

UNIVERSITY OF CALIFORNIA
RETIREMENT PLAN

TABLE OF CONTENTS

ARTICLE 1	EFFECTIVE DATE, SCOPE, AND PURPOSE	15
1.01	Effective Date	15
1.02	Scope	15
1.03	Purpose	15
ARTICLE 2	DEFINITIONS	16
2.01	Accrual Credits	16
2.02	Accrual Date	16
2.03	Accumulations	16
2.04	Active Member	16
2.05	Actuarial Equivalence Basis	17
2.06	Actuarially Equivalent	18
2.07	Basic Retirement Income	18
2.08	Beneficiary	18
2.09	Break in Service	19
2.10	Capital Accumulation Credits	20
2.11	Capital Accumulation Payment	20
2.12	Contingent Annuitant	20
2.13	Covered Compensation	20
2.14	DC Plan	23
2.15	Direct Rollover	23
2.16	Disability Date	23
2.17	Disability Income	23
2.18	Disabled Member	23
2.19	Domestic Partner	23
2.20	Eligible Child	26
2.21	Eligible Dependent Parent	27
2.22	Eligible Domestic Partner	27
2.23	Eligible Employee	28
2.24	Eligible Retirement Plan	30
2.25	Eligible Rollover Distribution	31
2.26	Eligible Spouse	31

2.27	Eligible Survivor	32
2.28	Final Salary	32
2.29	Full Time	33
2.30	Full Time Equivalent Compensation	33
2.31	Highest Average Plan Compensation (HAPC)	33
2.32	Inactive Member	35
2.33	Interest Credits	35
2.34	Lump Sum Cashout	35
2.35	Member	35
2.36	Member Contributions	36
2.37	Member Tiers	36
2.38	Minimum Distribution Rule	38
2.39	Modified 2013 Tier Benefit	39
2.40	Multi-tier Member	39
2.41	1976 Tier Benefit	39
2.42	Normal Retirement Age	39
2.43	OCIO	40
2.44	Pension Choice Participant	40
2.45	PEPRA Maximum	40
2.46	Plan... ..	40
2.47	Plan Administrator	40
2.48	Plan Regulations	40
2.49	Plan Year	41
2.50	Postretirement Survivor Continuance	41
2.51	Preretirement Survivor Income	41
2.52	Public Employees' Retirement System (PERS)	41
2.53	Refund of Accumulations	41
2.54	Regents and The Regents	41
2.55	Retired	42
2.56	Retirement Choice Program	42
2.57	Retirement Date	42
2.58	Retirement Income	43
2.59	Savings Choice Participant	43
2.60	Service Credit	44
2.61	Social Security Supplement	44

2.62	State Teachers' Retirement System (STRS).....	45
2.63	Tier Break in Service	45
2.64	Total Normal Cost.....	46
2.65	Trust.....	47
2.66	Trustee.....	47
2.67	2016 Tier Benefit	47
2.68	2013 Tier Benefit	47
2.69	University	47
2.70	University Contributions.....	47
ARTICLE 3	MEMBERSHIP	48
3.01	Membership	48
3.02	Classes of Members	49
3.03	Members with Coordinated Benefits.....	49
3.04	Members with Noncoordinated Benefits	50
3.05	Members with Tier Two Benefits	50
3.06	Members with Safety Benefits	50
3.07	Termination of Active Membership	50
3.08	Inactive Membership.....	51
ARTICLE 4	CONTRIBUTIONS.....	52
4.01	University Contributions.....	52
4.02	Member Contributions for Members with Coordinated Benefits	52
4.03	Member Contributions for Members with Noncoordinated Benefits	53
4.04	Member Contributions for Members with Tier Two Benefits.....	53
4.05	Member Contributions for Members with Safety Benefits.....	54
4.06	Crediting of Member Contributions	54
4.07	Cessation of Member Contributions	54
4.08	Rules Applicable Upon a Break in Service	55
ARTICLE 5	BENEFIT PROVISIONS FOR MEMBERS WITH COORDINATED BENEFITS.....	58
5.01	Scope	58
5.02	Effective Date	58
5.03	Eligibility.....	58
5.04	Service Credit	58

5.05	Early Retirement.....	74
5.06	Basic Retirement Income.....	75
5.07	Social Security Supplement.....	79
5.08	Retirement Income Offset.....	80
5.09	Section 415 Maximum Benefit.....	82
5.10	Strict Full Time Salary Plan	82
5.11	Adjustment to Highest Average Plan Compensation.....	83
5.12	Payment Options	84
5.13	Minimum Distribution Rule.....	86
5.14	Reappointment After Retirement.....	86
5.15	Reinstatement Provisions	86
5.16	Preretirement Survivor Income	89
5.17	Postretirement Survivor Continuance	92
5.18	Lump Sum Payments Upon Death	94
5.19	Disability Income.....	95
5.20	Benefit Guarantees.....	102
ARTICLE 6	BENEFIT PROVISIONS FOR MEMBERS WITH NONCOORDINATED BENEFITS	104
6.01	Scope	104
6.02	Effective Date	104
6.03	Eligibility.....	104
6.04	Service Credit.....	104
6.05	Early Retirement.....	120
6.06	Basic Retirement Income.....	121
6.07	Retirement Income Offset.....	125
6.08	Section 415 Maximum Benefit.....	127
6.09	Strict Full Time Salary Plan	127
6.10	Adjustment to Highest Average Plan Compensation.....	128
6.11	Payment Options	129
6.12	Minimum Distribution Rule.....	130
6.13	Reappointment After Retirement.....	131
6.14	Reinstatement Provisions	131
6.15	Preretirement Survivor Income	133
6.16	Postretirement Survivor Continuance	136
6.17	Lump Sum Payments Upon Death	137

6.18	Disability Income.....	139
ARTICLE 7	BENEFIT PROVISIONS FOR MEMBERS WITH TIER TWO BENEFITS	146
7.01	Scope	146
7.02	Effective Date	146
7.03	Eligibility.....	146
7.04	Tier Two Participation	146
7.05	Service Credit	147
7.06	Early Retirement.....	160
7.07	Basic Retirement Income.....	161
7.08	Section 415 Maximum Benefit.....	162
7.09	Strict Full Time Salary Plan	163
7.10	Adjustment to Highest Average Plan Compensation.....	163
7.11	Payment Options	164
7.12	Minimum Distribution Rule.....	165
7.13	Reappointment After Retirement	166
7.14	Reinstatement Provisions	166
7.15	Preretirement Survivor Income	167
7.16	Postretirement Survivor Continuance	168
7.17	Lump Sum Payments Upon Death	169
7.18	Disability Income.....	170
ARTICLE 8	BENEFIT PROVISIONS FOR MEMBERS WITH SAFETY BENEFITS.....	177
8.01	Scope	177
8.02	Effective Date	177
8.03	Eligibility.....	177
8.04	Service Credit	177
8.05	Early Retirement.....	194
8.06	Basic Retirement Income.....	194
8.07	Retirement Income Offset.....	195
8.08	Section 415 Maximum Benefit.....	197
8.09	Adjustment to Highest Average Plan Compensation.....	198
8.10	Payment Options	199
8.11	Minimum Distribution Rule.....	200
8.12	Reappointment After Retirement	200

8.13	Reinstatement Provisions	200
8.14	Preretirement Survivor Income for Death in the Course of Duty	202
8.15	Preretirement Survivor Income for Nonduty Death.....	203
8.16	Postretirement Survivor Continuance	206
8.17	Lump Sum Payments Upon Death	207
8.18	Duty Disability Income	208
8.19	Nonduty Disability Income	211
ARTICLE 9	COST OF LIVING ADJUSTMENT	218
9.01	Scope	218
9.02	Consumer Price Index	218
9.03	Cost of Living Adjustment.....	218
9.04	Ad Hoc Cost of Living Adjustment July 1, 1988.....	219
9.05	Ad Hoc Cost of Living Adjustment January 1, 1991	221
9.06	Ad Hoc Cost of Living Adjustment January 1, 2001	221
9.07	Ad Hoc Cost of Living Adjustment July 1, 2022.....	222
ARTICLE 10	CAPITAL ACCUMULATION CREDITS	224
10.01	Scope	224
10.02	Effective Date	224
10.03	Eligibility.....	224
10.04	Capital Accumulation Credits.....	226
10.05	Accrual Credits	226
10.06	Interest Credits	228
10.07	Nonforfeitability	228
10.08	Distribution Events.....	228
10.09	Capital Accumulation Payment.....	230
10.10	Death Benefits	230
10.11	Minimum Distribution Rule.....	231
10.12	Section 415 Maximum Benefit.....	231
10.13	Reinstatement Provisions	232
ARTICLE 11	ADMINISTRATION, REVISION, AND TERMINATION OF THE PLAN	233
11.01	Authorities.....	233
11.02	Payment of Benefits.....	234

11.03	Annual Report.....	234
11.04	Costs of Administration.....	235
11.05	Plan Fiduciaries	235
11.06	Claims Procedure	236
11.07	Claims Review Procedure	236
11.08	Correction of Errors	237
11.09	Communications Sent to Members.....	238
11.10	Revision and Termination of the Plan.....	238
ARTICLE 12	MISCELLANEOUS	239
12.01	Actuarial Valuation and Experience Investigation.....	239
12.02	Applicable Law.....	239
12.03	Elections and Designations	239
12.04	Service Rights.....	240
12.05	Duty to Provide Information	240
12.06	Prohibition Against Assignment.....	240
12.07	Domestic Relations Orders.....	240
12.08	Reciprocity	242
12.09	Concurrent Retirement	244
12.10	Unclaimed Benefits and Accumulations	245
ARTICLE 13	OTHER RETIREMENT PLANS	246
13.01	Scope	246
13.02	Deductions.....	246
13.03	University Contributions.....	247
13.04	Transfer to University of California Retirement Plan.....	247
ARTICLE 14	TRUST 248	
14.01	Establishment.....	248
14.02	Trustee.....	248
14.03	Title	249
14.04	Custody.....	249
14.05	Investment	249
14.06	Powers of Trustee.....	250
14.07	Valuation.....	252

14.08	Legal Actions	252
14.09	Resignation or Removal	252
14.10	Amendment or Termination	253

APPENDIX A 254

PHASED RETIREMENT 255

1.	Scope255	
2.	Required Membership	255
3.	Contributions	255
4.	Service Credit During Phased Retirement.....	256
5.	Retirement Income During Phased Retirement.....	256
6.	Full Retirement	257
7.	Retirement Income upon Full Retirement for Members with Coordinated Benefits.....	257
8.	Retirement Income upon Full Retirement for Members with Noncoordinated Benefits	258
9.	Retirement Income upon Full Retirement for Members with Tier Two Benefits.....	259
10.	Retirement Income upon Full Retirement for Members with Safety Benefits.....	260
11.	Disability During Phased Retirement	261
12.	Lump Sum Death Payments During Phased Retirement	261
13.	Preretirement Survivor Income During Phased Retirement.....	261
14.	Capital Accumulation Credits During Phased Retirement	262
15.	Retirement Acceleration Opportunity Program (RAOP)	262

APPENDIX B 266

VOLUNTARY EARLY RETIREMENT INCENTIVE PROGRAM-I

1.	Scope267	
2.	Eligibility.....	267
3.	Retirement Date.....	268
4.	Contributions	269
5.	Service Credit	269
6.	Death Benefit Not Affected	270
7.	Highest Average Plan Compensation (HAPC)	270
8.	Other Payments.....	270

APPENDIX C 272

VOLUNTARY EARLY RETIREMENT INCENTIVE PROGRAM-II 273

- 1. Scope 273
- 2. Eligibility 273
- 3. Retirement Date 274
- 4. Contributions 275
- 5. Service Credit 275
- 6. Death Benefit Not Affected 276
- 7. Highest Average Plan Compensation (HAPC) 276
- 8. Transition Assistance Payment 276
- 9. Benefit Limitations 276
- 10. Establishment of Service Credit 277
- 11. Plan Provisions 277
- 12. Noncontributory Service 277

APPENDIX D 278

VOLUNTARY EARLY RETIREMENT INCENTIVE PROGRAM-III 279

- 1. Scope 279
- 2. Eligibility 279
- 3. Retirement Date 281
- 4. Contributions 281
- 5. Age Credit and Service Credit 281
- 6. Death Benefit Not Affected 284
- 7. Highest Average Plan Compensation (HAPC) 284
- 8. Transition Assistance Payment 284
- 9. Benefit Limitations 285
- 10. Establishment or Reestablishment of Service Credit 285
- 11. Noncontributory Service 286
- 12. VERIP-III Provisions 286
- 13. Plan Provisions 286

APPENDIX F 287

UCSF STANFORD HEALTH CARE STAFF-PENSION PLAN TRANSFER 288

- 1. General Provisions 288

2.	Membership	289
3.	Eligibility	289
4.	Compensation and Service Credit	290
5.	Schedule A Participant	291
6.	Rules for Retirees and Former Members	291
7.	Beneficiaries	293
8.	Miscellaneous	293

APPENDIX G 294

SUPPLEMENTAL ALLOCATION OF SERVICE PROGRAM FOR CERTAIN EMPLOYEES 295

1.	Scope	295
2.	Eligibility for Supplemental Allocation of Service Program	295
3.	Allocation of Service Credit	296
4.	Special Appeals	296
5.	Service Credit Allocations and Purchases Shall Not Alter the Plan Entry Date	299
6.	Sunset Provision	299
7.	Finality	300

APPENDIX H 301

ACADEMIC SUPPLEMENTAL ALLOCATION OF SERVICE PROGRAM FOR CERTAIN ACADEMIC EMPLOYEES..... 302

1.	Scope	302
2.	Eligibility for Academic Supplemental Allocation of Service Program ...	302
3.	Allocation of Service Credit	304
4.	Special Appeals	304
5.	Service Credit Allocations and Purchases Shall Not Alter the Plan Entry Date	307
6.	Sunset Provision	307
7.	Finality and No Duplicative Service	307

APPENDIX I 309

UCSF STANFORD HEALTH CARE SUPPLEMENTAL ALLOCATION OF SERVICE PROGRAM 310

1.	Scope	310
2.	Eligibility for Supplemental Allocation of Service Program	310

3.	Allocation of Service Credit.....	312
4.	Special Appeals	313
5.	Service Credit Allocations and Purchases Shall Not Alter the Plan Entry Date 315	
6.	Sunset Provision.....	315
7.	Finality and No Duplicative Service	315

APPENDIX J 317

SUPPLEMENTAL ALLOCATION OF SERVICE PROGRAM FOR CERTAIN NON-SENATE INSTRUCTIONAL UNIT EMPLOYEES		318
1.	Scope318	
2.	Eligibility for Supplemental Allocation of Service Program for Non-Senate Instructional Unit Employees	318
3.	Allocation of Service Credit.....	320
4.	Special Appeals	320
5.	Service Credit Allocations and Purchases Shall Not Alter the Plan Entry Date 323	
6.	Sunset Provision.....	323
7.	Finality and No Duplicative Service	324

APPENDIX K 325

UCSF STANFORD HEALTH CARE RETIREMENT PLAN TRANSFERS		326
1.	Scope326	
2.	General Provisions	326
3.	Membership	327
4.	Eligibility.....	327
5.	Election to Purchase Service Credit	328
6.	Effect of Elective Purchase of Service Credit	329
7.	Rules for Retirees and Former Members	329
8.	Beneficiaries	330
9.	Miscellaneous	331

APPENDIX L 332

LOS ALAMOS NATIONAL LABORATORY TRANSITION.....		333
1.	Scope333	
2.	Definitions	333

3.	Plan Election.....	334
4.	Capital Accumulation Payment.....	335
5.	Service Credit	335
6.	Domestic Relations Orders.....	337
7.	Reappointed Retired Members.....	338
8.	Interim Benefit Payments.....	339
9.	Miscellaneous	341
	Exhibit L-1 Los Alamos National Laboratory Transition.....	342

APPENDIX M 344

	LAWRENCE LIVERMORE NATIONAL LABORATORY TRANSITION	345
1.	Scope.....	345
2.	Definitions	345
3.	Plan Election.....	346
4.	Capital Accumulation Payment.....	347
5.	Service Credit	348
6.	Domestic Relations Orders.....	349
7.	Concurrent Appointees	350
8.	Reappointed Retired Members.....	351
9.	Interim Benefit Payments.....	352
10.	Miscellaneous	354

APPENDIX N 355

	BENEFIT PROVISIONS FOR CERTAIN FACULTY WORKING UNDER AFFILIATION AGREEMENTS AT THE HOWARD HUGHES MEDICAL INSTITUTE AND THE LUDWIG INSTITUTE FOR CANCER RESEARCH	356
1.	Scope.....	356
2.	Definitions	356
3.	Qualified Effective Date of Membership	358
4.	Eligibility for Retirement Income or Lump Sum Cashout	358
5.	Highest Average Plan Compensation.....	358
6.	Modification To Final Salary	359
7.	Funding.....	359

APPENDIX O 360

ALTERNATIVE BENEFIT SCHEDULE FOR PRESIDENT YUDOF	361
1. Benefits Schedule.....	361
2. Application of UCRP Provisions	362
3. Funding.....	364
APPENDIX P	365
MEMBER CONTRIBUTIONS	366
Contribution Rates for Policy-Covered Members	367
Contribution Rates for Represented Members	368
APPENDIX Q	386
UCSF BENIOFF CHILDREN’S HOSPITAL OAKLAND AFFILIATION.....	387
APPENDIX R	388
COLLECTIVE BARGAINING UNIT PARTICIPATION IN THE RETIREMENT CHOICE PROGRAM (“THE PROGRAM”).....	389
1. Scope.....	389
2. Collective Bargaining Units Participating in the Retirement Choice Program.....	390
3. Collective Bargaining Units Not Participating in the Retirement Choice Program.....	391
4. Collective Bargaining Units Formerly Participating in the Retirement Choice Program.....	393
APPENDIX S	394
VESTING CREDIT FOR PRIOR UCRP SERVICE FOR PRESIDENT DRAKE	395

UNIVERSITY OF CALIFORNIA RETIREMENT PLAN

ARTICLE 1 EFFECTIVE DATE, SCOPE, AND PURPOSE

1.01 EFFECTIVE DATE

The University of California Retirement Plan (Plan) became effective July 1, 1971. It is revised as of July 1, 2024 except where a different date is specifically noted.

1.02 SCOPE

The provisions set forth in this Plan are applicable only to Eligible Employees of the University and its affiliate, UC Law San Francisco, on or after its Effective Date.

1.03 PURPOSE

The primary purpose of this Plan is to provide retirement income to Eligible Employees of the University of California and their beneficiaries. The Plan is created and maintained for their exclusive benefit and is intended to be permanent and ongoing. The Regents, however, reserve the right to amend or terminate the Plan at any time in accordance with Section 11.10.

ARTICLE 2 DEFINITIONS

2.01 ACCRUAL CREDITS

Accrual Credits mean the amount allocated to eligible Members in accordance with Section 10.05.

2.02 ACCRUAL DATE

Accrual Date means the date on which eligible Members receive Accrual Credits in accordance with Section 10.05.

2.03 ACCUMULATIONS

Accumulations mean the total amount of Member Contributions, if any, plus interest credited in accordance with Section 4.06, attributed to a Member, less:

- (a) one-half of the amount of all payments of Preretirement Survivor Income or Disability Income, if any (and if not previously deducted),
- (b) the total amount of Retirement Income paid, if any, and
- (c) With respect to a Multi-tier Member, the amount of a Lump Sum Cashout attributable to the Member's 1976 Tier Benefit and the Member's Modified 2013 Tier Benefit, if any.

[Also see related UCRP Regulation 2.03]

2.04 ACTIVE MEMBER

Active Member means an Eligible Employee who participates in the Plan in accordance with Article 3, including an Eligible Employee who is on sabbatical leave or other approved leave of absence.

2.05

ACTUARIAL EQUIVALENCE BASIS

Actuarial Equivalence Basis refers to the set of actuarial assumptions established from time to time by the Regents to be used for calculating benefit payment options under the Plan. These actuarial assumptions include:

- (a) For Retirement Dates occurring July 1, 2020 or later:
 - (i) discount rate: 6.75%;
 - (ii) mortality:
 - a. Members: Pub-2010 Healthy Teacher Amount-Weighted Above-Median Mortality Table, multiplied by 95% for males and 105% for females, projected 20 years (from 2010) with the two-dimensional mortality improvement scale MP-2018, weighted 40% male and 60% female;
 - b. Eligible Survivor or Contingent Annuitant: Pub-2010 Contingent Survivor Amount-Weighted Above-Median Mortality Table multiplied by 100% for males and 90% for females, projected 20 years (from 2010) with the two-dimensional mortality improvement scale MP-2018, weighted 60% male and 40% female;
 - (iii) future cost of living adjustments: 2.0% per year;
- (b) For Retirement Dates occurring July 1, 2016 through June 30, 2020:
 - (i) discount rate: 7.25%;
 - (ii) mortality: the RP-2014 White Collar Healthy Annuitant Mortality Tables for Males and Females projected with the two-dimensional MP2014 projection scale to 2029 with ages set forward one year and weighted 40% of the table for males and 60% of the table for females for a Member, and weighted 60% of the table for males and 40% of the table for females for an Eligible Survivor or a Contingent Annuitant;
 - (iii) future cost of living adjustments: 2.0% per year;
- (c) For Retirement Dates occurring July 1, 2012 through June 30, 2016:
 - (i) discount rate: 7.5%;
 - (ii) mortality: the RP-2000 Combined Healthy Mortality Tables for Males and Females projected with scale AA to 2025 with ages set

back two years and weighted 40% of the table for males and 60% of the table for females for a Member, and weighted 60% of the table for males and 40% of the table for females for an Eligible Survivor or a Contingent Annuitant;

(iii) future cost of living adjustments: 2.0% per year;

(d) For Retirement Dates occurring July 1, 2004 through June 30, 2012:

(i) discount rate: 7.5%;

(ii) mortality: the 1994 Group Annuity Reserving Table for Males with ages set back three years for a Member and ages set back five years for an Eligible Survivor or Contingent Annuitant;

(iii) future cost of living adjustments: 2.0% per year;

(e) For Retirement Dates occurring prior to July 1, 2004:

(i) discount rate: 7.5%;

(ii) mortality: the 1983 Group Annuity Table with ages set back four years for the Member and set back six years for the Eligible Survivor or Contingent Annuitant;

(iii) future cost of living adjustments: 2.0% per year.

[Also see related UCRP Regulation 2.05]

2.06

ACTUARIALLY EQUIVALENT

Actuarially Equivalent means benefits and payment options, the actuarial present values of which are equal. Actuarial present values shall be determined using the Actuarial Equivalence Basis.

2.07

BASIC RETIREMENT INCOME

Basic Retirement Income means the monthly amount of Retirement Income payable to a Retired Member for life as provided by Sections 5.06, 6.06, 7.07, or 8.06.

2.08

BENEFICIARY

Beneficiary means the person or persons designated by a Member to receive a lump sum payment, if any, or the Capital Accumulation Payment as provided by the Plan upon the death of the Member. A person so

designated shall continue to be a Beneficiary under this Plan until that designation is changed or ceases to be effective because the Beneficiary predeceases the Member.

If the Member does not name a Beneficiary or if the designation of Beneficiary is no longer effective, the person or persons (on a share and share alike basis) in the first of the following categories in which there is a survivor shall be the Beneficiary:

- (a) legal spouse or Domestic Partner of the Member;
- (b) child or children, including adopted child or children, of the Member (child or children of a deceased child shall take the share of such child by representation);
- (c) parent or parents of the Member;
- (d) effective January 1, 2004, sibling or siblings of the Member.

If there is no such survivor, any lump sum death payment or the Capital Accumulation Payment shall be paid to the Member's estate.

[Also see related UCRP Regulation 2.08]

2.09

BREAK IN SERVICE

Except as provided in subsection (b), *Break in Service* means the date on which an event described in subsection (a) occurs:

- (a) (i) any separation from service;
 - (ii) any period on pay status but without Covered Compensation; or
 - (iii) any period off pay status for four or more consecutive months.
- (b) A Break in Service is deemed not to have occurred if an Active Member:
 - (i) returns to pay status from an approved leave of absence without pay;
 - (ii) is on a temporary layoff of less than four consecutive months;
 - (iii) returns to pay status from a furlough;
 - (iv) returns to pay status during a period of right to recall and preference for reemployment;
 - (v) returns to pay status on the next working day following a separation of service;
 - (vi) returns to pay status from a medical separation within the allowable time under applicable University policy; or

(vii) is on a temporary layoff related to an approved President-designated COVID-19 workforce action, provided the temporary layoff does not exceed twelve consecutive months and concludes on or before June 30, 2022.

2.10

CAPITAL ACCUMULATION CREDITS

Capital Accumulation Credits mean the total amount of Accrual Credits plus Interest Credits received in accordance with Sections 10.05 and 10.06 respectively, attributed to a Member.

2.11

CAPITAL ACCUMULATION PAYMENT

Capital Accumulation Payment means the lump sum payment equal to the total value of a Member's Capital Accumulation Credits payable in accordance with Sections 10.08, 10.09 and 10.10.

2.12

CONTINGENT ANNUITANT

Contingent Annuitant means the person named by an Active, Inactive, or Disabled Member to receive Retirement Income under the terms of a payment option as provided by Articles 5, 6, 7, or 8.

2.13

COVERED COMPENSATION

Covered Compensation means the total monthly remuneration which an Active Member receives from the University for a regular and normal appointment, whether on a 9-month, 10-month, 11-month, or annual basis, including remuneration received while on sabbatical leave or other approved leave of absence with pay.

The following are not Covered Compensation:

(a) overtime payments except payment in the form of compensatory time off.

For purposes of this Section, "overtime payment" means any remuneration, including a premium payment, that is not a part of compensation for a regular and normal appointment.

(b) compensation for correspondence, summer session, intersession, and for interquarter or vacation periods and University Extension courses

unless such employment constitutes a part of an annual or indefinite appointment.

- (c) remuneration related to a position which is not normally full time except remuneration paid on a salary or hourly rate basis.
- (d) remuneration that exceeds 100% of the salary or hourly pay rate on a regular and normal basis for the position to which an Active Member has been appointed.
- (e) compensation received in excess of the appropriate fiscal year base salary scale through negotiated arrangements.
- (f) compensation received in excess of the appropriate fiscal year base salary scale for patient care or other professional services.
- (g) compensation that exceeds established base pay rates, including nonelective deferred compensation, honoraria, and consulting fees.
- (h) effective July 1, 2016, compensation for a Plan Year (or such other consecutive 12-month period over which compensation is otherwise determined under the Plan) that exceeds the PEPRRA Maximum that is received by an Active Member who is first hired on or after July 1, 2016, provided, however, that this subsection (h) shall not apply to an Active Member who is first hired on or after July 1, 2016
 - (1) while he or she is a represented employee in a bargaining unit that is not participating in the Retirement Choice Program as set forth in Appendix R, Section 2(a); or
 - (2) who is eligible for UCRP/CalPERS reciprocity and whose initial CalPERS membership date is prior to January 1, 2013, as further described in Plan Regulations.
- (i) effective July 1, 2016, compensation for a Plan Year (or such other consecutive 12-month period over which compensation is otherwise determined under the Plan) that exceeds the PEPRRA Maximum that is received by an Active Member who was first hired before July 1, 2016 and who was neither a Member nor a Safe Harbor Employee (as defined under the DC Plan) prior to that date, unless an exception as described in subsection (h) applies.
- (j) effective July 1, 2016, compensation received as an active Savings Choice Participant for a Plan Year.
- (k) except as provided by law:

- (i) compensation for a Plan Year to an Eligible Employee who first becomes an Active Member on or after July 1, 1994, which exceeds the annual compensation limit (for that Plan Year or such other consecutive 12-month period over which compensation is otherwise determined under the Plan) as set forth in Section 401(a)(17)(A) of the Internal Revenue Code as follows:
 - (A) For years prior to July 1, 2002, the \$150,000 limit added by the Omnibus Budget Reconciliation Act of 1993 (OBRA '93), and
 - (B) Thereafter, the \$200,000 limit added by the Economic Growth and Tax Relief and Reconciliation Act of 2001,in each case, as adjusted for cost of living increases in accordance with Section 401(a)(17)(B) of the Internal Revenue Code, and
 - (C) For Plan Years ending on or before June 30, 1997, compensation (from the University) of any Active Member who is one of the ten most highly paid highly compensated employees (as defined in Section 414(q)) of the Internal Revenue Code during the Plan Year ("First Member") shall be aggregated with the compensation (from the University) of any Active Member who has not attained age 19 and is a lineal descendant of the First Member and any Active Member who is the spouse of the First Member. In any case in which such aggregation would produce compensation in excess of the maximum compensation limitation, the amount of the First Member's compensation that is considered under the Plan shall be reduced until the maximum compensation limitation is met.
- (ii) compensation for a Plan Year to an Eligible Employee who first becomes an Active Member before July 1, 1994, which exceeds the greater of the following limits applicable to that Plan Year:
 - (A) the annual compensation limit as set forth in Section 401(a)(17)(A) of the Internal Revenue Code prior to amendment by OBRA '93, as adjusted for cost of living increases in accordance with Section 401(a)(17)(B) of the Internal Revenue Code prior to amendment by OBRA '93; or
 - (B) effective July 1, 1994, the amount described in (i) above.
- (l) payments received as uniform allowance except if included as part of compensation for a regular and normal appointment.

(m) housing allowance commencing with January, 1994 earnings.

[Also see related UCRP Regulation 2.13]

2.14

DC PLAN

Defined Contribution Plan means the University of California Defined Contribution Plan as in effect July 1, 2016 and as subsequently amended.

2.15

DIRECT ROLLOVER

Direct Rollover means any amount of an Eligible Rollover Distribution made on or after January 1, 1993, which is paid directly to an Eligible Retirement Plan in accordance with Plan Regulations.

2.16

DISABILITY DATE

Disability Date means the first day for which Disability Income is payable to a Disabled Member as provided by Sections 5.19(a), 6.18(a), 7.18(a), 8.18(a), or 8.19(a).

2.17

DISABILITY INCOME

Disability Income means the monthly payments to a Disabled Member as provided by Sections 5.19, 6.18, 7.18, 8.18, or 8.19.

2.18

DISABLED MEMBER

Disabled Member means a former Active Member who is eligible for and receives Disability Income as provided by Articles 5, 6, 7, or 8.

2.19

DOMESTIC PARTNER

Domestic Partner means an individual with respect to whom the following requirements are met:

(a) Such individual is designated as a Domestic Partner of a Member by one of the following methods:

- (i) Effective July 1, 2002, with respect to an Active, Disabled, or Inactive Member,
 - (A) the domestic partnership of such individual and Member is registered with the State of California, and a copy of the applicable valid State registration form(s) is filed with the Plan Administrator, or
 - (B) a valid Declaration of Domestic Partnership, University of California Retirement Plan, or such other form as required by the Plan Administrator, is filed with the Plan Administrator by the Member together with supporting documentation that demonstrates the existence of the domestic partnership of such individual and the Member at the time of filing in accordance with the Plan Regulations; or
 - (ii) Effective January 1, 2005, with respect to an Active, Disabled, or Inactive Member, the domestic partnership of such individual and the Member is a same-sex domestic partnership validly formed in another jurisdiction that is substantially equivalent to a State of California-registered domestic partnership, as determined by the Plan Administrator in the Plan Administrator's sole discretion and to the extent required by California law, and a copy of the applicable registration form(s) is filed with the Plan Administrator; or
 - (iii) Effective January 1, 2005, the domestic partnership of such individual and a Retired Member who retired prior to July 1, 2002 satisfies the requirements for the specific purposes set forth in the Plan Regulations; or
 - (iv) Effective January 1, 2019, with respect to an Active, Disabled, or Inactive Member, the domestic partnership of such individual and the Member is an opposite-sex domestic partnership validly formed in another jurisdiction that is substantially equivalent to a State of California-registered domestic partnership, as determined by the Plan Administrator in the Plan Administrator's sole discretion and to the extent required by California law, and a copy of the applicable registration form(s) is filed with the Plan Administrator.
- (b) An individual shall not be recognized as a Domestic Partner of a Member for purposes of the Plan unless:

- (i) the applicable form(s) confirming the existence of the domestic partnership is filed with the Plan Administrator prior to the Member's Retirement Date, or
- (ii) if the Member dies prior to his or her Retirement Date and prior to filing a form that establishes the existence of the Member's domestic partnership, the individual submits the State of California registration form described in Section 2.19(a)(i)(A) or the registration form of an outside jurisdiction described in Section 2.19(a)(ii) with the Plan Administrator at the Member's death to confirm the pre-death existence of their domestic partnership.

The filing of any form or documentation with the Plan Administrator under this Section 2.19 shall be subject to the requirements set forth in the Plan Regulations. The Plan Administrator may add additional requirements or procedures for establishing an individual as a Domestic Partner of a Member in the Plan Regulations. An individual shall not be a Domestic Partner unless such requirements are satisfied with respect to such person.

- (c) An individual designated under Section 2.19(a)(i)(B), above shall be deemed a Member's Domestic Partner as of the date the requirements of such subparagraph are satisfied or, if earlier, the date established by the supporting documentation at the time the Declaration is filed with the Plan Administrator, and at all times thereafter provided:
 - (i) Each is the other's sole Domestic Partner in a long-term, committed relationship and intends to remain so indefinitely,
 - (ii) Neither is legally married, nor related by blood to a degree of closeness that would prohibit legal marriage in the State of California,
 - (iii) Each is age 18 or older and capable of consenting to the relationship,
 - (iv) The Member and the individual share a common residence, and
 - (v) The Member and the individual are financially interdependent.

An individual designated under Section 2.19(a)(i)(A) or Section 2.19(a)(ii) above shall be deemed a Member's Domestic Partner as of the date such partnership is registered with the State of California or validly formed in another jurisdiction, as applicable, and at all times thereafter until such partnership is terminated, dissolved or adjudged a nullity.

[Also see related UCRP Regulation 2.19]

2.20

ELIGIBLE CHILD

Eligible Child means the biological child, adopted child, or stepchild of a deceased Active Member, Disabled Member, or deceased Retired Member, or the child of the Domestic Partner of a deceased Active Member, Disabled Member, or deceased Retired Member, provided the child was receiving significant support from such Member for the one-year period preceding the first of the following events to occur: the Member's date of death, Disability Date, or Retirement Date, and provided further the child is:

- (a) under the age of 18;
- (b) under the age of 22 and attending an educational institution on a full time basis; or
- (c) disabled while qualified under (a) or (b) as an Eligible Child for as long as the disability continues.

The one-year support requirement shall not apply to the biological child of such Member provided the child is born following the Member's Disability Date or within 10 months following the death of an Active or Disabled Member, or less than one year before such Member's date of death, Disability Date, or Retirement Date. In addition, the one-year support requirement shall not apply to the adopted child of such Member, provided the adoption was finalized following the Disability Date, or as of the date of death of an Active or Disabled Member, or less than one year before such Member's date of death, Disability Date or Retirement Date.

For purposes of this Section, the following terms are defined:

- "*stepchild*" means the biological or adopted child of the spouse of a deceased Active Member, Disabled Member, or deceased Retired Member, who was residing with or in the care of such Member immediately before the Member's date of death, Disability Date, or Retirement Date, and who received significant support from such Member for the year preceding the first of the following events: the date of death, Disability Date, or Retirement Date.
- "*significant support*" means support for 50% or more of the costs related to housing, clothing, meals, health care, and education.
- "*disabled child*" is defined in Plan Regulations.
- "*child of the Domestic Partner*" means the biological or adopted child of the Domestic Partner of a deceased Active Member, Disabled Member, or deceased Retired Member, who was residing with or in the care of such *Member* immediately before the

Member's date of death, Disability Date, or Retirement Date, and who received significant support from such Member for the year preceding the first of the following events to occur: the date of death, Disability Date, or Retirement Date.

[Also see related UCRP Regulation 2.20]

2.21

ELIGIBLE DEPENDENT PARENT

Eligible Dependent Parent means the biological or adoptive mother or father of a deceased Active Member, Disabled Member, or Retired Member, over one-half of whose support for the one-year period immediately preceding the date of death, Disability Date, or Retirement Date was received from such deceased Member. Dependent Parent status shall cease as of the date the parent becomes self supporting.

For purposes of this Section, "self supporting" means the ability or capacity to financially maintain oneself.

2.22

ELIGIBLE DOMESTIC PARTNER

Eligible Domestic Partner means the individual who was the Domestic Partner of a deceased Active Member or Disabled Member for at least the entire one year period immediately preceding such Member's date of death, and who:

- (a) has care of an Eligible Child; or
- (b) is disabled; or
- (c) is or attains age 60.

If a Domestic Partner has care of an Eligible Child who is the biological child of such Member, the aforementioned requirement that the Domestic Partner be the Member's Domestic Partner for the entire one- year period immediately preceding the date of such Member's death is waived indefinitely as long as the child is an Eligible Child.

For purposes of this Section, "disabled Domestic Partner" means a Member's Domestic Partner who has a medically determinable physical or mental impairment which prevents him or her from engaging in substantial gainful activity, as determined by the Plan Administrator in accordance with Plan Regulations.

[Also see related UCRP Regulation 2.22]

2.23

ELIGIBLE EMPLOYEE

Eligible Employee means an officer or employee of the University or its affiliate, UC Law San Francisco, who satisfies the requirements of subsection (a), (b), or (c) below and is not excluded under clauses (i) through (ix) below:

- (a) is appointed to work 50% time or more on a fixed or variable percent of time basis for an indefinite period, for a definite period of one year or longer, or for a shorter definite period with the reasonable prospect of renewal or extension of such appointment, as determined in accordance with Plan Regulations;
- (b) is an employee not described in subsection (a) above or (c) below who accumulates 1,000 hours of employment while on pay status in a 12-month period. In determining whether an employee has accumulated 1,000 hours in a 12-month period, the University shall consider all hours of employment accumulated during the preceding 12-month period except (i) hours of employment accumulated before January 1, 2001 (ii) hours accumulated by a rehired Retired Employee or Retired Member prior to his or her Retirement Date and (iii) hours accumulated by a rehired Savings Choice Participant prior to his or her retirement date as described within the Group Insurance Regulations for retirees. An employee shall become an Eligible Employee under this Section 2.23(b) effective no later than the first day of the month following the month in which the employee accumulates 1,000 hours of employment on pay status within a 12-month period; or
- (c) is an employee not described in subsection (a) or (b) above who accumulates 750 hours of employment in a Non-Senate Instructional Unit (NSI) title while on pay status in a 12-month period. In determining whether an employee has 750 hours in a 12-month period, the University shall consider all hours of employment during the preceding 12-month period except (i) hours of employment accumulated before January 1, 2004 (ii) hours accumulated by a rehired Retired Employee or Retired Member prior to his or her Retirement Date and (iii) hours accumulated by a rehired Savings Choice Participant prior to his or her retirement date as described within the Group Insurance Regulations for retirees. An employee shall become an Eligible Employee under this Section 2.23(c) effective no later than the first day of the month following the month in which the employee accumulates 750 hours of employment on pay status within a 12-month period.

However, except as provided in Section 3.01(e), an employee in one of the following categories is not an Eligible Employee:

- (i) an individual who is not classified by the University in its discretion as an employee under Section 3121(d) of the Internal Revenue Code (including, but not limited to, an individual classified by the University as an independent contractor or independent consultant or non-employee consultant) and an individual who is classified by the University, in its discretion, as an employee of any entity other than the University or its affiliate, UC Law San Francisco, does not meet the definition of Eligible Employee and is ineligible for benefits under the Plan, even if the classification by the University is determined to be erroneous, or is retroactively revised. For the purpose of the preceding sentence an individual shall be treated as not “classified as an employee” for any period if the payments to that individual by the University for services are not initially treated by the University as subject to the federal withholding taxes and reporting obligations that apply to payments of “wages” to employees under Section 3121(d) of the Internal Revenue Code. The foregoing sets forth a clarification of the intention of the University regarding participation in the Plan for any Plan Year, including Plan Years prior to the amendment of this definition of “Eligible Employee”;
- (ii) any employee who is classified or appointed as a floater;
- (iii) any employee appointed under a per diem classification which specifically exempts such position from the status of Eligible Employee;
- (iv) an employee who is hired on or after August 1, 1989 as a Visiting appointee;
- (v) an employee who is appointed as a Regents’ Professor or Regents’ Lecturer;
- (vi) an employee who is at the University primarily for purposes of obtaining an education or training;
- (vii) an employee who receives remuneration under a special compensation plan but who receives no Covered Compensation;
- (viii) an employee who is a contributing member of another defined benefit retirement plan to which the University contributes; or

(ix) prior to January 1, 2009, a rehired Retired Member who elects to waive future eligibility and accruals under the Plan (including Service Credit).

Upon reappointment following a Break in Service, an employee, including a rehired Retired Employee, a Retired Member whose receipt of Retirement Income is suspended, or a Savings Choice Participant who elected to enroll in or suspend insurance coverage offered through UC under the Group Insurance Regulations for retirees, shall be an Eligible Employee if the employee is described in Section 2.23(a)-(c) above and not in a category indicated in (i) through (ix).

