This document is not a Summary Plan Description or official plan document. Benefits discussed here are governed by the plan contracts and policies, Stanford policies and applicable state and federal laws.

If there is a conflict between the wording of this information and any policy, contract or law, the contracts, the policies and applicable laws govern.

Stanford reserves the right to alter, amend or terminate any of the benefits described in this booklet at any time. If this happens, Stanford will notify affected employees and other plan participants.

Other documents you may find helpful are available at: cardinalatwork.stanford.edu/benefits-rewards in Resources:
- When Employment Ends – Termination
- When Employment Ends – Layoff
Introduction

To become an official retiree of Stanford and qualify for retiree health care benefits you must meet certain requirements. This section summarizes how to qualify as an official retiree and discusses the university contribution toward retiree medical coverage.

How do I become an official Stanford retiree?

This depends on when you were hired.

- If you were hired on or after January 1, 1992, you have one option – the Rule of 75.
  Under the Rule of 75, you must complete at least 10 years of benefits-eligible service and your age plus years of benefits-eligible service must equal at least 75.

- If you were hired before January 1, 1992, you have two options:
  - Must complete at least 10 years of benefits-eligible service and be at least age 55; or
  - You can qualify under the Rule of 75 (see above).

I think I qualify as an official retiree. How do I confirm that?

Make sure you call the UHR Service Team at (650) 736-2985 for a retirement calculation before deciding on a retirement date. Stanford Benefits will research all of your employee records and determine the date you qualify as a Stanford retiree. They will contact you within three to six weeks with the calculation results and health care costs.

How much will Stanford contribute toward my retiree medical coverage cost?

The amount of Stanford’s contribution toward the cost of your medical benefits depends on when you were originally hired and the length of your employment before you retire. These conditions determine if you receive a contribution under the Grandfathered Contribution method or the Defined Contribution method.

Grandfathered Contribution Method

Under the Grandfathered Contribution method, the university contributes a percent of the lowest cost plan towards your retiree and eligible dependent medical coverage. The lowest cost plan may change year to year. Be sure to look at the annual open enrollment information to determine which plan is considered the lowest cost when you enroll.

You are eligible for the Grandfathered Contribution method if, as of Dec. 31, 2005, you:
- Qualified as an official retiree eligible for retiree health care; or
- Were in a benefits-eligible position, at least age 55 and within five years of becoming an official retiree.

Non-Grandfathered Contribution Method

Non-Grandfathered Contribution Methods fall into three categories depending on hire date.

Category I

If you were hired on or after January 1, 2006 in a benefits-eligible position, your contribution is calculated under the Defined Contribution method, where the university contributes a dollar amount for each year of benefits-eligible service. Years of service are calculated on your exact number of years and months of benefits-eligible service.

Category II

If you had a break in service on or after December 31, 2007 before meeting the qualifications for official retiree status, only benefits-eligible years of service in the most recent period of employment will be used in the defined contribution calculation. If you stay in a benefits-eligible position for at least 10 consecutive years immediately preceding your retirement you will receive credit for your prior years of eligible service before the break. Contact the University HR Service Team for more information about this category.
When Employment Ends - Retirement

Category III
If you were hired before Jan. 1, 2006 in a benefits-eligible position but you do not qualify for the Grandfathered Contribution method, your contribution is calculated under the Defined Contribution method; and you are guaranteed a minimum contribution as if you had 25 years of service. If your service is over 25 years at the time of retirement, your contribution will be based on actual years of service. However, the university contribution cannot exceed the cost of the retiree health plan you choose.

Health, Life and Disability Benefits

When do benefits stop?
Your medical, dental, vision and life insurance coverage stops at the end of the month in which you retire. For example, if your retirement date is March 15, benefits continue until March 31, and then stop.

Short- and long-term disability coverage stops on the date you retire unless you have filed a claim and are collecting benefits from Stanford’s Voluntary Disability Insurance (VDI) or Long-Term Disability Plan (LTD) plans. In this case, your claim remains open.

Am I eligible to continue medical, dental and vision coverage?
If you are eligible to be an official retiree, you have two options to continue coverage when you retire: COBRA or the Retiree Health Care Plan.

COBRA – The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA), allows you and your covered dependents to temporarily continue coverage for up to 18 months in the medical, dental and vision plans you are enrolled in at the time you retire. If you are enrolled in a medical plan, COBRA includes prescription drug and mental health/substance abuse coverage.

