

March 31, 2020

Dear JCPenney Associate,

As you know, our JCPenney stores, business offices, and the majority of our supply chain facilities are temporarily closed as a result of the ongoing Coronavirus (COVID-19) pandemic. These locations will continue to remain closed until it is deemed safe to reopen for our associates, customers and communities. Given this increasingly challenging business situation, the Company has made the difficult decision to furlough a significant portion of our associates. Your furlough will begin on April 2, 2020.

While on furlough, you will be placed on an unpaid leave of absence and will not receive base pay, however the Company will pay, on your behalf, 100 percent of any medical or dental premiums if you are enrolled in a Company-sponsored benefit plan. During the furlough, you may use your available time-off benefits including PTO or any previously accrued MTO to supplement your income *(note: any medical and dental premiums will be deducted from PTO or MTO if applied)*, and you will not continue to accrue additional PTO or MTO.

Please be aware that you are not permitted to work while on furlough and should not review or respond to e-mail, text and/or voicemail messages you may receive internally or externally requesting you to work. If you receive any requests to work while on furlough, please contact your HR business partner.

This furlough will allow hourly associates to take advantage of unemployment benefits, including increased benefits related to the passage of the CARES Act on March 27, 2020. Exempt associates who are furloughed may also be eligible for unemployment benefits under the CARES Act. For more information on unemployment benefits, as they differ by state, please visit <https://www.dol.gov/general/location>. JCPenney will provide notice as required and not dispute any unemployment claims because of this furlough. When filing for unemployment, the address used for the employer should be:

 JCPenney Corporation, Inc.

 6501 Legacy Drive

 Plano, TX 75024

We do not know how long this furlough might last, yet we will continue to monitor this situation closely and follow guidance from the CDC, and local, state and federal health officials on reopening business locations, and will provide updates as the Coronavirus (COVID-19) pandemic continues to evolve.

In the event that you are requested to return to work and have any concerns related to the Coronavirus (COVID-19) pandemic, you have the option of declining to return for up to 30 days without retaliation. During this time, you will continue to be unpaid, yet the Company will continue to cover any expense related to your medical or dental premiums.

Please contact your HR business partner with any questions and thank you for your commitment and flexibility during this unprecedented and difficult time.

[Click Here for More Information](https://lenextapps.jcpenney.com/hrsurveys/jcpfurlough/index.html)