

**Memorandum of Understanding**  
**2020 Walt Disney Parks & Resorts U.S.**  
**And**  
**Service Trades Council Union**  
**Full Time and Part Time Agreements**  
**Layoffs and Displacement Transfer Process**

On September 29, 2020, the Company notified the Union that due to ongoing impacts from the pandemic, effective November 1, 2020, the Company will eliminate 5,299 full time positions, 8,857 part time positions and 301 Temporary Employee Referral Program positions within the bargaining units governed by the 2017 Full Time and Part Time collective bargaining agreements between the Company and the Service Trades Council Union.

The Company and affiliates of the Service Trade Council Union will meet to identify the impacted employees in each classification no later than October 9, 2020.

Effective November 1, 2020, impacted full time employees who fail to participate in the Displacement Transfer process outlined below will be placed on a 60 day statutory WARN notice period prior to their separation on December 30, 2020.

Effective November 1, 2020, impacted part time employees will be notified of layoff and placed on a 60 day statutory WARN notice period prior to their separation on December 30, 2020.

**Full Time Displacement Transfer in Lieu of Layoff**

Impacted full time employees will be offered the opportunity to participate in a displacement transfer bid in lieu of layoff for positions the Company reasonably anticipates will become available by April 30, 2021. This is not a guarantee of recall.

Impacted full time employees will be notified of the opportunity to participate in the displacement bid via a “One Call” telephone message, email (if one has been provided) and mail (non-certified) no later than October 13, 2020.

Beginning no later than October 14, 2020, the Company will make a form available on the Company Hub for impacted full time employees to participate in the displacement transfer process. Impacted employees will be required to complete the form by October 18, 2020, ranking their preference for each classification available through the displacement transfer process and schedule an available appointment with Casting. Casting appointments must be completed by October 24, 2020.

- Impacted employees must use the form to indicate either participation in the displacement transfer process or accept layoff.
- Employees who opt to participate in the displacement transfer process may rank all available classifications, but must rank Attractions, Custodial, Food and Beverage QSR, and Sales.
- To be considered for displacement transfer into the Lifeguard Shallow Water classification an impacted employee must also schedule and successfully pass a swim test no later than October 24, 2020.
- Impacted employees currently working in a classification outside their stated classification as part of the voluntary temporary transfer process will be provided the

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option to accept a transfer into the position in which they are currently working without participating in the displacement transfer process.

- Employees participating in the displacement transfer process must provide a valid telephone number and email address.

Failure of an employee to participate in any portion of the displacement bid process, including completing the form with all required information and scheduling and participating in the Casting interview within the above specified time period will result in layoff.

The Company will determine whether the employee meets the minimum qualifications of the ranked classifications during the Casting interview. If an employee does not meet the minimum qualifications of a classification, they will not be eligible for displacement into that classification.

Displacement transfers will be determined in the following manner:

- Impacted full time employees in other classifications represented by the same STCU affiliate by seniority.
- Impacted full time employees in the other classifications represented by any other STCU affiliates by global seniority.

Employees will be notified of their transfer via email. If an employee does not have seniority to receive placement into any positions for which they meet the minimum qualifications, the Company and Union will discuss alternative placement opportunities in lieu of layoff. This is not a guarantee.

By October 28, 2020, the Company will inform the Service Trades Council Union of any additional part time positions that will be eliminated due to the full time displacement process. Non furloughed impacted part time employees whose classification is subject to additional eliminations will be provided the opportunity to voluntarily self identify for lay off from that classification. Such employees will be given 48 hours to self identify.

Effective November 1, 2020, full time employees who participated in the displacement transfer process will be transferred into the identified displacement transfer classification and either immediately recalled by seniority or remain/be placed on furlough in their new classification under the terms of the Memorandum of Understanding between the Company and the Service Trades Council Union regarding Covid-19 Furloughs and subject to recall to their new classification by seniority. This is not a guarantee of recall. By participating in the displacement transfer process employees are acknowledging their availability and willingness to return to work when recalled by seniority. Employees will not be provided the option to decline recall in a displaced transfer classification for any reason. Failure to return from recall from furlough will be considered a voluntary resignation.

Due to the unavailability of positions in the employees' classification and location, the 45 day transfer back rule will not apply to displacement transfers.

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Employees who accept a displacement transfer and who later apply for open positions within their former classification will be given priority, by seniority for transfer through October 1, 2022. The one year transfer guideline will be waived with respect to transfer back to an employee's former classification.

**Recall Rights**

In light of the extraordinary circumstances created by the COVID-19 pandemic, the Union and the Company agree to extended recall and seniority rights as described below for employees who are on layoff beyond twelve (12) months. These extended recall and seniority rights shall expire October 1, 2022. These extended recall and seniority rights shall not set precedent of any kind.

If an employee's layoff extends beyond 12 months, the employee must proactively contact the Company to request consideration for their previous classification. Employees are required to provide a valid email address. Once an employee initiates contact, the Company will contact no more than every 60 days to confirm their continued interest in recall to their former classification. The employee must reconfirm their continued interest for recall within five calendar days. If a position within the classification becomes available during the extended recall period, employees subject to extended recall will be offered the position by seniority via email. An employee who declines a job offer to return to their former classification, or who fails to respond to the email within five calendar days, will no longer be eligible for extended recall. Employees offered a position based on extended recall rights will be required to complete any pre-employment requirements (e.g. background check, drug test, post-offer employment testing, etc.). Employees rehired under extended recall rights will retain and accumulate seniority and will have their Company longevity bridged.

If the Company determines additional full time positions will be eliminated prior to April 30, 2021, the Company will meet with the Union to discuss the potential to identify opportunities for full time displacement transfers prior to implementation of layoff of full time employees which may result in the further reduction of part time hours or positions. This is not a guarantee.

This Memorandum of Understanding is non-precedent setting and shall not be used as an interpretation of the Agreement.

This MOU expires October 1, 2022.

Signed:



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Christie Sutherland  
Director Labor Relations

Signed:



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Matt Hollis  
President Service Trades Council Union