Retiree Health Care Plan – Under Stanford’s Retiree Health Care Plan, you may enroll in one of the medical plans available and the Retiree Dental and Vision Plan. Coverage under the Retiree Health Care Plan continues until you stop paying your premium.

Is there any advantage to enroll in COBRA instead of the Retiree Health Care Plan?
You should consider the costs of COBRA compared to your retiree coverage. In addition, for retirees 65 or older the retiree medical plan options are different than the medical plan available through COBRA. When you enroll in COBRA, you can continue your current vision coverage and/or stay in your current dental plan. You can also continue in your current medical plan but if you do:
- Be sure to postpone your Retiree Health Care coverage (see more in next question); and
- Be aware you can enroll in Retiree Health Coverage only during Open Enrollment or if you have a qualifying life event.

If you enroll for COBRA and then later enroll in Medicare you are required to end your COBRA coverage.

If you are laid off and enroll in COBRA
Stanford will continue its contribution to your medical plan for you and your enrolled dependents during the first three months of COBRA coverage. However, to receive Stanford’s contribution you must complete the COBRA enrollment form, elect medical coverage and return the form to Vita Administration Company by its deadline. To continue coverage after the first three months, you will be required to pay the full cost (plus 2 percent for administration).
You can drop your COBRA coverage when Stanford’s contribution stops and enroll in retiree medical coverage (this is considered a qualified life event). For more information, call the UHR Service Team at 650-736-2985 or toll-free 877-905-2985.

What if I don’t want to enroll in the retiree health care plan when I retire?
When you become eligible for retiree health care and are ready to retire, you have three options:
1. Enroll for coverage to start at retirement; or
2. Postpone the start of coverage until a later date; or
3. Waive coverage and permanently lose future eligibility. For a waiver form contact the UHR Service Team at 650-736-2985 or toll-free at 877-905-2985.
Your decision is vital and you should carefully consider these choices.

Important: Only you can enroll, postpone, waive coverage or make changes for yourself and your eligible dependents. Your spouse or registered domestic partner may not enroll for you without your written authorization.

How do I pay for my retiree health care benefits?
At retirement, you will receive information on the cost and the monthly premium payment process. If you enroll in coverage, you must pay your premiums on schedule in the manner set by Stanford. You can make payments directly to the Vita Administration Company (Vita), Stanford’s retiree health care administrator, using payment coupons or you can arrange automatic payments from a checking or savings account by using a SurePay form. Forms are available on the Cardinal at Work website in the Resources section.

Can I see what plans are available and the costs before I retire?
The Cardinal at Work website has a complete summary of what plans are available and information on current costs for the Grandfathered group. If you are in the Non-Grandfathered group, contact the University HR Service Team for a contribution calculation. You can see the full list of rates online at cardinalatwork.stanford.edu/benefits-rewards/retiree-medical. Remember: health care costs can change each year.

Can I continue Life and Accidental Death & Dismemberment (AD&D) Insurance?
Yes. If you decide to convert or port coverage, you must complete and submit an enrollment form to Prudential Life Insurance Company within 31 days after the end of the month in which coverage ends. (See below for information on how to get the form.)

If you are interested in porting or converting your life insurance or Accidental Death and Dismemberment, Prudential will send you information within two weeks from the date your active coverage ends. Prudential will complete a portion of the form before mailing it to you. You must complete the rest of the form and Prudential must receive your completed enrollment form within 31 days after the end of the month in which you terminate. You do not need to provide proof of good health.

<table>
<thead>
<tr>
<th>Plan Name</th>
<th>Offer Conversion?</th>
<th>Offer Portability?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Life Insurance</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Supplemental Life Insurance</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Can I continue my health care Flexible Spending Account (FSA)?
The health care FSA is not part of the retiree health care program. If you have funds remaining in your health care FSA when employment ends, you can decide whether or not to continue participation in the plan for the rest of the plan year through COBRA.

If you do not continue coverage: Any eligible expenses you incur up to the last day of the month in which employment ends can be submitted for reimbursement. You have until April 30 of the following year to submit claims.

For example: Your last day of employment is July 15. Your health care FSA continues to July 31. Any eligible expenses you incur through July 31 may be submitted for reimbursement until April 30 of the following year.

To continue coverage: You may be able to enroll in COBRA and continue to pay your remaining health care FSA contributions (plus a 2 percent administration fee) on an after-tax basis. Vita Administration Company, Stanford’s COBRA administrator, will send you the paperwork. Note: If you do not pay Vita, your benefits stop at the end of the last month for which Vita received full payment.