[Also see related UCRP Regulation 2.23]

2.24

ELIGIBLE RETIREMENT PLAN

Eligible Retirement Plan means:

- (a) a qualified trust described in Section 401(a) of the Internal Revenue Code;
- (b) a tax-deferred arrangement described in Section 403(b) of the Internal Revenue Code (other than an endowment contract);
- (c) an eligible plan under Section 457(b) of the Internal Revenue Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state; provided that effective July 1, 2011, such plan provides that it will separately account for amounts transferred or rolled over into such plan from an Eligible Retirement Plan other than a plan described in this subsection (c);
- (d) an individual retirement account described in Section 408(a) of the Internal Revenue Code;
- (e) an individual retirement annuity described in Section 408(b) of the Internal Revenue Code;
- (f) an annuity plan described in Section 403(a) of the Internal Revenue Code; and
- (g) effective January 1, 2008, a Roth IRA subject to the requirements established in Section 408A(b) of the Internal Revenue Code, that accepts an Eligible Rollover Distribution.

2.25

ELIGIBLE ROLLOVER DISTRIBUTION

Eligible Rollover Distribution means a distribution from this Plan other than:

- (a) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Member or the joint lives (or joint life expectancies) of the Member and the Member's Contingent Annuitant or person eligible for the Postretirement Survivor Continuance or for a specified period of ten years or more;
- (b) any distribution made in accordance with the Minimum Distribution Rule described in Section 2.38; and
- (c) any other distribution that applicable law does not permit to be rolled over.

An Eligible Rollover Distribution is only payable to a Member, surviving spouse, spouse or former spouse who is the alternate payee under a qualified domestic relations order, or to an Eligible Retirement Plan as specified by such aforementioned person.

Effective for distributions made on and after January 1, 2007, if a Direct Rollover is made to an Eligible Retirement Plan described in Section 2.24(d) or Section 2.24(e) (and, for distributions made on and after January 1, 2008, Section 2.24(g)) established to receive the distribution on behalf of a designated nonspouse Beneficiary, such plan will be treated as an inherited retirement plan, and the amount transferred will be treated as an Eligible Rollover Distribution for the purposes described in Section 402(c) of the Internal Revenue Code.

2.26

ELIGIBLE SPOUSE

Eligible Spouse means the widow or widower of a deceased Active Member or Disabled Member who was married to such Member for at least the entire one-year period immediately preceding the Member's date of death, and who:

- (a) has care of an Eligible Child; or
- (b) is disabled; or
- (c) is or attains age 60, except that a widow of such Member who became a Member before October 19, 1973, and who did not elect to become

a Member with Coordinated Benefits, shall be eligible upon attainment of age 50, if married to the Member before October 19, 1973.

If a spouse has care of an Eligible Child who is the biological child of such Member, the one year marriage requirement is waived indefinitely as long as the child is an Eligible Child.

For the purposes of this Section, "disabled spouse" means a medically determinable physical or mental impairment which prevents the person from engaging in substantial gainful activity, as determined by the Plan Administrator in accordance with Plan Regulations.

[Also see related UCRP Regulation 2.26]

2.27

ELIGIBLE SURVIVOR

Eligible Survivor means an Eligible Child, Eligible Dependent Parent, Eligible Spouse, or Eligible Domestic Partner.

2.28

FINAL SALARY

Final Salary means the monthly Full Time Equivalent Compensation of an Active Member on the date of death or Disability Date (or if higher, on the Member's separation date). However, for an Active Member who has not worked full time in a regular and normal appointment, whether on a 9-month, 10-month, 11-month, or annual basis, during the last 12 months of continuous service preceding such date, Full Time Equivalent Compensation shall be adjusted for the average percent of time on pay status during the last 36 months of continuous service preceding such date, or during the total period of employment if less.

The percent of time on pay status shall be determined without regard to the reduction in compensation paid to a Member on account of sabbatical leave, extended sick leave, a medically determinable physical or mental condition (which causes the Member to apply for Disability Income), participation in the Time Reduction Incentive Plan (a temporary workforce reduction program in the 1992 to 1995 Plan Years), participation in the Staff and Academic Reduction in Time (START) program or the 2009-2010 Furlough/Salary Reduction Plan, participation in an approved President-designated COVID-19 workforce action between July 1, 2020 through June 30, 2022, all three of which are further described in Sections 5.04(a), 6.04(a), 7.05(a), 8.04(a) or participation in an approved

rehabilitation program. Months while on an approved leave of absence without pay shall not be included in the 36 month period; thus months before and after an approved leave of absence without pay shall be deemed continuous for the purpose of determining the 36 continuous month period, or total period of employment if less.

[Also see related UCRP Regulation 2.28]

2.29

FULL TIME

Full Time means 100% of the amount of time considered the normal or standard amount for working during a pay period.

2.30

FULL TIME EQUIVALENT COMPENSATION

Full Time Equivalent Compensation for a year means:

- (a) 100% of the Covered Compensation which a Member other than a Member in (b) or (c) below would earn if employed on a full time basis; or
- (b) 100% of the Covered Compensation which a faculty Member with a 9-month, 10-month, or 11-month appointment would earn if paid at the full time rate for the respective appointment; or
- (c) Effective August 1, 1992, 100% of the Covered Compensation which a staff Member with a 9-month, 10-month, or 11-month partial year appointment would earn if paid at the full time rate for the respective appointment;

provided that, except as provided by law, the Full Time Equivalent Compensation for any Plan Year shall not exceed the annual limit set forth in Section 2.13(k).

Full Time Equivalent Compensation for each month during a year means one-twelfth of the amount described above for a year.

2.31

HIGHEST AVERAGE PLAN COMPENSATION (HAPC)

Highest Average Plan Compensation (HAPC) means the highest average monthly Full Time Equivalent Compensation, including any applicable stipends, of an Active Member, Inactive Member, or Disabled Member during 36 continuous months as an Active Member of the Plan, or the actual period as an Active Member, if less. Months before and after an

approved leave of absence without pay or a period of Inactive Membership shall be deemed continuous for the purpose of determining the 36 continuous month period. Months while on an approved leave without pay shall not be included in the 36 month period unless Service Credit has been established in accordance with Sections 5.04(d), 6.04(d), 7.05(d), or 8.04(e).

Effective August 1, 1992, Highest Average Plan Compensation shall be determined without regard to the reduction in Covered Compensation paid to a Member on account of participation in the Time Reduction Incentive Plan (a temporary workforce reduction program in the 1992 to 1995 Plan Years).

Highest Average Plan Compensation shall be determined without regard to the reduction in Covered Compensation paid to a Member on account of participation in the Staff and Academic Reduction in Time (START) program or the 2009-2010 Furlough/Salary Reduction Plan, both of which are further described in Sections 5.04(a), 6.04(a), 7.05(a), 8.04(a).

Highest Average Plan Compensation shall be determined without regard to the reduction in Covered Compensation paid to a Member on account of participation in an approved President-designated COVID-19 workforce action for a Member whose Retirement Date occurs i) within 120 days of separation from service and ii) on or after July 1, 2020 and no later than November 1, 2025.

Notwithstanding Section 2.13(k)(i)(A), for an Eligible Employee who first becomes an Active Member on or after July 1, 1994 and separates with a Service Credit accrual on or after July 1, 2002, the annual compensation limit of \$200,000 established by the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA '01) will also apply to Full Time Equivalent Compensation for months prior to July 1, 2002 for purposes of calculating Highest Average Plan Compensation as permitted by EGTRRA '01 and in accordance with Plan Regulations. This paragraph does not apply for purposes of Article 10.

The Highest Average Plan Compensation shall be adjusted as described in Sections 5.11, 6.10, 7.10, 8.09, Appendix A Section 15(f), Appendix B Section 7, Appendix C Section 7, or Appendix D Section 7, in determining Retirement Income.

[Also see related UCRP Regulation 2.31]

2.32

INACTIVE MEMBER

Inactive Member means a person who was once an Active Member and who upon a Break in Service is eligible for Inactive Membership in accordance with Section 3.08.

2.33

INTEREST CREDITS

Interest Credits mean the amount allocated to eligible Members in accordance with Section 10.06.

2.34

LUMP SUM CASHOUT

Lump Sum Cashout means the single sum payment option that may be elected as described in Section 4.08(c) that is Actuarially Equivalent to a Member's Basic Retirement Income. A Member may elect a Lump Sum Cashout based on such Member's 1976 Tier Benefit, Modified 2013 Tier Benefit, Safety Benefit, and Tier Two Benefit.

A Lump Sum Cashout includes the assumed cost of living adjustments that would have been payable if the Member instead had elected Retirement Income.

Effective for a cashout date occurring April 1, 1999 or later, the election to receive a Lump Sum Cashout is irrevocable as of the later of the cashout date, or 15 days following the date of the Plan Administrator's confirmation letter notifying the Member of the receipt of the Member's election. The "cashout date" is the date selected by the Member on the election form, which is the date as of which the benefit is calculated. The cashout date may not be earlier than the day following a Member's separation from University service or the first day of the month in which the Member's application is received by the Plan Administrator, whichever is later.

[Also see related UCRP Regulation 2.34]

2.35

MEMBER

Member means an Active Member, Disabled Member, Inactive Member, or Retired Member.

2.36

MEMBER CONTRIBUTIONS

Member Contributions mean the contributions, if any, of an Active Member to the Plan and predecessor plans.

All contributions to the Plan on or after July 1, 1983, except as otherwise specifically provided, shall be made on a pretax basis in accordance with Section 414(h) of the Internal Revenue Code and are deemed to be employer pickup contributions.

2.37

MEMBER TIERS

Member Tiers means the four Member Tiers established within the Classes of Members with Coordinated Benefits and Members with Noncoordinated Benefits effective July 1, 2016. Service Credit accrued within a specific Member Tier determines certain additional terms that apply to the benefit attributable to such Service Credit.

- (a) Service Credit accrued by a Member with Coordinated Benefits or a Member with Noncoordinated Benefits before July 1, 2013 is deemed to have been accrued in the 1976 Tier. If the Member continues as an Eligible Employee after June 30, 2013, such Member shall continue to accrue Service Credit in the 1976 Tier unless the Member incurs a Tier Break in Service.
- (b) Service Credit accrued by a Member with Coordinated Benefits or by a Member with Noncoordinated Benefits on or after July 1, 2013, other than a Member described in subsection (c) or (d) below, is deemed to have been accrued in the 2013 Tier if accrued by
 - (i) an Eligible Employee who first becomes a Member with Coordinated Benefits or a Member with Noncoordinated Benefits on or after July 1, 2013, or
 - (ii) a Member with Coordinated Benefits or a Member with Noncoordinated Benefits who returns to University employment as an Eligible Employee following a Tier Break in Service that occurs on or after July 1, 2013.
 - (iii) If the Member continues as an Eligible Employee after June 30, 2016, such Member shall continue to accrue Service Credit in the 2013 Tier unless the Member incurs a Tier Break in Service.

- (c) Service Credit accrued by a Member with Coordinated Benefits or by a Member with Noncoordinated Benefits on or after July 1, 2013 is deemed to have been accrued in the Modified 2013 Tier if accrued by
- (i) an Eligible Employee who first becomes a Member with Coordinated Benefits or a Member with Noncoordinated Benefits on or after July 1, 2013, or
 - (ii) a Member with Coordinated Benefits or a Member with Noncoordinated Benefits who returns to University employment as an Eligible Employee following a Tier Break in Service that occurs on or after July 1, 2013, provided that
 - (iii) a Member is represented by any of the following collective bargaining units: HX (Health Care Professionals), HA (College Services Unit - UC Law San Francisco), K7 (Santa Cruz Skilled Craft), NX (Registered Nurses), RX (Research Support Professionals), and TX (Technical), or
 - (iv) a Member that is represented by the EX (Patient Care Technical) or SX (Service) collective bargaining unit, except if they became a Member in accordance with Section 3.01(b), in which case the Service Credit accrued shall be in accordance with subsection (d), but only for the time period in which the EX and SX collective bargaining unit covered Members contributed, in accordance with Appendix P and the ratified contract referenced in Appendix R, Section 3.

If the Member ceases to be represented by a collective bargaining unit listed in subsection (c)(iii) or (c)(iv) above and does not incur a Tier Break in Service, the provisions of subsection (b) or (d) will apply.

- (d) Service Credit accrued by a Member with Coordinated Benefits or by a Member with Noncoordinated Benefits on or after July 1, 2016 is deemed to have been accrued in the 2016 Tier if accrued by
- (i) an Eligible Employee who first becomes an Active Member with Coordinated Benefits or a Member with Noncoordinated Benefits on or after July 1, 2016, or
 - (ii) a Member with Coordinated Benefits or a Member with Noncoordinated Benefits who returns to University employment as an Eligible Employee following a Tier Break in Service that occurs on or after July 1, 2016, and who again becomes an Active Member under Section 3.01(b).

- (iii) Notwithstanding subsections (d)(i)-(ii) above, during a period that the Member is represented by a collective bargaining unit that is not participating in the Retirement Choice Program as described in Appendix R(2)(a), the provisions of subsections (b) or (c) shall apply.
- (iv) If a Member described in subsection (d)(iii) above ceases to be represented by a collective bargaining unit that is not participating in the Retirement Choice Program, the provisions of subsections (d)(i)-(ii) will apply.

[Also see related UCRP Regulation 2.37]

2.38

MINIMUM DISTRIBUTION RULE

Minimum Distribution Rule means that, in accordance with Section 401(a)(9) of the Internal Revenue Code, all Members of the Plan must receive a minimum distribution by the Required Beginning Date as follows:

(a) Required Beginning Date.

- i. With respect to a Member who has attained age seventy and one-half (70 ½) before January 1, 2020, the Required Beginning Date means April 1 of the calendar year following the later of:
 - (A) the calendar year in which the Member reaches age 70 ½; or
 - (B) the calendar year in which the Member separates from service.
- ii. Effective after December 31, 2019 and with respect to a Participant who has attained age 70 ½ after December 31, 2019, the Required Beginning Date means April 1 of the calendar year following the later of:
 - (A) the calendar year in which the Member reaches age seventy-two (72); or
- iii. Effective after December 31, 2022 and with respect to a Participant who has reached age 72 after December 31, 2022, the Required Beginning Date for a minimum distribution means April 1 of the calendar year following the later of:
 - (A) the calendar year in which the Member reaches age seventy-three (73); or
 - (B) The calendar year in which the Member separates from service.

(b) Minimum Distribution.

The minimum annual distribution shall not be less than the amount calculated in accordance with United States Treasury Regulations (for 2001 and 2002, using the Regulations proposed in January 2001).

(c) Preretirement Survivor Income.

Regardless of any other Plan provision, Preretirement Survivor Income shall be paid in accordance with Section 401(a)(9) of the Internal Revenue Code.

[Also see related UCRP Regulation 2.38]

2.39

MODIFIED 2013 TIER BENEFIT

Modified 2013 Tier Benefit means the benefit attributable to Service Credit accrued in the Modified 2013 Tier.

2.40

MULTI-TIER MEMBER

Multi-tier Member means a Member who accrues Service Credit in more than one Member Tier.

2.41

1976 TIER BENEFIT

1976 Tier Benefit means the benefit attributable to Service Credit accrued in the 1976 Tier.

2.42

NORMAL RETIREMENT AGE

Normal Retirement Age means:

- (a) For Members with Coordinated Benefits and Members with Noncoordinated Benefits, age 60 with respect to a 1976 Tier Benefit and a Modified 2013 Tier Benefit and age 65 with respect to a 2013 Tier Benefit and a 2016 Tier Benefit, provided the Member has a minimum of five years of Service Credit.
- (b) For Members with Tier Two Benefits, age 60, provided the Member has a minimum of five years of Service Credit.
- (c) For Members with Safety Benefits, age 50, provided the Member has a minimum of five years of Service Credit.

2.43 OCIO

OCIO means the Office of the Chief Investment Officer of The Regents.

2.44 PENSION CHOICE PARTICIPANT

Pension Choice Participant means an Eligible Employee who elects, or is defaulted to, the Pension Choice option offered under the Retirement Choice Program. A Pension Choice Participant whose Covered Compensation is subject to the PEPRAs maximum is eligible to accrue a Supplemental Savings Benefit under the DC Plan in any Plan Year in which he or she earns Covered Compensation, and (i) is an Academic Appointee in a job title listed in the DC Plan Appendix B, subsection 1, or (ii) is an employee described in the DC Plan Appendix B, subsection 2, or (iii) earns Covered Compensation in excess of the PEPRAs Maximum.

2.45 PEPRA MAXIMUM

PEPRA Maximum means, effective July 1, 2016, an amount of Covered Compensation that is consistent with the limit on pensionable earnings as established by the California Public Employees' Pension Reform Act of 2013 (PEPRA) as in effect on July 1 of each Plan Year.

[Also see related UCRP Regulation 2.45]

2.46 PLAN

Plan means the University of California Retirement Plan as revised July 1, 2024, and as subsequently amended from time to time, and all predecessor plans.

2.47 PLAN ADMINISTRATOR

Plan Administrator means the President of the University or the President's duly authorized delegate as described in Section 11.01.

2.48 PLAN REGULATIONS

Plan Regulations mean the written regulations and interpretations

promulgated by the Plan Administrator which are necessary or appropriate for the effective operation of the Plan.

[Also see related UCRP Regulation 2.48]

2.49

PLAN YEAR

Plan Year means the 12-month period beginning on July 1 and ending on June 30.

2.50

POSTRETIREMENT SURVIVOR CONTINUANCE

Postretirement Survivor Continuance means that portion of the Basic Retirement Income payable as a monthly benefit upon the death of a Retired Member, as provided by Sections 5.17, 6.16, 7.16, or 8.16.

2.51

PRERETIREMENT SURVIVOR INCOME

Preretirement Survivor Income means the monthly payments to the Eligible Survivor(s) of a deceased Active Member or Disabled Member as provided by Sections 5.16, 6.15, 7.15, 8.14, or 8.15.

2.52

PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

Public Employees' Retirement System (PERS) means the Public Employees' Retirement System of the State of California.

2.53

REFUND OF ACCUMULATIONS

Refund of Accumulations means the return of Member Contributions, if any, and interest, as applicable, as provided by Section 4.08.

2.54

REGENTS AND THE REGENTS

Regents and *The Regents* mean The Regents of the University of California, a public corporation and agency of the State of California and the constitutional trustee of the public trust known as the University of California.

2.55

RETIRED

- (a) *Retired Employee* means a former Active, Inactive, or Disabled Member who, in accordance with Section 2.34, elected a Lump Sum Cashout.
- (b) *Retired Member* means a former Active, Inactive, or Disabled Member who, in accordance with Articles 5, 6, 7, or 8, is receiving Retirement Income.
- (c) If a Multi-tier Member elects a Lump Sum Cashout with respect to the Member's 1976 Tier Benefit and/or the Member's Modified 2013 Tier Benefit and receives Retirement Income with respect to the Member's 2013 Tier Benefit and/or the Member's 2016 Tier Benefit, the Member will be a Retired Employee with respect to the Lump Sum Cashout and a Retired Member with respect to the Retirement Income.

2.56

RETIREMENT CHOICE PROGRAM

Retirement Choice Program means the program established effective July 1, 2016 that authorizes an Eligible Employee described in Section 2.23 to elect, consistent with procedures established by the Plan Administrator, between two primary mandatory retirement program options: (i) Pension Choice, which includes a pension benefit provided under this Plan, and for certain employees whose Covered Compensation is subject to the PEPRA Maximum a Supplemental Savings Benefit under the DC Plan, which provides for mandatory University and employee contributions to be made to the DC Plan on behalf of certain Pension Choice Participants, or (ii) Savings Choice, which provides for mandatory University and employee contributions to be made to the DC Plan on behalf of a Savings Choice Participant.

Participation in the Retirement Choice Program and the options provided under that program for represented individuals are subject to collective bargaining. Bargaining unit participation is summarized in Appendix R.

2.57

RETIREMENT DATE

Retirement Date means:

- (a) the date as of which a Member's Retirement Income commences or

the Member's cashout date if the Member is eligible to, and elects, a Lump Sum Cashout;

- (b) for a Multi-tier Member who has attained age 55, the date the Member's Retirement Income commences and, if the Member elects a Lump Sum Cashout with respect to the Member's 1976 Tier Benefit and/or the Member's Modified 2013 Tier Benefit, the cashout date, which shall be the same date; or
- (c) for a Multi-tier Member who has not attained age 55, the cashout date if the Member's 1976 Tier Benefit and/or the Member's Modified 2013 Tier Benefit is paid out if in the form of a Lump Sum Cashout or the date Retirement Income commences if the benefit is paid in the form of Retirement Income.

A Member's Retirement Date may not be earlier than the day following separation from University service or the first day of the month in which the Retirement Income or Lump Sum Cashout application is received by the Plan Administrator, whichever is later.

A Multi-tier Member shall have only one Retirement Date; however, the Member's 1976 Tier Benefit and/or Modified 2013 Tier Benefit may have different commencement dates than the Member's 2013 Tier Benefit and/or 2016 Tier Benefit.

[Also see related UCRP Regulation 2.57]

2.58

RETIREMENT INCOME

Retirement Income means any of the monthly retirement benefits, including any Postretirement Survivor Continuance, provided by Articles 5, 6, 7, or 8 (as applicable), but excluding any Social Security Supplement, as provided in Section 5.07.

2.59

SAVINGS CHOICE PARTICIPANT

Savings Choice Participant means an individual who elects the Savings Choice option under the Retirement Choice Program or who has accumulations under the DC Plan attributable to participation in the Savings Choice option.

2.60

SERVICE CREDIT

Service Credit means the credit which an Eligible Employee receives as provided by Articles 5, 6, 7, or 8, as appropriate for each Plan Year or portion thereof in which such employee is an Active Member.

Service Credit also means the service which an Eligible Employee receives while actively participating as a Savings Choice Participant, which shall be accrued in the same manner as described in section 5.04(a) and 5.04(c) of this Plan, by replacing the reference to the terms "Active Member" and "Member" with the term "Savings Choice Participant" and for the purpose of vesting or determining eligibility for benefits under this Plan (and not for the purpose of calculating benefits, such as Retirement Income or a Lump Sum Cashout).

For the purpose of determining eligibility for Disability Income, Preretirement Survivor Income, or early retirement, Service Credit shall include any service currently credited by the Public Employees' Retirement System as provided by Section 12.08.

The Service Credit an Active Member received beginning on July 1, 1967 for which no Member Contributions were required is known as "noncontributory (or 02) service." Between July 1, 1967 and June 30, 1971, such Active Members were not required to contribute to the Plan until July 1 following the later of attainment of one year of Service Credit or age 30.

Employees hired through the joint venture agreement for perinatal services and the integration agreement between The Regents, Mount Zion Health Systems, and Mount Zion Hospital and Medical Center shall have their vesting credit in Mount Zion retirement plans recognized by the Plan, but only for purposes of satisfying the vesting requirements for benefits under the Plan.

For Service Credit attributable to a specific Member Tier, see Section 2.37.

2.61

SOCIAL SECURITY SUPPLEMENT

Social Security Supplement means a monthly benefit that supplements the 1976 Tier Benefit payable to:

(a) a Retired Member with Coordinated Benefits before the attainment of

age 65 as provided by Section 5.07;

- (b) a surviving spouse or surviving Domestic Partner who receives benefits in accordance with Section 5.16(b) of a Member who dies before the attainment of age 65 while eligible to retire; or
- (c) a spouse or Domestic Partner who receives benefits in accordance with Section 5.17(a) or (b) of a Member with Coordinated Benefits who dies after retirement but before the attainment of age 65.

2.62

STATE TEACHERS' RETIREMENT SYSTEM (STRS)

State Teachers' Retirement System (STRS) means the Defined Benefit Program of the State Teachers' Retirement System of the State of California.

2.63

TIER BREAK IN SERVICE

Tier Break in Service means a Break in Service that causes an Active Member to lose eligibility to accrue Service Credit under his or her prior Member Tier upon return as an Active Member on or after July 1, 2013 subject to the terms in subsections (a) and (b) below.

- (a) Unless subsection (b) applies, if an Active Member incurs a Break in Service, and is rehired as an Eligible Employee on or after July 1, 2013 and again becomes as Active Member, the Member will be deemed to have incurred a Tier Break in Service if the Member returns on or after the first day of the second month following the month in which the Member separated from service.
- (b) Notwithstanding subsection (a) above, solely for purposes of determining an Active Member's Member Tier on or after July 1, 2013, a Tier Break in Service is deemed not to have occurred for an Active Member in the IX collective bargaining unit provided such Member is a non-Senate instructional faculty member or a non-faculty employee ("NSF employee") who satisfies all of the conditions set forth in paragraphs(i) through (iv) below:
 - (i) achieved continuing appointment status effective no later than October 31, 2013;
 - (ii) accrued Service Credit under the 1976 Tier or was a Member on approved leave without pay while in the IX collective bargaining

- unit during fiscal year 2012-2013;
- (iii) on or after July 1, 2013, is off pay status due to the nature of his or her appointment, and either
- (A) returns to pay status in a UCRP-eligible position in his or her continuing appointment within one year and one day following his or her last day on pay status or approved leave without pay and resumes his or her continuing appointment as scheduled, or
- (B) returns to pay status in his or her continuing appointment, resumes his or her continuing appointment as scheduled, and accumulates 750 hours of service in a rolling 12-month period within one year and one day following his or her last day on pay status or approved leave without pay; and
- (iv) does not fail to resume, within the time period described in paragraph (iii)(A) or (iii)(B) above, his or her assignment in a continuing appointment that, if accepted, would have resulted in receipt of pay during that time period, unless the failure to resume is due to his or her refusal of an augmentation to the base appointment.

2.64

TOTAL NORMAL COST

The *Total Normal Cost* means the sum of the University Normal Cost and Member Normal Cost, where:

- (a) University Normal Cost equals the product of the University normal cost rate for the applicable Member class, and Member Tier if applicable, for the Plan Year in which the election to establish Service Credit is made, as determined by the Plan actuaries, expressed as a level percentage of payroll, times the applicable Covered Compensation the Active Member would have earned during the period of service to be established, and
- (b) Member Normal Cost equals the Member contribution formula for the applicable Member class, and Member Tier if applicable, in effect for the Plan Year in which the election to establish Service Credit is made applied to the applicable Covered Compensation the Active Member would have earned during the period of service to be established. The Member Normal Cost shall be exclusive of any amounts that would

otherwise have been redirected to the University of California Defined Contribution Plan.

2.65
TRUST

Trust means the trust established in accordance with Article 14.

2.66
TRUSTEE

Trustee means the person(s) or entity, and any successors thereto, named to act as Trustee under Article 14.

2.67
2016 TIER BENEFIT

2016 Tier Benefit means the benefit attributable to Service Credit accrued in the 2016 Tier.

2.68
2013 TIER BENEFIT

2013 Tier Benefit means the benefit attributable to Service Credit accrued in the 2013 Tier.

2.69
UNIVERSITY

University means the University of California, a public trust and a public corporation of the State of California. References to the University shall include its affiliate, UC Law San Francisco, unless the context clearly indicates otherwise.

2.70
UNIVERSITY CONTRIBUTIONS

University Contributions mean the employer contributions made by the University to the Plan in accordance with Section 4.01.

ARTICLE 3 MEMBERSHIP

3.01 MEMBERSHIP

- (a) Prior to July 1, 2016, an employee became an Active Member as of the date he or she became an Eligible Employee.
- (b) Effective July 1, 2016, an Eligible Employee who irrevocably elects, or is defaulted to, the Pension Choice option under the Retirement Choice Program shall become an Active Member, subject to payroll processing deadlines, as follows:
 - (i) Unless subsection (c) or (d) applies, the Eligible Employee shall become an Active Member upon the earlier of:
 - (A) the date he or she irrevocably elects the Pension Choice option, consistent with procedures established by the Plan Administrator, or
 - (B) the date which is ninety-one (91) days after the date the employee becomes an Eligible Employee provided he or she has not elected to become a Savings Choice Participant.
- (c) An Eligible Employee who is hired on or after July 1, 2016 and who is represented by a bargaining unit that is not participating in the Retirement Choice Program as set forth in Appendix R, Section 2, will become an Active Member as of the date he or she becomes an Eligible Employee.
- (d) The following Eligible Employees who are rehired on or after July 1, 2016 after a Break in Service and who previously were UCRP Members shall become Active Members on the date the employee again becomes an Eligible Employee:
 - (i) a rehired Eligible Employee who was a Member prior to July 1, 1994;
 - (ii) a rehired Eligible Employee who has not incurred a Tier Break in Service;

(iii) a rehired Eligible Employee who became an Active Member under (b) above.

(e) Once an Eligible Employee has become an Active Member, such employee shall continue as an Active Member regardless of any change in the nature of the appointment until the employee incurs a Break in Service.

[Also see related UCRP Regulation 3.01]

3.02

CLASSES OF MEMBERS

Members are divided into four classes: (1) Members with Coordinated Benefits; (2) Members with Noncoordinated Benefits; (3) Members with Tier Two Benefits; and (4) Members with Safety Benefits. The Classes of Members with Coordinated Benefits and Members with Noncoordinated Benefits have four Member Tiers: the 1976 Tier, the 2013 Tier, the Modified 2013 Tier and the 2016 Tier.

Service Credit and benefits may be earned under more than one class of membership, if an Active Member's classification changes, but only in one class at any particular time.

3.03

MEMBERS WITH COORDINATED BENEFITS

Such membership shall consist of:

- (a) all Members of the Plan as of April 1, 1976, who, under procedures specified by federal law, have elected to be covered by Social Security, but excluding Members described in Section 3.05. Effective January 1, 1986, all Service Credit of such a Member under Article 6, earned prior to the election, shall be deemed to be Service Credit under Article 5.
- (b) all employees who became Active Members on or after April 2, 1976, except those excluded in accordance with Sections 3.04, 3.05, or 3.06.

Benefits payable to Members with Coordinated Benefits are provided by Article 5.

[Also see related UCRP Regulation 3.03]

3.04

MEMBERS WITH NONCOORDINATED BENEFITS

Such membership shall consist of:

- (a) all Members of the Plan as of April 1, 1976, who, under procedures specified by federal law, have elected or are deemed to have elected not to be covered by Social Security, but excluding Members described in Section 3.05.

Such election is applicable to all subsequent University employment, whether or not separated by a Break in Service, except as provided by federal law.

- (b) all Members of the Plan who are excluded from Social Security coverage under federal law, except Members described in Section 3.06.

Benefits payable to Members with Noncoordinated Benefits are provided by Article 6.

[Also see related UCRP Regulation 3.04]

3.05

MEMBERS WITH TIER TWO BENEFITS

Such membership shall consist of all Members covered under Article 7.

Members with Tier Two membership shall continue their Social Security coverage status as established in accordance with Sections 3.03 and 3.04.

3.06

MEMBERS WITH SAFETY BENEFITS

Such membership shall consist of all Members who hold eligible safety classifications as set forth in Plan Regulations. Such Members are not covered by Social Security.

Benefits payable to Members with Safety Benefits are provided by Article 8.

3.07

TERMINATION OF ACTIVE MEMBERSHIP

Active membership in the Plan shall terminate as of the effective date of a Break in Service.

3.08

INACTIVE MEMBERSHIP

An Active Member who:

- (a) has at least five years of Service Credit (or Combined Service Credit as defined in Appendix N in the case of a Member described in subsection (f) below);
- (b) has attained age 62 regardless of Service Credit and who became a Member of the Plan on or before July 1, 1989;
- (c) is eligible for reciprocity as provided by Section 12.08;
- (d) was medically separated from University employment under applicable University policy and is eligible to apply for Disability Income under Articles 5, 6, 7, or 8;
- (e) is a faculty member of a University medical school and has been appointed by the Veterans Administration to a University affiliated hospital and as a result, receives no further Covered Compensation, or
- (f) is a Ladder Rank Faculty Member employed by Howard Hughes Medical Institute (HHMI) or Ludwig Institute for Cancer Research (Ludwig), as described in Appendix N,

shall, upon a Break in Service, and providing the Member does not elect to retire, become an Inactive Member.

All Service Credit accrued by a Member is taken into account in determining years of Service Credit under subsection (a).

In order to retain Inactive Membership an Inactive Member is required to leave any Accumulations on deposit with the Plan.

An Inactive Member shall be entitled to elect Retirement Income as provided by Articles 5, 6, 7, or 8 and subject to Section 2.58 or to elect a Lump Sum Cashout subject to Sections 2.34 and 4.08 or a Refund of Accumulations, as applicable, as provided by Section 4.08.

[Also see related UCRP Regulation 3.08]

ARTICLE 4 CONTRIBUTIONS

4.01 UNIVERSITY CONTRIBUTIONS

The University shall contribute to the Plan a percentage of total Covered Compensation at rates determined from time to time by The Regents. Such contributions shall be an amount, which when added to Member Contributions, if any, and amounts already credited to the Trust (as defined in Article 14), shall be reasonably expected to maintain the Plan on an actuarially sound basis. University Contributions shall be resumed effective April 15, 2010. Such contributions shall be based on an Active Member's Covered Compensation earned on and after such date, but determined without regard to any reduction attributable to the Member's participation in the START Program for compensation accrued prior to January 1, 2011 or whether, to the extent applicable, the resumption date of Member Contributions has been determined under the collective bargaining process. As of the Member's Contribution Resumption Date (defined below), the University Contribution made on behalf of an Active Member shall be increased by the amount of any reduction in the Member's mandatory contribution attributable to the Member's participation in the START Program for Covered Compensation earned prior to January 1, 2011.

For purposes of Article 4, "Contribution Resumption Date" means, with respect to Member Contributions:

- (a) For policy-covered Active Members, the first day of a Member's first payroll cycle beginning on or after April 15, 2010.
- (b) For represented Active Members, the date determined under the applicable collective bargaining process.

4.02 MEMBER CONTRIBUTIONS FOR MEMBERS WITH COORDINATED BENEFITS

Effective as of the applicable Contribution Resumption Date (as defined in Section 4.01), an Active Member with Coordinated Benefits shall be

required to make Member Contributions in an amount calculated under the applicable formula set forth in Appendix P, as amended from time to time.

Member Contributions described in this Section are subject to the modifications described in:

- (i) for Members employed at Lawrence Berkeley National Laboratory, the terms of the University's contract with the Department of Energy;
- (ii) for represented Members, the terms of the applicable collective bargaining agreement; and
- (iii) for all Members described in this Section 4.02, the terms of Section 4.07.

[Also see related UCRP Regulation 4.02]

4.03

MEMBER CONTRIBUTIONS FOR MEMBERS WITH NONCOORDINATED BENEFITS

Effective as of the applicable Contribution Resumption Date (as defined in Section 4.01), an Active Member with Noncoordinated Benefits shall be required to make Member Contributions in an amount calculated under the applicable formula set forth in Appendix P, as amended from time to time.

Member Contributions described in this Section are subject to the modifications described in:

- (i) for Members employed at Lawrence Berkeley National Laboratory, the terms of the University's contract with the Department of Energy;
- (ii) for represented Members, the terms of the applicable collective bargaining agreement; and
- (iii) for all Members described in this Section 4.03, the terms of Section 4.07.

[Also see related UCRP Regulation 4.03]

4.04

MEMBER CONTRIBUTIONS FOR MEMBERS WITH TIER TWO BENEFITS

Active Members with Tier Two Benefits shall not be required to contribute to the Plan.

4.05

MEMBER CONTRIBUTIONS FOR MEMBERS WITH SAFETY BENEFITS

Effective as of the applicable Contribution Resumption Date (as defined in Section 4.01), each Active Member with Safety Benefits shall make Member Contributions in an amount calculated under the applicable formula set forth in Appendix P, as amended from time to time.

Member Contributions described in this Section are subject to the modifications described in:

- (i) for Members employed at Lawrence Berkeley National Laboratory, the terms of the University's contract with the Department of Energy;
- (ii) for represented Members, the terms of the applicable collective bargaining agreement; and
- (iii) for all Members described in this Section 4.05, the terms of Section 4.07.

[Also see related UCRP Regulation 4.05]

4.06

CREDITING OF MEMBER CONTRIBUTIONS

A Member's Member Contributions shall be credited to the Member's individual account in this Plan and shall be credited with interest on the last day of each month at the rate established from time to time by The Regents. Make-up Member Contributions made in accordance with the Member's reemployment rights in compliance with 38 U.S.C. §§4300-4333, the Uniformed Services Employment and Reemployment Rights Act (USERRA), and Section 414(u) of the Internal Revenue Code shall be credited to the Member's individual account as of the date contributed and any applicable interest or earnings on these make-up Member Contributions shall accrue on a prospective basis only.

[Also see related UCRP Regulation 4.06]

4.07

CESSATION OF MEMBER CONTRIBUTIONS

An Active Member shall not be required to make Member Contributions if the Member's Basic Retirement Income, assuming the Member retired, would be equal to or greater than the 100% limit as described in Plan Regulations. The cessation of required Member Contributions shall be effective with respect to Covered Compensation earned beginning the July 1 coinciding with or next following the date on which the 100% limit,

as described in Plan Regulations, is reached. The following provisions shall apply:

- (a) Service Credit earned under Sections 5.04, 6.04, 7.05, or 8.04 during disability status or military leave shall not be included in determining whether the 100% limit has been reached under this provision.
- (b) Service Credit being established or reestablished under Sections 5.04, 6.04, 7.05 or 8.04 shall not be included in determining whether the 100% limit has been reached until payment in full for such Service Credit has been made. If, upon completion of such payment, the Service Credit established or reestablished, when included with the balance of the Member's Service Credit, would, if the Active Member retired, result in reduction of Basic Retirement Income because of the 100% limit, Member Contributions to this Plan shall terminate with respect to Covered Compensation earned beginning July 1 coinciding with or next following completion of such payment.

[Also see related UCRP Regulation 4.07]

4.08

RULES APPLICABLE UPON A BREAK IN SERVICE

Upon or after a Break in Service, the Member:

- (a) will become an Inactive Member, if eligible, as provided under Section 3.08; or
- (b) may elect Retirement Income, if eligible, as provided under Articles 5, 6, 7, or 8; or
- (c) may elect a Lump Sum Cashout with respect to the Member's 1976 Tier Benefit, the Member's Modified 2013 Tier Benefit, and the Member's benefit accrued under Articles 7 or 8, provided the Member has earned five years of Service Credit and attained age 50 (effective January 1, 1990), or has attained age 62 regardless of Service Credit and became a Member of the Plan on or before July 1, 1989; or
- (d) in the case of a Member who is not eligible for, or has not elected one of the above, shall receive a Refund of Accumulations, provided, however, that effective April 15, 2010, a Member who is not vested in his or her basic pension benefit upon a Break in Service will not be required to take a Refund of Accumulations, subject to the requirements of the Minimum Distribution Rule.

For a Member described in Appendix N, the modified definition of Service Credit set forth in Appendix N will determine the Member's eligibility for a Lump Sum Cashout described in subsection (c) above.

With respect to a Member's Capital Accumulation Payment, the provisions of Section 10.08 shall apply.

A Member who has elected Retirement Income and who is entitled to elect a Refund of Accumulations or Lump Sum Cashout described above may make such election at any time prior to the Member's Retirement Date. Upon such election by an Inactive Member, Inactive Membership is automatically terminated.

A Member who elects a Lump Sum Cashout or a Refund of Accumulations shall waive all rights to additional benefits provided by the Plan to the extent they are attributable to Service Credit completed prior to the Member's Break in Service. Notwithstanding the above, a Member who received a Refund of Accumulations, and who subsequently becomes an Active Member again, may elect to reestablish Service Credit for the entire period of previous active membership as provided in Sections 5.04, 6.04, and 8.04. A Member who received a Lump Sum Cashout, and who subsequently becomes an Active Member again, may not elect to reestablish prior Service Credit or establish Service Credit for any period of employment which is prior to receipt of the Lump Sum Cashout, and shall only accrue Service Credit after the date the Member again became an Active Member.

Except as set forth in Section 2.25, a Lump Sum Cashout or a Refund of Accumulations may be paid as a Direct Rollover.

All elections shall be in accordance with procedures established and approved by the Plan Administrator. The value of Accumulations shall be refunded within 90 days of receipt of the request in accordance with procedures established by the Plan Administrator.

The maximum annual amount of Retirement Income (including any Social Security Supplement), Postretirement Survivor Continuance, Lump Sum Cashout, and the Capital Accumulation Payment shall not be greater than the limit as described in Section 415 of the Internal Revenue Code and shall be administered in accordance with Plan Regulations.

For purposes of determining the Section 415 limit, the University elects to be covered by Section 415(b)(10) of the Internal Revenue Code in which the maximum payment would be the greater of either:

- the Section 415 limit, or
- the accrued benefit of an employee who became an Active Member of the Plan before January 1, 1990, but without regard to any Plan amendment after October 14, 1987.

For a Member whose greater payment would be the accrued benefit without regard to any Plan amendment after October 14, 1987, benefits payable under the Plan shall not include any benefit form, formula or factor which was not included in the Plan as of October 14, 1987. These amendments include, but are not limited to, the Capital Accumulation Payment, the payment option described in Section 5.12(d), and changes to the cost of living adjustment and Basic Retirement Income factors.

