



BENEFIT PLAN HIGHLIGHTS

(Effective January 1, 2011)

FLEX DIMENSIONS Allows You to Create Your Own Benefit Plan

Health Care

- **Medical Options**

Under FLEX DIMENSIONS, you have the opportunity to choose a medical plan that meets your health care and financial requirements. There are several options that differ in level of coverage, the cost to you, and how they deliver benefits. For **Menlo Park** based staff these include Kaiser Permanente and Aetna. Kaiser provides a Health Maintenance Organization (HMO) with its own hospitals, medical centers and teams of physicians affiliated with the Plan. Aetna provides both an HMO with a large network of private practice physicians and two insurance plans with both “preferred” and “non-preferred” doctors and hospitals. These insurance plans have varying deductibles and benefit reimbursement levels. Medical plans in **other U.S. locations** vary among insurance plans with and without preferred doctors and hospitals, and HMOs are available in some locations. You and SRI share the cost for these benefits. In most locations you can cover your spouse or domestic partner and your dependent children in the Medical, Dental/Vision and EAP plans.

- **Dental/Vision**

SRI offers a choice of two dental plans in all locations: a standard plan offering basic coverage, and a high option plan providing expanded benefits for a higher cost. If you elect dental coverage, you also receive vision care. The program includes eye exams and lenses every 12 months and frames every 24 months, with a small deductible for each benefit.

- **Employee Assistance Program (EAP)**

The Employee Assistance Program is designed to help staff and their families deal with the stresses of everyday life. It provides confidential, professional assistance in coping with problems on the job, at school, or in the home. In addition, staff or family members may be referred to community resources or back to their medical plan for mental health or substance abuse treatment. Legal and Financial services and assistance in dealing with identity theft are also available through the EAP.

Spending Accounts

SRI’s two spending accounts let you use pretax dollars to pay eligible dependent day care expenses and unreimbursed medical, dental, and vision expenses for services received during the plan year. You can set aside up to:

- \$7,500 in your **Health Care Spending Account**
- \$5,000 (\$2,500 if married and filing separate returns) in your **Dependent Care Spending Account**. Dependents include children up to age 13 as well as your spouse, parent, or older child who lives with you and is incapable of self-care.

Pre-Tax Premiums

You may elect to pay your share of the premium cost of the medical and dental/vision plans with pre-tax payroll deductions.

Time Off

- **Holidays**

SRI offers ten paid holidays per fiscal year. They include: New Year’s Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Day after Thanksgiving, Christmas, and two “floating” holidays designated by management during the December holiday break.

- **Personal Time Off (PTO)**

Staff members will have three to six weeks of Personal Time Off each year. Staff will accrue PTO as shown below, depending on their years of service with SRI. PTO is for vacation, occasional illness, personal business, and other paid time off needs.

<u>Completed Years of Service</u>	<u>Accrual Rate (Hours/ 4-week Period)</u>	<u>Weeks Per Year</u>	<u>Maximum Balance (3 times annual accrual)</u>
Less than 1 year	9.23	3 weeks	9 weeks
1 year	9.85	3 weeks, 1 day	9.6 weeks
2 years	10.46	3 weeks, 2 days	10.2 weeks
3 years	11.08	3 weeks, 3 days	10.8 weeks
4 years	11.69	3 weeks, 4 days	11.4 weeks
5-9 years	12.31	4 weeks	12 weeks
10-19 years	15.39	5 weeks	15 weeks
20 or more	18.46	6 weeks	18 weeks

(Over, please)

Disability Benefits

- **Paid Time for Illness (PTI)**

Staff members receive three days of PTI each year for occasional illness, medical appointments, or to care for ill family members. An additional two days per year is accrued for use in conjunction with disability benefits from the voluntary, short-term, or state disability plans. PTI is available as it is earned during the year (3.08 hours per 4-week period, prorated for part-time staff.) Unused time may be carried forward with no maximum.

- **Disability Insurance**

- ◊ **Voluntary Disability Insurance** (For California staff members in lieu of State Disability) and **Short Term Disability Insurance** (For staff members who elect coverage in states without a state required plan) – While you are disabled due to a non-work connected illness or injury, these contributory Plans pay 60% of current earnings up to \$987 per week for a maximum of 52 weeks. These plans also provide for up to 6 weeks of “paid family leave” (PFL) benefits at the same rate in a 12-month period. PFL is available if you have to care for an ill family member or are bonding with a new child. Other states with required plans (NY, NJ, RI, HI, and the territory of Puerto Rico) have varying benefits.

- ◊ **Supplemental Disability Insurance** – PTI brings income to 100% of pay while you are receiving disability benefits from the CA Voluntary Plan, another state’s required plan, or the Short Term Plan. When PTI is exhausted, plan members receive a Supplemental benefit to bring disability income to 75% of pay. This SRI-paid benefit continues for the remainder of the 90-day waiting period for Long Term Disability benefits.