For example: Your last day of employment is July 15. Your health care FSA continues to December 31 as long as you elect and pay Vita the required COBRA premium through December 31. Any eligible expenses you incur through December 31 may be submitted for reimbursement until April 30 of the following year.

Note: Although you may choose to continue coverage in the health care FSA, your spending account debit card becomes inactive on the last day of the month in which your employment ends.

For information on how to continue to view FSA information online, change your email and/or mailing address, and set up direct deposit, go to the TASC website partners.tasconline.com/Stanford or call TASC customer care at 855-842-4913.

Can I continue my dependent day care Flexible Spending Account (FSA)?
Your contributions to the dependent day care FSA stop the date you retire. You may not continue contributions beyond that date.

You can file a claim for reimbursement of eligible expenses you incur up to the end of the year in which employment ends. You will be reimbursed only up to the amount remaining in your dependent day care FSA on the date employment ends.

For example: Your last day of employment and last contribution is July 15. You have until April 30 of the next year to submit any eligible expenses you incur through December 31.

You can find additional information on your health care or dependent day care FSA by going to: cardinalatwork.stanford.edu/fsa

Can I continue Long-Term Care?
• If you are enrolled in Long-Term Care (LTC) through CNA when you leave Stanford, you and all enrolled family members can continue participating in this program. Your cost will remain the same. Call CNA at 800-528-4582 if you have any questions.
• If you are enrolled in Long-Term Care (LTC) through Genworth when you leave Stanford, you and all enrolled family members can continue participating in this program. Your cost will remain the same. Call Genworth at 800-416-3624 if you have questions.

Can I continue Short- or Long-Term Disability if I retire?
Coverage under the Stanford Voluntary Disability Insurance (VDI) and Long-Term Disability (LTD) plans end on your last day of employment. There is no conversion available for disability benefits.

Note: If you have filed a claim and are collecting benefits from the LTD or VDI plans, your claim remains open. If you have any questions, be sure to contact the UHR Service Team.

What happens to Business Travel Accident Insurance and Workers’ Compensation?
These benefits are only available to active employees. Coverage stops on your retirement date.

Can I retire while I am on Long-Term Disability (LTD)?
There are two possible options based on your employment status. So please read the following information carefully:

You are an LTD Term terminated from employment but on long-term disability.
If you met retirement eligibility (prior to going on LTD), you will:
• Continue to receive your LTD benefit payments as long as you qualify for the Stanford Long-Term Disability Plan. This income will continue until you are no longer disabled or until you reach the plan age limit.
• Be eligible for retiree health coverage.
• Lose your current LTD Term health and life benefits.

You are on Long-Term Disability Leave.
If you met retirement eligibility prior to going on LTD, you will:
• Continue to receive your LTD benefit payments as long as you qualify for the Stanford Long-Term Disability Plan. This income will continue until you are no longer disabled or until you reach the plan age limit.
• Be eligible for retiree health coverage.

If you have questions about your options, call the University HR Service Team at 650-736-2985 or toll-free at 877-905-2985.

Retirement Savings

What happens to my retirement savings?
Your options depend on a number of factors: the plan(s) you are in, your age, your marital status and if you have a “Qualified Domestic Relations Order” on file. Here is a summary of the options available to you if you decide to request a distribution from the SCRP and/or SRAP.

<table>
<thead>
<tr>
<th>Plan</th>
<th>Options</th>
<th>What to Do</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stanford Contributory Retirement Plan (SCRP)</td>
<td>1. Leave money in plan - (Minimum distribution must start at age 701/2)</td>
<td>1. Do nothing</td>
</tr>
<tr>
<td></td>
<td>2. Roll over to an IRA or other eligible retirement plan Request a distribution (payments from the</td>
<td>2. Request a rollover form from your investment company* Request a distribution form from your investment</td>
</tr>
</tbody>
</table>

*If you have a Qualified Domestic Relations Order (QDRO) on file.
Is there a waiting period before I can receive a distribution?
You may request a distribution from the SCRP if you leave Stanford with no expectation you will be rehired to active employment.

Before any payments can begin from the Plan, you need to apply for benefits (also called a distribution) in advance and complete the application review and waiting period.

It may take up to 45 days from your date of termination. To begin the process, contact your investment provider(s) directly for a distribution form. All distributions are subject to a minimum 30-day waiting period after your termination date. In addition to the 30-day waiting period, allow at least 15 business days for the administrative review and approval process of your distribution request. Distributions may be subject to an administrative processing fee.