[Also see related UCRP Regulation 4.08]

ARTICLE 5 BENEFIT PROVISIONS FOR MEMBERS WITH COORDINATED BENEFITS

5.01 SCOPE

The provisions of this Article shall apply to a Member who earns Service Credit as a Member with Coordinated Benefits under the Plan.

5.02 EFFECTIVE DATE

The provisions of this Article shall apply upon the effective date of membership.

5.03 ELIGIBILITY

A Member who is classified as a Member with Coordinated Benefits in accordance with Section 3.03 shall be subject to the provisions of Article 5.

5.04 SERVICE CREDIT

A Member shall earn Service Credit as follows: for periods of membership before January 1, 1989, Service Credit shall be determined under predecessor plans; and for periods of membership on or after January 1, 1989, Service Credit under this Article shall be earned only during periods for which Member Contributions are either not required or, if required, are made and shall be determined as follows:

(a) Amount of Service Credit.

The amount of Service Credit earned by an Active Member under this Article for any month shall be equal to the ratio of the Member's Covered Compensation to the Member's applicable Full Time Equivalent Compensation subject to the modifications described in paragraphs (i) through (iv) below. The maximum amount of Service

Credit for any Plan Year shall not exceed one year, except as provided in subsections (f) and (g) below.

- (i) Effective August 1, 1992, the amount of Service Credit earned by an Active Member under this Article for any month during the period of participation in the Time Reduction Incentive Plan (a temporary workforce reduction program in the 1992 to 1995 Plan Years) shall be equal to one-twelfth of a year of Service Credit provided the Member works at least 75% time during the entire period of the Time Reduction Incentive Plan agreement. Notwithstanding the above, Members participating in the Time Reduction Incentive Plan shall not earn such Service Credit unless such Members fulfill all of the terms of the Time Reduction Incentive Plan agreement.
- (ii) The Staff and Academic Reduction in Time (START) program is a temporary workforce reduction program adopted by the University for the periods indicated in subparagraphs (A) and (B) below:
 - (A) June 1, 2003 through June 30, 2005, provided that the program's end date is extended to June 30, 2006 for Members participating in the program during the July 1, 2004-2005 fiscal year and Members employed at locations not participating in the program as of June 30, 2005 that demonstrate a need to achieve salary savings because of new budget reductions; and
 - (B) July 1, 2008 through December 31, 2010.
 - (C) The actual dates that a Member participates in START within the authorized period shall be the dates established in the Member's START contract. The amount of Service Credit earned by the Active Member under this Section 5.04 for any month during the period of participation in the START program shall be equal to the amount that a Member's pre-START appointment is reduced (difference between pre-START appointment and START contract appointment) added to the time worked for each month during START (decimal equivalent). The Member must work at least 50% time each month and total Service Credit earned each month may not exceed one month of Service Credit. Service Credit earned under this paragraph (ii) shall not include reductions in time not related to START nor reflected in the Member's START contract.
 - (D) Effective as of March 1, 2009, a Member's reduction in appointment shall not be less than five percent (5%) in order to

participate in the START Program unless a lesser reduction is necessary to coordinate a Member's time reduction under the START Program with the Member's participation in the Furlough/Salary Reduction Plan.

- (iii) Effective September 1, 2009, the amount of Service Credit earned by an Active Member under this Section 5.04 for any month during the period of participation in the Furlough/Salary Reduction Plan shall be equal to the amount that a Member's pre-Furlough/Salary Reduction Plan appointment is reduced (difference between pre-Furlough/Salary Reduction Plan appointment and Furlough/Salary Reduction Plan appointment) added to the time worked for each month during the Furlough/Salary Reduction Plan (decimal equivalent). The timing of a Member's participation in the Furlough/Salary Reduction Plan is determined under the terms of such plan, but no Member's participation will exceed 12 consecutive months, starting on the first day of the month the plan is implemented for the Member.
- (iv) Effective July 1, 2020 through June 30, 2022, the amount of Service Credit earned during an approved President-designated COVID-19 workforce action by an Active Member under this Section 5.04 shall be equal to the amount that a Member's appointment was reduced as a result of the approved President-designated COVID-19 workforce action added to the corresponding period of actual time worked in the Member's regular and normal appointment whether on a 9-month, 10-month, 11-month, or annual basis, including a sabbatical leave or other approved leave of absence with pay.

(b) Service Credit During Disability Status.

Service Credit shall be earned without payment of Member Contributions by a Disabled Member while such Member is receiving Disability Income, or would be entitled to receive Disability Income, provided such Service Credit would not cause Retirement Income (if such Member were to retire at that time) to exceed the Disability Income. For purposes of this comparison, Retirement Income means Basic Retirement Income if there is no spouse or Domestic Partner, or, if there is a spouse or Domestic Partner, the amount of Retirement Income a Member would receive if the Member chose the full continuance payment option and named such spouse or Domestic Partner as the Contingent Annuitant. The amount of Service Credit for a Plan Year during such period shall be equal to the ratio indicated in

(a) above for the last 12 months of continuous service preceding the Disability Date. Continuous service includes periods on pay status before and after an approved leave of absence without pay.

(c) Service Credit During Military Leave.

Service Credit shall be earned without payment of Member and University Contributions by an Active Member for a period on military leave provided the Member returns to University service at the expiration of such leave in accordance with the Member's reemployment rights in compliance with 38 U.S.C. §§4300–4333, as amended by the Uniformed Services Employment and Reemployment Rights Act (USERRA), or other applicable law. Effective January 1, 2007, if an Active Member dies on or after January 1, 2007 while on military leave performing qualified military service within the meaning of USERRA and Section 401(a)(37) of the Internal Revenue Code, the survivor of such Member shall be entitled to any additional benefits (other than contributions relating to the period of qualified military service, but including vesting service credit for such period or other survivor benefits) that would have been provided under the Plan had the Member resumed employment on the day preceding the Member's death and then terminated employment on account of death.

The amount of Service Credit for a Plan Year during such period shall be equal to the ratio indicated in (a) above for the last 12 months of continuous service preceding the effective date of military leave.

Continuous service includes periods on pay status before and after an approved leave of absence without pay. For purposes of this Section, a Member on military leave in accordance with USERRA or other applicable law shall be treated as not having incurred a Break in Service. For the period prior to a Member's Contribution Resumption Date (as defined in Section 4.01) during which Member Contributions were redirected to a Member's account in the University of California Defined Contribution Plan, a Member entitled to Service Credit under this subsection (c) could, but was not required to, make up Member Contributions for the period of leave pursuant to Section 4.02.

(d) Service Credit Established.

A Member who is or has been without pay on account of an approved leave of absence without pay (other than a military leave described in Section 5.04(c) above), furlough, temporary layoff, sabbatical leave, or extended sick leave (each a "Leave" for purposes of this subsection (d) only) may establish Service Credit for all or part of such Leave

period by returning to University service as an Active Member in University pay status and making a request as provided in this subsection (d).

If the request to establish Service Credit is received by the Plan Administrator prior to May 1, 2009, but on or after July 1, 1997, the election must be received by the later of July 1, 2000 or the last day of the three-year period beginning on the date the Member returns to University service following the Leave as an Active Member in pay status. Failure to satisfy the timing requirement constitutes an irrevocable waiver of the right to establish Service Credit for the entire period of a Leave.

(i) **Maximum Amount of Service Credit.** The amount of Service Credit that may be established under this subsection shall be based on an Active Member's appointment percentage prior to the start of the Leave, excluding any Service Credit that may have been earned during the Leave period, as that amount may be modified by the statutory limits applicable to purchases of nonqualified service described in subparagraph (A) below and the limits established by the Plan in subparagraph (B) below as those limits may be modified by subparagraph (C) below.

(A) Regardless of when a Leave commences, an Active Member's election to establish Service Credit under this subsection (d) that is received by the Plan Administrator in a Plan Year beginning on or after July 1, 1998 is subject to the following rules to the extent the Service Credit to be established constitutes "nonqualified service credit" within the meaning of Section 415(n) of the Internal Revenue Code:

- (1) An Active Member's election shall not be effective unless the Member has not less than five years of participation in the Plan, excluding any Service Credit purchased under this subsection.
- (2) An Active Member may not purchase more than five years of nonqualified service credit.
- (3) Notwithstanding the above, neither the limit on the amount of nonqualified service credit that may be purchased nor the requirement for five years of participation in the Plan shall apply to the extent the Member elects to pay for such service through a trustee-to-trustee transfer from the University of

California Tax Deferred 403(b) Plan and/or the University of California 457(b) Deferred Compensation Plan.

- (B) The following requirements apply to elections to establish Service Credit made under this subsection (d) that are received by the Plan Administrator prior to May 1, 2009 and that are based on a Leave that began on or after July 1, 1997:
- (1) the amount of Service Credit that may be established by an Active Member who has been without pay on account of a Leave other than military leave, sabbatical leave, furlough, temporary layoff, or extended sick leave, shall not exceed 24 consecutive months for each such Leave period.
 - (2) the Service Credit that may be established for each such Leave is the initial 24 consecutive months if such Leave period is longer than two years. A Leave referred to in this subparagraph (B) that is extended beyond its original period shall be deemed to be one individual Leave period.
- (C) With respect to elections to establish Service Credit received by the Plan Administrator on and after May 1, 2009 that are based on a Leave that began on or after July 1, 1997, the 24-month limit on the Service Credit described in subparagraph (B) above shall not apply if the cost to the Member for the Service Credit in excess of 24 months reflects the actuarially determined cost to the Plan as described in paragraph (ii)(D)(1) below.
- (ii) Cost of Establishing Service Credit. The cost of establishing Service Credit is determined as follows:
- (A) To the extent the Service Credit to be established is attributable to a Leave or a portion of a Leave that occurred prior to November 1, 1990, the cost for such period shall be equal to the sum of University Contributions and Member Contributions that would have been paid to the Plan for such period, plus interest calculated from the date the Member returns to University service as an Active Member in pay status to the date payment is completed. The cost for the remainder of the Service Credit to be established, if any, shall be calculated as described in subparagraph (B) below.
 - (B) To the extent the Service Credit to be established is attributable to a Leave that commenced on or after November 1, 1990, the cost shall be equal to the total Normal Cost in effect at the time the cost of establishing the Service Credit is calculated, plus

interest calculated from the date the Member returns to University service as an Active Member in pay status to the date payment is completed.

(C) Interest shall be computed at the rate of the assumed earnings of the Plan in effect on the date of the Member's election to establish Service Credit.

(D) If the request to establish Service Credit for a Leave that commenced on or after July 1, 1997 is received by the Plan Administrator on or after May 1, 2009, amounts determined under subparagraph (B) will be adjusted as follows:

The cost of the purchase of any Service Credit that exceeds 24 months shall reflect the actuarially determined cost to the Plan for such Service Credit based on the Member's individual life expectancy as calculated under mortality tables that reflect the experience of the general population that purchases annuities.

(E) If the request to establish Service Credit is received by the Plan Administrator on or after May 1, 2009 and more than three years after the Member returns to University service from the Leave as an Active Member in pay status, amounts determined under subparagraphs (A) and (B) will be adjusted to reflect the actuarially determined cost to the Plan based on the Member's individual life expectancy as calculated under mortality tables that reflect the experience of the general population that purchases annuities.

If the Member receives a substantial increase in Covered Compensation during the twelve (12) months following the effective date of the Member's election to establish Service Credit under this subsection, and all or part of the payment was based on the actuarially determined cost to the Plan, the total payment due from the Member will be recalculated to take into account the increased Covered Compensation to the extent permitted under applicable law. If a Member refuses to make the increased payments, the amount of the Member's Service Credit will be prorated based on the actual payment.

(iii) Payment Term. Payments under this subsection (d) must be completed while the Member is an Active Member in pay status and, with respect to pretax salary contributions, over a period of 1, 2, 3, 4, or 5 years from the date of such Member's election in accordance with Plan Regulations. Effective for elections to

establish Service Credit received by the Plan Administrator on or after July 1, 1997, payments for all Leaves made as pretax salary contributions shall be made in equal installments each payroll period. For elections to establish Service Credit received by the Plan Administrator before May 1, 2009, but after June 30, 1997, the minimum length of the payment term shall be at least equal to the length of the Leave period being established, rounded up to the nearest year, unless the Plan Administrator provides otherwise by Plan Regulation. Effective for elections received on and after May 1, 2009, the minimum length requirement on the payment term shall not apply. The Plan Administrator may implement regulations or procedures to establish Service Credit including, without limitation, how the three-year rule, the five-year rule and, if applicable, the minimum length of the payment term rule shall be applied.

(iv) Payment Options.

(A) The following payment options apply to elections to establish Service Credit made under this subsection (d) that are received by the Plan Administrator on and after January 1, 2014, provided the Member is otherwise eligible under applicable law and the terms of the affected plans:

- (1) in-service transfer of funds maintained for the Member in the University of California Defined Contribution Plan (Pre-Tax and After-Tax Accounts), the University of California Tax Deferred 403(b) Plan and the University of California 457(b) Deferred Compensation Plan to the Plan;
- (2) a direct rollover initiated by the Member from an eligible plan described in Section 401(a), 401(k) or 403(b) of the Internal Revenue Code or a governmental 457(b) plan to the Plan; and
- (3) a single sum after-tax payment in accordance with the limits of the Internal Revenue Code.

(B) The following payment options apply to elections to establish Service Credit made under this subsection (d) that are received by the Plan Administrator prior to January 1, 2014, but on or after May 1, 2009:

- (1) the options listed in paragraph (iv)(A) above; and

- (2) pretax salary contributions in accordance with Section 414(h) of the Internal Revenue Code that are deemed to be employer pick-up contributions to the extent permitted by applicable law, regulations and Internal Revenue Service guidance. Payments on a pretax basis shall be made pursuant to an Active Member's binding irrevocable payroll authorization. The Member may not make single sum or installment payments directly to the Plan Administrator except as may be appropriate and necessary to correct an error. The binding payroll authorization shall terminate only if the Member has a Break in Service. If the payment schedule is not completed because a Member incurs a Break in Service or is no longer an Active Member due to retirement, death, disability, or separation from University service, the Member shall receive a proportionate amount of the Service Credit eligible to be established based on the ratio of the amount actually paid to the total amount of the payments required unless the Member is eligible to, and makes, an election described in subparagraphs (D) or (E) below.
- (C) The following payment options apply to elections to establish Service Credit made under this subsection (d) that are received by the Plan Administrator prior to May 1, 2009, and on or after July 1, 1997:
 - (1) pretax payments as described in subparagraph (B)(2) above; and
 - (2) subject to the applicable effective dates and eligibility requirements, the options described in subparagraphs (D) and (E) below.
- (D) Effective June 1, 2003, if a Member is no longer an Active Member due to retirement, disability, or separation from University service, and has completed one year of the payment schedule through pretax payroll deductions, such Member may complete the remaining payments with a single sum after-tax payment within 60 days after the date such Member ceases to be an Active Member but remains a Member. Such payment shall not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded.

- (E) Effective January 1, 2004, if an Active Member receives notice of an impending involuntary separation from University service for budgetary reasons, but will not be vested upon such separation, and is eligible to establish Service Credit for all or part of a Leave, the Member may establish Service Credit as follows provided the payment does not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded:
- (1) If the Member has not yet commenced the payment schedule to establish Service Credit and the additional Service Credit that can be established would cause the Member to satisfy the Plan's vesting requirements, the Member may establish the additional Service Credit with a single sum after-tax payment made prior to the date the Member ceases to be an Active Member; or
 - (2) If the Member has completed less than one year of pretax payroll deductions to establish Service Credit pursuant to an election under subparagraph (B)(2) or (C)(1) above, and the remaining Service Credit that can be established would cause the Member to satisfy the Plan's vesting requirements, such Member may complete the remaining payments with a single sum after-tax payment made within 60 days after the date the Member ceases to be an Active Member.
 - (3) The determination as to whether a Member has been involuntarily separated from service for budgetary reasons shall be based on the member's payroll separation reason as set forth in the Plan Regulations.
- (v) Minimum Purchase. Effective for elections to establish Service Credit received by the Plan Administrator on or after July 1, 1997, without regard to when a Leave commenced, the minimum amount of Service Credit that an Active Member in pay status can establish under this subsection (d) is four consecutive weeks except if a lesser period is required for vesting purposes or is for a period of military leave in accordance with USERRA or other applicable law, or as may otherwise be required by law.
- (vi) Restrictions on Use of Purchased Service Credit. Service Credit established under this subsection (d) shall be used to determine eligibility for early retirement and Preretirement Survivor Income, but shall not be used to determine eligibility for Disability Income.

(vii) Special Provisions.

- (A) Except as permitted by law, for Leaves that commence on or after July 1, 1997, under no circumstances may a Member accrue retirement benefits for the same service both in the Plan and in another retirement system supported wholly or in part by public funds. An Active Member cannot establish Service Credit in the Plan unless the Member certifies that the Member has taken a refund of any employee contributions made to a defined benefit plan of a retirement system supported wholly or in part by public funds for the period of service being established.
- (B) Notwithstanding the above, a Member who elects retirement under the contingent provisions of the Retirement Acceleration Opportunity Program shall be subject to the limitations outlined in Section 15 of Appendix A. A Member who elects retirement under the contingent provisions of the Voluntary Early Retirement Incentive Program-II shall be subject to the limitations outlined in Section 10 of Appendix C. A Member who elects retirement under the contingent provisions of the Voluntary Early Retirement Incentive Program-III shall be subject to the limitations outlined in Section 10 of Appendix D.
- (C) A Member who elects a Lump Sum Cashout and is reappointed as an Eligible Employee may not establish Service Credit for any period of employment that precedes receipt of the Lump Sum Cashout.
- (D) A Member may not establish Service Credit for any period of employment during which he or she is not an Active Member.

(e) Service Credit Reestablished.

- (i) Reestablishing Service Credit for Noncontributory Periods When No Contributions Required. If a Member accrues Service Credit only during one or more periods of prior membership in the Plan, other than periods occurring on or before November 1, 1990 (on or before July 1, 1993 for Section 8.04(f)), during which no Member Contributions are required, such previously accrued Service Credit shall be reestablished without further action by the Member at no cost to the Member if the Member returns to University service as an Active Member in University pay status. In order to reestablish Service Credit accrued during periods of prior membership that

occurred before November 1, 1990 (on or before July 1, 1993 for Section 8.04(f)) during which no Member Contributions were required, the Member must submit a request in accordance with Plan Regulations.

- (ii) Reestablishing Service Credit Accrued for Contributory Periods. The following provisions apply if a former Member who received a Refund of Accumulations following a prior Break in Service returns to University service as an Active Member in University pay status and elects to reestablish the Service Credit accrued during one or more prior periods of Plan membership during which Member Contributions were required.
- (A) General Rule. Such Member may reestablish Service Credit for the period of previous Plan membership during which Member Contributions were required by paying to the Plan an amount equal to the Member's prior Refund of Accumulations plus interest on the amount. Interest shall be computed at the rate of the assumed earnings of the Plan in effect on the date of the Member's election to reestablish Service Credit subject to the adjustments described in paragraphs (B) through (D):
- (B) If a Member's election to reestablish Service Credit is received by the Plan Administrator on or after July 1, 1997 and before May 1, 2009, and by the Member's Applicable Date defined below, payment shall be determined as follows:
- (1) To the extent the Service Credit to be reestablished is attributable to a prior period of Plan membership when no Member Contributions were required, no additional payment shall be required.
 - (2) To the extent the Service Credit to be reestablished is attributable to a prior period of Plan membership during which Member Contributions were required, the cost shall be determined under the General Rule.

For purposes of this paragraph (ii), the "Applicable Date" means the later of July 1, 2000 or the last day of the three-year period beginning on the date the Member returns to University service as an Active Member in pay status. A Member's failure to make the election to reestablish Service Credit by the Applicable Date shall constitute an irrevocable waiver of the right to reestablish Service Credit for the entire period of the Member's prior Plan membership except as

provided in subparagraph (C) below for elections received on and after May 1, 2009.

(C) If a Member's election to reestablish Service Credit is received by the Plan Administrator on or after May 1, 2009 and by the Member's Applicable Date, payment shall be determined under the General Rule. If a Member's election to reestablish Service Credit is received by the Plan on or after May 1, 2009 and after the Member's Applicable Date, payment shall be determined as follows:

- (1) To the extent the Service Credit to be reestablished is attributable to a period when no Member Contributions were required, no additional payment shall be required.
- (2) To the extent the Service Credit to be reestablished is attributable to a period when Member Contributions were required, the cost shall be the actuarially determined cost to the Plan based on the Member's individual life expectancy as calculated under mortality tables that reflect the experience of the general population that purchases annuities.
- (3) If the Member receives a substantial increase in Covered Compensation during the twelve (12) months following the effective date of the Member's election to reestablish Service Credit, and all or part of the payment was based on the actuarially determined cost to the Plan, the total payment due from the Member will be recalculated, to take into account the Member's increased Covered Compensation to the extent permitted under applicable law. If a Member refuses to make the increased payments, amount of the Member's Service Credit will be prorated based on the actual payment.

(D) If a Member who elects to reestablish Service Credit for any prior period of Plan membership between January 1, 1971 and March 31, 1976 is required to pay directly for retroactive Social Security coverage on account of such service, the required payment shall be reduced by the amount of direct payment for retroactive coverage.

(iii) Payment Term. Payments under this subsection (e) must be completed while the Member is an Active Member in pay status and, with respect to pretax salary contributions, over a period of 1,

2, 3, 4, or 5 years from the date of such Member's election in accordance with Plan Regulations. The Plan Administrator may implement regulations or procedures to reestablish Service Credit including, without limitation, how the three-year rule and the five-year rule shall be applied.

(iv) Payment Options.

(A) The following payment options apply to elections to reestablish Service Credit made under this subsection (e) that are received by the Plan Administrator on and after January 1, 2014, provided the Member is otherwise eligible under applicable law and the terms of the affected plans:

- (1) in-service transfer of funds maintained for the Member in the University of California Defined Contribution Plan (Pre-Tax and After-Tax Accounts), the University of California Tax Deferred 403(b) Plan and the University of California 457(b) Deferred Compensation Plan to the Plan;
- (2) a direct rollover initiated by the Member from an eligible plan described in Section 401(a), 401(k) or 403(b) of the Internal Revenue Code or a governmental 457(b) plan to the Plan; and
- (3) a single sum after-tax payment in accordance with the limits of the Internal Revenue Code.

(B) The following payment options apply to elections to reestablish Service Credit made under this subsection (e) that are received by the Plan Administrator prior to January 1, 2014, but on or after May 1, 2009:

- (1) the options listed in paragraph (iv)(A) above, and
- (2) pretax salary contributions in accordance with Section 414(h) of the Internal Revenue Code that are deemed to be employer pick-up contributions to the extent permitted by applicable law, regulations and Internal Revenue Service guidance. Payments on a pretax basis shall be made pursuant to an Active Member's binding irrevocable payroll authorization. The Member may not make single sum or installment payments directly to the Plan Administrator except as may be appropriate and necessary to correct an error. The binding payroll authorization shall terminate only if the Member has a Break in Service. If the payment

schedule is not completed because a Member incurs a Break in Service or is no longer an Active Member due to retirement, death, disability, or separation from University service, the Member shall receive a proportionate amount of the Service Credit eligible to be reestablished based on the ratio of the amount actually paid to the total amount of the payments required unless the Member is eligible to, and makes, an election described in subparagraphs (D) or (E) below.

(C) The following payment options apply to elections to reestablish Service Credit made under this subsection (e) that are received by the Plan Administrator prior to May 1, 2009, and on or after July 1, 1997:

- (1) pretax payments as described in subparagraph (B)(2) above; and
- (2) subject to the applicable effective dates and eligibility requirements, the options described in subparagraphs (D) and (E) below.

(D) Effective June 1, 2003, if a Member is no longer an Active Member due to retirement, disability, or separation from University service, and has completed one year of the payment schedule through pretax payroll deductions, such Member may complete the remaining payments with a single sum after-tax payment within 60 days after the date such Member ceases to be an Active Member but remains a Member.

(E) Effective January 1, 2004, if an Active Member receives notice of an impending involuntary separation from University service for budgetary reasons, but will not be vested upon such separation, and is eligible to reestablish Service Credit, the Member may reestablish Service Credit as follows provided the payment does not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded:

- (1) If the Member has not yet commenced the payment schedule to reestablish Service Credit and the additional Service Credit that can be established would cause the Member to satisfy the Plan's vesting requirements, the Member may reestablish the additional Service Credit with

a single sum after-tax payment made prior to the date the Member ceases to be an Active Member; or

- (2) If the Member has completed less than one year of pretax payroll deductions to reestablish Service Credit pursuant to an election under subparagraph (B)(2) or (C)(1) above, and the remaining Service Credit that can be reestablished would cause the Member to satisfy the Plan's vesting requirements, the Member may complete the remaining payments with a single sum after-tax payment made within 60 days after the date the Member ceases to be an Active Member.
- (3) The determination as to whether a Member has been involuntarily separated from service for budgetary reasons shall be based on the member's payroll separation reason as set forth in the Plan Regulations.

(v) **Restrictions on Use of Reestablished Service Credit.** Service Credit reestablished under this subsection shall be used to determine eligibility for Disability Income, Preretirement Survivor Income and early retirement. If the period of previous employment includes Service Credit that was subject to a property settlement upon marital dissolution or legal separation that was made in accordance with a qualified domestic relations order, an Active Member may reestablish such Service Credit in accordance with Plan Regulation 12.07.

(vi) **Special Provisions.** A Member who elects retirement under the contingent provisions of the Voluntary Early Retirement Incentive Program-III shall be subject to the limitations outlined in Section 10 of Appendix D.

(f) Credit For Accrued Sick Leave.

A Member who elects Retirement Income and whose Retirement Date is not more than four months after separation from service shall, at the Member's Retirement Date and as a Member under this Article, be credited with 0.004 of a year of Service Credit for each day of unused sick leave, which was accrued while a Member of the Plan in accordance with University policy, and which is certified to the Plan in accordance with Plan Regulations.

Credit for accrued sick leave shall not be counted for purposes of satisfying vesting or retirement eligibility requirements.

(g) Credit for Service Credit for Elections in the Voluntary Early Retirement Incentive Programs and the Retirement Acceleration Opportunity Program.

A Member who elects retirement under the contingent provisions of the Retirement Acceleration Opportunity Program as outlined in Section 15 of Appendix A, the Voluntary Early Retirement Incentive Program-I as outlined in Appendix B, the Voluntary Early Retirement Incentive Program-II as outlined in Appendix C, or the Voluntary Early Retirement Incentive Program-III as outlined in Appendix D, shall be entitled to the additional Service Credit as outlined therein.

[Also see related UCRP Regulation 5.04]

5.05

EARLY RETIREMENT

(a) 1976 Tier Benefit and Modified 2013 Tier Benefit.

An Active Member, Disabled Member, or Inactive Member who has attained age 50 and earned at least five years of Service Credit, including service credit under PERS as a University employee, or who entered the Plan on or before July 1, 1989 and has attained age 62, regardless of the Member's years of Service Credit, may elect to retire at any time by complying with Plan requirements as stated in Section 12.03 with respect to the Member's 1976 Tier Benefit and/or the Member's Modified 2013 Tier Benefit. Retirement at age 50 became effective January 1, 1990.

(b) 2013 Tier Benefit and 2016 Tier Benefit.

An Active Member, Disabled Member, or Inactive Member who has attained age 55 and earned at least five years of Service Credit, including service credit under PERS as a University employee, or became a Member on or before July 1, 1989 and has attained age 62, regardless of the Member's years of Service Credit, may elect to retire at any time by complying with Plan requirements as stated in Section 12.03 with respect to the Member's 2013 Tier Benefit and/or the Member's 2016 Tier Benefit.

(c) Multi-tier Member.

A Multi-tier Member shall have only one Retirement Date; however, the Member's 1976 Tier Benefit and Modified 2013 Tier Benefit, if any, may have different commencement dates than the Member's 2013 Tier Benefit and/or the Member's 2016 Tier Benefit. If a Multi-tier

Member's Retirement Date is prior to the date the date the Member attains age 55, the commencement date for the 2013 Tier Benefit and/or the Member's 2016 Tier Benefit shall be the Member's 55th birthday.

(d) Concurrent Retirement.

An Active Member, Disabled Member, Inactive Member, or former Member described in subsection (a), (b) or (c) above who is eligible for concurrent retirement as provided by Section 12.09, and who is eligible for service retirement from STRS, unless such eligibility for STRS service retirement is dependent upon retiring concurrently under the Plan or any other public retirement plan as defined in the Plan Regulations, may elect to retire at any time after July 1, 2002 by complying with Plan requirements as stated in Section 12.03.

[Also see related UCRP Regulation 5.05]

5.06

BASIC RETIREMENT INCOME

(a) 1976 Tier Benefit.

The Basic Retirement Income for a Member's 1976 Tier Benefit that is payable under this Article 5 at the Member's Retirement Date is equal to the product of:

- (i) the Member's years of Service Credit accrued in the 1976 Tier under this Article; and
- (ii) the factor for the Member's attained age on his or her last birthday, increased by the number of whole calendar months elapsed at the Member's Retirement Date, based on the following table:

Attained Age	Monthly Factors											
	0	1	2	3	4	5	6	7	8	9	10	11
50	.0110	.0111	.0112	.0114	.0115	.0116	.0117	.0118	.0119	.0121	.0122	.0123
51	.0124	.0125	.0126	.0128	.0129	.0130	.0131	.0132	.0133	.0135	.0136	.0137
52	.0138	.0139	.0140	.0142	.0143	.0144	.0145	.0146	.0147	.0149	.0150	.0151
53	.0152	.0153	.0154	.0156	.0157	.0158	.0159	.0160	.0161	.0163	.0164	.0165
54	.0166	.0167	.0168	.0170	.0171	.0172	.0173	.0174	.0175	.0177	.0178	.0179
55	.0180	.0181	.0182	.0184	.0185	.0186	.0187	.0188	.0189	.0191	.0192	.0193
56	.0194	.0195	.0196	.0198	.0199	.0200	.0201	.0202	.0203	.0205	.0206	.0207
57	.0208	.0209	.0210	.0212	.0213	.0214	.0215	.0216	.0217	.0219	.0220	.0221
58	.0222	.0223	.0224	.0226	.0227	.0228	.0229	.0230	.0231	.0233	.0234	.0235
59	.0236	.0237	.0238	.0240	.0241	.0242	.0243	.0244	.0245	.0247	.0248	.0249
60+	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250

and

- (iii) the Member’s Highest Average Plan Compensation, adjusted as described in Section 5.11(c) if applicable, less \$133. If the Member is a Multi-tier Member, the HAPC is adjusted as described in subsection (e) below.

(b) 2013 Tier Benefit and 2016 Tier Benefit.

The Basic Retirement Income for a Member’s 2013 Tier Benefit or a Member’s 2016 Tier Benefit that is payable under this Article 5 at the Member’s Retirement Date, or that is payable to a Multi-tier Member at the later of the Member’s Retirement Date or age 55, is equal to the product of:

- (i) the Member’s years of Service Credit accrued in the 2013 Tier or accrued in the 2016 Tier under this Article; and
- (ii) the factor for the Member’s attained age on his or her last birthday, increased by the number of whole calendar months elapsed at the Member’s Retirement Date, based on the following table:

Attained Age	Monthly Factors											
	0	1	2	3	4	5	6	7	8	9	10	11
55	.0110	.0111	.0112	.0114	.0115	.0116	.0117	.0118	.0119	.0121	.0122	.0123
56	.0124	.0125	.0126	.0128	.0129	.0130	.0131	.0132	.0133	.0135	.0136	.0137
57	.0138	.0139	.0140	.0142	.0143	.0144	.0145	.0146	.0147	.0149	.0150	.0151
58	.0152	.0153	.0154	.0156	.0157	.0158	.0159	.0160	.0161	.0163	.0164	.0165
59	.0166	.0167	.0168	.0170	.0171	.0172	.0173	.0174	.0175	.0177	.0178	.0179
60	.0180	.0181	.0182	.0184	.0185	.0186	.0187	.0188	.0189	.0191	.0192	.0193
61	.0194	.0195	.0196	.0198	.0199	.0200	.0201	.0202	.0203	.0205	.0206	.0207
62	.0208	.0209	.0210	.0212	.0213	.0214	.0215	.0216	.0217	.0219	.0220	.0221
63	.0222	.0223	.0224	.0226	.0227	.0228	.0229	.0230	.0231	.0233	.0234	.0235
64	.0236	.0237	.0238	.0240	.0241	.0242	.0243	.0244	.0245	.0247	.0248	.0249
65+	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250

and

- (iii) the Member’s Highest Average Plan Compensation.

(c) Modified 2013 Tier Benefit.

The Basic Retirement Income for a Member’s Modified 2013 Tier Benefit that is payable under this Article 5 at the Member’s Retirement Date is equal to the product of:

- (i) the Member’s years of Service Credit accrued in the Modified 2013 Tier under this Article; and

(ii) the factor for the Member’s attained age on his or her last birthday, increased by the number of whole calendar months elapsed at the Member’s Retirement Date, based on the following table:

Attained Age	Monthly Factors											
	0	1	2	3	4	5	6	7	8	9	10	11
50	.0110	.0111	.0112	.0114	.0115	.0116	.0117	.0118	.0119	.0121	.0122	.0123
51	.0124	.0125	.0126	.0128	.0129	.0130	.0131	.0132	.0133	.0135	.0136	.0137
52	.0138	.0139	.0140	.0142	.0143	.0144	.0145	.0146	.0147	.0149	.0150	.0151
53	.0152	.0153	.0154	.0156	.0157	.0158	.0159	.0160	.0161	.0163	.0164	.0165
54	.0166	.0167	.0168	.0170	.0171	.0172	.0173	.0174	.0175	.0177	.0178	.0179
55	.0180	.0181	.0182	.0184	.0185	.0186	.0187	.0188	.0189	.0191	.0192	.0193
56	.0194	.0195	.0196	.0198	.0199	.0200	.0201	.0202	.0203	.0205	.0206	.0207
57	.0208	.0209	.0210	.0212	.0213	.0214	.0215	.0216	.0217	.0219	.0220	.0221
58	.0222	.0223	.0224	.0226	.0227	.0228	.0229	.0230	.0231	.0233	.0234	.0235
59	.0236	.0237	.0238	.0240	.0241	.0242	.0243	.0244	.0245	.0247	.0248	.0249
60+	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250

and

(iii) the Member’s Highest Average Plan Compensation.

(d) *Benefit of a Multi-tier Member who is not subject to the PEPPRA Maximum.*

A Multi-tier Member is entitled to the sum of the Member’s Basic Retirement Income for the Member’s 1976 Tier Benefit, 2013 Tier Benefit, Modified 2013 Tier Benefit and/or 2016 Tier Benefit, to the extent the Member has accrued a benefit under such tier, determined as described in subsections (a), (b) and (c) above at the Member’s Retirement Date, provided, however, if the Member has not attained age 55, commencement of the 2013 Tier Benefit and/or 2016 Tier Benefit will be deferred to the Member’s 55th birthday.

(i) A Multi-tier Member’s Highest Average Plan Compensation (HAPC) used to calculate Basic Retirement Income for the 1976 Tier Benefit is the greater of (A) or (B) below, less \$133:

(A) the HAPC determined at the end of the Member’s Service Credit period in the 1976 Tier, adjusted as described in Section 5.11(c) if applicable; or

(B) the HAPC determined over the Member’s entire period of service as an Active Member, adjusted as described in Section 5.11(c) if applicable.

- (ii) A Multi-tier Member's Highest Average Plan Compensation used to calculate Basic Retirement Income for the 2013 Tier Benefit, Modified 2013 Tier Benefit and/or 2016 Tier Benefit is determined over the Member's entire period of service as an Active Member.

(e) Maximum Highest Average Plan Compensation.

A Member's total Basic Retirement Income, including any retirement benefits payable from PERS on account of University service as well as any Basic Retirement Income attributable to Service Credit accrued under Articles 7 or 8, shall not exceed 100% of the Member's Highest Average Plan Compensation (the 100% limit), which is:

- (i) if all of the Member's Service Credit was accrued in the 1976 Tier, the Member's Highest Average Plan Compensation as determined under subsection (a)(iii) above,
- (ii) if all of a Member's Service Credit was accrued in the 2013 Tier, or in the Modified 2013 Tier, or in the 2016 Tier, the Member's Highest Average Plan Compensation as determined under subsection (b)(iii) or (c)(iii) above, as applicable,
- (iii) if the Member is a Multi-tier Member whose Covered Compensation is not subject to the PEPRA maximum, the greater of the Member's Highest Average Plan Compensation as determined under subsection (d)(i) or (d)(ii) above.

(f) Members with Noncontributory Service. For an Active Member who, beginning on July 1, 1967, received Service Credit for which Member Contributions were not required (commonly referred to as "noncontributory service"), the monthly amount of Basic Retirement Income shall be the greater of:

- the benefit determined for all years of Service Credit, including noncontributory service, less the Retirement Income Offset determined under Section 5.08; or
- the benefit determined for all Service Credit but excluding noncontributory service; for purposes of this calculation only, the Retirement Income Offset determined under Section 5.08 shall not be applied.

(g) Periods of Prior Employment with the ASUCLA.

For persons who became Members of the Plan on June 1, 1977, with Service Credit as designated by The Regents for periods of prior

employment with the Associated Students of the University of California, Los Angeles, Basic Retirement Income shall be determined as though all such prior Service Credit was accrued as a Member with Coordinated Benefits.

(h) When Election Becomes Irrevocable.

Effective for a Retirement Date occurring April 1, 1999 or later, the election with respect to Basic Retirement Income shall be irrevocable as of the later of the Member's Retirement Date, or 15 days following the date of the Plan Administrator's confirmation letter notifying the Member of the receipt of the Member's election.

(i) Disparity.

If the benefit computed in accordance with this Section would result in a disparity in excess of that permitted by Section 401(l) of the Internal Revenue Code, the benefit shall be increased by the amount necessary to eliminate the prohibited disparity.

The amount of Basic Retirement Income shall be subject to the provisions of Section 5.08 through 5.15 as applicable.

[Also see related UCRP Regulation 5.06]

5.07

SOCIAL SECURITY SUPPLEMENT

This Section 5.07 applies only to a Member's 1976 Tier Benefit.

In addition to the Basic Retirement Income provided by Section 5.06, a Member with a 1976 Tier Benefit who retires prior to attainment of age 65 shall receive a supplemental monthly payment through the month that includes the date of the Member's death or attainment of age 65, whichever first occurs. The amount of such supplemental monthly payment is equal to the product of:

- (a) the number of years of Service Credit accrued in the 1976 Tier under this Article;
- (b) the factor determined in accordance with Section 5.06(a)(ii) for attained age on the Retirement Date; and
- (c) \$133;

provided that the product of (a) and (b) above shall not exceed 100%.

The surviving spouse or surviving Domestic Partner of a Member with a 1976 Tier Benefit who dies prior to the attainment of age 65 while eligible

to retire as described in Section 5.16(b), or who dies prior to the attainment of age 65 while retired as described in Section 5.17, shall receive a supplemental monthly payment in an amount equal to 25% of the amount described above through the month in which the Member would have attained age 65.

If an Active Member who, beginning on July 1, 1967, received Service Credit for which Member Contributions were not required (noncontributory service), will receive a retirement benefit determined for all Service Credit accrued under this Article, but excluding noncontributory service as set forth in Section 5.06, then the Social Security Supplement shall likewise be determined by excluding the noncontributory service.

5.08

RETIREMENT INCOME OFFSET

A Retirement Income Offset occurs when a Member received Service Credit in the 1961-1971 Plan or the 1971-1988 Plan for periods during which Member Contributions were not made other than for periods during which the Member received Disability Income, was on military leave if the leave occurred on or after July 1, 1971, or was not required to contribute in accordance with Section 4.07.

- (a) The Retirement Income Offset is an amount equal to an Actuarially Equivalent monthly annuity based on the following factors:
- (i) the Member Contributions which were not made for any such periods, such amount to include interest to the Retirement Date (with interest after June 30, 1971 at the current rate of the assumed earnings of the Plan); and such amount to be reduced by the amount directly paid by the Member for retroactive Social Security coverage;
 - (ii) the University Contributions which were not made under the 1961-1971 Plan during a period of sabbatical leave or approved leave of absence without pay other than military leave, such amount to include interest to the Retirement Date (with interest after June 30, 1971 at the current rate of the assumed earnings of the Plan); and
 - (iii) the Actuarial Equivalence Basis as set forth in Section 2.05 on the Retirement Date.

(b) Payment Elections.

An Active Member may elect to eliminate the Retirement Income Offset at any time before retirement by making payment to the Plan of an amount equal to the University Contributions and Member Contributions which were not made plus interest at the current rate of assumed earnings of the Plan to the date of completion of payment. Payments made to eliminate or reduce the Retirement Income Offset shall be made only while an Active Member and shall not be refunded except upon a Break in Service as provided by Section 4.08.

(i) Effective January 1, 2001, an Active Member may elect to make a single sum after-tax payment directly to the Plan to eliminate or reduce the Retirement Income Offset. Such payment shall not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded.

