

Paid Parental Leave (PPL)

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Purpose

Gallagher supports an employee's need to balance work responsibilities with the demands of personal and family life as the parent of a new child. In order to optimize the health and wellbeing of parents and children, support retention and recruitment and stabilize income for new parents, Gallagher provides employees with Paid Parental Leave (PPL) to bond with a newborn, newly adopted, or newly-placed eligible foster child.

Policy

Gallagher will grant up to four (4) weeks of Paid Parental Leave to an eligible employee within twelve (12) months after the birth of the employee's child or the placement of child for adoption or foster care for bonding. Paid Parental Leave may not be used prior to the birth of a child or during the adoption or foster care placement process (i.e. – traveling, court or legal proceedings). Paid Parental Leave will run concurrently with the employee's leave of absence rights under the Family and Medical Leave Act ([FMLA](#)), and any other paid or unpaid leave of absence the employee is entitled to under any other federal or state law or any other company leave policy* or individual agreement, if and when applicable.

**Paid parental leave is available to the birthing parent at the conclusion of their disability benefits under the [Short-Term Disability policy](#). Paid Parental Leave does not run concurrently with Short-Term Disability benefits as it does with other company leave types.*

Eligibility

Regularly scheduled, full-time, U.S. employees who have at least 3 months (90 days) of continuous service at the time of birth, placement of child for adoption or foster care may be eligible for PPL. In addition, the qualifying event must have occurred on or after the later of the effective date of this policy or the employee's eligibility date*

** Merger and Acquisition (M&A) employee's service tenure with their legacy company will count towards the eligibility requirement for PPL; however, the qualifying event must have occurred on or after the later of the Payroll & Benefits Effective date (PBE date) and the effective date of this policy.*

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Qualifying Events

Eligible employees may apply for a Paid Parental Leave if one of the following occurs:

1. The employee has given birth to a child
2. The employee has a spouse or domestic partner who has given birth to a child.
3. The employee has completed adoption of a child under the age of 18.
4. The employee has been licensed by a state as a foster parent and received placement of a foster child under the age of 18.
5. The employee has experienced the addition of a newborn through surrogacy

Exclusions

The following are not considered Qualifying Events under this policy:

1. Adoption of a spouse's or domestic partner's child(ren) who were born before the employee's marriage or domestic partnership began;
2. Adoption of a spouse's or domestic partner's foster child(ren) when the foster placement precedes the employee's marriage or domestic partnership;
3. Voluntary termination of the employee's parental rights after the birth of a child (e.g. surrendering a child for adoption)
4. Voluntary termination of a spouse's or domestic partner's parental rights after the birth of a child (e.g. surrendering a child for adoption)
5. Birth of a child when the employee, spouse, or domestic partner is acting in the role of a surrogate.

Benefits

Eligible employees may receive a maximum of four (4) weeks of Paid Parental Leave per birth, adoption, or foster placement. The time off must be initiated and completed within 12 months of the birth, adoption, or foster placement. Multiple simultaneous births, adoptions or foster placements (i.e. birth of twins or adoption or placement of siblings) is considered one event for the purposes of this policy. Paid Parental Leave may be taken continuously or intermittently in one (1) week increments. For purposes of this policy, a “one week increment” means five (5) consecutive working days (for example, if The Hartford approves the Paid Parental Leave claim beginning on a Tuesday, a one week increment will be through the following Monday. In other words, Paid Parental Leave does not need to coincide with a regular workweek.

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Paid Parental Leave is compensated at 100% of an employee's regular pay and reduced by any state or local benefits where applicable, see the Coordination of Other Policies or Leave Laws section below for more details. Should both parents be Gallagher employees and eligible for PPL as of the event date, each is entitled to up to four (4) weeks of Paid Parental Leave. Upon receipt of claim approval from The Hartford, Paid Parental Leave will be issued through Gallagher Payroll during regular payroll cycles.

Pursuant to the notice provisions below, an employee should provide as much notice as possible of a need for Paid Parental Leave. For an employee giving birth, notice should be provided as to whether the employee plans to take Paid Parental Leave immediately following their [Short-Term Disability](#) claim or whether the employee plans to take Paid Parental Leave at a later time during the 12-month period.

Forfeiture of Paid Parental Leave Benefit

Paid Parental Leave may not be used, initiated, or extended beyond the 12-month time frame. Any unused Paid Parental Leave will be forfeited 12 months after the event date and is not paid if an employee terminates.