Note: Your account will be valued as of the date your distribution request has been fully reviewed, approved and processed. You bear the gain or loss as a result of market fluctuations that occur between the date you apply for a distribution and the date the distribution is made.

Neither Stanford nor any Plan fiduciary or investment provider will be liable if an administrative plan process (i.e., enrollment, distribution) is delayed due to circumstances beyond their reasonable control. These include, but are not limited to, war, earthquake, fire, flood, hurricane, tornado, pandemic, acts of terrorism and acts of God which could not be avoided by the exercise of due diligence.

Important: If you become employed by Stanford Hospitals and Clinics, Lucile Packard Children’s Hospital or SAA Sierra Programs LLC (Alpine Chalet), the IRS considers you to be employed by Stanford. For purposes of your retirement plans, this means you cannot take a distribution from SCRP or SRAP while employed by any of these groups. For more information, visit: cardinalatwork.stanford.edu/retirement

Can I rollover my retirement savings?
Yes. There are two ways you can rollover your account balance from your retirement plan:

- You can request a direct rollover to a traditional Individual Retirement Account (IRA), a qualified retirement plan, another employer’s 403(b) plan, or an eligible governmental deferred compensation plan that will accept your rollover. When you roll over your account balance, you pay no taxes and tax deferral continues until you withdraw the money.

- You can have the account balance paid directly to you in a lump sum. In this case, you must deposit the money in an IRA or other eligible retirement plan within 60 days or you will have to pay taxes on the entire amount. In any event, the lump sum distribution is subject to mandatory withholding.

Important:

- If you are age 59½ or over, receive a lump sum payment, and then wait longer than 60 days to deposit your payment, your distribution will be taxed as ordinary income. In most cases, if you are under age 59½, you pay a 10 percent early withdrawal penalty tax in addition to ordinary income tax.

- If you become employed by Stanford Hospitals and Clinics, Lucile Packard Children’s Hospital or SAA Sierra Programs LLC (Alpine Chalet), the IRS considers you to be employed by Stanford. For purposes...
of your retirement plans, this means you cannot take a distribution from SCRP or SRAP while employed by any of these groups. For more information, visit: cardinalatwork.stanford.edu/retirement

Special Information for Surviving Spouse or Alternate Payee
If the laid off Stanford employee dies before requesting a distribution from the SCRP, the surviving spouse, alternate payee or other beneficiary may request a distribution.

If the laid off Stanford employee dies before requesting a distribution from SRAP, the surviving spouse, alternate payee or other beneficiary may request a distribution, as long as the laid off Stanford employee had already met the appropriate age and service requirements.

Distributions to a surviving spouse, alternate payee or other beneficiary are not generally subject to a penalty tax. For additional information, contact the University HR Service Team.

Other Benefits

What happens to my child’s tuition grant?
When you are an official retiree, you remain eligible for the Tuition Grant Program (TGP) during retirement. However, the amount you are eligible to receive under the program is based on the majority of your service time when employed. If you worked in full-time positions for more than half your years of employment, you receive 100 percent of the program benefit.

If the majority of your services were part-time, your TGP benefit as a retiree will be prorated and based on the average number of hours you worked during the last 12 months of active employment.

What happens to my Child Care Subsidy Grant?
Stanford’s contributions to your Child Care Subsidy Grant benefit ends when you retire from Stanford. However, you may continue to file claims for reimbursement of eligible expenses you incur up to the end of the year in which you retire.

What happens to my accrued vacation and PTO?
Any earned and unused PTO and vacation time is paid to you when you retire. For additional information, refer to Administrative Guide Memo: adminguide.stanford.edu/chapter-2/subchapter-1/policy-2-1-6 (Vacation).

What happens to my sick leave?
Unused sick leave has no cash value and is not paid out when you retire.

Can I request “Terminal Vacation?”
When you retire, you may request to stay on the payroll after your last day of work by using all accumulated vacation leave, PTO and your floating holiday. This is called “terminal vacation.” Please consult with your supervisor and human resources manager for further information regarding terminal vacation procedures.
Note: If approved, you remain on benefits until the last day of the month in which your terminal vacation ends.
For additional information, refer to Administrative Guide Memo 2.1.6, available online at adminguide.stanford.edu/chapter-2/subchapter-1/policy-2-1-6.