(ii) Unless the payment option described in paragraph (i) above is elected, for elections to eliminate the Retirement Income Offset that are received by the Plan Administrator on or after July 1, 1997 and before January 1, 2014, payments shall be made on a pretax basis in accordance with Section 414(h) of the Internal Revenue Code and are deemed to be employer pick-up contributions.

Payments with respect to pretax salary contributions must be completed over a period of 1, 2, 3, 4, or 5 years from the date of the election in accordance with Plan Regulations. The Plan Administrator may implement Plan Regulations on procedures including, without limitation, how the 5-year rule shall be applied.

Payments on a pretax basis shall be made pursuant to an Active Member's binding irrevocable payroll authorization and such Member shall not have the option to make single sum or installment payments directly to the Plan, except as may be necessary and appropriate to correct an error.

The binding irrevocable payroll authorization shall terminate only if the Member has a Break in Service. If at the time a Member incurs a Break in Service, or at the subsequent Retirement Date, Disability Date, or date of the Active Member's death, if earlier, the amount of such payments is insufficient to eliminate the Retirement Income Offset, the Retirement Income Offset shall be redetermined in accordance with this Section, giving credit for such payments.

[Also see related UCRP Regulation 5.08]

5.09

SECTION 415 MAXIMUM BENEFIT

The maximum annual amount of Retirement Income as determined in Sections 5.06, 6.06, 7.07, and 8.06 (including any Social Security Supplement), Postretirement Survivor Continuance, and the Capital Accumulation Payment payable from the Plan shall not exceed the limit described in Section 415(b) of the Internal Revenue Code and shall be administered in accordance with the Plan Regulations.

For purposes of determining the Section 415 limit, the University elects to be covered by Section 415(b)(10) of the Internal Revenue Code in which the maximum benefit payable would be the greater of either:

- the Section 415(b) limit, or
- the accrued benefit of an employee who became an Active Member of the Plan before January 1, 1990, but without regard to any Plan amendment after October 14, 1987.

For a Member whose greater payment would be the accrued benefit without regard to any Plan amendment after October 14, 1987, benefits payable under the Plan shall not include any benefit form, formula or factor which was not included in the Plan as of October 14, 1987. These amendments include, but are not limited to, the Capital Accumulation Payment, certain payment options described in Section 5.12, the 2013 Tier Benefit, the Modified 2013 Tier Benefit, the 2016 Tier Benefit, and changes to the cost of living adjustment and Basic Retirement Income factors.

The limit under Section 415(b) of the Internal Revenue Code as applied to the annual benefit paid on behalf of a Retired Member shall be adjusted each limitation year as provided in Section 415(d) of the Internal Revenue Code.

[Also see related UCRP Regulation 5.09]

5.10

STRICT FULL TIME SALARY PLAN

If an Active Member or Inactive Member was compensated in whole or in part on the basis of a Strict Full Time Salary Plan, the amount of Basic Retirement Income shall be the sum of:

- (a) the amount computed in accordance with Section 5.06 but using only that portion of the Highest Average Plan Compensation attributable to the appropriate base salary scale; and
- (b) the amount computed in accordance with Section 5.06 but using only Service Credit earned while being paid on the Strict Full Time Salary Plan and only that portion of the Highest Average Plan Compensation attributable to the fixed differential paid during this period.

[Also see related UCRP Regulation 5.10]

5.11

ADJUSTMENT TO HIGHEST AVERAGE PLAN COMPENSATION

A Member's Highest Average Plan Compensation may be adjusted as follows:

- (a) to determine the amount of Retirement Income under this Article for a Disabled Member whose Disability Date is prior to November 5, 1990, the Member's Highest Average Plan Compensation shall be increased by the total percentage of cost of living adjustments specified in Section 9.03 from the July 1 coinciding with or next following the Disability Date, but not earlier than July 1, 1971, to the July 1 coinciding with or immediately preceding the Member's Retirement Date.
- (b) to determine the amount of Retirement Income under this Article for a Disabled Member whose Disability Date is November 5, 1990, or later, the Member's Highest Average Plan Compensation shall be established as of the Disability Date.
- (c) to determine the amount of Retirement Income under this Article for an Inactive Member, the Member's Highest Average Plan Compensation (with respect to such Member's 1976 Tier Benefit) shall be increased by the total percentage of cost of living adjustments specified in Section 9.03(b) from the July 1 coinciding with or next following the date of Inactive Membership, but not earlier than July 1, 1971, to the July 1 coinciding with or immediately preceding the Member's Retirement Date.

In the case of a Disabled Member who becomes an Inactive Member, the Member's Highest Average Plan Compensation (with respect to such Member's 1976 Tier Benefit) shall be determined as of the Member's Disability Date, and shall be increased by the total percentage of cost of living adjustments specified in Section 9.03(b) from the July 1 coinciding with or next following the date of Inactive Membership, but not earlier than July 1, 1971, to the July 1 coinciding

with or immediately preceding the Member's Retirement Date.

The cost of living adjustments described in this subsection (c) are not applicable to a Member's 2013 Tier Benefit, a Member's Modified 2013 Tier Benefit and/or a Member's 2016 Tier Benefit.

For an Inactive Member eligible for reciprocal benefits in accordance with Section 12.08, cost of living adjustments to the Member's Highest Average Plan Compensation to the extent of the Member's 1976 Tier Benefit, if any, shall exclude periods for which service credit was earned in the reciprocal retirement plan.

For an Inactive Member eligible for concurrent retirement as provided by Section 12.09, cost of living adjustments to the Member's Highest Average Plan Compensation to the extent of the Member's 1976 Tier Benefit, if any, shall apply only to the period after the final period in which service credit was earned under either plan.

5.12

PAYMENT OPTIONS

An Active Member or Inactive Member may elect one of the Actuarially Equivalent monthly payment options described in subsections (a) through (d) below instead of the Basic Retirement Income option described in Section 5.06 or, with respect to a Member's 1976 Tier Benefit or a Member's Modified 2013 Tier Benefit, the Lump Sum Cashout described in Section 4.08(c).

Unless an exception applies, the payment option selected shall apply to the full amount of Basic Retirement Income attributable to a Member's 1976 Tier Benefit if no person is eligible to receive the Postretirement Survivor Continuance on the Member's Retirement Date. If any such eligible person is living on the Member's Retirement Date, the payment option selected for a Member's 1976 Tier Benefit shall apply only to that portion of such Basic Retirement Income that exceeds the amount of the applicable Postretirement Survivor Continuance. The Postretirement Survivor Continuance is not available for a Member's 2013 Tier Benefit, a Member's Modified 2013 Tier Benefit and/or a Member's 2016 Tier Benefit.

The payment options provided under this Section 5.12 are as follows:

(a) Full Continuance to Contingent Annuitant.

A reduced monthly benefit is paid to the Retired Member for life. Upon the death of the Retired Member, and provided the Contingent Annuitant has survived, the same monthly benefit is paid to the Contingent Annuitant each month for life. Payments cease upon the death of the Contingent Annuitant.

(b) Two-Thirds Continuance to Contingent Annuitant.

A reduced monthly benefit is paid to the Retired Member for life. Upon the death of the Retired Member, and provided the Contingent Annuitant has survived, two-thirds of the monthly benefit is paid to the Contingent Annuitant each month for life. Payments cease upon the death of the Contingent Annuitant.

(c) One-Half Continuance to Contingent Annuitant.

A reduced monthly benefit is paid to the Retired Member for life. Upon the death of the Retired Member, and provided the Contingent Annuitant has survived, one-half of the monthly benefit is paid to the Contingent Annuitant each month for life. Payments cease upon the death of the Contingent Annuitant.

(d) Option D.

With respect to a Member's 1976 Tier Benefit, if the Contingent Annuitant is the spouse or Domestic Partner of the Member and is eligible to receive the Postretirement Survivor Continuance, the Member may elect to reduce the Basic Retirement Income payable during the Member's life (the first annuity) and provide for a second annuity payable after the death of the Member. The second annuity shall be an amount which, when added to the Postretirement Survivor Continuance, totals one-half of the first annuity.

(i) A Member may not elect Option D for a 2013 Tier Benefit, a Modified 2013 Tier Benefit or a 2016 Tier Benefit.

(ii) If a Multi-tier Member elects Option D with respect to the Member's 1976 Tier Benefit, the Basic Retirement Income attributable to the Member's 2013 Tier Benefit, Modified 2013 Tier Benefit and/or 2016 Tier Benefit is reduced and paid to the Retired Member. If the Contingent Annuitant survives the Retired Member, payment to the Contingent Annuitant, is calculated as if the Member had elected the option described in subsection (c) above.

A Multi-tier Member must elect the same payment option for the Member's 1976 Tier Benefit, 2013 Tier Benefit, Modified 2013 Tier Benefit and/or 2016 Tier Benefit (unless Section 5.15(d)(ii) applies) or the Multi-tier Member elects to receive a Lump Sum Cashout with respect to the 1976 Tier Benefit and Modified 2013 Tier Benefit. In that case the Member may elect one of the options described in subsections (a)-(c) above for the 2013 Tier Benefit and/or 2016 Tier Benefit.

For a Retirement Date occurring April 1, 1999 or later, the election of payment option and the designation of Contingent Annuitant shall be irrevocable as of the later of the Member's Retirement Date, or 15 days following the date of the Plan Administrator's confirmation letter notifying the Member of the receipt of the Member's election except as that date may be adjusted as set forth in Plan Regulations.

[Also see related UCRP Regulation 5.12]

5.13

MINIMUM DISTRIBUTION RULE

All Members must receive a minimum distribution commencing by the Required Beginning Date in accordance with the Minimum Distribution Rule as defined in Section 2.38.

5.14

REAPPOINTMENT AFTER RETIREMENT

A Retired Member may be reappointed to University service subject to regulations promulgated by the President of the University.

- (a) if, upon reappointment, a Retired Member is an Eligible Employee, the Retired Member shall be reinstated as an Active Member as provided by Section 5.15.
- (b) if, upon reappointment, a Retired Member is not an Eligible Employee, the Retired Member shall not be reinstated as an Active Member and shall continue to receive Retirement Income as provided by this Article.

5.15

REINSTATEMENT PROVISIONS

When a Retired Member is reappointed as an Eligible Employee, Retirement Income and any Social Security Supplement shall cease. If the reappointment occurs prior to July 1, 2016, the Retired Member shall be reinstated as an Active Member. If the reappointment occurs on or after

July 1, 2016, the Retired Member shall be reinstated as an Active Member subject to the provisions of Section 3.01(b)–(d). Upon reinstatement, the following shall apply:

- (a) the individual's Member Contributions account shall be reestablished and shall be credited with such positive amount as is equal to the Member's Member Contributions, if any, and interest as of the Retirement Date less the total of payments of Retirement Income and Social Security Supplement provided (if applicable) by this Article 5. Service Credit as of the Retired Member's Retirement Date shall be reestablished.
- (b) upon the reinstated Active Member's subsequent retirement, the amount of Basic Retirement Income payable under this Article shall be the greater of:
 - (i) the sum of:
 - (A) the initial Basic Retirement Income payable determined in accordance with Sections 5.06, adjusted for cost of living adjustments in accordance with Section 9.03 up to the date of subsequent retirement, and
 - (B) the subsequent accrual of Basic Retirement Income determined in accordance with Sections 5.06 on the basis of Service Credit and Highest Average Plan Compensation earned after reinstatement; or
 - (ii) the difference between:
 - (A) the amount of Basic Retirement Income payable on the basis of Service Credit and Highest Average Plan Compensation over the entire period of service while an Active Member, and
 - (B) the amount of Basic Retirement Income that is Actuarially Equivalent to the total amount of payments previously received under this Article (without regard to any Social Security Supplement that may have been paid), accumulated with interest at the rate of the assumed earnings of the Plan from the date of reinstatement to the date of subsequent retirement.
- (c) if, upon a reinstated Active Member's subsequent retirement, the Retired Member is entitled to a Social Security Supplement, it shall be equal to the sum of:

- (i) the initial Social Security Supplement payable, adjusted for cost of living adjustments in accordance with Section 9.03, and
 - (ii) the subsequent accrual of the Social Security Supplement computed on the basis of Service Credit earned after reinstatement.
- (d) upon the reinstated Active Member's subsequent retirement, benefits payable shall be subject to the following:
- (i) the Basic Retirement Income, defined in (b)(i)(A) above, shall be resumed in the same payment form as was the case upon the Retired Member's initial retirement.
 - (ii) the Basic Retirement Income equal to the excess of the total amount determined in (b) above, over the Basic Retirement Income defined in (b)(i)(A) above, may, at the election of the Retired Member, be paid in one of the optional payment forms in accordance with Section 5.12 except that Option D described in Section 5.12(d) may not be elected for the Member's 2013 Tier Benefit, Modified 2013 Tier Benefit and/or 2016 Tier Benefit.
- (e) if, after reinstatement and prior to the Active Member's subsequent retirement, the Active Member should die, then:
- (i) payments related to (d)(i) above due to a survivor, if any, shall be payable in accordance with the payment option initially chosen.
 - (ii) payments related to (d)(ii) above due to a survivor, if any, shall be payable in accordance with the provisions of Section 5.16(b) related to Preretirement Survivor Income but while eligible to retire.
- (f) If a Retired Employee returns to University employment following his or her receipt of a Lump Sum Cashout, and again becomes an Active Member either prior to July 1, 2013 or on or after that date without incurring a Break In Service, the benefit payable at his or her subsequent retirement is calculated as described in Section 5.06(a) or 8.06, as applicable, but based solely on the Service Credit and HAPC accrued during the subsequent period as an Active Member and on the Member's age at the subsequent retirement.
- (g) If a Retired Employee returns to University employment following his or her receipt of a Lump Sum Cashout, and again becomes an Active Member on or after July 1, 2013 after having incurred a Break In Service, the benefit payable at his or her subsequent retirement is calculated as described in Section 5.06(b) or 5.06(c) or 8.06, as

applicable, but based solely on the Service Credit and HAPC accrued during the subsequent period as an Active Member and on the Member's age at the subsequent retirement.

[Also see related UCRP Regulation 5.15]

5.16

PRERETIREMENT SURVIVOR INCOME

Preretirement Survivor Income under this Article may be paid upon the death of an Active Member who has at least two years of Service Credit, or a Disabled Member, or in the case of (b) below, an Inactive Member.

(a) Payment to Eligible Survivors.

Effective July 1, 2002, Preretirement Survivor Income shall be paid to the person or persons (on a share and share alike basis) in the first of the following categories in which there is a survivor: Eligible Spouse or Eligible Domestic Partner, Eligible Children, or Eligible Dependent Parents. Preretirement Survivor Income shall not be paid to a former spouse or former Domestic Partner.

The amount of Preretirement Survivor Income payable under this subsection (a) shall be determined as follows:

- (i) Upon the death of an Active Member or Disabled Member who accrued all of his or her Service Credit in the 1976 Tier, monthly Preretirement Survivor Income shall be paid to the appropriate category of Eligible Survivor(s) determined above. The amount of each of the first three monthly payments of Preretirement Survivor Income shall be equal to 25% of the Member's Final Salary. Thereafter the amount of monthly Preretirement Survivor Income shall be equal to 25% of Final Salary less \$106.40.
- (ii) Upon the death of an Active Member or Disabled Member who accrued all of his or her Service Credit in the 2013 Tier, in the Modified 2013 Tier, or in the 2016 Tier, or accrued in a combination of these tiers, the monthly Preretirement Survivor Income shall be paid to the appropriate category of Eligible Survivor(s) determined above. The amount of monthly Preretirement Survivor Income shall be equal to 15% of the Member's Final Salary.
- (iii) If a Multi-tier Member dies while an Active Member or Disabled Member, the monthly Preretirement Survivor Income shall be paid to the appropriate category of Eligible Survivor(s) determined

above. The amount of monthly Preretirement Survivor Income shall be equal to the sum of:

- (A) the amount calculated under subsection (a)(i) above multiplied by the ratio of the Member's Service Credit accrued in the 1976 Tier to the Member's total Service Credit, and
- (B) the amount calculated under subsection (a)(ii) above multiplied by the ratio of the Member's Service Credit accrued in the 2013 Tier, in the Modified 2013 Tier, or in the 2016 Tier, or accrued in a combination of these tiers, to the Member's total Service Credit.

When a person ceases to be an Eligible Survivor, Preretirement Survivor Income under this subsection (a) shall be payable to the next Eligible Survivor in the categories determined above.

(b) Payment of "Death While Eligible to Retire" Benefit.

- (i) With respect to a Member's 1976 Tier Benefit or a Member's Modified 2013 Tier Benefit, if the death of an Active Member, Disabled Member, or Inactive Member occurs after the Member has attained age 50 and earned five years of Service Credit, or if such Member entered the Plan on or before July 1, 1989 and has attained age 62, regardless of the Member's years of Service Credit, it will be deemed that such Member had elected to retire on the date of death and had elected Retirement Income under the full joint and last survivor payment option described in Section 5.12(a). Further, it will be assumed that the Member's surviving spouse or surviving Domestic Partner was named as the Contingent Annuitant, provided that there is a surviving spouse or surviving Domestic Partner, and that no other election for payment of Retirement Income or a Lump Sum Cashout has been made. In addition, if such Member has not attained age 65 on the date of death, the surviving spouse or surviving Domestic Partner shall also receive the Social Security Supplement under Section 5.07, with respect to the Member's 1976 Tier Benefit, through the month in which the Member would have attained age 65.
- (ii) With respect to a Member who has only a 2013 Tier Benefit or a 2016 Tier Benefit, if the death of such Active Member, Disabled Member, or Inactive Member occurs on or after the Member has attained age 55 and earned five years of Service Credit, it will be deemed that such Member had elected to retire on the date of

death and had elected Retirement Income under the full joint and last survivor payment option described in Section 5.12(a). Further, it will be assumed that the Member's surviving spouse or surviving Domestic Partner was named as the Contingent Annuitant, provided that there is a surviving spouse or surviving Domestic Partner, and that no other election for payment of Retirement Income has been made.

- (iii) If a Multi-tier Member dies while an Active Member, Disabled Member or Inactive Member while eligible to retire, as described in subsection (b)(i) above, it will be deemed that such Member had elected to retire on the date of death and had elected Retirement Income under the full joint and last survivor payment option described in Section 5.12(a). If the Multi-tier Member had not attained age 55 at the time of his or her death, payment of the benefit attributable to the Member's 2013 Tier Benefit and/or the Member's 2016 Tier Benefit will be deferred to the date the Member would have attained age 55. Further, it will be assumed that the Member's surviving spouse or surviving Domestic Partner was named as the Contingent Annuitant, provided that there is a surviving spouse or surviving Domestic Partner, and that no other election for payment of Retirement Income or a Lump Sum Cashout has been made.

If there is no surviving spouse or surviving Domestic Partner, it will be deemed that such Member had not elected to retire on the date of death with respect to benefits payable.

(c) Coordination of Benefits.

The benefits under subsections (a) and (b) above shall be calculated separately, and the greater of the two benefits shall be paid to the surviving spouse or surviving Domestic Partner as follows:

- (i) if the Preretirement Survivor Income determined in subsection (b) is the larger benefit, it shall be paid to the surviving spouse or surviving Domestic Partner of the deceased Member.
- (ii) if the Preretirement Survivor Income determined in subsection (a), which would be payable to the surviving spouse or surviving Domestic Partner as an Eligible Spouse or Eligible Domestic Partner is greater than the benefit in subsection (b), the Preretirement Survivor Income payable shall not be less than the amount of Preretirement Survivor Income under subsection (a).

Payment shall continue as long as the surviving spouse or surviving Domestic Partner is an Eligible Spouse or Eligible Domestic Partner and shall preempt the payment of benefits under subsection (b).

(d) Payment of Preretirement Survivor Income on Account of Eligible Children.

Preretirement Survivor Income payable on account of an Eligible Child under age 18 shall be paid to the parent of such child provided that the child is in the care of the parent and no guardian of the estate of the child has been appointed; otherwise payment shall be made to the guardian.

Preretirement Survivor Income payable on account of an Eligible Child who has attained the age of 18 shall be paid to the parent of such child provided that the child is in the care of such parent and no guardian of the estate of the child has been appointed. If a guardian has been appointed, payment shall be made to the guardian; otherwise payment shall be made to the Eligible Child.

The Preretirement Survivor Income is payable in addition to the death benefits provided in Section 5.18, if any.

[Also see related UCRP Regulation 5.16]

5.17

POSTRETIREMENT SURVIVOR CONTINUANCE

This Section 5.17 applies only to a Member's 1976 Tier Benefit.

Upon the death of a Retired Member who accrued a 1976 Tier Benefit, a monthly benefit shall be paid to the person or persons (on a share and share alike basis) in the first of the following categories in which there is a survivor:

- (a) to the spouse of the Retired Member for life, provided such spouse was married to the Retired Member for one full year before the Retirement Date and continuously to the date of the Member's death;
- (b) with respect only to Retired Members whose Retirement Date is on or after July 1, 2002, to the Domestic Partner of the Retired Member for life, provided such Domestic Partner was the Domestic Partner of the Retired Member for one full year before the Retirement Date and continuously to the date of the Member's death; and, effective January 1, 2005, with respect to a Retired Member who retired prior to July 1,

2002, to the Domestic Partner of such Retired Member for life, as determined under the eligibility rules set forth in Section 5.17.E. of the Plan Regulations;

- (c) to the Eligible Child or Children for as long as the child or children remain eligible; or
- (d) to the Eligible Dependent Parent or Parents for as long as the parent or parents remain eligible.

Upon the death or loss of eligibility of all survivors in one category, payments shall continue to the person or persons in the next succeeding category in which there are Eligible Survivors. When the eligibility of all such survivors ceases, no further monthly payments under this Section shall be made.

A Postretirement Survivor Continuance shall not be paid to a former spouse or former Domestic Partner.

The amount of the Postretirement Survivor Continuance payable with respect to a Retired Member who was a Member with Coordinated Benefits and whose death occurs on or after attainment of age 65 is equal to 25% of the Basic Retirement Income for the Member's 1976 Tier Benefit payable to the Retired Member as of the date of death.

The amount of the Postretirement Survivor Continuance payable with respect to a Retired Member who was a Member with Coordinated Benefits and whose death occurs before attainment of age 65 is equal to 25% of the sum of the amount of Basic Retirement Income for the Member's 1976 Tier Benefit, plus, if applicable pursuant to Section 5.07 for a surviving spouse or surviving Domestic Partner, 25% of the amount of the Social Security Supplement payable to the Retired Member as of the date of death. This amount is payable through the month in which the Retired Member would have attained age 65. Thereafter, the amount of the Postretirement Survivor Continuance is equal to 25% of the amount of Basic Retirement Income for the Member's 1976 Tier Benefit that would have been payable to the Retired Member as of the month following the month in which the Retired Member would have attained age 65.

The Postretirement Survivor Continuance is payable in addition to the death benefits provided in Section 5.18, if any.

[Also see related UCRP Regulation 5.17]

5.18

LUMP SUM PAYMENTS UPON DEATH

Upon the death of a person indicated below, the respective amounts of the basic death payment and the residual death payment shall be paid in a lump sum to the person's Beneficiary, and shall consist of:

(a) Basic Death Payment.

Effective October 1, 1990 the basic death payment under this Article shall be \$7,500 for all Members of the Plan. For those Active Members who became Active Members of the Plan prior to October 1, 1990, the greater of \$1,500 plus the Final Salary for one month or \$7,500 shall be paid.

(b) Residual Death Payment.

Upon the death of a Member, a residual death payment consisting of the total Accumulations in such Member's account shall be paid if or when there is no Contingent Annuitant, surviving spouse, surviving Domestic Partner, Eligible Survivors, or persons who may become Eligible Survivors or eligible for the Postretirement Survivor Continuance.

(c) Death Following a Break in Service.

If a former Member dies within four months after the effective date of a Break in Service without having made an effective election with respect to the benefits to which such person was entitled, one of the following shall apply:

- (i) if such person had been eligible to elect Retirement Income as provided by this Article, such person shall be deemed to be an Active Member with respect to benefits payable upon the death of an Active Member;
- (ii) if not eligible under (i) above, but if such person had been eligible to become an Inactive Member, such person shall be deemed to be an Inactive Member as of the effective date of the Break in Service with respect to benefits payable upon the death of an Inactive Member; or
- (iii) if not eligible under (i) or (ii) above, the Accumulations of such person shall be paid in a lump sum to the person's Beneficiary.

Effective January 1, 2006, if the lump sum amount payable to a Beneficiary represents an Eligible Rollover Distribution with a value of more than \$1,000 and less than \$5,000, and the Beneficiary fails to

provide timely directions to make a direct distribution to the Beneficiary or to transfer the funds to an Eligible Retirement Plan after receiving the appropriate notice and explanation, the Plan Administrator shall transfer the entire lump sum amount to the IRA custodian selected by the Plan Administrator to be held for the benefit of the Beneficiary.

The automatic transfer provision does not apply to an amount payable to a designated nonspouse Beneficiary that is treated as an Eligible Rollover Distribution as described in Section 2.25.

[Also see related UCRP Regulation 5.18]

5.19

DISABILITY INCOME

An Active Member who becomes disabled shall, if eligible, be entitled to receive Disability Income, in accordance with this provision:

(a) Eligibility.

An Active Member who accrued at least two years of Service Credit before April 1, 1980, or an Active Member who accrues at least five years of Service Credit on or after April 1, 1980, shall be eligible to receive Disability Income if the Member becomes disabled as defined in (b) below regardless of whether the Member accrued such Service Credit in the 1976 Tier, in the 2013 Tier, in the Modified 2013 Tier, in the 2016 Tier or in a combination of Member Tiers.

If a Member has established reciprocity with the Public Employees' Retirement System consistent with the requirements in Section 12.08, for the purpose of determining eligibility for Disability Income, Service Credit shall include any service currently credited by the Public Employees' Retirement System.

For purposes of determining eligibility for Disability Income, Service Credit established under Sections 5.04(d), 6.04(d), 7.05(d), and 8.04(e) shall be excluded. For purposes of this Section, Disability Date means the date approved by the Plan Administrator, and is either the day following the last day on University payroll status or the first of the month in which the application is received by the Plan Administrator, whichever is later.

(i) For Members whose Disability Date occurs prior to November 5, 1990, eligibility to receive Disability Income shall continue until the earliest of:

- (A) such time as the Member is no longer disabled as defined;
- (B) attainment of age 50 or older if Retirement Income equals or exceeds Disability Income; or
- (C) attainment of age 62.

For purposes of (B) above, Retirement Income means Basic Retirement Income if there is no spouse or Domestic Partner, or a full joint and last survivor annuity if there is a spouse or Domestic Partner, assuming such spouse or Domestic Partner would be named as Contingent Annuitant.

- (ii) For Members whose Disability Date occurs November 5, 1990, or later, eligibility to receive Disability Income shall continue until the earliest of:
 - (A) in all cases, such time as the Member is no longer disabled as defined;
 - (B) for Members whose Disability Date occurs prior to attainment of age 65, the later of:
 - (1) attainment of age 65, or
 - (2) five years after the Disability Date;
 - (C) for Members whose Disability Date occurs upon or after attainment of age 65, the later of:
 - (1) attainment of age 70, or
 - (2) 12 months after the Disability Date.

Regardless of the above, a Disabled Member who qualifies for retirement as defined in Section 5.05 may elect to retire under such Section. In such case, Disability Income shall cease.

(b) Definition of Disabled Member.

A Disabled Member is defined as follows:

- (i) with respect to an employee who became an Active Member on or before March 31, 1980, a "Disabled Member" means a Member who is prevented from performing the duties of such Member's present position or a comparable position (as defined in (A) below), because of a medically determinable physical or mental impairment of permanent or extended and uncertain duration as determined by the Plan Administrator on the basis of qualified medical opinion. After two years of such disability, a Disabled Member shall be deemed to be disabled only if such Member is prevented by such

physical or mental impairment from engaging in any occupation for substantial compensation or profit (as defined in (B) below) as determined by the Plan Administrator on the basis of qualified medical opinion.

For purposes of this paragraph:

- (A) "comparable position" means another University position for which the Member is qualified and is medically able to perform, whether or not such position is available, and which provides a salary rate of at least 80% of the Member's Final Salary, adjusted by Plan cost of living increases.
 - (B) "any occupation for substantial compensation or profit" means any type of gainful activity, commensurate with age, education, skills, or general background, which could reasonably be expected to result in compensation or profit equivalent to 70% of the Disabled Member's Final Salary, adjusted by Plan cost of living increases. Gainful activity includes employment, self-employment, and the rendering of any type of service.
- (ii) with respect to an employee who becomes an Active Member on or after April 1, 1980, "Disabled Member" means a Member who is prevented from engaging in substantial gainful activity, (defined below), because of a medically determinable physical or mental impairment of permanent or extended and uncertain duration as determined by the Plan Administrator on the basis of qualified medical opinion.

For purposes of this paragraph, "substantial gainful activity" means a level of work activity that is both substantial and gainful and involves the performance of significant physical or mental activities which are productive in nature, and which is further defined as follows:

- (A) substantial gainful activity during the first year in benefit status means a level of work activity which would, if engaged in, result in income of 50% or more of Final Salary, adjusted by Plan cost of living increases.
- (B) following the first year in benefit status, a Member will not be considered disabled if able to engage in substantial gainful activity which would result in earnings in excess of the Social Security Administration's annually published dollar amount used to determine substantial gainful activity.

A Disabled Member may be required to undergo one or more medical examinations by a physician or physicians chosen by the Plan Administrator. If, on the basis of such examinations, it is determined that the Disabled Member is no longer disabled or if the Disabled Member refuses to undergo such examinations, eligibility for Disability Income shall cease.

In any determination of eligibility for Disability Income payments, an Active Member or Disabled Member is entitled to submit medical evidence which shall be considered in determining eligibility for such payments.

The ruling of another board, or the award of disability benefits under another program, shall not be determinative with respect to eligibility for benefits under this Section.

Members may be required, as a condition of eligibility for Disability Income, to undergo evaluation by vocational and medical professionals to determine their suitability for retraining and vocational rehabilitation.

Should the Plan Administrator determine, on the basis of qualified vocational and medical opinion, that a program of retraining and vocational rehabilitation can reasonably be expected to return a Disabled Member to substantial gainful activity, such Member shall be required to participate in such program as a condition of eligibility for Disability Income. Should an individual fail to participate in good faith in such a program, the Plan Administrator shall have the authority to deny, suspend, or terminate Disability Income.

(c) Amount of Disability Income.

(i) Service Credit Only in 1976 Tier:

The monthly Disability Income based on a Member's Service Credit accrued in the 1976 Tier, if any, shall be equal to the sum of:

(A) 15% of Final Salary; and

(B) 2.5% of Final Salary for each year of Service Credit accrued in the 1976 Tier in excess of two years but not more than 25%;

(C) less:

(1) \$106.40, for a Member who became a Member on or after July 1, 1988; or

(2) \$106.40 or 33-1/3% of the Disabled Member's Social Security Primary Insurance Amount (if any) determined as of the date the Social Security disability benefit is first payable, if less, for a Member who became a Member prior to July 1, 1988.

(ii) Service Credit Only in 2013 Tier, Modified 2013 Tier or 2016 Tier:

The monthly Disability Income based on a Member's Service Credit accrued in the 2013 Tier, Modified 2013 Tier or 2016 Tier shall be equal to the sum of (A) and (B) below:

(A) 8.0% of Final Salary; and

(B) 1.7% of Final Salary for each year of Service Credit accrued in the 2013 Tier, Modified 2013 Tier or 2016 Tier in excess of two years but not more than 17.0%.

(iii) Multi-tier Members:

(A) The monthly Disability Income for a Multi-tier Member who became an Active Member on or after April 1, 1980 shall be equal to the greater of the sum of (1) and (2) below or the amount calculated under paragraph (i) above:

(1) the amount calculated under paragraph (i) above, determined by replacing the reference to "Service Credit accrued in the 1976 Tier" in (i)(B) with "total Service Credit", multiplied by the ratio of Service Credit accrued in the 1976 Tier to total Service Credit, and

(2) the amount calculated under paragraph (ii) above, determined by replacing the reference to "Service Credit accrued in the 2013 Tier, Modified 2013 Tier and/or 2016 Tier" in (ii)(B) with "total Service Credit", multiplied by the ratio of Service Credit accrued in the 2013 Tier, Modified 2013 Tier and/or 2016 Tier to total Service Credit.

(B) The monthly Disability Income for a Multi-tier Member who became an Active Member on or before March 31, 1980, and who has at least two years of Service Credit accrued in the 1976 Tier but less than five years of total Service Credit, shall be equal to the amount calculated under subsection (c)(i) above.

Disability Income payable under this Article 5 shall not be subject to any property settlements upon marital dissolution or legal separation

which are made in accordance with a qualified domestic relations order.

(d) Maximum Disability Income and Adjustments.

The amount of Disability Income described in subsection (c) above shall be adjusted as follows:

- (i) if an Active Member who became a Member after July 1, 1971, receives or is eligible to receive periodic payments from another retirement or pension plan or comparable program, including payments under Article 8 of this Plan, for a disability which existed at the time membership began, and if the same disability subsequently entitles the Member to Disability Income, the amount of Disability Income shall be reduced by the equivalent monthly amount of such other payments.
- (ii) with respect to an employee who becomes an Active Member on or after April 1, 1980, Disability Income shall be reduced, if necessary, so that the sum of:
 - (A) Disability Income under this Article;
 - (B) earnings from substantial gainful activity as defined in Section 5.19(b)(ii);
 - (C) any other University-provided disability benefit under either a retirement or disability program except:
 - (1) any long term disability benefits paid for by the Member, and
 - (2) any disability benefits measured by compensation which is not considered Covered Compensation; and
 - (D) the Member's Social Security disability benefits;does not exceed:
 - during the first year of benefit status, 70% of the Member's Final Salary, adjusted by Plan cost of living increases; and
 - for each year thereafter, 60% of the Member's Final Salary, adjusted by Plan cost of living increases.

If a Disabled Member's substantial gainful activity is part of a program of rehabilitation approved by the Plan Administrator and Disability Income is continued during a trial work period, then the total amount of Disability Income provided under this Article and the earnings and benefits described in (i) and (ii) above shall not exceed 100% of Final Salary, adjusted by Plan cost of living increases, during such period.

Disability Income may be suspended without affecting eligibility for Disability Income for a trial period of up to nine months while a Disabled Member engages in employment under a program of rehabilitation.

(e) Highest Average Plan Compensation and Service Credit for a Disabled Member.

When a former Disabled Member becomes a Retired Member, Basic Retirement Income shall be subject to the following:

- (i) Such Member's Highest Average Plan Compensation shall be determined as provided by Section 5.11(a) or (b); and
- (ii) Service Credit shall be granted as provided by Section 5.04(b) for such years as Disability Income has been payable.

(f) Reappointment of a Disabled Member.

A Disabled Member may be reappointed to University service as follows:

- (i) if, upon reappointment, a Disabled Member is an Eligible Employee, Disability Income shall cease and the Disabled Member shall be reinstated as an Active Member with Coordinated Benefits subject to the provisions of Section 3.01(b)–(d). Upon reinstatement, the Member's Contribution account shall be reestablished in an amount equal to the Member's Contributions and credited interest on the Disability Date less 50% of all Disability Income payments made, but never less than zero.
- (ii) if, upon reappointment, a Disabled Member is not an Eligible Employee, the person shall not be reinstated as an Active Member and shall continue to receive Disability Income in accordance with Section 5.19(a) and so long as the person remains disabled subject to the following limitation:

If the sum of compensation from the University and Disability Income (excluding the dollar reduction described in 5.19(c)(i)(C)) in any fiscal year exceeds the full time annual compensation rate for the position to which such person is reappointed, Disability Income shall cease with the month in which the excess amount is earned, and further Disability Income shall not be paid until the next fiscal year or until such employment is terminated, provided such person remains disabled.

(g) Termination of Disability Status.

A person who is no longer eligible for Disability Income as determined by the Plan Administrator and who has not been reappointed as an Eligible Employee:

- (i) may, if eligible, elect Retirement Income in accordance with this Article and subject to Section 2.58;
- (i) will become an Inactive Member, at which time the Member's Contribution account shall be reestablished as provided by Section 5.19(f)(i); or
- (iii) may, if eligible, elect a Refund of Accumulations, if any, or Lump Sum Cashout subject to Section 2.34, as applicable.

[Also see related UCRP Regulation 5.19]

5.20

BENEFIT GUARANTEES

The following provisions shall apply to Active Members of the Plan as of April 1, 1976, who, under procedures specified by federal law, have elected to be covered by Social Security:

- (a) the amount of the Postretirement Survivor Continuance provided by Section 5.17 with respect to a Retired Member with Coordinated Benefits shall, when added to the total monthly amounts (including family benefits) payable from Social Security on account of such Retired Member's death, not be less than the Postretirement Survivor Continuance that would have been payable as a Member with Noncoordinated Benefits under Section 6.16, as such provision existed on April 1, 1976.
- (b) the amount of Disability Income provided by Section 5.19 with respect to a Disabled Member with Coordinated Benefits shall, when added to the total monthly amounts (including family benefits) payable from Social Security on account of such disability, not be less than the monthly amount that would have been payable as a Member with Noncoordinated Benefits under Section 6.18, as such provision existed on April 1, 1976.
- (c) the amount of Preretirement Survivor Income provided to an Eligible Spouse by Section 5.16(a) with respect to an Active Member with Coordinated Benefits shall, when added to the total monthly amounts (including family benefits) payable from Social Security on account of

such Active Member's death, not be less than the monthly amount that would have been payable as a Member with Noncoordinated Benefits under Section 6.15(a), as such provision existed on April 1, 1976.

In determining the amount of monthly benefits that would have been payable under the benefit provisions of the Plan in effect on April 1, 1976, only such persons who were on that date a spouse, child, or parent of the Active Member shall be taken into account.

- (d) if there is no Eligible Spouse or Eligible Domestic Partner on the date of death, and there are other Eligible Survivors or potentially Eligible Survivors who were family members of the Active Member on April 1, 1976, Preretirement Survivor Income in the amount provided by Section 5.16(a) and Section 5.20(c) shall be payable on account of such survivors; and for such periods as they are Eligible Survivors.
- (e) if there is a surviving Eligible Spouse or surviving Eligible Domestic Partner who was not the spouse of the Active Member on April 1, 1976, and there are other Eligible Survivors or potentially Eligible Survivors who were family members on April 1, 1976, Preretirement Survivor Income shall be payable on account of such survivors; and for such periods as they are Eligible Survivors if the monthly amount that would have been payable on account of such survivors under Section 6.15(a), as such provision existed on April 1, 1976, exceeds the sum of:
 - (i) the monthly amounts payable to such Eligible Spouse or Eligible Domestic Partner under Section 5.16(a), plus
 - (ii) the total monthly amounts (including family benefits) payable from Social Security on account of such Active Member's death.

[Also see related UCRP Regulation 5.20]

ARTICLE 6 BENEFIT PROVISIONS FOR MEMBERS WITH NONCOORDINATED BENEFITS

6.01 SCOPE

The provisions of this Article shall apply to a Member who earns Service Credit as a Member with Noncoordinated Benefits under the Plan.

6.02 EFFECTIVE DATE

The provisions of this Article shall apply upon the effective date of membership.

6.03 ELIGIBILITY

A Member who is classified as a Member with Noncoordinated Benefits in accordance with Section 3.04 shall be subject to the provisions of Article 6.

6.04 SERVICE CREDIT

A Member shall earn Service Credit as follows: for periods of membership before January 1, 1989, Service Credit shall be determined under predecessor plans; and for periods of membership on or after January 1, 1989, Service Credit under this Article shall be earned only during periods for which Member Contributions are either not required or, if required, are made and shall be determined as follows:

(a) Amount of Service Credit.

The amount of Service Credit earned by an Active Member under this Article for any month shall be equal to the ratio of the Member's Covered Compensation to the Member's applicable Full Time Equivalent Compensation subject to the modifications described in

paragraphs (i) through (iv) below. The maximum amount of Service Credit for any Plan Year shall not exceed one year, except as provided in subsections (f) and (g) below.

- (i) Effective August 1, 1992, the amount of Service Credit earned by an Active Member under this Article for any month during the period of participation in the Time Reduction Incentive Plan (a temporary workforce reduction program in the 1992 to 1995 Plan Years) shall be equal to one-twelfth of a year of Service Credit provided the Member works at least 75% time during the entire period of the Time Reduction Incentive Plan agreement. Notwithstanding the above, Members participating in the Time Reduction Incentive Plan shall not earn such Service Credit unless such Members fulfill all of the terms of the Time Reduction Incentive Plan agreement.
- (ii) The Staff and Academic Reduction in Time (START) program is a temporary workforce reduction program adopted by the University for the periods indicated in subparagraphs (A) and (B) below:
 - (A) June 1, 2003 through June 30, 2005, provided that the program's end date is extended to June 30, 2006 for Members participating in the program during the July 1, 2004-2005 fiscal year and Members employed at locations not participating in the program as of June 30, 2005 that demonstrate a need to achieve salary savings because of new budget reductions; and
 - (B) July 1, 2008 through December 31, 2010.
 - (C) The actual dates that a Member participates in START within the authorized period shall be the dates established in the Member's START contract. The amount of Service Credit earned by the Active Member under this Section 6.04 for any month during the period of participation in the START program shall be equal to the amount that a Member's pre-START appointment is reduced (difference between pre-START appointment and START contract appointment) added to the time worked for each month during START (decimal equivalent). The Member must work at least 50% time each month and total Service Credit earned each month may not exceed one month of Service Credit. Service Credit earned under this paragraph (ii) shall not include reductions in time not related to START nor reflected in the Member's START contract.