- ◊ **Long Term Disability (LTD) Insurance** – LTD provides the financial protection of continuing income if you are disabled for more than 90 days. FLEX DIMENSIONS lets you measure your income protection needs and match them to an LTD option, paying either 50% or 66-2/3% of your pay. Because you pay for most of your LTD with after-tax dollars, benefits you receive in the event of disability are mostly tax-free.

Survivor Benefits

- **Basic Life Insurance**

Basic life benefits of one-quarter times salary (to \$20,000) or one times salary offer your beneficiary financial protection if you die. SRI pays the full cost of either choice. However, if you elect the one-quarter time salary coverage, taxable cash is returned to you in your paycheck on a biweekly basis. A basic accidental death benefit, payable in addition to the life amount in the event of death due to a covered accident, is bundled with both basic life insurance options.

- **Supplemental Accident Insurance**

You can purchase Accidental Death and Dismemberment Insurance for you and your family. You select a benefit of one to five times your annual salary to a maximum of \$1,000,000. If you elect family coverage, your dependents have a percentage of your benefit amount. The plan covers accidental loss of life, limb(s), sight, speech, and/or hearing within 365 days of a covered accident.

- **Business Travel Accident Insurance**

SRI provides business travel accident coverage of five times your salary (with a minimum benefit of \$150,000 and a maximum

benefit of \$600,000) if your death results from a covered accident while traveling on SRI business.

- **Group Universal Life Insurance**

This is an optional plan sponsored by Metropolitan Life Insurance Company. As an eligible staff member, you can purchase this coverage:

- ◊ **For yourself**—a minimum of \$10,000 and up to five times annual salary (with a \$1,500,000 maximum benefit). No evidence of insurability is required for up to one times annual salary (not to exceed \$200,000). Simplified evidence of insurability is required for between one and three times annual salary (not to exceed \$400,000). Full evidence of insurability is required between three and five times annual salary (not to exceed \$1,500,000).

- ◊ **For your spouse**—a minimum of \$10,000 and up to two times your annual salary with a \$150,000 limit. Evidence of insurability is required for amounts over \$20,000.

- ◊ **For your eligible children**—a \$10,000 policy is available when you buy coverage for you or your spouse.

Retirement Plans

- **Retirement Savings Plan**

Staff members may make voluntary tax-sheltered retirement contributions to TIAA-CREF, an annuity company, or Vanguard, a mutual fund company. You may contribute up to the maximum allowed by law (\$16,500, and for staff 50 and older, an additional \$5,500) to numerous investment options with either or both companies. You may start payroll deductions immediately upon employment. If you are working 1,000 hours or more per year, the first 4% of your salary that you contribute is matched by SRI at 50 cents on the dollar. The money that you and SRI contribute is vested (owned by you) immediately. The plan permits withdrawals subject to IRS rules. Both companies allow loans, subject to IRS and plan provisions. At retirement or termination of employment, your contributions plus earnings, can be paid to you in a lump sum, can stay in the plan, or can be used to buy an annuity benefit for you from TIAA-CREF. Your benefit depends on what you have contributed and your investments’ performance.

- **Basic Retirement Plan**

After a one year waiting period, SRI makes automatic contributions on your behalf to the Plan and will continue to do so as long as you are actively working 1,000 hours or more per anniversary year. These contributions—made by SRI regardless of whether you contribute to the Savings/Supplemental Plan—are in the amount of 5.76% of your salary up to the Social Security Wage Base (**\$106,800 in 2011**) and 11.46% of your pay over that amount. You have the choice of allocating these contributions to the same investment options from TIAA-CREF or Vanguard. The plan pays lifetime retirement benefits (from TIAA-CREF annuities) and also provides a survivor benefit payable to your beneficiary should you die before you retire. You may also qualify for a benefit if you leave SRI before retirement, depending on your years of service with SRI. You are fully vested in the plan after completing 6 years of service, 80% vested after 5 years of service, 60% after 4 years of service, 40% after 3 years of service, and 20% after two years of service.

And in Addition to the Above...

SRI has an on-site fitness center and wellness program in Menlo Park as well as a backup childcare arrangement. Certain other sites have arrangements with local fitness centers and staff at sites that do not can receive subsidies toward local fitness center dues. Child and elder care referrals, a credit union, an adoption benefit, and a tuition reimbursement program are available to staff at all sites. Up to \$115 per month of SRI-paid tax free assistance for public transit fares is available in Menlo Park and Washington D.C. A Staff Activities Committee sponsors many hobby and sport groups, and offers discounts for cultural and recreational activities.