

Newport News Shipbuilding Employee's Hardship Fund

Executive Summary

Mission: The Newport News Shipbuilding Employee's Hardship Fund (the "Fund") will provide monetary support to assist employees following a natural disaster or series of sudden or unexpected events or circumstances beyond an employee's reasonable control. The Fund's primary focus is responding to emergency needs in order for NNS's employees to meet short-term, basic living necessities. The Fund seeks to provide financial assistance to address uninsured needs not covered by other NNS or community programs otherwise available to the employee. Newport News Shipbuilding provides excellent and low cost medical insurance programs and therefore, medical expenses are not covered by the Hardship Fund.

Eligibility and Application: All full-time employees of NNS are eligible for assistance from the Fund. The application process includes submission of a three page application form, as well as providing documentation of need and proof of the employee's inability to respond to the emergency hardship.

What is Covered: Emergency hardships that will be covered by the Fund include: Losses caused by a natural disaster, including fire, earthquake, tornado, flood or hurricane; Death in the immediate family (defined as parents, including mother and father-in-law, and children) not eligible for coverage by NNS life insurance benefits; Rent or mortgage payments when facing eviction from primary residence; Critical home repairs necessary to meet basic living necessities, or to prevent condemnation or eviction; and Relocation expenses in order to escape domestic abuse, including first and last month's rent and deposit.

Administration: The Fund will be administered by a Fund Administrator appointed by the Newport News Shipbuilding Vice President of Human Resources & Administration. The Fund Administrator will review applications and allot grants. Currently, the Fund Administrator is the Peninsula Community Foundation of Virginia, Inc.

Fund Distribution: Assistance provided by the Fund will be administered by checks payable to specific service providers (i.e. landlords, hospitals, funeral homes) on behalf of the employee. Absent extenuating circumstances, checks will not be written directly to employees. A maximum of \$5,000 will be awarded in connection with a single incident with a lifetime limit of \$10,000 per employee. Assistance is only available up to the actual Fund balance.

Contributions: The Fund will be supported by contributions from NNS, as well as discretionary contributions from time to time by Newport News Shipbuilding employees. Funds may not be earmarked for a particular individual. Donations to the Fund may be voluntarily solicited from employees of Newport News Shipbuilding in the form of cash, credit card charges, or payroll deductions. The Contribution Form is located on the Newport News Shipbuilding Corporate Citizenship website as well as Forms Viewer.

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Program Document

Article I

Mission Statement

The Newport News Shipbuilding (hereafter referred to as NNS) Employee's Hardship Fund (the "Fund") will provide monetary support to assist employees following a natural disaster or series of sudden or unexpected events or circumstances beyond the employee's reasonable control and not covered by benefit programs to which the employee has access regardless of whether employee has elected to take advantage of those benefits.

The Fund's primary focus is responding to emergency needs in order for NNS's employees to meet basic living necessities. The Fund seeks to provide financial assistance to address uninsured needs not covered by other NNS or community programs.

The Fund is supported by contributions from NNS and from employees wishing to assist other employees experiencing financial hardship.

The Fund shall not be used as a tool for recruiting, retaining or in any other way influencing employee behavior.

Article II

Eligibility

All active full time employees of NNS in good standing are eligible to apply for assistance from the Fund regardless of how long they have been employed.

In order to receive grants from the Fund, employees must be in need of immediate assistance for basic living necessities in connection with a natural disaster or series of sudden or unexpected events or circumstances beyond the employee's reasonable control, which is not covered by insurance, or insurance which is or was otherwise available to the employee, or by other NNS or community programs.

Grants will be awarded according to need in amounts not to exceed \$5,000 per incident, with an employee lifetime limit of \$10,000. Multiple applications to the Fund may suggest improper money management; in which case, the Fund may require credit/financial counseling as a condition to receiving additional aid.

Article III

Determination of Need

The Fund Administrator will assess "need" in an objective, non-discriminatory fashion after full consideration of the circumstances particular to the employee experiencing a financial hardship. The Fund Administrator will determine if the employee's situation is of such a magnitude or severity that it is unlikely that the employee has sufficient resources to satisfy basic needs without assistance.

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Article IV

Hardships Covered by the Fund

Employees may apply for financial assistance in connection with an emergency financial hardship occurring for reasons beyond the employee's reasonable control related to or arising out of one of the following:

- Losses caused by a natural disaster, including fire, earthquake, tornado, flood or hurricane
- Death in the immediate family (defined as parents, including mother and father-in-law, and children) not eligible for coverage by NNS life insurance benefits
- Rent or mortgage payments when facing eviction from primary residence
- Critical home repairs necessary to meet basic living necessities, or to prevent condemnation or eviction
- Relocation expenses in order to escape domestic abuse, including first and last month's rent and deposit.