- (D) Effective as of March 1, 2009, a Member's reduction in appointment shall not be less than five percent (5%) in order to participate in the START Program unless a lesser reduction is necessary to coordinate a Member's time reduction under the START Program with the Member's participation in the Furlough/Salary Reduction Plan.
- (iii) Effective September 1, 2009, the amount of Service Credit earned by an Active Member under this Section 6.04 for any month during the period of participation in the Furlough/Salary Reduction Plan shall be equal to the amount that a Member's pre-Furlough/Salary Reduction Plan appointment is reduced (difference between pre-Furlough/Salary Reduction Plan appointment and Furlough/Salary Reduction Plan appointment) added to the time worked for each month during the Furlough/Salary Reduction Plan (decimal equivalent). The timing of a Member's participation in the Furlough/Salary Reduction Plan is determined under the terms of such plan, but no Member's participation will exceed 12 consecutive months, starting on the first day of the month the plan is implemented for the Member.
- (iv) Effective July 1, 2020 through June 30, 2022, the amount of Service Credit earned during an approved President-designated COVID-19 workforce action by an Active Member under this Section 6.04 shall be equal to the amount that a Member's appointment was reduced as a result of the approved President-designated COVID-19 workforce action added to the corresponding period of actual time worked in the Member's regular and normal appointment whether on a 9-month, 10-month, 11-month, or annual basis, including a sabbatical leave or other approved leave of absence with pay.
- (b) Service Credit During Disability Status.*

Service Credit shall be earned without payment of Member Contributions by a Disabled Member while such Member is receiving Disability Income, or would be entitled to receive Disability Income, provided such Service Credit would not cause Retirement Income (if such Member were to retire at that time) to exceed the Disability Income. For purposes of this comparison, Retirement Income means Basic Retirement Income if there is no spouse or Domestic Partner, or, if there is a spouse or Domestic Partner, the amount of Retirement Income a Member would receive if the Member chose the full continuance payment option and named such spouse or Domestic

Partner as the Contingent Annuitant. The amount of Service Credit for a Plan Year during such period shall be equal to the ratio indicated in (a) above for the last 12 months of continuous service preceding the Disability Date. Continuous service includes periods on pay status before and after an approved leave of absence without pay.

(c) Service Credit During Military Leave.

Service Credit shall be earned without payment of Member and University Contributions by an Active Member for a period on military leave provided the Member returns to University service at the expiration of such leave in accordance with the Member's reemployment rights in compliance with 38 U.S.C. §§4300–4333, as amended by the Uniformed Services Employment and Reemployment Rights Act (USERRA), or other applicable law. Effective January 1, 2007, if an Active Member dies on or after January 1, 2007 while on military leave performing qualified military service within the meaning of USERRA and Section 401(a)(37) of the Internal Revenue Code, the survivor of such Member shall be entitled to any additional benefits (other than contributions relating to the period of qualified military service, but including vesting service credit for such period or other survivor benefits) that would have been provided under the Plan had the Member resumed employment on the day preceding the Member's death and then terminated employment on account of death.

The amount of Service Credit for a Plan Year during such period shall be equal to the ratio indicated in (a) above for the last 12 months of continuous service preceding the effective date of military leave.

Continuous service includes periods on pay status before and after an approved leave of absence without pay. For purposes of this Section, a Member on military leave in accordance with USERRA or other applicable law shall be treated as not having incurred a Break in Service. For the period prior to a Member's Contribution Resumption Date (as defined in Section 4.01) during which Member Contributions were redirected to a Member's account in the University of California Defined Contribution Plan, a Member entitled to Service Credit under this subsection (c) could, but was not required to, make up Member Contributions for the period of leave pursuant to Section 4.03.

(d) Service Credit Established.

A Member who is or has been without pay on account of an approved leave of absence without pay (other than a military leave described in

Section 6.04(c) above), furlough, temporary layoff, sabbatical leave, or extended sick leave (each a "Leave" for purposes of this subsection (d) only) may establish Service Credit for all or part of such Leave period by returning to University service as an Active Member in University pay status and making a request as provided in this subsection (d).

If the request to establish Service Credit is received by the Plan Administrator prior to May 1, 2009, but on or after July 1, 1997, the election must be received by the later of July 1, 2000 or the last day of the three-year period beginning on the date the Member returns to University service following the Leave as an Active Member in pay status. Failure to satisfy the timing requirement constitutes an irrevocable waiver of the right to establish Service Credit for the entire period of a Leave.

(i) Maximum Amount of Service Credit. The amount of Service Credit that may be established under this subsection shall be based on an Active Member's appointment percentage prior to the start of the Leave, excluding any Service Credit that may have been earned during the Leave period, as that amount may be modified by the statutory limits applicable to purchases of nonqualified service described in subparagraph (A) below and the limits established by the Plan in subparagraph (B) below as those limits may be modified by subparagraph (C) below.

(A) Regardless of when a Leave commences, an Active Member's election to establish Service Credit under this subsection (d) that is received by the Plan Administrator in a Plan Year beginning on or after July 1, 1998 is subject to the following rules to the extent the Service Credit to be established constitutes "nonqualified service credit" within the meaning of Section 415(n) of the Internal Revenue Code:

- (1) An Active Member's election shall not be effective unless the Member has not less than five years of participation in the Plan, excluding any Service Credit purchased under this subsection.
- (2) An Active Member may not purchase more than five years of nonqualified service credit.
- (3) Notwithstanding the above, neither the limit on the amount of nonqualified service credit that may be purchased nor the

requirement for five years of participation in the Plan shall apply to the extent the Member elects to pay for such service through a trustee-to-trustee transfer from the University of California Tax Deferred 403(b) Plan and/or the University of California 457(b) Deferred Compensation Plan.

- (B) The following requirements apply to elections to establish Service Credit made under this subsection (d) that are received by the Plan Administrator prior to May 1, 2009 and that are based on a Leave that began on or after July 1, 1997:
- (1) the amount of Service Credit that may be established by an Active Member who has been without pay on account of a Leave other than military leave, sabbatical leave, furlough, temporary layoff, or extended sick leave, shall not exceed 24 consecutive months for each such Leave period.
 - (2) the Service Credit that may be established for each such Leave is the initial 24 consecutive months if such Leave period is longer than two years. A Leave referred to in this subparagraph (B) that is extended beyond its original period shall be deemed to be one individual Leave period.
- (C) With respect to elections to establish Service Credit received by the Plan Administrator on and after May 1, 2009 that are based on a Leave that began on or after July 1, 1997, the 24-month limit on the Service Credit described in subparagraph (B) above shall not apply if the cost to the Member for the Service Credit in excess of 24 months reflects the actuarially determined cost to the Plan as described in paragraph (ii)(D)(1) below.
- (ii) Cost of Establishing Service Credit. The cost of establishing Service Credit is determined as follows:
- (A) To the extent the Service Credit to be established is attributable to a Leave or a portion of a Leave that occurred prior to November 1, 1990, the cost for such period shall be equal to the sum of University Contributions and Member Contributions that would have been paid to the Plan for such period, plus interest calculated from the date the Member returns to University service as an Active Member in pay status to the date payment is completed. The cost for the remainder of the Service Credit to be established, if any, shall be calculated as described in subparagraph (B) below.

- (B) To the extent the Service Credit to be established is attributable to a Leave that commenced on or after November 1, 1990, the cost shall be equal to the total Normal Cost in effect at the time the cost of establishing the Service Credit is calculated, plus interest calculated from the date the Member returns to University service as an Active Member in pay status to the date payment is completed.
- (C) Interest shall be computed at the rate of the assumed earnings of the Plan in effect on the date of the Member's election to establish Service Credit.
- (D) If the request to establish Service Credit is received by the Plan Administrator on or after May 1, 2009 for a Leave that commenced on or after July 1, 1997, amounts determined under subparagraph (B) will be adjusted as follows:
- The cost of the purchase of any Service Credit that exceeds 24 months shall reflect the actuarially determined cost to the Plan for such Service Credit based on the Member's individual life expectancy as calculated under mortality tables that reflect the experience of the general population that purchases annuities.
- (E) If the request to establish Service Credit is received by the Plan Administrator on or after May 1, 2009 and more than three years after the Member returns to University service from the Leave as an Active Member in pay status, amounts determined under subparagraphs (A) and (B) will be adjusted to reflect the actuarially determined cost to the Plan based on the Member's individual life expectancy as calculated under mortality tables that reflect the experience of the general population that purchases annuities.

If the Member receives a substantial increase in Covered Compensation during the twelve (12) months following the effective date of the Member's election to establish Service Credit under this subsection, and all or part of the payment was based on the actuarially determined cost to the Plan, the total payment due from the Member will be recalculated to take into account the increased Covered Compensation to the extent permitted under applicable law. If a Member refuses to make the increased payments, the amount of the Member's Service Credit will be prorated based on the actual payment.

(iii) **Payment Term.** Payments under this subsection (d) must be completed while the Member is an Active Member in pay status and, with respect to pretax salary contributions, over a period of 1, 2, 3, 4, or 5 years from the date of such Member's election in accordance with Plan Regulations. Effective for elections to establish Service Credit received by the Plan Administrator on or after July 1, 1997, payments for all Leaves made as pretax salary contributions shall be made in equal installments each payroll period. For elections to establish Service Credit received by the Plan Administrator before May 1, 2009, but after June 30, 1997, the minimum length of the payment term shall be at least equal to the length of the Leave period being established, rounded up to the nearest year, unless the Plan Administrator provides otherwise by Plan Regulation. Effective for elections received on and after May 1, 2009, the minimum length requirement on the payment term shall not apply. The Plan Administrator may implement regulations or procedures to establish Service Credit including, without limitation, how the three-year rule, the five-year rule and, if applicable, the minimum length of the payment term rule shall be applied.

(iv) **Payment Options.**

(A) The following payment options apply to elections to establish Service Credit made under this subsection (d) that are received by the Plan Administrator on and after January 1, 2014, provided the Member is otherwise eligible under applicable law and the terms of the affected plans:

- (1) in-service transfer of funds maintained for the Member in the University of California Defined Contribution Plan (Pre-Tax and After-Tax Accounts), the University of California Tax Deferred 403(b) Plan and the University of California 457(b) Deferred Compensation Plan to the Plan;
- (2) a direct rollover initiated by the Member from an eligible plan described in Section 401(a), 401(k) or 403(b) of the Internal Revenue Code or a governmental 457(b) plan to the Plan; and
- (3) a single sum after-tax payment in accordance with the limits of the Internal Revenue Code.

(B) The following payment options apply to elections to establish Service Credit made under this subsection (d) that are received

by the Plan Administrator prior to January 1, 2014, but on or after May 1, 2009:

- (1) the options listed in paragraph (iv)(A) above; and
 - (2) pretax salary contributions in accordance with Section 414(h) of the Internal Revenue Code that are deemed to be employer pick-up contributions to the extent permitted by applicable law, regulations and Internal Revenue Service guidance. Payments on a pretax basis shall be made pursuant to an Active Member's binding irrevocable payroll authorization. The Member may not make single sum or installment payments directly to the Plan Administrator except as may be appropriate and necessary to correct an error. The binding payroll authorization shall terminate only if the Member has a Break in Service. If the payment schedule is not completed because a Member incurs a Break in Service or is no longer an Active Member due to retirement, death, disability, or separation from University service, the Member shall receive a proportionate amount of the Service Credit eligible to be established based on the ratio of the amount actually paid to the total amount of the payments required unless the Member is eligible to, and makes, an election described in subparagraphs (D) or (E) below.
- (C) The following payment options apply to elections to establish Service Credit made under this subsection (d) that are received by the Plan Administrator prior to May 1, 2009, and on or after July 1, 1997:
- (1) pretax payments as described in subparagraph (B)(2) above; and
 - (2) subject to the applicable effective dates and eligibility requirements, the options described in subparagraphs (D) and (E) below.
- (D) Effective June 1, 2003, if a Member is no longer an Active Member due to retirement, disability, or separation from University service, and has completed one year of the payment schedule through pretax payroll deductions, such Member may complete the remaining payments with a single sum after-tax payment within 60 days after the date such Member ceases to

be an Active Member but remains a Member. Such payment shall not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded.

- (E) Effective January 1, 2004, if an Active Member receives notice of an impending involuntary separation from University service for budgetary reasons, but will not be vested upon such separation, and is eligible to establish Service Credit for all or part of a Leave, the Member may establish Service Credit as follows provided the payment does not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded:
- (1) If the Member has not yet commenced the payment schedule to establish Service Credit and the additional Service Credit that can be established would cause the Member to satisfy the Plan's vesting requirements, the Member may establish the additional Service Credit with a single sum after-tax payment made prior to the date the Member ceases to be an Active Member; or
 - (2) If the Member has completed less than one year of pretax payroll deductions to establish Service Credit pursuant to an election under subparagraph (B)(2) or (C)(1) above, and the remaining Service Credit that can be established would cause the Member to satisfy the Plan's vesting requirements, such Member may complete the remaining payments with a single sum after-tax payment made within 60 days after the date the Member ceases to be an Active Member.
 - (3) The determination as to whether a Member has been involuntarily separated from service for budgetary reasons shall be based on the member's payroll separation reason as set forth in the Plan Regulations.
- (v) Minimum Purchase. Effective for elections to establish Service Credit received by the Plan Administrator on or after July 1, 1997, without regard to when a Leave commenced, the minimum amount of Service Credit that an Active Member in pay status can establish under this subsection (d) is four consecutive weeks except if a lesser period is required for vesting purposes or is for a period of military leave in accordance with USERRA or other applicable law, or as may otherwise be required by law.

(vi) Restrictions on Use of Purchased Service Credit. Service Credit established under this subsection (d) shall be used to determine eligibility for early retirement and Preretirement Survivor Income, but shall not be used to determine eligibility for Disability Income.

(vii) Special Provisions.

(A) Except as permitted by law, for Leaves that commence on or after July 1, 1997, under no circumstances may a Member accrue retirement benefits for the same service both in the Plan and in another retirement system supported wholly or in part by public funds. An Active Member cannot establish Service Credit in the Plan unless the Member certifies that the Member has taken a refund of any employee contributions made to a defined benefit plan of a retirement system supported wholly or in part by public funds for the period of service being established.

(B) Notwithstanding the above, a Member who elects retirement under the contingent provisions of the Retirement Acceleration Opportunity Program shall be subject to the limitations outlined in Section 15 of Appendix A. A Member who elects retirement under the contingent provisions of the Voluntary Early Retirement Incentive Program-II shall be subject to the limitations outlined in Section 10 of Appendix C. A Member who elects retirement under the contingent provisions of the Voluntary Early Retirement Incentive Program-III shall be subject to the limitations outlined in Section 10 of Appendix D.

(C) A Member who elects a Lump Sum Cashout and is reappointed as an Eligible Employee may not establish Service Credit for any period of employment that precedes receipt of the Lump Sum Cashout.

(D) A Member may not establish Service Credit for any period of employment during which he or she is not an Active Member.

(e) Service Credit Reestablished.

(i) Reestablishing Service Credit for Noncontributory Periods When No Contributions Required. If a Member accrues Service Credit only during one or more periods of prior membership in the Plan, other than periods occurring on or before November 1, 1990 (on or before July 1, 1993 for Section 8.04(f)), during which no Member

Contributions are required, such previously accrued Service Credit shall be reestablished without further action by the Member at no cost to the Member if the Member returns to University service as an Active Member in University pay status. In order to reestablish Service Credit accrued during periods of prior membership that occurred before November 1, 1990 (on or before July 1, 1993 for Section 8.04(f)) during which no Member Contributions were required, the Member must submit a request in accordance with Plan Regulations.

- (ii) Reestablishing Service Credit Accrued for Contributory Periods. The following provisions apply if a former Member who received a Refund of Accumulations following a prior Break in Service returns to University service as an Active Member in University pay status and elects to reestablish the Service Credit accrued during one or more prior periods of Plan membership during which Member Contributions were required.
 - (A) General Rule. Such Member may reestablish Service Credit for the period of previous Plan membership during which Member Contributions were required by paying to the Plan an amount equal to the Member's prior Refund of Accumulations plus interest on the amount. Interest shall be computed at the rate of the assumed earnings of the Plan in effect on the date of the Member's election to reestablish Service Credit subject to the adjustments described in paragraphs (B) through (D):
 - (B) If a Member's election to reestablish Service Credit is received by the Plan Administrator on or after July 1, 1997 and before May 1, 2009, and by the Member's Applicable Date defined below, payment shall be determined as follows:
 - (1) To the extent the Service Credit to be reestablished is attributable to a prior period of Plan membership when no Member Contributions were required, no additional payment shall be required.
 - (2) To the extent the Service Credit to be reestablished is attributable to a prior period of Plan membership during which Member Contributions were required, the cost shall be determined under the General Rule.

For purposes of this paragraph (ii), the "Applicable Date" means the later of July 1, 2000 or the last day of the three-year period

beginning on the date the Member returns to University service as an Active Member in pay status. A Member's failure to make the election to reestablish Service Credit by the Applicable Date shall constitute an irrevocable waiver of the right to reestablish Service Credit for the entire period of the Member's prior Plan membership except as provided in subparagraph (C) below for elections received on and after May 1, 2009.

(C) If a Member's election to reestablish Service Credit is received by the Plan Administrator on or after May 1, 2009 and by the Member's Applicable Date, payment shall be determined under the General Rule. If a Member's election to reestablish Service Credit is received by the Plan on or after May 1, 2009 and after the Member's Applicable Date, payment shall be determined as follows:

- (1) To the extent the Service Credit to be reestablished is attributable to a period when no Member Contributions were required, no additional payment shall be required.
- (2) To the extent the Service Credit to be reestablished is attributable to a period when Member Contributions were required, the cost shall be the actuarially determined cost to the Plan based on the Member's individual life expectancy as calculated under mortality tables that reflect the experience of the general population that purchases annuities.
- (3) If the Member receives a substantial increase in Covered Compensation during the twelve (12) months following the effective date of the Member's election to reestablish Service Credit, and all or part of the payment was based on the actuarially determined cost to the Plan, the total payment due from the Member will be recalculated, to take into account the Member's increased Covered Compensation to the extent permitted under applicable law. If a Member refuses to make the increased payments, amount of the Member's Service Credit will be prorated based on the actual payment.

(iii) Payment Term. Payments under this subsection (e) must be completed while the Member is an Active Member in pay status and, with respect to pretax salary contributions, over a period of 1,

2, 3, 4, or 5 years from the date of such Member's election in accordance with Plan Regulations. The Plan Administrator may implement regulations or procedures to reestablish Service Credit including, without limitation, how the three-year rule and the five-year rule shall be applied.

(iv) Payment Options.

(A) The following payment options apply to elections to reestablish Service Credit made under this subsection (e) that are received by the Plan Administrator on and after January 1, 2014, provided the Member is otherwise eligible under applicable law and the terms of the affected plans:

- (1) in-service transfer of funds maintained for the Member in the University of California Defined Contribution Plan (Pre-Tax and After-Tax Accounts), the University of California Tax Deferred 403(b) Plan and the University of California 457(b) Deferred Compensation Plan to the Plan;
- (2) a direct rollover initiated by the Member from an eligible plan described in Section 401(a), 401(k) or 403(b) of the Internal Revenue Code or a governmental 457(b) plan to the Plan; and
- (3) a single sum after-tax payment in accordance with the limits of the Internal Revenue Code.

(B) The following payment options apply to elections to reestablish Service Credit made under this subsection (e) that are received by the Plan Administrator prior to January 1, 2014, but on or after May 1, 2009:

- (1) the options listed in paragraph (iv)(A) above, and
- (2) pretax salary contributions in accordance with Section 414(h) of the Internal Revenue Code that are deemed to be employer pick-up contributions to the extent permitted by applicable law, regulations and Internal Revenue Service guidance. Payments on a pretax basis shall be made pursuant to an Active Member's binding irrevocable payroll authorization. The Member may not make single sum or installment payments directly to the Plan Administrator except as may be appropriate and necessary to correct an error. The binding payroll authorization shall terminate only

if the Member has a Break in Service. If the payment schedule is not completed because a Member incurs a Break in Service or is no longer an Active Member due to retirement, death, disability, or separation from University service, the Member shall receive a proportionate amount of the Service Credit eligible to be reestablished based on the ratio of the amount actually paid to the total amount of the payments required unless the Member is eligible to, and makes, an election described in subparagraphs (D) or (E) below.

(C) The following payment options apply to elections to reestablish Service Credit made under this subsection (e) that are received by the Plan Administrator prior to May 1, 2009, and on or after July 1, 1997:

- (1) pretax payments as described in subparagraph (B)(2) above; and
- (2) subject to the applicable effective dates and eligibility requirements, the options described in subparagraphs (D) and (E) below.

(D) Effective June 1, 2003, if a Member is no longer an Active Member due to retirement, disability, or separation from University service, and has completed one year of the payment schedule through pretax payroll deductions, such Member may complete the remaining payments with a single sum after-tax payment within 60 days after the date such Member ceases to be an Active Member but remains a Member.

(E) Effective January 1, 2004, if an Active Member receives notice of an impending involuntary separation from University service for budgetary reasons, but will not be vested upon such separation, and is eligible to reestablish Service Credit, the Member may reestablish Service Credit as follows provided the payment does not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded:

- (1) If the Member has not yet commenced the payment schedule to reestablish Service Credit and the additional Service Credit that can be established would cause the Member to satisfy the Plan's vesting requirements, the

Member may reestablish the additional Service Credit with a single sum after-tax payment made prior to the date the Member ceases to be an Active Member; or

- (2) If the Member has completed less than one year of pretax payroll deductions to reestablish Service Credit pursuant to an election under subparagraph (B)(2) or (C)(1) above, and the remaining Service Credit that can be reestablished would cause the Member to satisfy the Plan's vesting requirements, the Member may complete the remaining payments with a single sum after-tax payment made within 60 days after the date the Member ceases to be an Active Member.
 - (3) The determination as to whether a Member has been involuntarily separated from service for budgetary reasons shall be based on the member's payroll separation reason as set forth in the Plan Regulations.
- (v) **Restrictions on Use of Reestablished Service Credit.** Service Credit reestablished under this subsection shall be used to determine eligibility for Disability Income, Preretirement Survivor Income and early retirement. If the period of previous employment includes Service Credit that was subject to a property settlement upon marital dissolution or legal separation that was made in accordance with a qualified domestic relations order, an Active Member may reestablish such Service Credit in accordance with Plan Regulation 12.07.
- (vi) **Special Provisions.** A Member who elects retirement under the contingent provisions of the Voluntary Early Retirement Incentive Program-III shall be subject to the limitations outlined in Section 10 of Appendix D.
- (f) *Credit For Accrued Sick Leave.*

A Member who elects Retirement Income and whose Retirement Date is not more than four months after separation from service shall, at the Member's Retirement Date and as a Member under this Article, be credited with 0.004 of a year of Service Credit for each day of unused sick leave, which was accrued while a Member of the Plan in accordance with University policy, and which is certified to the Plan in accordance with Plan Regulations.

Credit for accrued sick leave shall not be counted for purposes of satisfying vesting or retirement eligibility requirements.

(g) Credit for Service Credit for Elections in the Voluntary Early Retirement Incentive Programs and the Retirement Acceleration Opportunity Program.

A Member who elects retirement under the contingent provisions of the Retirement Acceleration Opportunity Program as outlined in Section 15 of Appendix A, the Voluntary Early Retirement Incentive Program-I as outlined in Appendix B, the Voluntary Early Retirement Incentive Program-II as outlined in Appendix C, or the Voluntary Early Retirement Incentive Program-III as outlined in Appendix D, shall be entitled to the additional Service Credit as outlined therein.

[Also see related UCRP Regulation 6.04]

6.05

EARLY RETIREMENT

(a) 1976 Tier Benefit and Modified 2013 Tier Benefit.

An Active Member, Disabled Member, or Inactive Member who has attained age 50 and earned at least five years of Service Credit, including service credit under PERS as a University employee, or who entered the Plan on or before July 1, 1989 and has attained age 62, regardless of the Member's years of Service Credit, may elect to retire at any time by complying with Plan requirements as stated in Section 12.03 with respect to the Member's 1976 Tier Benefit and/or the Member's Modified 2013 Tier Benefit.

(b) 2013 Tier Benefit and 2016 Tier Benefit.

An Active Member, Disabled Member, or Inactive Member who has attained age 55 and earned at least five years of Service Credit, including service credit under PERS as a University employee, or became a Member on or before July 1, 1989 and has attained age 62, regardless of the Member's years of Service Credit, may elect to retire at any time by complying with Plan requirements as stated in Section 12.03 with respect to the Member's 2013 Tier Benefit and/or the Member's 2016 Tier Benefit.

(c) Multi-tier Member.

A Multi-tier Member shall have only one Retirement Date; however, the Member's 1976 Tier Benefit and/or Modified 2013 Tier Benefit, if

any, may have different commencement dates than the Member's 2013 Tier Benefit and/or the Member's 2016 Tier Benefit. If a Multi-tier Member's Retirement Date is prior to the date the Member attains age 55, the commencement date for the 2013 Tier Benefit and/or the Member's 2016 Tier Benefit shall be the Member's 55th birthday.

(d) Concurrent Retirement.

An Active Member, Disabled Member, Inactive Member, or former Member described in subsection (a), (b) or (c) above who is eligible for concurrent retirement as provided by Section 12.09, and who is eligible for service retirement from STRS, unless such eligibility for STRS service retirement is dependent upon retiring concurrently under the Plan or any other public retirement plan as defined in the Plan Regulations, may elect to retire at any time after July 1, 2002 by complying with Plan requirements as stated in Section 12.03.

[Also see related UCRP Regulation 6.05]

6.06

BASIC RETIREMENT INCOME

(a) 1976 Tier Benefit.

The Basic Retirement Income for a Member's 1976 Tier Benefit that is payable under this Article 6 at the Member's Retirement Date is equal to the product of:

- (i) the Member's years of Service Credit accrued in the 1976 Tier under this Article; and:
- (ii) the factor for the Member's attained age on his or her last birthday, increased by the number of whole calendar months elapsed at the Member's Retirement Date, based on the following table:

Attained Age	Monthly Factors											
	0	1	2	3	4	5	6	7	8	9	10	11
50	.0110	.0111	.0112	.0114	.0115	.0116	.0117	.0118	.0119	.0121	.0122	.0123
51	.0124	.0125	.0126	.0128	.0129	.0130	.0131	.0132	.0133	.0135	.0136	.0137
52	.0138	.0139	.0140	.0142	.0143	.0144	.0145	.0146	.0147	.0149	.0150	.0151
53	.0152	.0153	.0154	.0156	.0157	.0158	.0159	.0160	.0161	.0163	.0164	.0165
54	.0166	.0167	.0168	.0170	.0171	.0172	.0173	.0174	.0175	.0177	.0178	.0179
55	.0180	.0181	.0182	.0184	.0185	.0186	.0187	.0188	.0189	.0191	.0192	.0193
56	.0194	.0195	.0196	.0198	.0199	.0200	.0201	.0202	.0203	.0205	.0206	.0207
57	.0208	.0209	.0210	.0212	.0213	.0214	.0215	.0216	.0217	.0219	.0220	.0221
58	.0222	.0223	.0224	.0226	.0227	.0228	.0229	.0230	.0231	.0233	.0234	.0235

Attained Age	Monthly Factors											
	0	1	2	3	4	5	6	7	8	9	10	11
59	.0236	.0237	.0238	.0240	.0241	.0242	.0243	.0244	.0245	.0247	.0248	.0249
60+	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250

and

(iii) the Member’s Highest Average Plan Compensation, adjusted as described in Section 6.10(c) if applicable. If the Member is a Multi-tier Member, the HAPC is adjusted as described in subsection (c) below.

(b) 2013 Tier Benefit and 2016 Tier Benefit.

The Basic Retirement Income for a Member’s 2013 Tier Benefit or a Member’s 2016 Tier Benefit that is payable under this Article 6 at the Member’s Retirement Date, or that is payable to a Multi-tier Member at the later of the Member’s Retirement Date or age 55, is equal to the product of:

- (i) the Member’s years of Service Credit accrued in the 2013 Tier or accrued in the 2016 Tier under this Article; and
- (ii) the factor for the Member’s attained age on his or her last birthday, increased by the number of whole calendar months elapsed at the Member’s Retirement Date, based on the following table:

Attained Age	Monthly Factors											
	0	1	2	3	4	5	6	7	8	9	10	11
55	.0110	.0111	.0112	.0114	.0115	.0116	.0117	.0118	.0119	.0121	.0122	.0123
56	.0124	.0125	.0126	.0128	.0129	.0130	.0131	.0132	.0133	.0135	.0136	.0137
57	.0138	.0139	.0140	.0142	.0143	.0144	.0145	.0146	.0147	.0149	.0150	.0151
58	.0152	.0153	.0154	.0156	.0157	.0158	.0159	.0160	.0161	.0163	.0164	.0165
59	.0166	.0167	.0168	.0170	.0171	.0172	.0173	.0174	.0175	.0177	.0178	.0179
60	.0180	.0181	.0182	.0184	.0185	.0186	.0187	.0188	.0189	.0191	.0192	.0193
61	.0194	.0195	.0196	.0198	.0199	.0200	.0201	.0202	.0203	.0205	.0206	.0207
62	.0208	.0209	.0210	.0212	.0213	.0214	.0215	.0216	.0217	.0219	.0220	.0221
63	.0222	.0223	.0224	.0226	.0227	.0228	.0229	.0230	.0231	.0233	.0234	.0235
64	.0236	.0237	.0238	.0240	.0241	.0242	.0243	.0244	.0245	.0247	.0248	.0249
65+	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250

and

(iii) the Member’s Highest Average Plan Compensation.

(c) Modified 2013 Tier Benefit.

The Basic Retirement Income for a Member’s Modified 2013 Tier Benefit that is payable under this Article 6 at the Member’s Retirement Date is equal to the product of:

- (i) the Member’s years of Service Credit accrued in the Modified 2013 Tier under this Article; and
- (ii) the factor for the Member’s attained age on his or her last birthday, increased by the number of whole calendar months elapsed at the Member’s Retirement Date, based on the following table:

Attained Age	Monthly Factors											
	0	1	2	3	4	5	6	7	8	9	10	11
50	.0110	.0111	.0112	.0114	.0115	.0116	.0117	.0118	.0119	.0121	.0122	.0123
51	.0124	.0125	.0126	.0128	.0129	.0130	.0131	.0132	.0133	.0135	.0136	.0137
52	.0138	.0139	.0140	.0142	.0143	.0144	.0145	.0146	.0147	.0149	.0150	.0151
53	.0152	.0153	.0154	.0156	.0157	.0158	.0159	.0160	.0161	.0163	.0164	.0165
54	.0166	.0167	.0168	.0170	.0171	.0172	.0173	.0174	.0175	.0177	.0178	.0179
55	.0180	.0181	.0182	.0184	.0185	.0186	.0187	.0188	.0189	.0191	.0192	.0193
56	.0194	.0195	.0196	.0198	.0199	.0200	.0201	.0202	.0203	.0205	.0206	.0207
57	.0208	.0209	.0210	.0212	.0213	.0214	.0215	.0216	.0217	.0219	.0220	.0221
58	.0222	.0223	.0224	.0226	.0227	.0228	.0229	.0230	.0231	.0233	.0234	.0235
59	.0236	.0237	.0238	.0240	.0241	.0242	.0243	.0244	.0245	.0247	.0248	.0249
60+	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250	.0250

and

- (iii) the Member’s Highest Average Plan Compensation.

(d) Benefit of a Multi-tier Member who is not subject to the PEPR Maximum.

A Multi-tier Member is entitled to the sum of the Member’s Basic Retirement Income for the Member’s 1976 Tier Benefit, 2013 Tier Benefit, Modified 2013 Tier Benefit and/or 2016 Tier Benefit, to the extent the Member has accrued a benefit under such tier, determined as described in subsections (a), (b) and (c) above at the Member’s Retirement Date, provided, however, if the Member has not attained age 55, commencement of the 2013 Tier Benefit and/or the 2016 Tier Benefit will be deferred to the Member’s 55th birthday.

- (i) A Multi-tier Member’s Highest Average Plan Compensation (HAPC) used to calculate Basic Retirement Income for the 1976 Tier Benefit is the greater of (A) or (B) below:

- (A) the HAPC determined at the end of the Member's Service Credit period in the 1976 Tier, adjusted as described in Section 6.10(c) if applicable; or
 - (B) the HAPC determined over the Member's entire period of service as an Active Member, adjusted as described in Section 6.10(c) if applicable.
- (ii) A Multi-tier Member's Highest Average Plan Compensation used to calculate Basic Retirement Income for the 2013 Tier Benefit, Modified 2013 Tier Benefit and/or 2016 Tier Benefit is determined over the Member's entire period of service as an Active Member.

(e) Maximum Highest Average Plan Compensation.

A Member's total Basic Retirement Income, including any retirement benefits payable from PERS on account of University service as well as any Basic Retirement Income attributable to Service Credit accrued under Articles 7 or 8, shall not exceed 100% of the Member's Highest Average Plan Compensation (the 100% limit), which is:

- (i) if all of the Member's Service Credit was accrued in the 1976 Tier, the Member's Highest Average Plan Compensation as determined under subsection (a)(iii) above,
- (ii) if all of a Member's Service Credit was accrued in the 2013 Tier, or in the Modified 2013 Tier, or in the 2016 Tier, the Member's Highest Average Plan Compensation as determined under subsection (b)(iii) or (c)(iii) above, as applicable,
- (iii) if the Member is a Multi-tier Member, the greater of the Member's Highest Average Plan Compensation as determined under subsection (d)(i) or (d)(ii) above.

(f) Members with Noncontributory Service.

For an Active Member of the Plan who, beginning on July 1, 1967, received Service Credit for which Member Contributions were not required (commonly referred to as "noncontributory service"), the amount of Basic Retirement Income shall be the greater of:

- the benefit determined for all years of Service Credit, including noncontributory service, less the Retirement Income Offset determined under Section 6.07; or
- the benefit determined for all Service Credit but excluding noncontributory service; for purposes of this calculation only, the

Retirement Income Offset determined under Section 6.07 shall not be applied.

(g) When Election Becomes Irrevocable.

Effective for a Retirement Date occurring April 1, 1999 or later, the election with respect to Basic Retirement Income shall be irrevocable as of the later of the Member's Retirement Date, or 15 days following the date of the Plan Administrator's confirmation letter notifying the Member of the receipt of the Member's election.

The amount of Basic Retirement Income shall be subject to the provisions of Sections 6.07 through 6.14 as applicable.

[Also see related UCRP Regulation 6.06]

6.07

RETIREMENT INCOME OFFSET

A Retirement Income Offset occurs when a Member received Service Credit in the 1961-1971 Plan or the 1971-1988 Plan for periods during which Member Contributions were not made other than for periods during which the Member received Disability Income, was on military leave if the leave occurred on or after July 1, 1971, or was not required to contribute in accordance with Section 4.07.

(a) The Retirement Income Offset is an amount equal to the Actuarially Equivalent monthly annuity based on the following factors:

- (i) the amount of Member Contributions which were not made for any such periods, such amount to include interest to the Retirement Date (with interest after June 30, 1971, at the current rate of the assumed earnings of the Plan);
- (ii) the amount of University Contributions which were not made under the 1961-1971 Plan during a period of sabbatical leave or approved leave of absence without pay other than military leave, such amount to include interest to the Retirement Date (with interest after June 30, 1971, at the current rate of the assumed earnings of the Plan); and
- (iii) the Actuarial Equivalence Basis as set forth in Section 2.05 on the Retirement Date.

(b) *Payment Elections.*

An Active Member may elect to eliminate the Retirement Income Offset at any time before retirement by making payment to the Plan of

an amount equal to the University Contributions and Member Contributions which were not made plus interest at the current rate of assumed earnings of the Plan to the date of completion of payment. Payments made to eliminate or reduce the Retirement Income Offset shall be made only while an Active Member and shall not be refunded except upon a Break in Service as provided by Section 4.08.

- (i) Effective January 1, 2001, an Active Member may elect to make a single sum after-tax payment directly to the Plan to eliminate or reduce the Retirement Income Offset. Such payment shall not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded.
- (ii) Unless the payment option described in paragraph (i) above is elected, for elections to eliminate the Retirement Income Offset that are received by the Plan Administrator on or after July 1, 1997 and before January 1, 2014, payments shall be made on a pretax basis in accordance with Section 414(h) of the Internal Revenue Code and are deemed to be employer pick-up contributions.

Payments with respect to pretax salary contributions must be completed over a period of 1, 2, 3, 4, or 5 years from the date of the election in accordance with Plan Regulations. The Plan Administrator may implement Plan Regulations on procedures including, without limitation, how the 5-year rule shall be applied.

Payments on a pretax basis shall be made pursuant to an Active Member's binding irrevocable payroll authorization and such Member shall not have the option to make single sum or installment payments directly to the Plan, except as may be necessary and appropriate to correct an error.

The binding irrevocable payroll authorization shall terminate only if the Member has a Break in Service. If at the time a Member incurs a Break in Service, or at the subsequent Retirement Date, Disability Date, or date of the Active Member's death, if earlier, the amount of such payments is insufficient to eliminate the Retirement Income Offset, the Retirement Income Offset shall be redetermined in accordance with this Section, giving credit for such payments.

[Also see related UCRP Regulation 6.07]

6.08

SECTION 415 MAXIMUM BENEFIT

The maximum annual amount of Retirement Income as determined in Sections 5.06, 6.06, 7.07, and 8.06, Postretirement Survivor Continuance, and the Capital Accumulation Payment payable from the Plan shall not exceed the limit described in Section 415(b) of the Internal Revenue Code and shall be administered in accordance with the Plan Regulations.

For purposes of determining the Section 415 limit, the University elects to be covered by Section 415(b)(10) of the Internal Revenue Code in which the maximum benefit payable would be the greater of either:

- the Section 415(b) limit, or
- the accrued benefit of an employee who became an Active Member of the Plan before January 1, 1990, but without regard to any Plan amendment after October 14, 1987.

For a Member whose greater payment would be the accrued benefit without regard to any Plan amendment after October 14, 1987, benefits payable under the Plan shall not include any benefit form, formula or factor which was not included in the Plan as of October 14, 1987. These amendments include, but are not limited to, the Capital Accumulation Payment, certain payment options described in Section 6.11, the 2013 Tier Benefit, the Modified 2013 Tier Benefit, the 2016 Tier Benefit, and changes to the cost of living adjustment and Basic Retirement Income factors.

The limit under Section 415(b) of the Internal Revenue Code as applied to the annual benefit paid on behalf of Retired Members shall be adjusted each limitation year as provided in Section 415(d) of the Internal Revenue Code.

[Also see related UCRP Regulation 6.08]

6.09

STRICT FULL TIME SALARY PLAN

If an Active Member or Inactive Member was compensated in whole or in part on the basis of a Strict Full Time Salary Plan, the amount of Basic Retirement Income shall be the sum of:

- (a) the amount computed in accordance with Section 6.06 but using only that portion of the Highest Average Plan Compensation attributable to the appropriate base salary scale; and
- (b) the amount computed in accordance with Section 6.06 but using only Service Credit earned while being paid on the Strict Full Time Salary Plan and only that portion of the Highest Average Plan Compensation attributable to the fixed differential paid during this period.

[Also see related UCRP Regulation 6.09]

6.10

ADJUSTMENT TO HIGHEST AVERAGE PLAN COMPENSATION

A Member's Highest Average Plan Compensation may be adjusted as follows:

- (a) to determine the amount of Retirement Income under this Article for a Disabled Member whose disability date is prior to November 5, 1990, the Member's Highest Average Plan Compensation shall be increased by the total percentage of cost of living adjustments specified in Section 9.03 from the July 1 coinciding with or next following the Disability Date, but not earlier than July 1, 1971, to the July 1 coinciding with or immediately preceding the Member's Retirement Date.
- (b) to determine the amount of Retirement Income under this Article for a Disabled Member whose Disability Date is November 5, 1990, or later, the Member's Highest Average Plan Compensation shall be established as of the Disability Date.
- (c) to determine the amount of Retirement Income under this Article for an Inactive Member, the Member's Highest Average Plan Compensation (with respect to such Member's 1976 Tier Benefit) shall be increased by the total percentage of cost of living adjustments specified in Section 9.03(b) from the July 1 coinciding with or next following the date of Inactive Membership, but not earlier than July 1, 1971, to the July 1 coinciding with or immediately preceding the Member's Retirement Date.

In the case of a Disabled Member who becomes an Inactive Member, the Member's Highest Average Plan Compensation (with respect to the Member's 1976 Tier Benefit) shall be determined as of the Member's Disability Date, and shall be increased by the total

percentage of cost of living adjustments specified in Section 9.03(b) from the July 1 coinciding with or next following the date of Inactive Membership, but not earlier than July 1, 1971, to the July 1 coinciding with or immediately preceding the Member's Retirement Date.

