



Re: Notice of Furlough

March 25, 2020

Dear Mohonk Staff:

Due to the current unprecedented situation facing us, and the rest of the world, that is the coronavirus (COVID-19) outbreak, we have no choice but to temporarily reduce staffing levels at this time. The speed and vast reach of the impacts of the coronavirus outbreak, as well as the declarations of states of emergency and directives at the federal, state and local level, including but not limited to: for individuals to remain in place, for individuals to avoid congregating, limit travel, and to work remotely were all unforeseeable. These sudden changes caused, and will continue to cause, among other things, a drastic impact on our business, including the closure of Mohonk Mountain House.

As a result of the ongoing issues, Mohonk Mountain House has determined that it must put most employees on temporary furlough status. You will be on temporary furlough status, which means you will not report to work and will not be paid for a period of time. This difficult decision was made only after careful consideration and evaluation of our options.

Your furlough period is scheduled to begin on March 30, 2020. At this time, we anticipate the furlough will last until the current situation allows us to return to business as usual, which we expect to be approximately two months. But there is a significant amount of uncertainty and this could be subject to change. This event is expected to be temporary and we do anticipate you returning to active employment status at Mohonk Mountain House in fewer than six months.

Below you will find additional details and answers to certain questions you might have. It is important for you to understand that your employment has not been terminated.

No Work for the Company While on Furlough: While on furlough, you are prohibited from performing any work for the company. You cannot perform work with your Mohonk email, conduct business over text messages, or participate in work related phone calls during the furlough period. Any important communications will be sent to your personal email address. Please ensure that your personal email address is included in your ADP profile so that you will receive these important updates. Mohonk Mountain House may restrict your access to company property or the company systems or network during the temporary furlough period, including your Mohonk email account.

Your Health Insurance Benefits: While on furlough, if you are receiving benefits through the company, you are eligible to continue to participate in medical, dental, vision and other benefit plans on the same terms and conditions that exist as of the date of this letter until May 31, 2020 as long as you remain an employee of Mohonk during this period of time. During the furlough period, your insurance premiums will be deducted from any paychecks that you receive from the company. Once you are no longer receiving paychecks from Mohonk Mountain House, the company will cover 100% of the employee portion of the health insurance premiums through May 31, 2020 to ensure that you will not have any interruptions in your health insurance coverage through May 31, 2020.

401k Benefits: Effective March 30, 2020, Mohonk Mountain House will suspend the employer match portion of 401k contributions, until further notice. If you are currently participating in the 401k plan, payroll deductions will continue as usual unless you make a change. If you want to suspend 401k contributions, this can be accomplished by emailing Paul Cunningham at pcunningham@mohonk.com. If payroll contributions are suspended, employees can renew their 401k contributions during future open enrollment periods, which are

offered quarterly. For employees with outstanding 401k loans, contact Paul Cunningham at pcunningham@mohonk.com with questions regarding your loan repayment requirements.

Compensated Absence Time (Paid-Time Off): To offer you more financial assistance during this furlough period, Mohonk Mountain House will be paying out 50% of your total available compensated absence time showing in accruals as of March 30, 2020 in ADP. This will not be paid out in a lump sum but rather week by week. In other words, you may continue to receive paychecks from Mohonk Mountain House after the furlough period begins if you have paid-time off in your ADP accruals. Mohonk Mountain House will be deducting from employees' time as follows:

For salaried (exempt) staff, we will pay out holidays first, then vacation days up to 50% of total accrued time. For full-time hourly staff, we will pay out holidays, then vacation, then personal/sick hours up to 50% of total accrued time. For part-time hourly staff, we will pay out 50% of personal/sick hours.

Please note: Effective March 30, 2020 for all furloughed staff, we are freezing accruals for compensated absence time (including holidays, vacation, and personal/sick hours). If your work anniversary or a company-recognized holiday occurs during the furlough period, your new balance of vacation and holiday time will not be added to your bank in ADP until you return to active employment status. When you return to active employment status, any unused compensated absence time will rollover to be used in the upcoming year if your paid-time off hours would have expired during the furlough period.

Unemployment Benefits: If you elect to apply for unemployment benefits during the furlough period, Mohonk Mountain House will not contest your application for unemployment benefits. Your eligibility for benefits will be determined by the New York State Department of Labor and not by Mohonk Mountain House. Visit the New York State Department of Labor website to apply for unemployment benefits.

Your Employment While On Furlough: While on furlough, you will remain an at-will employee of Mohonk Mountain House, meaning that either you or the company can end the employment relationship at any time, for any reason, with or without notice. Nothing in this letter is intended to change your at-will employment status. Your seniority will not change as a result of being placed on temporary furlough. If you elect to terminate your employment before the end of the furlough period please notify Jon Levin at jlevin@mohonk.com as soon as possible so that we have adequate notice that you do not intend to return to work.

Contact Information: Please ensure that we have your current contact information in ADP including your personal email address so you will receive important updates. If your contact information changes during the furlough period, please make sure that it is up-to-date in your ADP profile.

These actions are based on the best information currently available to Mohonk's management team. However, various factors still may affect our plans and you will be informed of any changes or as additional information becomes available.

If you have any questions regarding any aspect of this letter or any other matter relating to the furlough, please contact Jon Levin at jlevin@mohonk.com.

Sincerely,

Eric Gullickson
President

Tom Smiley
CEO