Article V

Grant Awards

Assistance provided by the Fund will be administered by checks payable to specific service providers (i.e. landlords, hospitals, funeral homes) on behalf of the employee. Absent extenuating circumstances, checks will not be written directly to employees. The Fund Administrator will document all reviews, decisions, and payments in writing, and will maintain appropriate records of its activities.

Article VI

Limitations

The Fund will not provide monetary support for employees experiencing financial hardship in connection with or arising out of the following situations:

- Indebtedness caused by an employee's financial mismanagement;
- Vacation expenses or voluntary leaves of absence from work;
- Income or other Federal, State or local tax liability;
- Cosmetic surgery, including dental and eye procedures;
- Attorney fees, except when related to hardships covered in Article IV;
- Divorce, marriage or adoption fees;
- Insured losses or payment of insurance premiums;
- Phone bills or TV cable fees;
- Normal health maintenance costs;
- Car maintenance, repair, or payments; or
- Any need for which an employee could have been covered by HII/NNS insurance or welfare benefit program

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(including co-pays and deductibles) regardless of whether the employee elected to enroll in such program.

Article VII

Selection Criteria

The Fund Administrator shall prioritize applications based upon the following criteria:

- Applicants who are the victims of natural disasters.
- Applicants with no permanent housing or in danger of losing permanent shelter.
- Applicants who lack the financial resources to provide basic living necessities such as food and clothing.
- Applicants who are temporarily not self-sufficient as a result of a sudden and severe personal or family crisis.
- Applicants who have incurred sudden extraordinary medical expenses on their own behalf or on behalf of members of their immediate families that were not eligible for coverage by health/welfare insurance or disability benefits.

Article VIII

Proof and Documentation Required in Application

In order to receive assistance from the Fund, employees must provide documentation that the emergency situation has caused the employee financial hardship that cannot be covered by his or her income. In considering employee's financial need, the Fund Administrator shall consider evidence of employee's financial condition such as available cash, expenses, other financial obligations, assets that can be disposed of without causing further undue significant personal hardship and anticipated cash flow (income, insurance proceeds, etc.). This information will be considered to determine whether such resources are insufficient to provide for payment of existing obligations and meeting basic living requirements (food, housing, clothing, medical care, transportation, household repairs or other similar necessities). The Fund Administrator may request documentation of all income and all expenses, as well as a written, signed explanation of how the hardship has impacted household finances.

Required documentation may include:

- Documentation of the employee's household's total monthly income, including spouse's income (if applicable), including copies of:
 - Most recent and prior year tax return;
 - Household's monthly expense receipts;
 - Household bills (including utilities, credit card receipts, child care expenses, car payments, rent or mortgage and tuition payments or other educational expenses);
 - Evidence of insurance coverage or lack thereof.
- Official documentation of the emergency incident which has caused financial hardship, including (if applicable):
 - Health care provider bills;
 - Estimate on repairs;
 - Physician's statement (including dates when unable to work);
 - Police report;
 - Death certificate;
 - Eviction notice; or

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- Notice of utilities cut off.

Article IX

Application Process

Employees must print out and complete the application form available on NNS's Intranet. The application form must be signed by the NNS Manager of Corporate Citizenship or that Manager's designee upon verification of the applicant's good standing at NNS. The completed application and requested documentation will be submitted to the Fund Administrator.

Under circumstances where the employee is incapacitated and unable to apply personally, a representative of the employee (such as a spouse, child, parent, or friend of the family) may submit an application on behalf of the employee.

Article X

Fund Administrator

The Fund will be administered by an independent third party entity appointed as Fund Administrator by the Newport News Shipbuilding Vice President of Human Resources & Administration, with the approval of the Contributions Council. The contract terms shall allow for a one-year appointment with automatic renewal for one year unless either party provides the other with 60-days' notice of cancellation.

Article XI

Privacy

The privacy of employees requesting assistance from the Fund should be maintained to the extent practicable. The employee may elect to waive his or her privacy in writing at his or her sole discretion.

Article XII

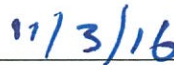
Contributions

Contributions may take the form of payroll deductions, cash contributions, or credit card charges. The contribution form is available on the Newport News Shipbuilding Corporate Citizenship website and/or forms viewer. Contributions to the Fund may not be earmarked for a specific individual.

Agreement



William Bell
Newport News Shipbuilding



Date

Michael Montheith
Peninsula Community Foundation

Date