The cost of living adjustments described in this subsection (c) are not applicable to a Member's 2013 Tier Benefit, a Member's Modified 2013 Tier Benefit and/or a Member's 2016 Tier Benefit.

For an Inactive Member eligible for reciprocal benefits in accordance with Section 12.08, cost of living adjustments to the Member's Highest Average Plan Compensation to the extent of the Member's 1976 Tier Benefit, if any, shall exclude periods for which service credit was earned in the reciprocal retirement plan.

For an Inactive Member eligible for concurrent retirement as provided by Section 12.09, cost of living adjustments to the Member's Highest Average Plan Compensation to the extent of the Member's 1976 Tier Benefit, if any, shall apply only to the period after the final period in which service credit was earned under either plan.

6.11

PAYMENT OPTIONS

An Active Member or Inactive Member may elect one of the Actuarially Equivalent monthly payment options described in subsections (a) through (c) below instead of the Basic Retirement Income option described in Section 6.06 or, with respect to a Member's 1976 Tier Benefit or a Member's Modified 2013 Tier Benefit, the Lump Sum Cashout described in Section 4.08(c).

Unless an exception applies, the payment option selected shall apply to the full amount of Basic Retirement Income attributable to a Member's 1976 Tier Benefit if no person eligible to receive the Postretirement Survivor Continuance on the Member's Retirement Date. If any such eligible person is living on the Member's Retirement Date, the payment option selected for a Member's 1976 Tier Benefit shall apply only to that portion of such Basic Retirement Income that exceeds the amount of the Postretirement Survivor Continuance. The Postretirement Survivor Continuance is not available for a Member's 2013 Tier Benefit, a Member's Modified 2013 Tier Benefit and/or a Member's 2016 Tier Benefit.

The payment options provided under this Section 6.11 are as follows:

(a) Full Continuance to Contingent Annuitant.

A reduced monthly benefit is paid to the Retired Member for life. Upon the death of the Retired Member, and provided the Contingent Annuitant has survived, the same monthly benefit is paid to the Contingent Annuitant each month for life. Payments cease upon the death of the Contingent Annuitant.

(b) Two-Thirds Continuance to Contingent Annuitant.

A reduced monthly benefit is paid to the Retired Member for life. Upon the death of the Retired Member, and provided the Contingent Annuitant has survived, two-thirds of the monthly benefit is paid to the Contingent Annuitant each month for life. Payments cease upon the death of the Contingent Annuitant.

(c) One-Half Continuance to Contingent Annuitant.

A reduced monthly benefit is paid to the Retired Member for life. Upon the death of the Retired Member, and provided the Contingent Annuitant has survived, one-half of the monthly benefit is paid to the Contingent Annuitant each month for life. Payments cease upon the death of the Contingent Annuitant.

A Multi-tier Member must elect the same payment option for the Member's 1976 Tier Benefit, 2013 Tier Benefit, Modified 2013 Tier Benefit and/or 2016 Tier Benefit (unless Section 6.14(c)(ii) applies) or the Multi-tier Member elects to receive a Lump Sum Cashout with respect to the 1976 Tier Benefit and Modified 2013 Tier Benefit. In that case the Member may elect one of the options described in subsections (a)-(c) above for the 2013 Tier Benefit and/or 2016 Tier Benefit.

For a Retirement Date occurring April 1, 1999 or later, the election of payment option and the designation of Contingent Annuitant shall be irrevocable as of the later of the Member's Retirement Date, or 15 days following the date of the Plan Administrator's confirmation letter notifying the Member of the receipt of the Member's election except as that date may be adjusted as set forth in Plan Regulations.

[Also see related UCRP Regulation 6.11]

6.12

MINIMUM DISTRIBUTION RULE

All Members must receive a minimum distribution commencing by the Required Beginning Date in accordance with the Minimum Distribution Rule as defined in Section 2.38.

6.13

REAPPOINTMENT AFTER RETIREMENT

A Retired Member may be reappointed to University service subject to regulations promulgated by the President of the University.

- (a) if, upon reappointment, a Retired Member is an Eligible Employee, the Retired Member shall be reinstated as an Active Member as provided by Section 6.14.
- (b) if, upon reappointment, a Retired Member is not an Eligible Employee, the Retired Member shall not be reinstated as an Active Member and shall continue to receive Retirement Income as provided by this Article.

6.14

REINSTATEMENT PROVISIONS

When a Retired Member is reappointed as an Eligible Employee, Retirement Income shall cease. If the reappointment occurs prior to July 1, 2016, the Retired Member shall be reinstated as an Active Member. If the reappointment occurs on or after July 1, 2016, the Retired Member shall be reinstated as an Active Member subject to the provisions of Section 3.01(b)–(d). Upon reinstatement, the following shall apply:

- (a) the individual's Member Contributions account shall be reestablished and shall be credited with such positive amount as is equal to the Member's Member Contributions, if any, and interest as of the Retirement Date less the total of payments of Retirement Income provided by this Article 6. Service Credit as of the Retired Member's Retirement Date shall be reestablished.
- (b) upon the reinstated Active Member's subsequent retirement, the amount of Basic Retirement Income payable under this Article shall be the greater of:
 - (i) the sum of:
 - (A) the initial Basic Retirement Income payable, determined in accordance with Sections 6.06, adjusted for cost of living adjustments in accordance with Section 9.03 up to the date of subsequent retirement, and
 - (B) the subsequent accrual of Basic Retirement Income determined in accordance with Sections 6.06 on the basis of Service Credit and Highest Average Plan Compensation earned after reinstatement; or

- (ii) the difference between:
 - (A) the amount of Basic Retirement Income payable on the basis of Service Credit and Highest Average Plan Compensation over the entire period of service while an Active Member, and
 - (B) the amount of Basic Retirement Income that is Actuarially Equivalent to the total amount of payments previously received under this Article, accumulated with interest at the rate of the assumed earnings of the Plan from the date of reinstatement to the date of subsequent retirement.
- (c) upon the reinstated Active Member's subsequent retirement, benefits payable shall be subject to the following:
 - (i) the Basic Retirement Income, defined in (b)(i)(A) above, shall be resumed in the same payment form as was the case upon the Retired Member's initial retirement.
 - (ii) the Basic Retirement Income equal to the excess of the total amount determined in (b) above, over the Basic Retirement Income defined in (b)(i)(A) above, may, at the election of the Retired Member, be paid in one of the optional payment forms in accordance with Section 6.11.
- (d) if, after reinstatement and prior to the Active Member's subsequent retirement, the Active Member should die, then:
 - (i) payments related to (c)(i) above due to a survivor, if any, shall be payable in accordance with the payment option initially chosen.
 - (ii) payments related to (c)(ii) above due to a survivor, if any, shall be payable in accordance with the provisions of Section 6.15(b) related to Preretirement Survivor Income but while eligible to retire.
- (e) If a Retired Employee returns to University employment following his or her receipt of a Lump Sum Cashout, and again becomes an Active Member either prior to July 1, 2013 or on or after that date without incurring a Break In Service, the benefit payable at the Member's subsequent retirement is calculated as described in Section 6.06(a) or 8.06, as applicable, but based solely on the Service Credit and HAPC accrued during the subsequent period as an Active Member and on the Member's age at the subsequent retirement.
- (f) If a Retired Employee returns to University employment following his or her receipt of a Lump Sum Cashout, and again becomes an Active Member on or after July 1, 2013 after having incurred a Break In

Service, the benefit payable at his or her subsequent retirement is calculated as described in Section 6.06(b) or or 6.06(c) or 8.06, as applicable, but based solely on the Service Credit and HAPC accrued during the subsequent period as an Active Member and on the Member's age at the subsequent retirement.

[Also see related UCRP Regulation 6.14]

6.15

PRERETIREMENT SURVIVOR INCOME

Preretirement Survivor Income under this Article may be paid upon the death of an Active Member who has at least two years of Service Credit, or a Disabled Member, or in the case of (b) below, an Inactive Member.

(a) Payment to Eligible Survivors.

The amount of Preretirement Survivor Income payable under this subsection (a) shall be determined as follows:

Effective July 1, 2002, upon the death of an Active Member or Disabled Member, monthly Preretirement Survivor Income shall be determined on the basis of the number of Eligible Survivors, as indicated below, and in the following order of existing Eligible Survivors: Eligible Spouse or Eligible Domestic Partner; Eligible Child or Children; and if fewer than five such Eligible Survivors, Eligible Dependent Parent or Parents.

(i) one Eligible Survivor	25% of Final Salary but not less than \$200 per month.
(ii) two Eligible Survivors	35% of Final Salary but not less than \$300 per month.
(iii) three Eligible Survivors	35% of Final Salary but not less than \$300 per month, plus 5% of Final Salary.
(iv) four Eligible Survivors	35% of Final Salary but not less than \$300 per month, plus 10% of Final Salary.
(v) five Eligible Survivors	35% of Final Salary but not less than \$300 per month, plus 15% of Final Salary.

The payment of the total Preretirement Survivor Income determined above shall be allocated as follows:

- (A) first, the Eligible Spouse or Eligible Domestic Partner, if any, shall receive the amount designated in (i) above.

(B) second, the Eligible Child or Children if any, shall receive an amount of Preretirement Survivor Income as described in the schedule above less the benefits described in (A) on a share and share alike basis.

(C) third, if there are fewer than five Eligible Survivors (not including Eligible Dependent Parents), the Eligible Dependent Parent or Parents shall receive an amount of Preretirement Survivor Income as described in the schedule above less the benefits described in (A) and (B) on a share and share alike basis.

When a person ceases to be an Eligible Survivor, the amount of Preretirement Survivor Income payable shall be determined according to the number of Eligible Survivors remaining.

Preretirement Survivor Income shall not be paid to a former spouse or former Domestic Partner.

(b) Payment of "Death While Eligible" to Retire Benefit.

- (i) With respect to a Member's 1976 Tier Benefit or a Member's Modified 2013 Tier Benefit, if the death of an Active Member, Disabled Member, or Inactive Member occurs after the Member has attained age 50 and earned five years of Service Credit, or if such Member entered the Plan on or before July 1, 1989 and has attained age 62, regardless of the Member's years of Service Credit, it will be deemed that such Member had elected to retire on the date of death and had elected Retirement Income under the full joint and last survivor payment option described in Section 6.11(a). Further, it will be assumed that the Member's surviving spouse or surviving Domestic Partner was named as the Contingent Annuitant provided that there is a surviving spouse or surviving Domestic Partner, and that no other election for payment of Retirement Income or a Lump Sum Cashout has been made.
- (ii) With respect to a Member who has only a 2013 Tier Benefit or 2016 Tier Benefit, if the death of such Active Member, Disabled Member, or Inactive Member occurs on or after the Member has attained age 55 and earned five years of Service Credit, it will be deemed that such Member had elected to retire on the date of death and had elected Retirement Income under the full joint and last survivor payment option described in Section 6.11(a). Further, it will be assumed that the Member's surviving spouse or surviving Domestic Partner was named as the Contingent Annuitant,

provided that there is a surviving spouse or surviving Domestic Partner, and that no other election for payment of Retirement Income has been made.

- (iii) If a Multi-tier Member dies while an Active Member, Disabled Member or Inactive Member while eligible to retire, as described in subsection (b)(i) above, it will be deemed that such Member had elected to retire on the date of death and had elected Retirement Income under the full joint and last survivor payment option described in Section 6.11(a). If the Multi-tier Member had not attained age 55 at the time of his or her death, payment of the benefit attributable to the Member's 2013 Tier Benefit and/or the Member's 2016 Tier Benefit will be deferred to the date the Member would have attained age 55. Further, it will be assumed that the Member's surviving spouse or surviving Domestic Partner was named as the Contingent Annuitant, provided that there is a surviving spouse or surviving Domestic Partner, and that no other election for payment of Retirement Income or a Lump Sum Cashout has been made.

If there is no surviving spouse or surviving Domestic Partner, it will be deemed that such Member had not elected to retire on the date of death with respect to benefits payable.

(c) Coordination of Benefits.

The benefits under subsections (a) and (b) above shall be calculated separately and the greater of the two benefits shall be paid to the surviving spouse or surviving Domestic Partner as follows:

- (i) if the Preretirement Survivor Income determined in subsection (b) is the larger benefit, it shall be paid to the surviving spouse or surviving Domestic Partner of the deceased Member.
- (ii) if the Preretirement Survivor Income determined in subsection (a)(A) and (B) above, which would be payable to the surviving spouse or surviving Domestic Partner as an Eligible Spouse or Eligible Domestic Partner or having Eligible Children, is greater than the benefit in subsection (b), then the Preretirement Survivor Income payable shall not be less than the amount of Preretirement Survivor Income under subsection (a)(A) and (B). Payment shall continue as long as the surviving spouse or surviving Domestic Partner is an Eligible Spouse or Eligible Domestic Partner or there

are Eligible Children, and shall preempt the payment of benefits under subsection (b).

(d) Payment of Preretirement Survivor Income on Account of Eligible Children.

Preretirement Survivor Income payable on account of an Eligible Child under age 18 shall be paid to the parent of such child provided that the child is in the care of the parent and no guardian of the estate of the child has been appointed; otherwise payment shall be made to the guardian.

Preretirement Survivor Income payable on account of an Eligible Child who has attained the age of 18 shall be paid to the parent of such child provided that the child is in the care of such parent and no guardian of the estate of the child has been appointed. If a guardian has been appointed, payment shall be made to the guardian; otherwise payment shall be made to the Eligible Child.

In matters of conflict regarding the amount or payment of Preretirement Survivor Income, the determination shall be made by the Plan Administrator.

The Preretirement Survivor Income is payable in addition to the death benefits provided in Section 6.17, if any.

[Also see related UCRP Regulation 6.15]

6.16

POSTRETIREMENT SURVIVOR CONTINUANCE

This Section 6.16 applies only to a Member's 1976 Tier Benefit.

Upon the death of a Retired Member who accrued a 1976 Tier Benefit, a monthly benefit shall be paid to the person or persons (on a share and share alike basis) in the first of the following categories in which there is a survivor:

- (a) to the spouse of the Retired Member for life, provided such spouse was married to the Retired Member for one full year before the Retirement Date and continuously to the date of the Member's death;
- (b) with respect only to Retired Members whose Retirement Date is on or after July 1, 2002, to the Domestic Partner of the Retired Member for life, provided such Domestic Partner was the Domestic Partner of the Retired Member for one full year before the Retirement Date and continuously to the date of the Member's death; and, effective January

1, 2005, with respect to a Retired Member who retired prior to July 1, 2002, to the Domestic Partner of such Retired Member for life, as determined under the eligibility rules set forth in Section 6.16.E. of the Plan Regulations;

- (c) to the Eligible Child or Children for as long as the child or children remain eligible; or
- (d) to the Eligible Dependent Parent or Parents for as long as the parent or parents remain eligible.

Upon the death or loss of eligibility of all survivors in one category, payments shall continue to the person or persons in the next succeeding category in which there are Eligible Survivors. When the eligibility of all such survivors ceases, no further monthly payments under this Section shall be made.

A Postretirement Survivor Continuance shall not be paid to a former spouse or former Domestic Partner.

The amount of the Postretirement Survivor Continuance payable with respect to a Retired Member who was a Member with Noncoordinated Benefits is equal to 50% of the Basic Retirement Income for the Member's 1976 Tier Benefit payable to the Retired Member as of the date of death.

The Postretirement Survivor Continuance is payable in addition to the Death Benefits provided in Section 6.17, if any.

[Also see related UCRP Regulation 6.16]

6.17

LUMP SUM PAYMENTS UPON DEATH

Upon the death of a person indicated below, the respective amounts of the basic death payment and the residual death payment shall be paid in a lump sum to the person's Beneficiary, and shall consist of:

(a) Basic Death Payment.

Effective October 1, 1990 the basic death payment under this Article shall be \$7,500 for all Members of the Plan. For those Active Members who became Active Members of the Plan prior to October 1, 1990, the greater of \$1,500 plus the Final Salary for one month or \$7,500 shall be paid.

(b) Residual Death Payment.

Upon the death of a Member, a residual death payment consisting of the total Accumulations in such Member's account shall be paid if or when there is no Contingent Annuitant, surviving spouse, surviving Domestic Partner, Eligible Survivors, or persons who may become Eligible Survivors or eligible for the Postretirement Survivor Continuance.

(c) Death Following a Break in Service.

If a former Member dies within four months after the effective date of a Break in Service without having an effective election with respect to the benefits to which such person was entitled, one of the following shall apply:

- (i) if such person had been eligible to elect Retirement Income as provided by this Article, such person shall be deemed to be an Active Member with respect to benefits payable upon the death of an Active Member;
- (ii) if not eligible under (i) above, but if such person had been eligible to become an Inactive Member, such person shall be deemed to be an Inactive Member as of the effective date of the Break in Service with respect to benefits payable upon the death of an Inactive Member; or
- (iii) if not eligible under (i) or (ii) above, the Accumulations of such person shall be paid in a lump sum to the person's Beneficiary.

Effective January 1, 2006, if the lump sum amount payable to a Beneficiary represents an Eligible Rollover Distribution with a value of more than \$1,000 and less than \$5,000, and the Beneficiary fails to provide timely directions to make a direct distribution to the Beneficiary or to transfer the funds to an Eligible Retirement Plan after receiving the appropriate notice and explanation, the Plan Administrator shall transfer the entire lump sum amount to the IRA custodian selected by the Plan Administrator to be held for the benefit of the Beneficiary.

The automatic transfer provision does not apply to an amount payable to a designated nonspouse Beneficiary that is treated as an Eligible Rollover Distribution as described in Section 2.25.

[Also see related UCRP Regulation 6.17]

6.18

DISABILITY INCOME

An Active Member who becomes disabled shall, if eligible, be entitled to receive Disability Income in accordance with this provision:

(a) Eligibility.

An Active Member who accrued at least two years of Service Credit before April 1, 1980, or an Active Member who accrues at least five years of Service Credit on or after April 1, 1980, shall be eligible to receive Disability Income if the Member becomes disabled as defined in (b) below regardless of whether the Member accrued such Service Credit only in the 1976 Tier, in the 2013 Tier, in the Modified 2013 Tier, in the 2016 Tier or in a combination of Member Tiers.

If a Member has established reciprocity with the Public Employees' Retirement System consistent with the requirements in Section 12.08, for the purpose of determining eligibility for Disability Income, Service Credit shall include any service currently credited by the Public Employees' Retirement System.

For purposes of determining eligibility for Disability Income, Service Credit established under Sections 5.04(d), 6.04(d), 7.05(d), and 8.04(e) shall be excluded. For purposes of this section, Disability Date means the date approved by the Plan Administrator, and is either the day following the last day on University payroll status or the first of the month in which the application is received by the Plan Administrator, whichever is later.

- (i) For Members whose Disability Date occurs prior to November 5, 1990, eligibility to receive Disability Income shall continue until the earliest of:
- (A) such time as the Member is no longer disabled as defined;
 - (B) attainment of age 50 or older if Retirement Income equals or exceeds Disability Income; or
 - (C) attainment of age 67.

For purposes of (B) above, Retirement Income means Basic Retirement Income if there is no spouse or Domestic Partner or a full joint and last survivor annuity if there is a spouse or Domestic Partner, assuming such spouse or Domestic Partner would be named as Contingent Annuitant.

- (ii) For Members whose Disability Date occurs November 5, 1990, or later, eligibility to receive Disability Income shall continue until the earliest of:
 - (A) in all cases, such time as the Member is no longer disabled as defined;
 - (B) for Members whose Disability Date occurs prior to attainment of age 65, the later of:
 - (1) attainment of age 67, or
 - (2) five years after the Disability Date;
 - (C) for Members whose Disability Date occurs upon or after attainment of age 65, the later of:
 - (1) attainment of age 70, or
 - (2) 12 months after the Disability Date.

Regardless of the above, a Disabled Member who qualifies for retirement as defined in Section 6.05 may elect to retire under such Section. In such case, Disability Income shall cease.

(b) Definition of Disabled Member.

A Disabled Member is defined as follows:

- (i) with respect to an employee who became an Active Member on or before March 31, 1980, "Disabled Member" means a Member who is prevented from performing the duties of such Member's present position or a comparable position (as defined in (A) below), because of a medically determinable physical or mental impairment of permanent or extended and uncertain duration as determined by the Plan Administrator on the basis of qualified medical opinion. After two years of such disability, a Disabled Member shall be deemed to be disabled only if such Member is prevented by such physical or mental impairment from engaging in any occupation for substantial compensation or profit (as defined in (B) below) as determined by the Plan Administrator on the basis of qualified medical opinion.

For purposes of this paragraph:

- (A) "comparable position" means another University position for which the Member is qualified and is medically able to perform, whether or not such position is available, and which provides a

salary rate of at least 80% of the Member's Final Salary, adjusted by Plan cost of living increases.

(B) "any occupation for substantial compensation or profit" means any type of gainful activity, commensurate with age, education, skills, or general background, which could reasonably be expected to result in compensation or profit equivalent to 70% of the Disabled Member's Final Salary, adjusted by Plan cost of living increases. Gainful activity includes employment, self-employment, and the rendering of any type of service.

(ii) with respect to an employee who becomes an Active Member on or after April 1, 1980, "Disabled Member" means a Member who is prevented from engaging in substantial gainful activity, (defined below), because of a medically determinable physical or mental impairment of permanent or extended and uncertain duration as determined by the Plan Administrator on the basis of qualified medical opinion.

For purposes of this paragraph "substantial gainful activity" means a level of work activity that is both substantial and gainful and involves the performance of significant physical or mental activities which are productive in nature, and which is further defined as follows:

(A) substantial gainful activity during the first year in benefit status means a level of work activity which would, if engaged in, result in income of 50% or more of Final Salary, adjusted by Plan cost of living increases.

(B) following the first year in benefit status, a Member will not be considered disabled if able to engage in substantial gainful activity which would result in earnings in excess of the Social Security Administration's annually published dollar amount used to determine substantial gainful activity.

A Disabled Member may be required to undergo one or more medical examinations by a physician or physicians chosen by the Plan Administrator. If, on the basis of such examinations, it is determined that the Disabled Member is no longer disabled or if the Disabled Member refuses to undergo such examinations, eligibility for Disability Income shall cease.

In any determination of eligibility for Disability Income payments, an Active Member or Disabled Member is entitled to submit medical

evidence which shall be considered in determining eligibility for such payments.

The ruling of another board, or the award of disability benefits under another program, shall not be determinative with respect to eligibility for benefits under this Section.

Members may be required, as a condition of eligibility for Disability Income, to undergo evaluation by vocational and medical professionals to determine their suitability for retraining and vocational rehabilitation.

Should the Plan Administrator determine, on the basis of qualified vocational and medical opinion, that a program of retraining and vocational rehabilitation can reasonably be expected to return a Disabled Member to substantial gainful activity, such Member shall be required to participate in such program as a condition of eligibility for Disability Income. Should an individual fail to participate in good faith in such a program, the Plan Administrator shall have the authority to deny, suspend, or terminate Disability Income.

(c) Amount of Disability Income.

(i) Service Credit Only in 1976 Tier:

The monthly Disability Income based on a Member's Service Credit accrued in the 1976 Tier shall be equal to the sum of:

(A) 25% of Final Salary; and

(B) 5% of Final Salary for each year of Service Credit accrued in the 1976 Tier in excess of two years but not more than 15% of Final Salary; and

(C) 5% of Final Salary on account of each Eligible Child but not more than 20% of Final Salary.

(ii) Multi-tier Members.

(A) The monthly Disability Income of a Multi-tier Member who became an Active Member on or after April 1, 1980 shall be equal to the greater of the sum of (1) and (2) below or the amount calculated under subsection (c)(i) above:

(1) the amount calculated under subsection (c)(i) above, determined by replacing the reference to "Service Credit accrued in the 1976 Tier" in (c)(ii) with "total Service Credit",

multiplied by the ratio of Service Credit accrued in the 1976 Tier to total Service Credit, and

(2) the sum of a. and b. below, multiplied by the ratio of Service Credit accrued in the 2013 Tier, Modified 2013 Tier and/or 2016 Tier to total Service Credit:

a. 8.0% of Final Salary; and

b. 1.7% of Final Salary for each year of total Service Credit in excess of two years but not more than 17.0%.

(B) The monthly Disability Income for a Multi-tier Member who became an Active Member on or before March 31, 1980, and who has at least two years of Service Credit accrued in the 1976 Tier but less than five years of total Service Credit, shall be equal to the amount calculated under subsection (c)(i) above.

Disability Income payable under this Article 6 shall not be subject to any property settlements upon marital dissolution or legal separation which are made in accordance with a qualified domestic relations order.

(d) Maximum Disability Income and Adjustments.

The amount of Disability Income described in subsection (c) above shall be adjusted as follows:

(i) if an Active Member who became a Member after July 1, 1971, receives or is eligible to receive periodic payments from another retirement or pension plan or comparable program, including payments under Article 8 of this Plan, for a disability which existed at the time membership began, and if the same disability subsequently entitles the Member to Disability Income, the amount of Disability Income shall be reduced by the equivalent monthly amount of such other payments.

(ii) with respect to an employee who becomes an Active Member on or after April 1, 1980, Disability Income shall be reduced, if necessary, so that the sum of:

(A) Disability Income under this Article;

(B) earnings from substantial gainful activity as defined in Section 6.18(b)(ii); and

(C) any other University-provided disability benefit under either a retirement or disability program except:

- (1) any long term disability benefits paid for by the Member, and
- (2) any disability benefits measured by compensation which is not considered Covered Compensation;

does not exceed:

- during the first year of benefit status, 70% of the Member's Final Salary, adjusted by Plan cost of living increases; and
- for each year thereafter, 60% of the Member's Final Salary, adjusted by Plan cost of living increases.

If a Disabled Member's substantial gainful activity is part of a program of rehabilitation approved by the Plan Administrator and Disability Income is continued during a trial work period, then the total amount of Disability Income provided under this Article and the earnings and benefits described in (i) and (ii) above shall not exceed 100% of Final Salary, adjusted by Plan cost of living increases, during such period.

Disability Income may be suspended without affecting eligibility for Disability Income for a trial period of up to nine months while a Disabled Member engages in employment under a program of rehabilitation.

(e) Highest Average Plan Compensation and Service Credit for a Disabled Member.

When a former Disabled Member becomes a Retired Member, Basic Retirement Income shall be subject to the following:

- (i) Such Member's Highest Average Plan Compensation shall be determined as provided by Section 6.10(a) or (b); and
- (ii) Service Credit shall be granted as provided by Section 6.04(b) for such years as Disability Income has been payable.

(f) Reappointment of a Disabled Member.

A Disabled Member may be reappointed to University service as follows:

- (i) if, upon reappointment, a Disabled Member is an Eligible Employee, Disability Income shall cease and the Disabled Member shall be reinstated as an Active Member with Noncoordinated Benefits subject to the provisions of Section 3.01(b)–(d). Upon reinstatement, the Member's Contribution account shall be

reestablished in an amount equal to Member's Contributions and credited interest on the Disability Date less 50% of all Disability Income payments made, but never less than zero.

- (ii) if, upon reappointment, a Disabled Member is not an Eligible Employee, the person shall not be reinstated as an Active Member and shall continue to receive Disability Income in accordance with Section 6.18(a) and so long as the person remains disabled subject to the following limitation:

If the sum of compensation from the University and Disability Income in any fiscal year exceeds the full time annual compensation rate for the position to which such person is reappointed, Disability Income shall cease with the month in which the excess amount is earned, and further Disability Income shall not be paid until the next fiscal year or until such employment is terminated, provided such person remains disabled.

(g) Termination of Disability Status.

A person who is no longer eligible for Disability Income as determined by the Plan Administrator and who has not been reappointed as an Eligible Employee:

- (i) may, if eligible, elect Retirement Income in accordance with this Article and subject to Section 2.58;
- (ii) will become an Inactive Member, at which time the Member's Contribution account shall be reestablished as provided by Section 6.18(g)(i); or
- (iii) may, if eligible, elect a Refund of Accumulations, if any, or Lump Sum Cashout subject to Section 2.34, as applicable.

[Also see related UCRP Regulation 6.18]

ARTICLE 7 BENEFIT PROVISIONS FOR MEMBERS WITH TIER TWO BENEFITS

7.01 SCOPE

Effective July 1, 1990, Tier Two was closed to new participation. Only Active Members in Tier Two on July 1, 1990 can continue participation.

The provisions of this Article shall apply to a Member who earns Service Credit as a Member with Tier Two Benefits under the Plan.

Tier Two provides an alternate set of benefit provisions for those Members for whom no Member Contributions are made to the Plan in accordance with Section 4.04.

7.02 EFFECTIVE DATE

The provisions of this Article shall apply upon the effective date of membership.

7.03 ELIGIBILITY

Effective July 1, 1990, eligibility for new participation in Tier Two was eliminated. Provisions of the Plan in effect prior to July 1, 1990 contain the previously applicable eligibility rules.

7.04 TIER TWO PARTICIPATION

(a) Effective January 1, 2001, an Active Member with Tier Two Benefits may make an irrevocable election to return to such Active Member's original Member class, as defined in Section 3.02, by submitting written notice to the Plan Administrator and by making payment to the Plan of an amount equal to all contributions that would have been payable to the Plan by such Active Member for all prior service if such Active Member had remained in such original Member class, plus interest to the date of completion of payment. Interest shall be computed at the

rate of the assumed earnings of the Plan in effect on the date of the Member's election.

(b) *Payment Options.*

The following payment options apply to elections made by an Active Member to return to the Active Member's original Member class, provided the Member is otherwise eligible under applicable law and the terms of the affected plans:

- (i) for elections that are received by the Plan Administrator on or after January 1, 2014, a single sum after-tax payment in accordance with the limits of the Internal Revenue Code;
- (ii) for elections that are received by the Plan Administrator before January 1, 2014:
 - (A) the option listed in subsection (b)(i) above; and
 - (B) pretax salary contributions in accordance with Section 414(h) of the Internal Revenue Code that are deemed to be employer pick-up contributions to the extent permitted by applicable law, regulations and Internal Revenue Service guidance. Payments on a pretax basis must be completed while an Active Member is in pay status and shall be made pursuant to an Active Member's binding irrevocable payroll authorization over a period of 1, 2, 3, 4, or 5 full years from the date of such Member's election in accordance with Plan Regulations. The Member may not make single sum or installment payments directly to the Plan Administrator except as may be appropriate and necessary to correct an error. The binding payroll authorization shall terminate only if the Member has a Break in Service. If the payment schedule is not completed because a Member incurs a Break in Service or is no longer an Active Member due to retirement, death, disability, or separation from service, such Member's Service Credit shall be converted into Service Credit under the Member's original Member class in a proportionate amount based on the ratio of the amount actually paid to the total amount of the payments required.

[Also see related UCRP Regulation 7.04]

7.05

SERVICE CREDIT

A Member shall earn Service Credit as follows: for periods of membership before January 1, 1989, Service Credit shall be determined under

predecessor plans; and for periods of membership on or after January 1, 1989, Service Credit under this Article shall be determined as follows:

(a) Amount of Service Credit.

The amount of Service Credit earned by an Active Member under this Article for any month shall be equal to the ratio of the Member's Covered Compensation to the Member's applicable Full Time Equivalent Compensation subject to the modifications described in paragraphs (i) through (iv) below. The maximum amount of Service Credit for any Plan Year shall not exceed one year, except as provided in subsections (f) and (g) below.

- (i) Effective August 1, 1992, the amount of Service Credit earned by an Active Member under this Article for any month during the period of participation in the Time Reduction Incentive Plan (a temporary workforce reduction program in the 1992 to 1995 Plan Years) shall be equal to one-twelfth of a year of Service Credit provided the Member works at least 75% time during the entire period of the Time Reduction Incentive Plan agreement. Notwithstanding the above, Members participating in the Time Reduction Incentive Plan shall not earn such Service Credit unless such Members fulfill all of the terms of the Time Reduction Incentive Plan agreement.
- (ii) The Staff and Academic Reduction in Time (START) program is a temporary workforce reduction program adopted by the University for the periods indicated in subparagraphs (A) and (B) below:
 - (A) June 1, 2003 through June 30, 2005, provided that the program's end date is extended to June 30, 2006 for Members participating in the program during the July 1, 2004-2005 fiscal year and Members employed at locations not participating in the program as of June 30, 2005 that demonstrate a need to achieve salary savings because of new budget reductions; and
 - (B) July 1, 2008 through December 31, 2010.
 - (C) The actual dates that a Member participates in START within the authorized period shall be the dates established in the Member's START contract. The amount of Service Credit earned by the Active Member under this Section 7.05 for any month during the period of participation in the START program shall be equal to the amount that a Member's pre-START appointment is reduced (difference between pre-START appointment and START contract appointment) added to the time worked for each month during START (decimal

equivalent). The Member must work at least 50% time each month and total Service Credit earned each month may not exceed one month of Service Credit. Service Credit earned under this paragraph (ii) shall not include reductions in time not related to START nor reflected in the Member's START contract.

- (D) Effective as of March 1, 2009, a Member's reduction in appointment shall not be less than five percent (5%) in order to participate in the START Program unless a lesser reduction is necessary to coordinate a Member's time reduction under the START Program with the Member's participation in the Furlough/Salary Reduction Plan.
- (iii) Effective September 1, 2009, the amount of Service Credit earned by an Active Member under this Section 7.05 for any month during the period of participation in the Furlough/Salary Reduction Plan shall be equal to the amount that a Member's pre-Furlough/Salary Reduction Plan appointment is reduced (difference between pre-Furlough/Salary Reduction Plan appointment and Furlough/Salary Reduction Plan appointment) added to the time worked for each month during the Furlough/Salary Reduction Plan (decimal equivalent). The timing of a Member's participation in the Furlough/Salary Reduction Plan is determined under the terms of such plan, but no Member's participation will exceed 12 consecutive months, starting on the first day of the month the plan is implemented for the Member.
- (iv) Effective July 1, 2020 through June 30, 2022, the amount of Service Credit earned during an approved President-designated COVID-19 workforce action by an Active Member under this Section 7.05 shall be equal to the amount that a Member's appointment was reduced as a result of the approved President-designated COVID-19 workforce action added to the corresponding period of actual time worked in the Member's regular and normal appointment whether on a 9-month, 10-month, 11-month, or annual basis, including a sabbatical leave or other approved leave of absence with pay.

(b) Service Credit During Disability Status.

Service Credit shall be earned by a Disabled Member while such Member is receiving Disability Income, or would be entitled to receive Disability Income, provided such Service Credit would not cause Retirement Income (if such Member were to retire at that time) to

exceed the Disability Income. For purposes of this comparison, Retirement Income means Basic Retirement Income if there is no spouse or Domestic Partner, or, if there is a spouse or Domestic Partner, the amount of Retirement Income a Member would receive if the Member chose the full continuance payment option and named such spouse or Domestic Partner as the Contingent Annuitant. The amount of Service Credit for a Plan Year during such period shall be equal to the ratio indicated in (a) above for the last 12 months of continuous service preceding the Disability Date. Continuous service includes periods on pay status before and after an approved leave of absence without pay.

(c) Service Credit During Military Leave.

Service Credit shall be earned without payment of University contributions by an Active Member for a period on military leave provided the Member returns to University service at the expiration of such leave in accordance with the Member's reemployment rights in compliance with 38 U.S.C. §§4300–4333, as amended by the Uniformed Services Employment and Reemployment Rights Act (USERRA), or other applicable law. Effective January 1, 2007, if an Active Member dies on or after January 1, 2007 while on military leave performing qualified military service within the meaning of USERRA and Section 401(a)(37) of the Internal Revenue Code, the survivor of such Member shall be entitled to any additional benefits (other than contributions relating to the period of qualified military service, but including vesting service credit for such period or other survivor benefits) that would have been provided under the Plan had the Member resumed employment on the day preceding the Member's death and then terminated employment on account of death.

The amount of Service Credit for a Plan Year during such period shall be equal to the ratio indicated in (a) above for the last 12 months of continuous service preceding the effective date of military leave.

Continuous service includes periods on pay status before and after an approved leave of absence without pay. For purposes of this Section, a Member on military leave in accordance with USERRA or other applicable law shall be treated as not having incurred a Break in Service.

(d) Service Credit Established.

A Member who is or has been without pay on account of an approved leave of absence without pay (other than a military leave described in

Section 7.05(c) above), furlough, temporary layoff, sabbatical leave, or extended sick leave (each a "Leave" for purposes of this subsection (d) only) may establish Service Credit for all or part of such Leave period by returning to University service as an Active Member in University pay status and making a request as provided in this subsection (d).

If the request to establish Service Credit is received by the Plan Administrator prior to May 1, 2009, but on or after July 1, 1997, the election must be received by the later of July 1, 2000 or the last day of the three-year period beginning on the date the Member returns to University service following the Leave as an Active Member in pay status. Failure to satisfy the timing requirement constitutes an irrevocable waiver of the right to establish Service Credit for the entire period of a Leave.

(i) **Maximum Amount of Service Credit.** The amount of Service Credit that may be established under this subsection shall be based on an Active Member's appointment percentage prior to the start of the Leave, excluding any Service Credit that may have been earned during the Leave period, as that amount may be modified by the statutory limits applicable to purchases of nonqualified service described in subparagraph (A) below and the limits established by the Plan in subparagraph (B) below as those limits may be modified by subparagraph (C) below.

(A) Regardless of when a Leave commences, an Active Member's election to establish Service Credit under this subsection (d) that is received by the Plan Administrator in a Plan Year beginning on or after July 1, 1998 is subject to the following rules to the extent the Service Credit to be established constitutes "nonqualified service credit" within the meaning of Section 415(n) of the Internal Revenue Code:

- (1) An Active Member's election shall not be effective unless the Member has not less than five years of participation in the Plan, excluding any Service Credit purchased under this subsection.
- (2) An Active Member may not purchase more than five years of nonqualified service credit.
- (3) Notwithstanding the above, neither the limit on the amount of nonqualified service credit that may be purchased nor the requirement for five years of participation in the Plan shall

apply to the extent the Member elects to pay for such service through a trustee-to-trustee transfer from the University of California Tax Deferred 403(b) Plan and/or the University of California 457(b) Deferred Compensation Plan.

- (B) The following requirements apply to elections to establish Service Credit made under this subsection (d) that are received by the Plan Administrator prior to May 1, 2009 and that are based on a Leave that began on or after July 1, 1997:
- (1) the amount of Service Credit that may be established by an Active Member who has been without pay on account of a Leave other than military leave, sabbatical leave, furlough, temporary layoff, or extended sick leave, shall not exceed 24 consecutive months for each such Leave period.
 - (2) the Service Credit that may be established for each such Leave is the initial 24 consecutive months if such Leave period is longer than two years. A Leave referred to in this subparagraph (B) that is extended beyond its original period shall be deemed to be one individual Leave period.
- (C) With respect to elections to establish Service Credit received by the Plan Administrator on and after May 1, 2009 that are based on a Leave that began on or after July 1, 1997, the 24-month limit on the Service Credit described in subparagraph (B) above shall not apply if the cost to the Member for the Service Credit in excess of 24 months reflects the actuarially determined cost to the Plan as described in paragraph (ii)(D)(1) below.
- (ii) Cost of Establishing Service Credit. The cost of establishing Service Credit is determined as follows:
- (A) To the extent the Service Credit to be established is attributable to a Leave or a portion of a Leave that occurred prior to November 1, 1990, the cost for such period shall be equal to the sum of University Contributions and Member Contributions that would have been paid to the Plan for such period, plus interest calculated from the date the Member returns to University service as an Active Member in pay status to the date payment is completed. The cost for the remainder of the Service Credit to be established, if any, shall be calculated as described in subparagraph (B) below.
 - (B) To the extent the Service Credit to be established is attributable to a Leave that commenced on or after November 1, 1990, the

cost shall be equal to the total Normal Cost in effect at the time the cost of establishing the Service Credit is calculated, plus interest calculated from the date the Member returns to University service as an Active Member in pay status to the date payment is completed.

(C) Interest shall be computed at the rate of the assumed earnings of the Plan in effect on the date of the Member's election to establish Service Credit.

(D) If the request to establish Service Credit is received by the Plan Administrator on or after May 1, 2009 for a Leave that commenced on or after July 1, 1997, amounts determined under subparagraph (B) will be adjusted as follows:

The cost of the purchase of any Service Credit that exceeds 24 months shall reflect the actuarially determined cost to the Plan for such Service Credit based on the Member's individual life expectancy as calculated under mortality tables that reflect the experience of the general population that purchases annuities.

(E) If the request to establish Service Credit is received by the Plan Administrator on or after May 1, 2009 and more than three years after the Member returns to University service from the Leave as an Active Member in pay status, amounts determined under subparagraphs (A) and (B) will be adjusted to reflect the actuarially determined cost to the Plan based on the Member's individual life expectancy as calculated under mortality tables that reflect the experience of the general population that purchases annuities.

