



To: Hourly and Piecework Employees

Re: A *NEW* Short Term Disability insurance program *at no cost to you!*

As part of our continuing effort to enhance the benefits package for Lincoln Electric employees we are pleased to introduce a new Short Term Disability (STD) insurance program that will start January 1, 2023. It will replace the voluntary Employee Association Mutual Benefit Fund that requires a contribution from employees.

Here are some of the exciting details:

- The new program will be a traditional type of disability plan *100% paid for by the Company.*
- MetLife, the same insurance company that provides some of the other Lincoln Electric insurance programs, will manage the new program.
- Disability coverage will be provided for maternity including, if needed, *benefits prior to delivery.*
- The new program pays benefits for up to 26 weeks of disability after a 7 day elimination period, and therefore, the 3-month Long Term Disability (LTD) insurance “buy-up” option will no longer be needed.
- If you are enrolled in the 3-month LTD buy-up plan, coverage will automatically transition to the 6-month LTD buy-up plan providing 60% income replacement instead of 40%. The new STD benefit will “bridge” to LTD, if necessary.
- Since federal regulations require that the claims under this employer-paid disability coverage are subject to income tax, *the benefit maximum is increased to \$540 per week from \$350.*
- All eligible *hourly and piecework employees are automatically covered* – you do not need to opt-in or otherwise elect the coverage during open enrollment.
- Note that this new improved STD insurance program provides benefits for covered injury or illness outside of work – workers’ compensation will continue to apply for work-related situations.

Additional information will be provided under separate cover about the future of the Employee Association Mutual Benefit Fund.

Lincoln Electric appreciates your dedication and hard work. We are pleased to provide this enhanced benefit as part of our continuing effort to reward your hard work with improved benefits.

Sincerely,

Handwritten signature of Douglas Lance in blue ink.

Douglas Lance
Senior Vice President
President, North America Welding

Handwritten signature of Aimee Trusso in blue ink.

Aimee Trusso
Vice President HR,
USA Welding and Automation