

IMPORTANT FMLA INFORMATION

The purpose of this letter is to bring to your attention a major change in the Family Medical Leave Act (FMLA) with respect to Professional Employee Organizations (PEO). You may be aware the United States Department of Labor (DOL) recently published revised FMLA regulations, which became effective January 16, 2009. The new regulations are intended to streamline and update the FMLA procedures to make compliance and administration easier, and provide guidance relating to the new military leave provisions. In addition, under the new regulations your business is no longer required to comply with the FMLA simply because you have entered into a relationship with a PEO (FFEL).

What this means to you is if your Company (including affiliated businesses under the same ownership or control) does not on its own have 50 or more employees for each working day during each of 20 or more calendar weeks in the current or preceding calendar year within a 75 mile radius you are not required to comply with the FMLA. All employees are being advised of this change via a notification sticker attached to their paycheck.

First Financial Employee Leasing, Inc. regrets that it cannot make this determination for you. This is a legal issue that we are not authorized or qualified to make. We urge you to discuss the issue with your own legal counsel and make your own determination as to whether you are a covered employer under the FMLA.

We have revised our Client Manual and employee handbook provision on the FMLA. In lieu of delivering a new manual and handbook to existing Clients and employees, we recommend that you download the new policy from the FFEL website (www.ffel.net/resources/clientforms), distribute this new policy to each of your employees and keep a log to acknowledge receipt by each employee. At a minimum, this log should contain the name, signature and date signed for each employee. Please print a copy of this policy to replace the policy in your current Client Manual.

If you believe you are a covered employer under the FMLA be aware there are new forms that need to be used. The new FMLA policy, this letter, additional guidance and the new forms are available for download from the FFEL website – www.ffel.net/resources/clientforms or contact the Human Resources Department.

If you have any questions on any of the issues raised in this letter, please feel free to call Sandy Mays, Human Resources Manager (941) 625-7141. We would like to make this transition as smooth as possible and appreciate your assistance. You also can find information and forms at the DOL website: www.dol.gov/esa/whd/fmla.