If the Member receives a substantial increase in Covered Compensation during the twelve (12) months following the effective date of the Member's election to establish Service Credit under this subsection, and all or part of the payment was based on the actuarially determined cost to the Plan, the total payment due from the Member will be recalculated to take into account the increased Covered Compensation to the extent permitted under applicable law. If a Member refuses to make the increased payments, the amount of the Member's Service Credit will be prorated based on the actual payment.

(iii) Payment Term. Payments under this subsection (d) must be completed while the Member is an Active Member in pay status and, with respect to pretax salary contributions, over a period of 1,

2, 3, 4, or 5 years from the date of such Member's election in accordance with Plan Regulations. Effective for elections to establish Service Credit received by the Plan Administrator on or after July 1, 1997, payments for all Leaves made as pretax salary contributions shall be made in equal installments each payroll period. For elections to establish Service Credit received by the Plan Administrator before May 1, 2009, but after June 30, 1997, the minimum length of the payment term shall be at least equal to the length of the Leave period being established, rounded up to the nearest year, unless the Plan Administrator provides otherwise by Plan Regulation. Effective for elections received on and after May 1, 2009, the minimum length requirement on the payment term shall not apply. The Plan Administrator may implement regulations or procedures to establish Service Credit including, without limitation, how the three-year rule, the five-year rule and, if applicable, the minimum length of the payment term rule shall be applied.

(iv) Payment Options.

(A) The following payment options apply to elections to establish Service Credit made under this subsection (d) that are received by the Plan Administrator on and after January 1, 2014, provided the Member is otherwise eligible under applicable law and the terms of the affected plans:

- (1) in-service transfer of funds maintained for the Member in the University of California Defined Contribution Plan (Pre-Tax and After-Tax Accounts), the University of California Tax Deferred 403(b) Plan and the University of California 457(b) Deferred Compensation Plan to the Plan;
- (2) a direct rollover initiated by the Member from an eligible plan described in Section 401(a), 401(k) or 403(b) of the Internal Revenue Code or a governmental 457(b) plan to the Plan; and
- (3) a single sum after-tax payment in accordance with the limits of the Internal Revenue Code.

(B) The following payment options apply to elections to establish Service Credit made under this subsection (d) that are received by the Plan Administrator prior to January 1, 2014, but on or after May 1, 2009:

- (1) the options listed in paragraph (iv)(A) above; and
 - (2) pretax salary contributions in accordance with Section 414(h) of the Internal Revenue Code that are deemed to be employer pick-up contributions to the extent permitted by applicable law, regulations and Internal Revenue Service guidance. Payments on a pretax basis shall be made pursuant to an Active Member's binding irrevocable payroll authorization. The Member may not make single sum or installment payments directly to the Plan Administrator except as may be appropriate and necessary to correct an error. The binding payroll authorization shall terminate only if the Member has a Break in Service. If the payment schedule is not completed because a Member incurs
 - a Break in Service or is no longer an Active Member due to retirement, death, disability, or separation from University service, the Member shall receive a proportionate amount of the Service Credit eligible to be established based on the ratio of the amount actually paid to the total amount of the payments required unless the Member is eligible to, and makes, an election described in subparagraphs (D) or (E) below.
- (C) The following payment options apply to elections to establish Service Credit made under this subsection (d) that are received by the Plan Administrator prior to May 1, 2009, and on or after July 1, 1997:
- (1) pretax payments as described in subparagraph (B)(2) above; and
 - (2) subject to the applicable effective dates and eligibility requirements, the options described in subparagraphs (D) and (E) below.
- (D) Effective June 1, 2003, if a Member is no longer an Active Member due to retirement, disability, or separation from University service, and has completed one year of the payment schedule through pretax payroll deductions, such Member may complete the remaining payments with a single sum after-tax payment within 60 days after the date such Member ceases to be an Active Member but remains a Member. Such payment shall not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded.

- (E) Effective January 1, 2004, if an Active Member receives notice of an impending involuntary separation from University service for budgetary reasons, but will not be vested upon such separation, and is eligible to establish Service Credit for all or part of a Leave, the Member may establish Service Credit as follows provided the payment does not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded:
- (1) If the Member has not yet commenced the payment schedule to establish Service Credit and the additional Service Credit that can be established would cause the Member to satisfy the Plan's vesting requirements, the Member may establish the additional Service Credit with a single sum after-tax payment made prior to the date the Member ceases to be an Active Member; or
 - (2) If the Member has completed less than one year of pretax payroll deductions to establish Service Credit pursuant to an election under subparagraph (B)(2) or (C)(1) above, and the remaining Service Credit that can be established would cause the Member to satisfy the Plan's vesting requirements, such Member may complete the remaining payments with a single sum after-tax payment made within 60 days after the date the Member ceases to be an Active Member.
 - (3) The determination as to whether a Member has been involuntarily separated from service for budgetary reasons shall be based on the member's payroll separation reason as set forth in the Plan Regulations.
- (v) Minimum Purchase. Effective for elections to establish Service Credit received by the Plan Administrator on or after July 1, 1997, without regard to when a Leave commenced, the minimum amount of Service Credit that an Active Member in pay status can establish under this subsection (d) is four consecutive weeks except if a lesser period is required for vesting purposes or is for a period of military leave in accordance with USERRA or other applicable law, or as may otherwise be required by law.
- (vi) Restrictions on Use of Purchased Service Credit. Service Credit established under this subsection (d) shall be used to determine eligibility for early retirement and Preretirement Survivor Income, but shall not be used to determine eligibility for Disability Income.

(vii) Special Provisions.

- (A) Except as permitted by law, for Leaves that commence on or after July 1, 1997, under no circumstances may a Member accrue retirement benefits for the same service both in the Plan and in another retirement system supported wholly or in part by public funds. An Active Member cannot establish Service Credit in the Plan unless the Member certifies that the Member has taken a refund of any employee contributions made to a defined benefit plan of a retirement system supported wholly or in part by public funds for the period of service being established.
- (B) Notwithstanding the above, a Member who elects retirement under the contingent provisions of the Retirement Acceleration Opportunity Program shall be subject to the limitations outlined in Section 15 of Appendix A. A Member who elects retirement under the contingent provisions of the Voluntary Early Retirement Incentive Program-II shall be subject to the limitations outlined in Section 10 of Appendix C. A Member who elects retirement under the contingent provisions of the Voluntary Early Retirement Incentive Program-III shall be subject to the limitations outlined in Section 10 of Appendix D.
- (C) A Member who elects a Lump Sum Cashout and is reappointed as an Eligible Employee may not establish Service Credit for any period of employment that precedes receipt of the Lump Sum Cashout.
- (D) A Member may not establish Service Credit for any period of employment during which he or she is not an Active Member.

(e) Service Credit in the Case of Reemployment and Plan Membership.

- (i) If a person who elected Tier Two membership under this Article incurs a Break in Service and again becomes an Eligible Employee on or after November 1, 1990, such person shall return to his or her original Member class prior to participation in Tier Two as of the date such person again becomes an Eligible Employee. Such Member shall receive Service Credit under this Article for previous periods of Tier Two membership following the return to University service upon proper request. Service Credit shall be reestablished at no cost to the Member.

- (ii) Effective January 1, 2001, a Member described in paragraph (i) may make an irrevocable election to convert all the Member's Service Credit for previous periods of Tier Two membership into Service Credit under the Member's original Member class at any time after becoming an Eligible Employee. Payment to convert Service Credit to the Member's original Member class shall be in an amount equal to all contributions that would have been payable to the Plan by such Active Member for all prior service if such Active Member had remained in such Active Member's class, plus interest to the date of completion of payment. Interest shall be computed at the rate of the assumed earnings of the Plan in effect on the date of the Member's election.
- (iii) Payment Terms and Options. The following payment terms and options apply to elections made under subsection (e)(ii) above to convert Service Credit to the Member's original Member class:
- (A) for elections that are received by the Plan Administrator on or after January 1, 2014, payment shall be made in a single sum after-tax payment in accordance with the limits of the Internal Revenue Code;
- (B) for elections that are received by the Plan Administrator prior to January 1, 2014, but on or after January 1, 2001:
- (1) a single sum after-tax payment in accordance with the limits of the Internal Revenue Code; and
 - (2) pretax salary contributions in accordance with Section 414(h) of the Internal Revenue Code that are deemed to be employer pick-up contributions to the extent permitted by applicable law, regulations and Internal Revenue Service guidance. Payments on a pretax basis shall be made pursuant to an Active Member's binding irrevocable payroll authorization and must be completed while an Active Member over a period 1, 2, 3, 4, or 5 years from the date of the election in accordance with Plan Regulations. The Member may not make single sum or installment payments directly to the Plan Administrator except as may be appropriate and necessary to correct an error. The binding payroll authorization shall terminate only if the Member has a Break in Service. If the payment schedule is not completed because a Member incurs a Break in Service or is no longer

an Active Member due to retirement, death, disability, or separation from service, such Member's Service Credit shall be converted into Service Credit under the Member's original Member class in a proportionate amount based on the ratio of the amount actually paid to the total amount of the payments required unless the Member is eligible to, and makes, an election described in paragraph (iv) below.

(C) for elections that are received by the Plan Administrator prior to January 1, 2001, and on or after July 1, 1997:

(1) pretax payments as described in subparagraph (B)(2) above; and

(2) subject to the applicable effective date and eligibility requirements, the option described in paragraph (iv) below.

(iv) Effective June 1, 2003, if a Member is no longer an Active Member due to retirement, disability, or separation from University service, and has completed one year of the payment schedule through pretax payroll deductions, such Member may complete the remaining payments with a single sum after-tax payment within 60 days after the date such Member ceases to be an Active Member. Such payment shall not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded.

(v) If a Member described in paragraph (i) does not elect to convert Service Credit to his or her original Member class prior to participation in Tier Two, the Member's Retirement Income under this Article shall nevertheless be taken into account under Article 5 or 6, as the case may be, for the purpose of computing Preretirement Survivor Income (in order to compute the benefit payable if death occurs while eligible to retire) or Disability Income (in order to determine if Basic Retirement Income is greater than Disability Income) under said Articles.

Notwithstanding the above, a Member who elects retirement under the contingent provisions of the Voluntary Early Retirement Incentive Program-III shall be subject to the limitations outlined in Section 10 of Appendix D.

Service Credit reestablished under this Section shall be used to determine eligibility for Disability Income, Preretirement Survivor Income, and early retirement. If the period of previous employment includes Service Credit that was subject to a property settlement upon

marital dissolution or legal separation that was made in accordance with a qualified domestic relations order, an Active Member may reestablish such Service Credit in accordance with Plan Regulation 12.07.

(f) Credit for Accrued Sick Leave.

A Member who elects Retirement Income and whose Retirement Date is not more than four months after separation from service shall, at the Member's Retirement Date and as a Member under this Article, be credited with 0.004 of a year of Service Credit for each day of unused sick leave, which was accrued while a Member of the Plan in accordance with University policy, and which is certified to the Plan in accordance with Plan Regulations.

Credit for accrued sick leave shall not be counted for purposes of satisfying vesting or retirement eligibility requirements.

(g) Credit for Service Credit for Elections in the Voluntary Early Retirement Incentive Programs and the Retirement Acceleration Opportunity Program.

A Member who elects retirement under the contingent provisions of the Retirement Acceleration Opportunity Program as outlined in Section 15 of Appendix A, the Voluntary Early Retirement Incentive Program-I as outlined in Appendix B, the Voluntary Early Retirement Incentive Program-II as outlined in Appendix C, or the Voluntary Early Retirement Incentive Program-III as outlined in Appendix D, shall be entitled to the additional Service Credit as outlined therein.

[Also see related UCRP Regulation 7.05]

7.06

EARLY RETIREMENT

An Active Member, Disabled Member, or Inactive Member who has attained age 50 and earned at least five years of Service Credit, including service credit under PERS as a University employee, or who entered the Plan on or before July 1, 1989 and has attained age 62, regardless of the Member's years of Service Credit, may elect to retire at any time by complying with Plan requirements as stated in Section 12.03. Retirement at age 50 became effective January 1, 1990.

An Active Member, Disabled Member, Inactive Member, or former Member who has attained age 50, who is eligible for concurrent retirement as provided by Section 12.09, and who is eligible for service retirement from STRS, unless such eligibility for STRS service retirement is

dependent upon retiring concurrently under the Plan or any other public retirement plan as defined in the Plan Regulations, may elect to retire at any time after July 1, 2002 by complying with Plan requirements as stated in Section 12.03.

[Also see related UCRP Regulation 7.06]

7.07

BASIC RETIREMENT INCOME

The Basic Retirement Income that is payable under this Article 7 at the Member's Retirement Date is equal to the product of:

- (a) the Member's years of Service Credit under this Article; and
- (b) the factor for the Member's attained age on his or her last birthday, increased by the number of whole calendar months elapsed at the Member's Retirement Date, based on the following table:

Attained Age	Monthly Factors											
	0	1	2	3	4	5	6	7	8	9	10	11
50	.00550	.00555	.00560	.00570	.00575	.00580	.00585	.00590	.00595	.00605	.00610	.00615
51	.00620	.00625	.00630	.00640	.00645	.00650	.00655	.00660	.00665	.00675	.00680	.00685
52	.00690	.00695	.00700	.00710	.00715	.00720	.00725	.00730	.00735	.00745	.00750	.00755
53	.00760	.00765	.00770	.00780	.00785	.00790	.00795	.00800	.00805	.00815	.00820	.00825
54	.00830	.00835	.00840	.00850	.00855	.00860	.00865	.00870	.00875	.00885	.00890	.00895
55	.00900	.00905	.00910	.00920	.00925	.00930	.00935	.00940	.00945	.00955	.00960	.00965
56	.00970	.00975	.00980	.00990	.00995	.01000	.01005	.01010	.01015	.01025	.01030	.01035
57	.01040	.01045	.01050	.01060	.01065	.01070	.01075	.01080	.01085	.01095	.01100	.01105
58	.01110	.01115	.01120	.01130	.01135	.01140	.01145	.01150	.01155	.01165	.01170	.01175
59	.01180	.01185	.01190	.01200	.01205	.01210	.01215	.01220	.01225	.01235	.01240	.01245
60+	.01250	.01250	.01250	.01250	.01250	.01250	.01250	.01250	.01250	.01250	.01250	.01250

and

- (c) the Highest Average Plan Compensation, adjusted as described in Section 7.10(c) if applicable, only in years for which Service Credit under this Article has been earned.

A Member's total Basic Retirement Income, including any retirement benefits payable from PERS on account of University service as well as any Basic Retirement Income attributable to Service Credit accrued under Articles 5, 6, or 8, shall not exceed 100% of the Member's Highest Average Plan Compensation (the 100% limit).

If a Member with Tier Two Benefits will also receive Basic Retirement Income under Articles 5, 6, or 8, the same Retirement Date, payment option, and Contingent Annuitant so designated shall also apply for Basic Retirement Income provided under this provision.

Effective for a Retirement Date occurring April 1, 1999 or later, the election of Basic Retirement Income shall be irrevocable as of the later of the Member's Retirement Date, or 15 days following the date of the Plan Administrator's confirmation letter notifying the Member of the receipt of the Member's election.

The amount of Basic Retirement Income shall be subject to the provisions of Sections 7.08 through 7.14 as applicable.

[Also see related UCRP Regulation 7.07]

7.08

SECTION 415 MAXIMUM BENEFIT

The maximum annual amount of Retirement Income as determined in Sections 5.06, 6.06, 7.07, and 8.06, Postretirement Survivor Continuance, and the Capital Accumulation Payment payable from the Plan shall not exceed the limit described in Section 415(b) of the Internal Revenue Code and shall be administered in accordance with the Plan Regulations.

For purposes of determining the Section 415(b) limit, the University elects to be covered by Section 415(b)(10) of the Internal Revenue Code in which the maximum benefit payable would be the greater of either:

- the Section 415(b) limit, or
- the accrued benefit of an employee who became an Active Member of the Plan before January 1, 1990, but without regard to any Plan amendment after October 14, 1987.

For a Member whose greater payment would be the accrued benefit without regard to any Plan amendment after October 14, 1987, benefits payable under the Plan shall not include any benefit form, formula or factor which was not included in the Plan as of October 14, 1987. These amendments include, but are not limited to, the Capital Accumulation Payment, certain payment options described in Section 7.11, the 2013 Tier Benefit, the Modified 2013 Tier Benefit, the 2016 Tier Benefit, and changes to the cost of living adjustment and Basic Retirement Income factors.

The limit under Section 415(b) of the Internal Revenue Code as applied to the annual benefit paid on behalf of Retired Members shall be adjusted each limitation year as provided in Section 415(d) of the Internal Revenue Code.

[Also see related UCRP Regulation 7.08]

7.09

STRICT FULL TIME SALARY PLAN

If an Active Member or Inactive Member was compensated in whole or in part on the basis of a Strict Full Time Salary Plan, the amount of Basic Retirement Income shall be the sum of:

- (a) the amount computed in accordance with Section 7.07 but using only that portion of the Highest Average Plan Compensation attributable to the appropriate base salary scale; and
- (b) the amount computed in accordance with Section 7.07 but using only Service Credit earned while being paid on the Strict Full Time Salary Plan and only that portion of the Highest Average Plan Compensation attributable to the fixed differential paid during this period.

[Also see related UCRP Regulation 7.09]

7.10

ADJUSTMENT TO HIGHEST AVERAGE PLAN COMPENSATION

A Member's Highest Average Plan Compensation may be adjusted as follows:

- (a) to determine the amount of Retirement Income under this Article for a Disabled Member whose Disability Date is prior to November 5, 1990, the Member's Highest Average Plan Compensation shall be increased by the total percentage of cost of living adjustments specified in Section 9.03 from the July 1 coinciding with or next following the Disability Date, but not earlier than July 1, 1971, to the July 1 coinciding with or immediately preceding the Member's Retirement Date.
- (b) to determine the amount of Retirement Income under this Article for a Disabled Member whose Disability Date is November 5, 1990, or later, the Member's Highest Average Plan Compensation shall be established as of the Disability Date.
- (c) to determine the amount of Retirement Income under this Article for an Inactive Member, the Member's Highest Average Plan Compensation

shall be increased by the total percentage of cost of living adjustments specified in Section 9.03(b) from the July 1 coinciding with or next following the date of Inactive Membership, but not earlier than July 1, 1971, to the July 1 coinciding with or immediately preceding the Member's Retirement Date.

In the case of a Disabled Member who becomes an Inactive Member, the Member's Highest Average Plan Compensation shall be determined as of the Member's Disability Date, and shall be increased by the total percentage of cost of living adjustments specified in Section 9.03(b) from the July 1 coinciding with or next following the date of Inactive Membership, but not earlier than July 1, 1971, to the July 1 coinciding with or immediately preceding the Member's Retirement Date.

For an Inactive Member eligible for reciprocal benefits in accordance with Section 12.08, cost of living adjustments to the Member's Highest Average Plan Compensation shall exclude periods for which service credit was earned in the reciprocal retirement plan.

For an Inactive Member eligible for concurrent retirement as provided by Section 12.09, cost of living adjustments to the Member's Highest Average Plan Compensation shall apply only to the period after the final period in which service credit was earned under either plan.

7.11

PAYMENT OPTIONS

An Active Member or Inactive Member may elect one of the Actuarially Equivalent monthly payment options described in subsections (a) through (d) below instead of the Basic Retirement Income option described in Section 7.07 or the Lump Sum Cashout described in Section 4.08(c).

Unless an exception applies, the payment option selected shall apply to the full amount of Basic Retirement Income if there is no person eligible to receive the Postretirement Survivor Continuance on the Retirement Date. But if any such person is living on the Retirement Date, the payment option shall apply only to that portion of the Basic Retirement Income which exceeds the amount of the Postretirement Survivor Continuance.

The payment options provided under this Section 7.11 are as follows:

(a) Full Continuance to Contingent Annuitant.

A reduced monthly benefit is paid to the Retired Member for life. Upon the death of the Retired Member, and provided the Contingent

Annuitant has survived, the same monthly benefit is paid to the Contingent Annuitant each month for life. Payments cease upon the death of the Contingent Annuitant.

(b) Two-Thirds Continuance to Contingent Annuitant.

A reduced monthly benefit is paid to the Retired Member for life. Upon the death of the Retired Member, and provided the Contingent Annuitant has survived, two-thirds of the monthly benefit is paid to the Contingent Annuitant each month for life. Payments cease upon the death of the Contingent Annuitant.

(c) One-Half Continuance to Contingent Annuitant.

A reduced monthly benefit is paid to the Retired Member for life. Upon the death of the Retired Member, and provided the Contingent Annuitant has survived, one-half of the monthly benefit is paid to the Contingent Annuitant each month for life. Payments cease upon the death of the Contingent Annuitant.

(d) Option D.

If the Contingent Annuitant is the spouse or Domestic Partner of the Member and is eligible to receive the Postretirement Survivor Continuance, the following additional option may be selected. The Member may elect to reduce the Basic Retirement Income payable during the Member's life (the first annuity) and provide for a second annuity payable after the death of the Member. The second annuity shall be an amount which, when added to the Postretirement Survivor Continuance, totals one-half of the first annuity.

Effective for a Retirement Date occurring April 1, 1999 or later, the election of payment option and the designation of Contingent Annuitant shall be irrevocable as of the later of the Member's Retirement Date, or 15 days following the date of the Plan Administrator's confirmation letter notifying the Member of the receipt of the Member's election, except as that date may be adjusted as set forth in Plan Regulations.

[Also see related UCRP Regulation 7.11]

7.12

MINIMUM DISTRIBUTION RULE

All Members must receive a minimum distribution commencing by the Required Beginning Date in accordance with the Minimum Distribution Rule as defined in Section 2.38.

7.13

REAPPOINTMENT AFTER RETIREMENT

A Retired Member may be reappointed to University service subject to regulations promulgated by the President of the University.

- (a) If, upon reappointment, a Retired Member is an Eligible Employee, the Retired Member shall be reinstated as an Active Member as provided by Section 7.14.
- (b) If, upon reappointment, a Retired Member is not an Eligible Employee, the Retired Member shall not be reinstated as an Active Member. The Retired Member shall continue to receive Retirement Income as provided by this Article.

7.14

REINSTATEMENT PROVISIONS

When a Retired Member is reappointed on or after November 1, 1990 and is an Eligible Employee, Retirement Income shall cease. If the reappointment occurs prior to July 1, 2016, the Retired Member shall be reinstated as an Active Member. If the reappointment occurs on or after July 1, 2016, the Retired Member shall be reinstated as an Active Member, subject to the provisions of Section 3.01(b)–(d). Upon reinstatement, and return to the original Member classification prior to participation in Tier Two, the following shall apply:

- (a) Service Credit as of the Retired Member's Retirement Date shall be reestablished.
- (b) Upon the reinstated Active Member's subsequent retirement, the amount of initial Basic Retirement Income payable, adjusted for cost of living adjustments in accordance with Section 9.03 up to the date of subsequent retirement, shall be resumed in the same payment form as was the case upon the Retired Member's initial retirement.
- (c) If, after reinstatement and prior to the Active Member's subsequent retirement, the Active Member should die, then payments related to (b) above due to a survivor, if any, shall be payable in accordance with the payment option initially chosen.
- (d) These benefits are payable in addition to any benefits that may be payable under Articles 5, 6 or 8.
- (e) If a Retired Employee returns to University employment following his or her receipt of a Lump Sum Cashout, and again becomes an Active Member, the benefit payable at his or her subsequent Retirement Date will be calculated as described in Sections 5.06, 6.06 or 8.06, as

applicable, but based solely on Service Credit and the HAPC accrued during the subsequent period as an Active Member and on the Member's age at the subsequent Retirement Date.

[Also see related UCRP Regulation 7.14]

7.15

PRERETIREMENT SURVIVOR INCOME

Effective July 1, 2002, Preretirement Survivor Income under this Article may be paid only to the Eligible Spouse or Eligible Domestic Partner upon the death of an Active Member who has at least two years of Service Credit, or a Disabled Member, or in the case of (b) below, an Inactive Member. Preretirement Survivor Income shall not be paid to a former spouse or former Domestic Partner.

The amount of Preretirement Survivor Income shall be determined as follows:

(a) Amount of Preretirement Survivor Income.

Upon the death of an Active or Disabled Member, monthly Preretirement Survivor Income shall be paid to the Eligible Spouse or Eligible Domestic Partner. The amount of monthly Preretirement Survivor Income shall be 5% of Final Salary.

(b) Death While Eligible to Retire.

If the death of an Active Member, Disabled Member, or Inactive Member occurs after the Member has attained age 50 and has earned five years of Service Credit, or if such Member entered the Plan on or before July 1, 1989 and has attained age 62, regardless of the Member's years of Service Credit, it will be deemed that such Member had elected to retire on the date of death and had elected Retirement Income under a full joint and last survivor payment option with the Member's surviving spouse or surviving Domestic Partner named as Contingent Annuitant provided that there is a surviving spouse or surviving Domestic Partner and that no other election for payment of Retirement Income has been made.

If there is no surviving spouse or surviving Domestic Partner, it will be deemed that such Member had not elected to retire on the date of death with respect to benefits payable.

Coordination of Benefits: The benefits under (a) and (b) shall be calculated separately, and the greater of the two benefits shall be paid as follows:

- (i) if the Retirement Income determined in (b) is the larger benefit, it shall be paid to the surviving spouse or surviving Domestic Partner of the deceased Member.

- (ii) if the Preretirement Survivor Income determined in (a), which would be payable to the surviving spouse or surviving Domestic Partner on account of being an Eligible Spouse or Eligible Domestic Partner, is greater than the benefit in (b), then the Retirement Income payable shall not be less than the amount of Preretirement Survivor Income, and shall be paid for such time as the surviving spouse or surviving Domestic Partner is an Eligible Spouse or Eligible Domestic Partner, and preempts the payment of benefits under (b).

The Preretirement Survivor Income is payable in addition to the death benefits provided in Section 7.17, if any.

[Also see related UCRP Regulation 7.15]

7.16

POSTRETIREMENT SURVIVOR CONTINUANCE

Upon the death of a Retired Member a monthly benefit shall be paid to the person or persons (on a share and share alike basis) in the first of the following categories in which there is a survivor:

- (a) to the spouse of the Retired Member for life, provided such spouse was married to the Retired Member for one full year prior to the Retirement Date and continuously to the date of the Member's death;
- (b) with respect only to Retired Members whose Retirement Date is on or after July 1, 2002, to the Domestic Partner of the Retired Member for life, provided such Domestic Partner was the Domestic Partner of the Retired Member for one full year before the Retirement Date and continuously to the date of the Member's death; and, effective January 1, 2005, with respect to a Retired Member who retired prior to July 1, 2002, to the Domestic Partner of such Retired Member for life, as determined under the eligibility rules set forth in Section 5.17.E. of the Plan Regulations; or
- (c) to the Eligible Child or Children for as long as the child or children remain eligible.

Upon the death or loss of eligibility of all survivors in one category, payments shall continue to the person or persons in the next succeeding category in which there are Eligible Survivors. When the eligibility of all such survivors ceases, no further monthly payments under this Section shall be made.

A Postretirement Survivor Continuance shall not be paid to a former spouse or former Domestic Partner.

The amount of the Postretirement Survivor Continuance payable with respect to a Retired Member who was a Member with Tier Two Benefits is equal to 25% of the Basic Retirement Income payable to the Retired Member as of the date of death.

The Postretirement Survivor Continuance is payable in addition to the death benefits provided in Section 7.17, if any.

[Also see related UCRP Regulation 7.16]

7.17

LUMP SUM PAYMENTS UPON DEATH

Upon the death of a person indicated below, the respective amounts of the basic death payment and the residual death payment shall be paid in a lump sum to the person's Beneficiary, and shall consist of:

(a) Basic Death Payment.

Effective October 1, 1990 the basic death payment under this Article shall be \$7,500 for all Members of the Plan. For those Active Members who became Active Members of the Plan prior to October 1, 1990, the greater of \$1,500 plus the Final Salary for one month or \$7,500 shall be paid.

(b) Residual Death Payment.

Upon the death of a Member, a residual death payment consisting of the total Accumulations in such Member's account (attributed to service under Articles 5, 6, or 8) shall be paid if or when there is no Contingent Annuitant, surviving spouse, surviving Domestic Partner, Eligible Survivors, or persons who may become Eligible Survivors or eligible for the Postretirement Survivor Continuance.

(c) Death Following a Break in Service.

If a former Member dies within four months after the effective date of a Break in Service without having an effective election with respect to the benefits to which such person was entitled, one of the following shall apply:

- (i) if such person had been eligible to elect Retirement Income as provided by this Article, such person shall be deemed to be an Active Member with respect to benefits payable upon the death of an Active Member;
- (ii) if not eligible under (i) above, but if such person had been eligible to become an Inactive Member, such person shall be deemed to be an Inactive Member as of the effective date of the Break in Service with respect to benefits payable upon the death of an Inactive Member; or

(iii) if not eligible under (i) or (ii) above, the Accumulations of such person shall be paid in a lump sum to the person's Beneficiary.

Effective January 1, 2006, if the lump sum amount payable to a Beneficiary represents an Eligible Rollover Distribution with a value of more than \$1,000 and less than \$5,000, and the Beneficiary fails to provide timely directions to make a direct distribution to the Beneficiary or to transfer the funds to an Eligible Retirement Plan after receiving the appropriate notice and explanation, the Plan Administrator shall transfer the entire lump sum amount to the IRA custodian selected by the Plan Administrator to be held for the benefit of the Beneficiary.

The automatic transfer provision does not apply to an amount payable to a designated nonspouse Beneficiary that is treated as an Eligible Rollover Distribution as described in Section 2.25.

[Also see related UCRP Regulation 7.17]

7.18

DISABILITY INCOME

An Active Member who becomes disabled shall, if eligible, be entitled to receive Disability Income in accordance with this provision:

(a) Eligibility.

An Active Member with at least two years of Service Credit who became an Active Member on or before March 31, 1980, or an Active Member with at least five years of Service Credit who became an Active Member on or after April 1, 1980, shall be eligible to receive Disability Income if the Member becomes disabled as defined in (b) below.

If a Member has established reciprocity with the Public Employees' Retirement System consistent with the requirements in Section 12.08, for the purpose of determining eligibility for Disability Income, Service Credit shall include any service currently credited by the Public Employees' Retirement System.

For purposes of determining eligibility for Disability Income, Service Credit established under Sections 5.04(d), 6.04(d), 7.05(d), and 8.04(e) shall be excluded. For purposes of this Section, Disability Date means the date approved by the Plan Administrator, and is either the day following the last day on University payroll status or the first of the month in which the application is received by the Plan Administrator, whichever is later.

- (i) For Members whose Disability Date occurs prior to November 5, 1990, eligibility to receive Disability Income shall continue until the earliest of:
 - (A) such time as the Member is no longer disabled as defined;
 - (B) attainment of age 50 or older if Retirement Income equals or exceeds Disability Income; or
 - (C) attainment of age 62, if the Disabled Member was a Member with Coordinated Benefits prior to Tier Two membership, or attainment of age 67, if the Disabled Member was a Member with Noncoordinated Benefits prior to Tier Two membership.

For purposes of (B) above, Retirement Income means Basic Retirement Income if there is no spouse or Domestic Partner or a full joint and last survivor annuity if there is a spouse or Domestic Partner, assuming such spouse or Domestic Partner would be named as Contingent Annuitant.

- (ii) For Members whose Disability Date occurs November 5, 1990, or later, eligibility to receive Disability Income shall continue until the earliest of:
 - (A) in all cases, such time as the Member is no longer disabled as defined;
 - (B) for Members whose Disability Date occurs prior to attainment of age 65, the later of:
 - (1) attainment of age 65, if the Disabled Member was a Member with Coordinated Benefits prior to Tier Two membership, or attainment of age 67, if the Disabled Member was a Member with Noncoordinated Benefits prior to Tier Two membership, or
 - (2) five years after the Disability Date;
 - (C) for Members whose Disability Date occurs upon or after attainment of age 65, the later of:
 - (1) attainment of age 70, or
 - (2) 12 months after the Disability Date.

Regardless of the above, a Disabled Member who qualifies for retirement as defined in Section 7.06 may elect to retire under such Section. In such case, Disability Income shall cease.

(b) Definition of Disabled Member.

A Disabled Member is defined as follows:

- (i) with respect to an employee who became an Active Member on or before March 31, 1980, a "Disabled Member" means a Member who is prevented from performing the duties of such Member's present position or a comparable position (as defined in (A) below), because of a medically determinable physical or mental impairment of permanent or extended and uncertain duration as determined by the Plan Administrator on the basis of qualified medical opinion. After two years of such disability, a Disabled Member shall be deemed to be disabled only if such Member is prevented by such physical or mental impairment from engaging in any occupation for substantial compensation or profit (as defined in (B) below) as determined by the Plan Administrator on the basis of qualified medical opinion.

For purposes of this paragraph:

- (A) "comparable position" means another University position for which the Member is qualified and is medically able to perform, whether or not such position is available, and which provides a salary rate of at least 80% of the Member's Final Salary, adjusted by Plan cost of living increases.
- (B) "any occupation for substantial compensation or profit" means any type of gainful activity, commensurate with age, education, skills, or general background, which could reasonably be expected to result in compensation or profit equivalent to 70% of the Disabled Member's Final Salary, adjusted by Plan cost of living increases. Gainful activity includes employment, self-employment, and the rendering of any type of service.
- (ii) with respect to an employee who becomes an Active Member on or after April 1, 1980, "Disabled Member" means a Member who is prevented from engaging in substantial gainful activity, (defined below), because of a medically determinable physical or mental impairment of permanent or extended and uncertain duration as determined by the Plan Administrator on the basis of qualified medical opinion.

For purposes of this paragraph "substantial gainful activity" means a level of work activity that is both substantial and gainful and involves the performance of significant physical or mental activities

which are productive in nature, and which are further defined as follows:

- (A) substantial gainful activity during the first year in benefit status means a level of work activity which would, if engaged in, result in income of 50% or more of Final Salary, adjusted by Plan cost of living increases.
- (B) following the first year in benefit status, a Member will not be considered disabled if able to engage in substantial gainful activity which would result in earnings in excess of the Social Security Administration's annually published dollar amount used to determine substantial gainful activity.

A Disabled Member may be required to undergo one or more medical examinations by a physician or physicians chosen by the Plan Administrator. If, on the basis of such examinations, it is determined that the Disabled Member is no longer disabled or if the Disabled Member refuses to undergo such examinations, eligibility for Disability Income shall cease.

In any determination of eligibility for Disability Income payments, an Active Member or Disabled Member is entitled to submit medical evidence which shall be considered in determining eligibility for such payments.

The ruling of another board, or the award of disability benefits under another program, shall not be determinative with respect to eligibility for benefits under this Section.

Members may be required, as a condition of eligibility for Disability Income, to undergo evaluation by vocational and medical professionals to determine their suitability for retraining and vocational rehabilitation.

Should the Plan Administrator determine, on the basis of qualified vocational and medical opinion, that a program of retraining and vocational rehabilitation can reasonably be expected to return a Disabled Member to substantial gainful activity, such Member shall be required to participate in such program as a condition of eligibility for Disability Income. Should an individual fail to participate in good faith in such a program, the Plan Administrator shall have the authority to deny, suspend, or terminate Disability Income.

(c) Amount of Disability Income.

For a Disabled Member, the monthly Disability Income shall be 5% of Final Salary.

Disability Income payable under this Article 7 shall not be subject to any property settlements upon marital dissolution or legal separation which are made in accordance with a qualified domestic relations order.

(d) Maximum Disability Income and Adjustments.

The amount of Disability Income described in (c) above shall be adjusted as follows:

- (i) if an Active Member who became a Member after July 1, 1971, receives or is eligible to receive periodic payments from another retirement or pension plan or comparable program, including payments under Article 8 of this Plan, for a disability which existed at the time membership began, and if the same disability subsequently entitles the Member to Disability Income, the amount of Disability Income shall be reduced by the equivalent monthly amount of such other payments.
- (ii) with respect to an employee who becomes an Active Member on or after April 1, 1980, Disability Income shall be reduced, if necessary, so that the sum of:
 - (A) Disability Income under this Article;
 - (B) earnings from substantial gainful activity as defined in Section 7.18(b)(ii);
 - (C) any other University-provided disability benefit under either a retirement or disability program except:
 - (1) any long term disability benefits paid for by the Member, and
 - (2) any disability benefits measured by compensation which is not considered Covered Compensation; and
 - (D) the Member's Social Security disability benefits for a Member who was covered by Social Security during the period of Tier Two membership;

does not exceed:

- during the first year of benefit status, 70% of the Member's Final Salary, adjusted by Plan cost of living increases; and
- for each year thereafter, 60% of the Member's Final Salary, adjusted by Plan cost of living increases.

If a Disabled Member's substantial gainful activity is part of a program of rehabilitation approved by the Plan Administrator and Disability Income is continued during a trial work period, then the total amount of Disability Income provided under this Article and the earnings and benefits described in (i) and (ii) above shall not exceed 100% of Final Salary, adjusted by Plan cost of living increases, during such period.

Disability Income may be suspended without affecting eligibility for Disability Income for a trial period of up to nine months while a Disabled Member engages in employment under a program of rehabilitation.

(e) Highest Average Plan Compensation and Service Credit for a Disabled Member.

When a former Disabled Member becomes a Retired Member, Basic Retirement Income shall be subject to the following:

- (i) Such Member's Highest Average Plan Compensation shall be determined as provided by Section 7.10(a) or (b); and
- (ii) Service Credit shall be granted as provided by Section 7.05(b) for such years as Disability Income has been payable.

(f) Reappointment of a Disabled Member.

A Disabled Member may be reappointed to University service as follows:

- (i) if, upon reappointment, a Disabled Member is an Eligible Employee, Disability Income shall cease and the Disabled Member shall be reinstated as an Active Member subject to the provisions of Section 3.01(b)–(d), returned to the original Member classification prior to participation in Tier Two and the provisions in Article 7.05(e) shall apply. The Member's Contribution account shall be reestablished in an amount equal to the Member's Contributions and credited interest on the Disability Date, if any, less 50% of all Disability Income payments made, but never less than zero.

- (ii) if, upon reappointment, a Disabled Member is not an Eligible Employee, the person shall not be reinstated as an Active Member and shall continue to receive Disability Income in accordance with Section 7.18(a) and so long as the person remains disabled subject to the following limitation:

If the sum of compensation from the University and Disability Income in any fiscal year exceeds the full time annual compensation rate for the position to which such person is reappointed, Disability Income shall cease with the month in which the excess amount is earned, and further Disability Income shall not be paid until the next fiscal year or until such employment is terminated, provided such person remains disabled.

(g) Termination of Disability Status.

A person who is no longer eligible for Disability Income as determined by the Plan Administrator and who has not been reappointed as an Eligible Employee:

- (i) may, if eligible, elect Retirement Income in accordance with this Article and subject to Section 2.58;
- (ii) will become an Inactive Member, at which time the Member's Contribution account shall be reestablished as provided by Section 7.18(f)(i); or
- (iii) may, if eligible, elect a Refund of Accumulations, if any, or Lump Sum Cashout subject to Section 2.34, as applicable.

[Also see related UCRP Regulation 7.18]

ARTICLE 8 BENEFIT PROVISIONS FOR MEMBERS WITH SAFETY BENEFITS

8.01 SCOPE

The provisions of this Article shall apply to a Member who earns Service Credit as a Member with Safety Benefits under the Plan.

8.02 EFFECTIVE DATE

The provisions of this Article shall apply upon the effective date of membership.

8.03 ELIGIBILITY

Active Members of the Plan who hold an eligible safety classification as set forth in Plan Regulations shall be eligible for Safety Benefits as provided by this Article. Any such employee appointed to an eligible police classification must obtain the certificate issued by the Commission on Peace Officer Standards and Training (POST).

Eligible Employees whose principal duties are not within the scope of active law enforcement or active fire fighting and prevention services are ineligible for Safety membership, even though such employees may be subject to occasional call or are occasionally called upon to perform duties within the scope of such activities.

[Also see related UCRP Regulation 8.03]

8.04 SERVICE CREDIT

A Member shall earn Service Credit as follows: for periods of membership before January 1, 1989, Service Credit shall be determined under predecessor plans; and for periods of membership on or after January 1, 1989, Service Credit under this Article shall be earned only during periods

for which Member Contributions are either not required or, if required, are made and shall be determined as follows:

(a) Amount of Service Credit.

The amount of Service Credit earned by an Active Member under this Article for any month shall be equal to the ratio of the Member's Covered Compensation to the Member's applicable Full Time Equivalent Compensation subject to the modifications described in paragraphs (i) through (iv) below. The maximum amount of Service Credit for any Plan Year shall not exceed one year, except as provided in subsections (g) and (h) below.