Special Retirement Services and Benefits
When you retire, you remain eligible for other special benefits including:
• Use of libraries and athletic facilities
• Discount at the Stanford book store
When Employment Ends - Retirement

- Discount on tickets to some Stanford athletic events (Emeriti only)
- Access to Faculty and Staff Help Center mental health services for you and your family members
- Exercise classes and health seminars through the Health Improvement Program (HIP)
- Membership in the Stanford Federal Credit Union
- Membership in Stanford Staffers

Faculty and senior staff emeriti may be eligible for some additional privileges and services. For questions, retired faculty should call 650-723-3622 or email facultyaffairs@stanford.edu. Retired staff emeriti should contact their Human Resources manager.

Your Stanford Identification Card
Be sure to keep your ID card. It serves as your official retiree ID and is needed for benefit enrollment and access to on-campus facilities.

Replacement ID cards are available at Tressidder Union, 459 Lagunita Drive, 2nd Floor on the Stanford University campus. Bring a driver’s license or passport. Your spouse can also receive an ID card, for an additional fee. The ID card office is open Monday through Friday 8 a.m. to 5 p.m. Call 650-498-2273 for information.

If You Are Rehired or Recalled

Anticipating an Immediate Rehire?
Some employees end employment from Stanford one day and immediately return to work (in a benefits-eligible position) for the university the next day. Each status change in the payroll system automatically triggers certain paperwork to be sent to you. Be aware that you may receive information on COBRA at the same time you receive information on enrolling for active benefits.

Your health care benefits become effective on your rehire date. To make sure all appropriate paperwork is complete:
- Talk to your Human Resources administrator to ensure retirement and rehire dates are put in the payroll/personnel system in a timely manner.
- Go online or call the University HR Service Team to re-enroll in your plans and find out if any additional paperwork is needed. Note: If you are rehired within the same calendar year as your retirement, you will continue in the health and life plans you had before.

Do I get the same health care benefits when I return?
If you return to Stanford in a benefits-eligible position, you immediately become eligible for the same health care benefits as other active employees, as long as your appointment is for at least six months (four months for bargaining unit employees); and you work at least 50 percent time.

Returning to retiree status
Once you stop working again or you work less than 20 hours, your eligibility for retiree health care will be reinstated to the same status it was before you returned to work. This means, if you:
- Were enrolled in a retiree medical plan and it is the same calendar year, the benefits will be reinstated automatically in what you previously had as a retiree.
- Were enrolled in a retiree medical plan and it is a different calendar year, call the UHR Service Team to re-enroll in retiree health care benefits.
- Postponed enrollment, you return to postpone status. However, you may choose to enroll when you return to retirement. Once you do, you will not be able to postpone again.
- Waived coverage, return to waive status and forever remain ineligible for retiree health care benefits from Stanford.

**What happens if I already requested a retirement distribution?**
For anyone returning to work at Stanford, there are special IRS rules around receiving a retirement savings plan distribution and then returning to work for the same organization.

**Contributory Retirement Account (CRA)** – If you are laid off, elect to start a distribution when you retire, and are later rehired by Stanford, the distribution may continue only if:
- You are at least age 59½ on your rehire date; or
- The separation from service was at least 12 months.

**Example 1**
- You are age 58 when employment ends.
- You are rehired by Stanford six months later.
- Your distribution payments will stop until you terminate employment again.

**Example 2**
- You are age 58 when employment ends.
- You are rehired by Stanford 24 months later.
- Your distribution payments will continue because you are over 59½ on your rehire date.

**Example 3**
- You are age 58 when employment ends.
- You are rehired by Stanford 12 months later.
- Your distribution payments will continue because your separation from service was at least 12 months.

**Tax-Deferred Account (TDA)** – If you elect to start a distribution when you retire, and are later rehired by Stanford, distribution payments will continue.

**Additional Resources**
If you think you qualify as an official retiree or want more information on retirement from Stanford:
- Attend a “Your Health Care Benefits in Retirement” workshop held once a month on campus. Register at: cardinalatwork.stanford.edu/retirement-health-workshop
- View the recorded version of the “Your Health Care Benefits in Retirement” presentation online at: cardinalatwork.stanford.edu/retiree-benefits-overview
- Review the Retiree Health Care information and Plan Summary on Cardinal at Work by visiting: cardinalatwork.stanford.edu/retiree-options
- Talk to the University HR Service Team at 650-736-2985, or 877-905-2985