If an employee is approved for Paid Parental Leave and chooses to return to work before completing a minimum one-week increment of Paid Parental Leave time, they will receive regular pay for the full one-week period. However, the employee will forfeit the unused days associated with that approved one-week leave period; they cannot be used at a later date. For example, if an employee is approved for five days of Paid Parental Leave, but returns to work after four days, the employee will be considered to have used a full one-week increment of Paid Parental Leave for that qualifying event.

Notice

To support workforce planning, requests for Paid Parental Leave must be submitted at least 30 days before the leave is expected to begin. Gallagher recognizes extenuating circumstances may make advance notice difficult to provide and may grant exceptions to this requirement in such cases.

Procedure:

1. Provide your manager at least 30 days advance notice of the need for leave when possible.
2. Contact **The Hartford at 888-877-0751 or online** at <https://abilityadvantage.thehartford.com> to file a Paid Parental leave request and to



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submit appropriate documentation of the qualifying event. Paid Parental Leave eligibility and approvals are determined by The Hartford; documentation must be submitted to The Hartford before Paid Parental Leave can be approved.

3. Regular pay will continue to be processed by Corporate Payroll if the Paid Parental Leave claim has been approved by The Hartford before the leave begins. If claim approval is still pending when the employee's absence begins, then regular pay will be suspended by Corporate Payroll until the claim is approved by The Hartford. See the Compensation Policy for additional payroll processing guidelines and standards.
4. You are responsible for timely notification to The Hartford and Gallagher's Leave Administrator (at ajgloa_AJGLOA@ajg.com) if the leave dates change. A delay in notification could delay your eligibility for Paid Parental Leave or your regular pay.

Coordination of Other Policies or Leave Laws

Paid Parental Leave will run concurrently with leave under [FMLA](#), state, and/or local paid or unpaid leaves of absence, or if applicable, under any other company policy or individual agreement for which the employee qualifies. Notwithstanding the foregoing, Paid Parental Leave will not run concurrently with a birthing parent's disability benefits under the [Short-Term Disability policy](#), and Paid Parental Leave will be available at the conclusion of their Short-Term Disability period, as applicable. Unless Paid Parental Leave is running concurrently with a job protected leave option described above, it does not provide job protection.

Regular compensation received during the Paid Parental Leave period will be reduced by any amounts to which the employee may be entitled under any mandated federal, state or local paid parental leave law. The amount of the reduction will be equal to the maximum anticipated parental leave award under such statutory program(s). When anticipated statutory benefits are greater than the regular compensation due to an employee, no payments will be owed during the paid Parental Leave period. It is the employee's responsibility to provide a copy of the statutory or other award notice to Gallagher if the actual parental leave award paid under a statutory program is less than the maximum anticipated award used to offset regular Gallagher compensation. The award letter should be sent to USPayroll_NoReply_LOA@ajg.com and ajgloa_AJGLOA@ajg.com. In no case will the total amount owed to the employee (under this policy, other company policies, and/or statutory paid leave programs) be greater than the employee's base earnings. If you are unsure if you work in a state with a paid leave benefit, contact Gallagher's Leave Administrator.

Other Considerations



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1. Paid Parental Leave does not extend the number of weeks available for use under [FMLA](#), state, and/or local mandated leave of absence requirements.
2. Employee benefits eligibility and enrollment will continue during the Paid Parental Leave
3. For employees who are approved for Short Term Disability prior to Paid Parental Leave any unpaid benefit premiums will be collected from Paid Parental Leave payments.
4. Company holidays will not extend the total Paid Parental Leave entitlement. If a company holiday occurs during an approved Paid Parental Leave period, such day will be paid as Paid Parental Leave and not as Holiday Pay.
5. Paid Parental Leave shall not accrue or be donated to another employee.
6. Periods of Paid Parental Leave will count towards an employee's continuous service for purposes of service tenure for eligibility and vesting provisions in Gallagher's benefit plans.
7. An employee's eligibility to accrue vacation under Gallagher's Vacation Policy continues while on Paid Parental Leave
8. Employees who are eligible for any state or local paid parental leave which includes job protection beyond the amount of time eligible under FMLA must provide their state and/or local approval letter to the Gallagher's Leave Administrator.

Contacts for Questions

- Questions about a Paid Parental Leave claim should be directed to The Hartford 888-877-0751 or <https://abilityadvantage.thehartford.com>
- Questions about Gallagher's Paid Parental Leave policy and/or procedures should be emailed to the Gallagher Leave Administrator at ajgloa_AJGLOA@ajg.com
- Questions about pay should be directed to HRSupport@ajg.com

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