to a job with equivalent status, pay, benefits and other employment terms. If the leave qualifies as OFLA leave, reinstatement rights exist at the former site as well as any other location within 20 miles. In those unusual situations when neither the former nor an equivalent job is available to you, your reinstatement rights will be determined by our Basic Reinstatement Policy (above). If you were on leave due to your own health condition, you may also be required to provide a return-to-work release.
- **Important:** U.S. Department of Labor rules state that an employee who is unable to perform each of the essential job duties of the employee's regular position for more than 12 workweeks in the 12-month period is entitled to leave. Successive 12-month periods commence on the date of your first use of such leave after the preceding 12-month period has ended. For example, an employee is injured in a car accident and is unable to work for six weeks and then is released to light-duty work. If the company is able to return the employee to light-duty work, the employee normally would lose FMLA reinstatement rights to the original job after six weeks on light duty. However, the six weeks on light duty would not count against the employee's FMLA time so the employee would still have six weeks of FMLA leave time available for any FMLA-qualifying reason.

### **Benefit Coverage While on OFLA and/or FMLA Leave**

Extended Continuation of Benefit Coverage - Employees Covered by FMLA and OFLA: We will continue paying our share of the cost of your health coverage while you are on FMLA/OFLA leave on the same conditions as if you were working, but you will be responsible for continuing to make any payments normally required of you. We may continue paying our and/or your share of the cost of your health coverage while you are on unpaid FMLA and/or OFLA leave to prevent coverage from lapsing, but you are still responsible for continuing to make any payments normally required of you. ( see "Our Right To Recover Benefit Payments From You" below).

While you are on paid leave (*i.e.*, using PTO), any required employee payments for health insurance will continue to be deducted from your check as usual to the extent your pay is sufficient to cover the deduction.

Employee Payments. If you are required to continue (or begin) making employee (or dependent) payments for coverage and are on unpaid leave, or if your pay is insufficient to cover your deductions for the coverage you have elected, your check must be received by the Third Party Administrator no later than the first day of each month. If the required payment is more than 30 days late, your health coverage may lapse. We may elect to pay your share of any insurance premiums at any time during an unpaid OFLA and/or FMLA leave to prevent coverage from lapsing (but see "Our Right to Recover Benefit Payments From You" below).

Reinstatement of Coverage. Employees who elect to let their health insurance coverage lapse while on FMLA or OFLA leave normally may be able to reinstate coverage immediately upon returning to work.

Loss of Coverage. We are not obligated to continue any of your health or other benefits coverage if you inform the Company that you do not intend to return to work, fail to return from leave, or exhaust your OFLA and/or FMLA leave.

Our Right to Recover Benefit Payments from You. If we pay any share (yours or ours) of the cost of any part of your benefit coverage, the law may allow the Company to recover those amounts from you upon your return to work.

Benefit Continuation Rights. If the leave qualifies under OFLA but not FMLA, or if you do not return to work at the end of your leave, you may have rights under federal law (“COBRA”) to continue your health coverage by paying the full premium (plus a small administrative fee), and you may also be able to obtain “portability” coverage under some state laws.

Changes in Benefit Plans or Coverage. We will notify you of any opportunity to change benefit plans or any change in benefits while you are on OFLA and/or FMLA leave, and you will also be entitled to any new plans or benefits that you would have received had you not been on OFLA or FMLA leave. Any changes in benefit plans, benefits, plan coverage, premiums, deductibles, etc., which apply to all employees will also apply to you just as if you were still at work.

## **LEAVE FOR BONE MARROW DONATION**

If you work on average 20 or more hours per week, you may use your accrued paid leave time to donate bone marrow and be absent for this purpose for the duration of the accrued paid leave that you use or up to 40 work hours, whichever is less. Please let the Company know reasonably in advance before you need this leave. We will require certification from a doctor that you will be taking leave to donate bone marrow.

## **OREGON MILITARY FAMILY LEAVE FOR SPOUSES OF MEMBERS OF THE MILITARY**

If you work on average at least 20 hours per week and your spouse is a member of the military and has been notified of an impending call, order to active duty, or has been deployed during a period of military conflict, you will be granted a leave of up to 14 days for each deployment. The leave may be taken intermittently, in which case the total number of hours of leave available is the amount you regularly work per day multiplied by fourteen. Please let the Company know within five days of receiving an official notice if you intend to take leave, or as soon as practicable if official notice is received less than five days before the leave is to begin. You may be required to provide a photocopy of the service member’s orders.

This is unpaid leave, but you may elect to use any accrued paid time off during the leave.



## **LEAVE FOR DOMESTIC VIOLENCE AND OTHER RELATED CRIMES**

We provide reasonable accommodations to victims of domestic violence victims, sexual assault or stalking, including a reasonable safety accommodation requested by an employee in Oregon who is a victim of domestic violence, sexual assault, or stalking. We will not discriminate or retaliate against an applicant or employee because s/he is a victim of domestic violence, sexual assault, or stalking. Employees who have been employed by the Company and worked an average of 25 hours or more per week for at least during the 180 days immediately before the start of the leave and who are victims of domestic violence, sexual assault, or stalking, or whose children are victims of such crimes, may take a reasonable amount of unpaid time off from work to get legal help, medical treatment, services from a victims' services provider, or counseling; to heal from their injuries; to secure an existing residence or move to safety; or to obtain medical treatment or mental health counseling for their minor child who has been a victim of domestic violence, sexual assault, or stalking.

We may require an employee to provide copies of a police report, protective order, or other evidence of the need for this leave. Employees in Oregon can use PTO for this purpose consistent with the Company's regular policies on use of paid leave.

Records relating to an employee's request for or use of leave for victims of domestic violence, harassment, sexual assault, or stalking will be kept confidential and released only with the employee's permission or as required by law.

## **CRIME VICTIMS' LEAVE**

Employees in Oregon who have worked an average of 25 hours or more per week for at least 180 days immediately before the start of the leave may also take time off from work to attend related criminal proceedings if the employee or an immediate family member has been the victim of certain types of violent crimes. For this purpose, a "crime victim" means a person who has suffered financial, social, psychological or physical harm as a result of a "person felony," as defined in the rules of the Oregon Criminal Justice Commission.

Where practicable, employees seeking this leave must provide reasonable notice to the Company, including a copy of any notices of scheduled criminal proceedings.

Employees can use PTO for this purpose consistent with the Company's regular policies on use of paid leave.

## **OREGON MEAL AND REST PERIODS**

Employees working at least a six-hour day receive an unpaid meal period of one-half hour (30 minutes) approximately midway through the day. If the work period is at least six hours but less than seven hours, the meal period must be taken between the second and fifth hours worked. If the work period is more than seven hours, the meal period must be taken between the third and sixth hours worked. You may not take a shorter

meal period or skip a meal period to leave early. All nonexempt employees must record the beginning and ending times of their meal periods accurately on their timesheets.

You will also receive a paid 10-minute break period approximately midway through each work period of four hours (or the greater part of four hours).

## **SAFETY COMMITTEES**

The Company has established a Safety Committee to allow management and employees to work together to monitor the overall safety of our operations and to recommend changes in policies, rules and practices in order to make this a safer place for all employees to work. If you have any questions about safety issues, please direct them to the Safety Committee and Lam's EH & S group.

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