- (i) Effective August 1, 1992, the amount of Service Credit earned by an Active Member under this Article for any month during the period of participation in the Time Reduction Incentive Plan (a temporary workforce reduction program in the 1992 to 1995 Plan Years) shall be equal to one-twelfth of a year of Service Credit provided the Member works at least 75% time during the entire period of the Time Reduction Incentive Plan agreement. Notwithstanding the above, Members participating in the Time Reduction Incentive Plan shall not earn such Service Credit unless such Members fulfill all of the terms of the Time Reduction Incentive Plan agreement.
- (ii) The Staff and Academic Reduction in Time (START) program is a temporary workforce reduction program adopted by the University for the periods indicated in subparagraphs (A) and (B) below:
 - (A) June 1, 2003 through June 30, 2005, provided that the program's end date is extended to June 30, 2006 for Members participating in the program during the July 1, 2004-2005 fiscal year and Members employed at locations not participating in the program as of June 30, 2005 that demonstrate a need to achieve salary savings because of new budget reductions, and
 - (B) July 1, 2008 through December 31, 2010.
 - (C) The actual dates that a Member participates in START within the authorized period shall be the dates established in the Member's START contract. The amount of Service Credit earned by the Active Member under this Section 8.04 for any month during the period of participation in the START program shall be equal to the amount that a Member's pre-START appointment is reduced (difference between pre-START appointment and START contract appointment) added to the time worked for each month during START (decimal

equivalent). The Member must work at least 50% time each month and total Service Credit earned each month may not exceed one month of Service Credit. Service Credit earned under this paragraph (ii) shall not include reductions in time not related to START nor reflected in the Member's START contract.

- (D) Effective as of March 1, 2009, a Member's reduction in appointment shall not be less than five percent (5%) in order to participate in the START Program unless a lesser reduction is necessary to coordinate a Member's time reduction under the START Program with the Member's participation in the Furlough/Salary Reduction Plan.
- (iii) Effective September 1, 2009, the amount of Service Credit earned by an Active Member under this Section 8.04 for any month during the period of participation in the Furlough/Salary Reduction Plan shall be equal to the amount that a Member's pre-Furlough/Salary Reduction Plan appointment is reduced (difference between pre-Furlough/Salary Reduction Plan appointment and Furlough/Salary Reduction Plan appointment) added to the time worked for each month during the Furlough/Salary Reduction Plan (decimal equivalent). The timing of a Member's participation in the Furlough/Salary Reduction Plan is determined under the terms of such plan, but no Member's participation will exceed 12 consecutive months, starting on the first day of the month the plan is implemented for the Member.
- (iv) Effective July 1, 2020 through June 30, 2022, the amount of Service Credit earned during an approved President-designated COVID-19 workforce action by an Active Member under this Section 8.04 shall be equal to the amount that a Member's appointment was reduced as a result of the approved President-designated COVID-19 workforce action added to the corresponding period of actual time worked in the Member's regular and normal appointment whether on a 9-month, 10-month, 11-month, or annual basis, including a sabbatical leave or other approved leave of absence with pay.

(b) Service Credit During Duty Disability Status.

Service Credit shall be earned without payment of Member Contributions by a Disabled Member while such Member is receiving Disability Income under Section 8.18, or would be entitled to receive Duty Disability Income, provided such Service Credit would not cause

Retirement Income (if such Member were to retire at that time) to exceed the Disability Income. For purposes of this comparison, Retirement Income means Basic Retirement Income if there is no spouse or Domestic Partner, or, if there is a spouse or Domestic Partner, the amount of Retirement Income a Member would receive if the Member chose the full continuance payment option and named such spouse or Domestic Partner as the Contingent Annuitant. The amount of Service Credit for a Plan Year during such period shall be equal to the ratio indicated in (a) above for the last 12 months of continuous service preceding the Disability Date. Continuous service includes periods on pay status before and after an approved leave of absence without pay.

(c) Service Credit During Nonduty Disability Status.

Service Credit for purposes of Article 6 shall be earned without payment of Member Contributions by a Disabled Member while such Member is receiving Nonduty Disability Income under Section 8.19, or would be entitled to receive Nonduty Disability Income, provided such Service Credit would not cause Retirement Income (if such Member were to retire at that time) to exceed the Disability Income. For purposes of this comparison, Retirement Income means Basic Retirement Income if there is no spouse or Domestic Partner, or, if there is a spouse or Domestic Partner, the amount of Retirement Income a Member would receive if the Member chose the full continuance payment option and named such spouse or Domestic Partner as the Contingent Annuitant. The amount of Service Credit for a Plan Year during such period shall be determined under Section 6.04(b) and shall be used to compute Retirement Income under Article 6.

(d) Service Credit During Military Leave.

Service Credit shall be earned without payment of Member and University Contributions by an Active Member for a period on military leave provided the Member returns to University service at the expiration of such leave in accordance with the Member's reemployment rights in compliance with 38 U.S.C. §§4300–4333, as amended by the Uniformed Services Employment and Reemployment Rights Act (USERRA), or other applicable law. Effective January 1, 2007, if an Active Member dies on or after January 1, 2007 while on military leave performing qualified military service within the meaning of USERRA and Section 401(a)(37) of the Internal Revenue Code, the

survivor of such Member shall be entitled to any additional benefits (other than contributions relating to the period of qualified military service, but including vesting service credit for such period or other survivor benefits) that would have been provided under the Plan had the Member resumed employment on the day preceding the Member's death and then terminated employment on account of death.

The amount of Service Credit for a Plan Year during such period shall be equal to the ratio indicated in (a) above for the last 12 months of continuous service preceding the effective date of military leave.

Continuous service includes periods on pay status before and after an approved leave of absence without pay. For purposes of this Section, a Member on military leave in accordance with USERRA or other applicable law shall be treated as not having incurred a Break in Service. For the period prior to a Member's Contribution Resumption Date (as defined in Section 4.01) during which Member Contributions were redirected to a Member's account in the University of California Defined Contribution Plan, a Member entitled to Service Credit under this subsection (d) could, but was not required to, make up Member Contributions for the period of leave pursuant to Section 4.05.

(e) Service Credit Established.

A Member who is or has been without pay on account of an approved leave of absence without pay (other than a military leave described in Section 8.04(d) above), furlough, temporary layoff, sabbatical leave, or extended sick leave (each a "Leave" for purposes of this section only) may establish Service Credit for all or part of such Leave period by returning to University Service as an Active Member in University pay status and making a request as provided in this subsection.

If the request to establish Service Credit is received by the Plan Administrator prior to May 1, 2009, but on or after July 1, 1997, the election must be received by the later of July 1, 2000 or the last day of the three-year period beginning on the date the Member returns to University service following the Leave as an Active Member in pay status. Failure to satisfy the timing requirement constitutes an irrevocable waiver of the right to establish Service Credit for the entire period of a Leave.

(i) **Maximum Amount of Service Credit.** The amount of Service Credit that may be established under this subsection shall be based on an Active Member's appointment percentage prior to the start of

the Leave, excluding any Service Credit that may have been earned during the Leave period, as that amount may be modified by the statutory limits applicable to purchases of nonqualified service described in subparagraph (A) below and the limits established by the Plan in subparagraph (B) below as those limits may be modified by subparagraph (C) below.

(A) Regardless of when a Leave commences, an Active Member's election to establish Service Credit under this subsection (e) that is received by the Plan Administrator in a Plan Year beginning on or after July 1, 1998 is subject to the following rules to the extent the Service Credit to be established constitutes "nonqualified service credit" within the meaning of Section 415(n) of the Internal Revenue Code:

- (1) An Active Member's election shall not be effective unless the Member has not less than five years of participation in the Plan, excluding any Service Credit purchased under this subsection.
- (2) An Active Member may not purchase more than five years of nonqualified service credit.
- (3) Notwithstanding the above, neither the limit on the amount of nonqualified service credit that may be purchased nor the requirement for five years of participation in the Plan shall apply to the extent the Member elects to pay for such service through a trustee-to-trustee transfer from the University of California Tax Deferred 403(b) Plan and/or the University of California 457(b) Deferred Compensation Plan.

(B) The following requirements apply to elections to establish Service Credit made under this subsection (e) that are received by the Plan Administrator prior to May 1, 2009 and that are based on a Leave that began on or after July 1, 1997:

- (1) the amount of Service Credit that may be established by an Active Member who has been without pay on account of a Leave other than military leave, sabbatical leave, furlough, temporary layoff, or extended sick leave, shall not exceed 24 consecutive months for each such Leave period.
- (2) the Service Credit that may be established for each such Leave is the initial 24 consecutive months if such Leave period is longer than two years. A Leave referred to in this

subparagraph (B) that is extended beyond its original period shall be deemed to be one individual Leave period.

- (C) With respect to elections to establish Service Credit made under this subsection (e) that are received by the Plan Administrator on and after May 1, 2009 that are based on a Leave that began on or after July 1, 1997, the 24-month limit on the Service Credit described in subparagraph (B) above shall not apply if the cost to the Member for the Service Credit in excess of 24 months reflects the actuarially determined cost to the Plan as described in paragraph (ii)(D)(1) below.
- (ii) Cost of Establishing Service Credit. The cost of establishing Service Credit is determined as follows:
- (A) To the extent the Service Credit to be established is attributable to a Leave or a portion of a Leave that occurred prior to November 1, 1990, the cost for such period shall be equal to the sum of University Contributions and Member Contributions that would have been paid to the Plan for such period, plus interest calculated from the date the Member returns to University service as an Active Member in pay status to the date payment is completed. The cost for the remainder of the Service Credit to be established, if any, shall be calculated as described in subparagraph (B) below.
- (B) To the extent the Service Credit to be established is attributable to a Leave that commenced before July 1, 1997, but on or after November 1, 1990, the cost shall be equal to the total Normal Cost in effect at the time the cost of establishing the Service Credit is calculated, plus interest calculated from the date the Member returns to University service as an Active Member in pay status to the date payment is completed.
- (C) Interest shall be computed at the rate of the assumed earnings of the Plan in effect on the date of the Member's election to establish Service Credit.
- (D) If the request to establish Service Credit is received by the Plan Administrator on or after May 1, 2009 for a Leave that commenced on or after July 1, 1997, amounts determined under subparagraph (B) will be adjusted as follows:
- The cost of the purchase of any Service Credit that exceeds 24 months shall reflect the actuarially determined cost to the Plan

for such Service Credit based on the Member's individual life expectancy as calculated under mortality tables that reflect the experience of the general population that purchases annuities.

- (E) If the request to establish Service Credit is received by the Plan Administrator on or after May 1, 2009 and more than three years after the Member returns to University service from the Leave as an Active Member in pay status, amounts determined under subparagraphs (A) and (B) will be adjusted to reflect the actuarially determined cost to the Plan based on the Member's individual life expectancy as calculated under mortality tables that reflect the experience of the general population that purchases annuities.

If the Member receives a substantial increase in Covered Compensation during the twelve (12) months following the effective date of the Member's election to establish Service Credit under this subsection, and all or part of the payment was based on the actuarially determined cost to the Plan, the total payment due from the Member will be recalculated to take into account the increased Covered Compensation to the extent permitted under applicable law. If a Member refuses to make the increased payments, the amount of the Member's Service Credit will be prorated based on the actual payment.

- (iii) Payment Term. Payments under this subsection (e) must be completed while the Member is an Active Member in pay status and with respect to pretax salary contributions over a period of 1, 2, 3, 4, or 5 years from the date of the election in accordance with Plan Regulations. Effective for elections to establish Service Credit received by the Plan Administrator on or after July 1, 1997, payments for all Leaves made as pretax salary contributions shall be made in equal installments each payroll period. For elections to establish Service Credit received by the Plan Administrator before May 1, 2009, but after June 30, 1997, the minimum length of the payment term shall be at least equal to the length of the Leave period being established, rounded up to the nearest year, unless the Plan Administrator provides otherwise by Plan Regulation. Effective for elections received on and after May 1, 2009, the minimum length requirement on the payment term shall not apply. The Plan Administrator may implement regulations or procedures to establish Service Credit including, without limitation, how the

three-year rule, the five-year rule and, if applicable, the minimum length of the payment term rule shall be applied.

(iv) Payment Options.

(A) The following payment options apply to elections to establish Service Credit made under this subsection (e) that are received by the Plan Administrator on and after January 1, 2014, provided the Member is otherwise eligible under applicable law and the terms of the affected plans:

- (1) in-service transfer of funds maintained for the Member in the University of California Defined Contribution Plan (Pre-Tax and After-Tax Accounts), the University of California Tax Deferred 403(b) Plan and the University of California 457(b) Deferred Compensation Plan to the Plan;
- (2) a direct rollover initiated by the Member from an eligible plan described in Section 401(a), 401(k) or 403(b) of the Internal Revenue Code or a governmental 457(b) plan to the Plan; and
- (3) a single sum after-tax payment in accordance with the limits of the Internal Revenue Code.

(B) The following payment options apply to elections to establish Service Credit made under this subsection (e) that are received by the Plan Administrator prior to January 1, 2014, but on or after May 1, 2009:

- (1) the options listed in paragraph (iv)(A) above; and
- (2) pretax salary contributions in accordance with Section 414(h) of the Internal Revenue Code that are deemed to be employer pick-up contributions to the extent permitted by applicable law, regulations and Internal Revenue Service guidance. Payments on a pretax basis shall be made pursuant to an Active Member's binding irrevocable payroll authorization. The Member may not make single sum or installment payments directly to the Plan Administrator except as may be appropriate and necessary to correct an error. The binding payroll authorization shall terminate only if the Member has a Break in Service. If the payment schedule is not completed because a Member incurs a Break in Service or is no longer an Active Member due to retirement, death, disability, or separation from University

service, the Member shall receive a proportionate amount of the Service Credit eligible to be established based on the ratio of the amount actually paid to the total amount of the payments required unless the Member is eligible to, and makes, an election described in subparagraphs (D) or (E) below.

(C) The following payment options apply to elections to establish Service Credit made under this subsection (e) that are received by the Plan Administrator prior to May 1, 2009, and on or after July 1, 1997:

- (1) pretax payments as described in subparagraph (B)(2) above; and
- (2) subject to the applicable effective dates and eligibility requirements, the options described in subparagraphs (D) and (E) below.

(D) Effective June 1, 2003, if a Member is no longer an Active Member due to retirement, disability, or separation from University service, and has completed one year of the payment schedule through pretax payroll deductions, such Member may complete the remaining payments with a single sum after-tax payment within 60 days after the date such Member ceases to be an Active Member but remains a Member. Such payment shall not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded.

(E) Effective January 1, 2004, if an Active Member receives notice of an impending involuntary separation from University service for budgetary reasons, but will not be vested upon such separation, and is eligible to establish Service Credit for all or part of a Leave, the Member may establish Service Credit as follows provided the payment does not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded:

- (1) If the Member has not yet commenced the payment schedule to establish Service Credit and the additional Service Credit that can be established would cause the Member to satisfy the Plan's vesting requirements, the Member may establish the additional Service Credit with a single lump sum after-tax payment made prior to the date the Member ceases to be an Active Member; or

- (2) If the Member has completed less than one year of pretax payroll deductions to establish Service Credit pursuant to an election under subparagraph (B)(2) or (C)(1) above, and the remaining Service Credit that can be established would cause the Member to satisfy the Plan's vesting requirements, such Member may complete the remaining payments with a single lump sum after-tax payment made within 60 days after the date the Member ceases to be an Active Member.
- (3) The determination as to whether a Member has been involuntarily separated from service for budgetary reasons shall be based on the member's payroll separation reason as set forth in the Plan Regulations.
- (v) Minimum Purchase. Effective for elections to establish Service Credit received by the Plan Administrator on or after July 1, 1997, without regard to when a Leave commenced, the minimum amount of Service Credit that an Active Member in pay status can establish under this subsection (e) is four consecutive weeks except if a lesser period is required for vesting purposes or is for a period of military leave in accordance with USERRA or other applicable law, or as may otherwise be required by law.
- (vi) Restrictions on Use of Purchased Service Credit. Service Credit established under this subsection (e) shall be used to determine eligibility for early retirement and Preretirement Survivor Income, but shall not be used to determine eligibility for Disability Income.
- (vii) Special Provisions.
 - (A) Except as permitted by law, for Leaves that commence on or after July 1, 1997, under no circumstances may a Member accrue retirement benefits for the same service both in the Plan and in another retirement system supported wholly or in part by public funds. An Active Member cannot establish Service Credit in the Plan unless the Member certifies that the Member has taken a refund of any employee contributions made to a defined benefit plan of a retirement system supported wholly or in part by public funds for the period of service being established.
 - (B) Notwithstanding the above, a Member who elects retirement under the contingent provisions of the Retirement Acceleration

Opportunity Program shall be subject to the limitations outlined in Section 15 of Appendix A. A Member who elects retirement under the contingent provisions of the Voluntary Early Retirement Incentive Program-II shall be subject to the limitations outlined in Section 10 of Appendix C. A Member who elects retirement under the contingent provisions of the Voluntary Early Retirement Incentive Program-III shall be subject to the limitations outlined in Section 10 of Appendix D.

(C) A Member who elects a Lump Sum Cashout and is reappointed as an Eligible Employee may not establish Service Credit for any period of employment that precedes receipt of the Lump Sum Cashout.

(D) A Member may not establish Service Credit for any period of employment during which he or she is not an Active Member.

(f) Service Credit Reestablished.

(i) Reestablishing Service Credit for Noncontributory Periods When No Contributions Required. If a Member accrues Service Credit only during one or more periods of prior membership in the Plan, other than periods occurring on or before July 1, 1993, during which no Member Contributions are required, such previously accrued Service Credit shall be reestablished without further action by the Member at no cost to the Member if the Member returns to University service as an Active Member in University pay status. In order to reestablish Service Credit accrued during periods of prior membership that occurred before before July 1, 1993 during which no Member Contributions were required, the Member must submit a request in accordance with Plan Regulations.

(ii) Reestablishing Service Credit Accrued for Contributory Periods. The following provisions apply if a former Member who received a Refund of Accumulations following a prior Break in Service returns to University service as an Active Member in University pay status and elects to reestablish the Service Credit accrued during one or more prior periods of Plan membership during which Member Contributions were required.

(A) General Rule. Such Member may reestablish Service Credit for the period of previous Plan membership during which Member Contributions were required by paying to the Plan an amount equal to the Member's prior Refund of Accumulations plus

interest on the amount. Interest shall be computed at the rate of the assumed earnings of the Plan in effect on the date of the Member's election to reestablish Service Credit subject to the adjustments described in paragraphs (B) through (D):

- (B) If a Member's election to reestablish Service Credit is received by the Plan Administrator on or after July 1, 1997 and before May 1, 2009, and the Member makes the election by the Applicable Date defined below, payment shall be determined as follows:
- (1) To the extent the Service Credit to be reestablished is attributable to a prior period of Plan membership when no Member Contributions were required, no additional payment shall be required.
 - (2) To the extent the Service Credit to be reestablished is attributable to a prior period of Plan membership during which Member Contributions were required, the cost shall be determined under the General Rule.

For purposes of this paragraph (ii), the "Applicable Date" means the later of July 1, 2000 or the last day of the three-year period beginning on the date the Member returns to University service as an Active Member in pay status. A Member's failure to make the election to reestablish Service Credit by the Applicable Date shall constitute an irrevocable waiver of the right to reestablish Service Credit for the entire period of the Member's prior Plan membership except as provided in subparagraph (C) below for elections received on and after May 1, 2009.

- (C) If a Member's election to reestablish Service Credit is received by the Plan Administrator on or after May 1, 2009, and by the Member's Applicable Date, payment shall be determined under the General Rule. If a Member's election to reestablish Service Credit is received by the Plan on or after May 1, 2009 and after the Member's Applicable Date, payment shall be determined as follows:
- (1) To the extent the Service Credit to be reestablished is attributable to a period when no Member Contributions were required, no additional payment shall be required.
 - (2) To the extent the Service Credit to be reestablished is attributable to a period when Member Contributions were

required, the cost shall be the actuarially determined cost to the Plan based on the Member's individual life expectancy as calculated under mortality tables that reflect the experience of the general population that purchases annuities.

(3) If the Member receives a substantial increase in Covered Compensation during the twelve (12) months following the effective date of the Member's election to reestablish Service Credit, and all or part of the payment was based on the actuarially determined cost to the Plan, the total payment due from the Member will be recalculated, to take into account the Member's increased Covered Compensation to the extent permitted under applicable law. If a Member refuses to make the increased payments, amount of the Member's Service Credit will be prorated based on the actual payment.

(D) If a Member who elects to reestablish Service Credit for any prior period of Plan membership between January 1, 1971 and March 31, 1976 was required to pay directly for retroactive Social Security coverage on account of such service, the required payment shall be reduced by the amount of direct payment for retroactive coverage.

(iii) Payment Term. Payments under this subsection (f) must be completed while the Member is an Active Member in pay status, and with respect to pretax salary contributions over a period of 1, 2, 3, 4, or 5 years from the date of such Member's election in accordance with Plan Regulations. The Plan Administrator may implement regulations or procedures to reestablish Service Credit including, without limitation, how the three-year rule and the five-year rule shall be applied.

(iv) Payment Options.

(A) The following payment options apply to elections to reestablish Service Credit made under this subsection (f) that are received by the Plan Administrator on and after January 1, 2014, provided the Member is otherwise eligible under applicable law and the terms of the affected plans:

(1) in-service transfer of funds maintained for the Member in the University of California Defined Contribution Plan (Pre-Tax

- and After-Tax Accounts), the University of California Tax Deferred 403(b) Plan and the University of California 457(b) Deferred Compensation Plan to the Plan;
- (2) a direct rollover initiated by the Member from an eligible plan described in Section 401(a), 401(k) or 403(b) of the Internal Revenue Code or a governmental 457(b) plan to the Plan; and
 - (3) a single sum after-tax payment in accordance with the limits of the Internal Revenue Code.
- (B) The following payment options apply to elections to reestablish Service Credit made under this subsection (f) that are received by the Plan Administrator prior to January 1, 2014, but on or after May 1, 2009:
- (1) the options listed in paragraph (iv)(A) above, and
 - (2) pretax salary contributions in accordance with Section 414(h) of the Internal Revenue Code that are deemed to be employer pick-up contributions to the extent permitted by applicable law, regulations and Internal Revenue Service guidance. Payments on a pretax basis made pursuant to an Active Member's binding irrevocable payroll authorization. The Member may not make single sum or installment payments directly to the Plan Administrator except as may be appropriate and necessary to correct an error. The binding payroll authorization shall terminate only if the Member has a Break in Service. If the payment schedule is not completed because a Member incurs a Break in Service or is no longer an Active Member due to retirement, death, disability, or separation from University service, the Member shall receive a proportionate amount of the Service Credit eligible to be reestablished based on the ratio of the amount actually paid to the total amount of the payments required unless the Member is eligible to, and makes, an election described in subparagraphs (D) or (E) below.
- (C) The following payment options apply to elections to reestablish Service Credit made under this subsection (f) that are received by the Plan Administrator prior to May 1, 2009, and on or after July 1, 1997:

- (1) pretax payments as described in subparagraph (B)(2) above; and
 - (2) subject to the applicable effective dates and eligibility requirements, the options described in subparagraphs (D) and (E) below.
- (D) Effective June 1, 2003, if a Member is no longer an Active Member due to retirement, disability, or separation from University service, and has completed one year of the payment schedule through pretax payroll deductions, such Member may complete the remaining payments with a single sum after-tax payment within 60 days after the date such Member ceases to be an Active Member but remains a Member.
- (E) Effective January 1, 2004, if an Active Member receives notice of an impending involuntary separation from University service for budgetary reasons, but will not be vested upon such separation, and is eligible to reestablish Service Credit, the Member may reestablish Service Credit as follows provided the payment does not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded:
- (1) If the Member has not yet commenced the payment schedule to reestablish Service Credit and the additional Service Credit that can be established would cause the Member to satisfy the Plan's vesting requirements, the Member may reestablish the additional Service Credit with a single lump sum after-tax payment made prior to the date the Member ceases to be an Active Member; or
 - (2) If the Member has completed less than one year of pretax payroll deductions to reestablish Service Credit pursuant to an election under subparagraph (B)(2) or (C)(1) above, and the remaining Service Credit that can be reestablished would cause the Member to satisfy the Plan's vesting requirements, the Member may complete the remaining payments with a single lump sum after-tax payment made within 60 days after the date the Member ceases to be an Active Member.
 - (3) The determination as to whether a Member has been involuntarily separated from service for budgetary reasons

shall be based on the member's payroll separation reason as set forth in the Plan Regulations.

- (v) **Restrictions on Use of Reestablished Service Credit.** Service Credit reestablished under this subsection shall be used to determine eligibility for Disability Income, Preretirement Survivor Income and early retirement. If the period of previous employment includes Service Credit that was subject to a property settlement upon marital dissolution or legal separation that was made in accordance with a qualified domestic relations order, an Active Member may reestablish such Service Credit in accordance with Plan Regulation 12.07.
- (vi) **Special Provisions.** A Member who elects retirement under the contingent provisions of the Voluntary Early Retirement Incentive Program-III shall be subject to the limitations outlined in Section 10 of Appendix D.

(g) Credit for Accrued Sick Leave.

A Member who elects Retirement Income and whose Retirement Date is not more than four months after separation from service shall, at the Member's Retirement Date and as a Member under this Article, be credited with 0.004 of a year of Service Credit for each day of unused sick leave, which was accrued while a Member of the Plan in accordance with University policy, and which is certified to the Plan in accordance with Plan Regulations.

Credit for accrued sick leave shall not be counted for purposes of satisfying vesting or retirement eligibility requirements.

(h) Credit for Service Credit for Elections in the Voluntary Early Retirement Incentive Programs and the Retirement Acceleration Opportunity Program.

A Member who elects retirement under the contingent provisions of the Retirement Acceleration Opportunity Program as outlined in Section 15 of Appendix A, the Voluntary Early Retirement Incentive Program-I as outlined in Appendix B, the Voluntary Early Retirement Incentive Program-II as outlined in Appendix C, or the Voluntary Early Retirement Incentive Program-III as outlined in Appendix D, shall be entitled to the additional Service Credit as outlined therein.

[Also see related UCRP Regulation 8.04]

8.05

EARLY RETIREMENT

An Active Member, Disabled Member or Inactive Member who has attained age 50, and earned at least five years of Service Credit, including service credit under PERS as a University employee, or who entered the Plan on or before July 1, 1989 and has attained age 62, regardless of the Member's years of Service Credit, may elect to retire at any time by complying with Plan requirements as stated in Section 12.03. Retirement at age 50 became effective January 1, 1990.

An Active Member, Disabled Member, Inactive Member, or former Member who has attained age 50, who is eligible for concurrent retirement as provided by Section 12.09, and who is eligible for service retirement from STRS, unless such eligibility for STRS service retirement is dependent upon retiring concurrently under the Plan or any other public retirement plan as defined in the Plan Regulations, may elect to retire at any time after July 1, 2002 by complying with Plan requirements as stated in Section 12.03.

[Also see related UCRP Regulation 8.05]

8.06

BASIC RETIREMENT INCOME

The Basic Retirement Income that is payable under this Article 8 at the Member's Retirement Date is equal to the product of:

- (a) the Member's years of Service Credit under this Article;
- (b) for attained ages of 50 and above on the Retirement Date the factor of .03; and
- (c) the Highest Average Plan Compensation, adjusted as described in Section 8.09(c) if applicable, only in years for which Service Credit under this Article has been earned.

Such amounts shall be reduced by the monthly single life annuity equivalent of the annuity, if any, paid or payable from PERS on account of University service in a safety classification before the date of this Article.

A Member's total Basic Retirement Income, including any Retirement benefits payable from PERS on account of University Service as well as any Basic Retirement Income attributable to Service Credit accrued under Articles 5, 6, or 7, shall not exceed 100% of the Member's Highest Average Plan Compensation (the 100% limit).

For an Active Member of the Plan who, beginning on July 1, 1967, received Service Credit for which Member Contributions were not required (commonly referred to as "noncontributory service"), the amount of Basic Retirement Income shall be the greater of:

- the benefit determined for all years of Service Credit, including noncontributory service, less the Retirement Income Offset determined under section 8.07; or
- the benefit determined for all Service Credit but excluding noncontributory service; for purposes of this calculation only, the Retirement Income Offset determined under Section 8.07 shall not be applied.

Effective for a Retirement Date occurring April 1, 1999 or later, the election of Basic Retirement Income shall be irrevocable as of the later of the Member's Retirement Date, or 15 days following the date of the Plan Administrator's confirmation letter notifying the Member of the receipt of the Member's election.

The amount of Basic Retirement Income shall be subject to the provisions of Sections 8.07 through 8.12 as applicable.

[Also see related UCRP Regulation 8.06]

8.07

RETIREMENT INCOME OFFSET

A Retirement Income Offset occurs when a Member received Service Credit in the 1961-1971 Plan or the 1971-1988 Plan for periods during which Member Contributions were not made other than for periods during which the Member received Duty or Nonduty Disability Income, was on military leave if the leave occurred on or after July 1, 1971, or was not required to contribute in accordance with Section 4.07.

- (a) The Retirement Income Offset is an amount equal to the Actuarially Equivalent monthly annuity resulting from the following:
- (i) the amount of Member Contributions which were not made for any such periods, such amount to include interest to the Retirement Date (with interest after June 30, 1971 at the current rate of the assumed earnings of the Plan);
 - (ii) the amount of University Contributions which were not made under the 1961-1971 Plan during a period of sabbatical leave or approved leave of absence without pay other than military leave, such amount to include interest to the Retirement Date (with interest after

June 30, 1971 at the current rate of the assumed earnings of the Plan); and

(iii) the Actuarial Equivalence Basis as set forth in Section 2.05 on the Retirement Date.

(b) Payment Elections.

An Active Member may elect to eliminate the Retirement Income Offset at any time before retirement by making payment to the Plan of an amount equal to the University Contributions and Member Contributions which were not made plus interest at the current rate of assumed earnings of the Plan to the date of completion of payment. Payments made to eliminate or reduce the Retirement Income Offset shall be made only while an Active Member and shall not be refunded except upon a Break in Service as provided by Section 4.08.

(i) Effective January 1, 2001, an Active Member may elect to make a lump sum after-tax payment directly to the Plan to eliminate or reduce the Retirement Income Offset. Such payment shall not cause the limitations of Section 415 of the Internal Revenue Code to be exceeded.

(ii) Unless the payment option in paragraph (i) above is elected, for elections to eliminate the Retirement Income Offset that are received by the Plan Administrator on or after July 1, 1997 and before January 1, 2014, payments shall be made on a pretax basis in accordance with Section 414(h) of the Internal Revenue Code and are deemed to be employer pick-up contributions.

Payments with respect to pretax salary contributions must be completed over a period of 1, 2, 3, 4, or 5 years from the date of the election in accordance with Plan Regulations. The Plan Administrator may implement Plan Regulations on procedures including, without limitation, how the 5-year rule shall be applied.

Payments on a pretax basis shall be made pursuant to an Active Member's binding irrevocable payroll authorization and such Member shall not have the option to make single sum or installment payments directly to the Plan, except as may be necessary and appropriate to correct an error.

The binding irrevocable payroll authorization shall terminate only if the Member has a Break in Service. If at the time a Member incurs a Break in Service, or at the subsequent Retirement Date, Disability

Date, or date of the Active Member's death, if earlier, the amount of such payments is insufficient to eliminate the Retirement Income Offset, the Retirement Income Offset shall be redetermined in accordance with this Section, giving credit for such payments.

[Also see related UCRP Regulation 8.07]

8.08

SECTION 415 MAXIMUM BENEFIT

The maximum annual amount of Retirement Income as determined in Sections 5.06, 6.06, 7.07, and 8.06, Postretirement Survivor Continuance, and the Capital Accumulation Payment payable from the Plan shall not exceed the limit described in Section 415(b) of the Internal Revenue Code and shall be administered in accordance with the Plan Regulations.

For purposes of determining the Section 415(b) limit, the University elects to be covered by Section 415(b)(10) of the Internal Revenue Code in which the maximum benefit payable would be the greater of either:

- the Section 415(b) limit, or
- the accrued benefit of an employee who became an Active Member of the Plan before January 1, 1990, but without regard to any Plan amendment after October 14, 1987.

For a Member whose greater payment would be the accrued benefit without regard to any Plan amendment after October 14, 1987, benefits payable under the Plan shall not include any benefit form, formula or factor which was not included in the Plan as of October 14, 1987. These amendments include, but are not limited to, the Capital Accumulation Payment, certain payment options described in Section 8.10, the 2013 Tier Benefit, the Modified 2013 Tier Benefit, the 2016 Tier Benefit, and changes to the cost of living adjustment and Basic Retirement Income factors.

The limit under Section 415(b) of the Internal Revenue Code as applied to the annual benefit paid on behalf of Retired Members shall be adjusted each limitation year as provided in Section 415(d) of the Internal Revenue Code.

[Also see related UCRP Regulation 8.08]

8.09

ADJUSTMENT TO HIGHEST AVERAGE PLAN COMPENSATION

A Member's Highest Average Plan Compensation may be adjusted as follows:

- (a) to determine the amount of Retirement Income under this Article for a Disabled Member whose Disability Date is prior to November 5, 1990, the Member's Highest Average Plan Compensation shall be increased by the total percentage of cost of living adjustments specified in Section 9.03 from the July 1 coinciding with or next following the Member's Disability Date, but not earlier than July 1, 1971, to the July 1 coinciding with or immediately preceding the Member's Retirement Date.
- (b) to determine the amount of Retirement Income under this Article for a Disabled Member whose Disability Date is November 5, 1990, or later, the Member's Highest Average Plan Compensation shall be established as of the Disability Date.
- (c) to determine the amount of Retirement Income under this Article for an Inactive Member, the Member's Highest Average Plan Compensation shall be increased by the total percentage of cost of living adjustments specified in Section 9.03(b) from the July 1 coinciding with or next following the date of Inactive Membership, but not earlier than July 1, 1971, to the July 1 coinciding with or immediately preceding the Member's Retirement Date.

In the case of a Disabled Member who becomes an Inactive Member, the Member's Highest Average Plan Compensation shall be determined as of the Disability Date, and shall be increased by the total percentage of cost of living adjustments specified in Section 9.03(b) from the July 1 coinciding with or next following the date of Inactive Membership, but not earlier than July 1, 1971, to the July 1 coinciding with or immediately preceding the Member's Retirement Date.

For an Inactive Member eligible for reciprocal benefits in accordance with Section 12.08, cost of living adjustments to the Member's Highest Average Plan Compensation shall exclude periods for which service credit was earned in the reciprocal retirement plan.

For an Inactive Member eligible for concurrent retirement as provided by Section 12.09, cost of living adjustments to the Member's Highest Average Plan Compensation shall apply only to the period after the final period in which service credit was earned under either plan.

8.10

PAYMENT OPTIONS

An Active Member or Inactive Member may elect one of the Actuarially Equivalent monthly payment options described in subsections (a) through (c) below instead of the Basic Retirement Income option described in Section 8.06 or the Lump Sum Cashout described in Section 4.08 (c).

Unless an exception applies, the payment option selected shall apply to the full amount of Basic Retirement Income if there is no person eligible to receive the Postretirement Survivor Continuance on the Retirement Date. But if any such person is living on the Retirement Date, the payment option shall apply only to that portion of the Basic Retirement Income which exceeds the amount of the Postretirement Survivor Continuance.

The payment options provided under this Section 8.10 are as follows:

(a) Full Continuance to Contingent Annuitant.

A reduced monthly benefit is paid to the Retired Member for life. Upon the death of the Retired Member, and provided the Contingent Annuitant has survived, the same monthly benefit is paid to the Contingent Annuitant each month for life. Payments cease upon the death of the Contingent Annuitant.

(b) Two-Thirds Continuance to Contingent Annuitant.

A reduced monthly benefit is paid to the Retired Member for life. Upon the death of the Retired Member, and provided the Contingent Annuitant has survived, two-thirds of the monthly benefit is paid to the Contingent Annuitant each month for life. Payments cease upon the death of the Contingent Annuitant.

(c) One-Half Continuance to Contingent Annuitant.

A reduced monthly benefit is paid to the Retired Member for life. Upon the death of the Retired Member, and provided the Contingent Annuitant has survived, one-half of the monthly benefit is paid to the Contingent Annuitant each month for life. Payments cease upon the death of the Contingent Annuitant.

Effective for a Retirement Date occurring April 1, 1999 or later, the election of payment option and the designation of Contingent Annuitant shall be irrevocable as of the later of the Member's Retirement Date, or 15 days following the date of the Plan Administrator's confirmation letter notifying

the Member of the receipt of the Member's election, except as that date may be adjusted as set forth in Plan Regulations.

[Also see related UCRP Regulation 8.10]

8.11

MINIMUM DISTRIBUTION RULE

All Members must receive a minimum distribution commencing by the Required Beginning Date in accordance with the Minimum Distribution Rule as defined in Section 2.38.

8.12

REAPPOINTMENT AFTER RETIREMENT

A Retired Member may be reappointed to University service subject to regulations promulgated by the President of the University.

- (a) If, upon reappointment, a Retired Member is an Eligible Employee, the Retired Member shall be reinstated as an Active Member as provided by Section 8.13.
- (b) If, upon reappointment, a Retired Member is not an Eligible Employee, the Retired Member shall not be reinstated as an Active Member. The Retired Member shall continue to receive Retirement Income as provided by this Article.

8.13

REINSTATEMENT PROVISIONS

When a Retired Member is reappointed and is an Eligible Employee, Retirement Income shall cease. If the reappointment occurs prior to July 1, 2016, the Retired Member shall be reinstated as an Active Member. If the reappointment occurs on or after July 1, 2016, the Retired Member shall be reinstated as an Active Member subject to the provisions of Section 3.01(b)–(d). Upon reinstatement, the following shall apply:

- (a) The individual's Member Contributions account shall be reestablished and shall be credited with such positive amount as is equal to Member Contributions, if any, and interest as of the Retirement Date less the total of payments of Retirement Income provided by this Article. Service Credit as of the Retired Member's Retirement Date shall be reestablished.
- (b) Upon the reinstated Active Member's subsequent retirement, the amount of Basic Retirement Income payable under this Article shall be

the greater of:

(i) the sum of:

(A) the initial Basic Retirement Income payable, adjusted for cost of living adjustments in accordance with Section 9.03 up to the date of subsequent retirement, and

(B) the subsequent accrual of Basic Retirement Income computed on the basis of Service Credit and Highest Average Plan Compensation earned after reinstatement; or

(ii) the difference between:

(A) the amount of Basic Retirement Income payable on the basis of Service Credit and Highest Average Plan Compensation over the entire period of service while an Active Member, and

(B) the amount of Basic Retirement Income that is Actuarially Equivalent to the total amount of payments previously received under this Article, accumulated with interest at the rate of the assumed earnings of the Plan from the date of reinstatement to the date of subsequent retirement.

(c) Upon the reinstated Active Member's subsequent retirement, benefits payable shall be subject to the following:

(i) the Basic Retirement Income, defined in (b)(i)(A) above, shall be resumed in the same payment form as was the case upon the Retired Member's initial retirement.

(ii) the Basic Retirement Income equal to the excess of the total amount determined in (b) above, over the Basic Retirement Income defined in (b)(i)(A) above, may, at the election of the Retired Member, be paid in one of the optional payment forms in accordance with Section 8.10.

(d) If, after reinstatement and prior to the Active Member's subsequent retirement, the Active Member should die, then:

(i) payments related to (c)(i) above due to a survivor, if any, shall be payable in accordance with the payment option initially chosen.

(ii) payments related to (c)(ii) above due to a beneficiary, if any, shall be payable in accordance with the provisions of Section 8.15(b) related to Preretirement Survivor Income before retirement but while eligible to retire.

(e) If a Retired Employee returns to University employment following his or her receipt of a Lump Sum Cashout, and again becomes an Active

Member, the benefit payable at his or her subsequent Retirement Date will be calculated as described in Section 5.06, 6.06 or 8.06, as applicable, but based solely on Service Credit and the HAPC accrued during the subsequent period as an Active Member and on the Member's age at the subsequent Retirement Date.

[Also see related UCRP Regulation 8.13]

8.14

PRERETIREMENT SURVIVOR INCOME FOR DEATH IN THE COURSE OF DUTY

Preretirement Survivor Income under this Section may be paid upon the death of an Active Member whose death arises out of and in the course of duty, or upon the death of a Disabled Member receiving Duty Disability Income. The amount of monthly Preretirement Survivor Income shall be determined on the basis of the number of Eligible Survivors, as indicated below, and in the following order of existing Eligible Survivors: Eligible Spouse or Eligible Domestic Partner; Eligible Child or Children and if fewer than five such Eligible Survivors, Eligible Dependent Parent or Parents.

(a) one Eligible Survivor	50.0% of Highest Average Plan Compensation
(b) two Eligible Survivors	62.5% of Highest Average Plan Compensation
(c) three Eligible Survivors	70.0% of Highest Average Plan Compensation
(d) four Eligible Survivors or more	75.0% of Highest Average Plan Compensation

The payment of the total Preretirement Survivor Income determined above shall be allocated as follows:

- (i) first, the Eligible Spouse or Eligible Domestic Partner, if any, shall receive the amount designated in (a) above.
- (ii) second, the Eligible Child or Children, if any, shall receive an amount of Preretirement Survivor Income as described in the schedule above less the benefits described in (i) on a share and share alike basis.
- (iii) third, if there are fewer than four Eligible Survivors (not including Eligible Dependent Parents), the Eligible Dependent Parent or Parents shall receive an amount of Preretirement Survivor Income as described in the schedule above less the benefits described in (i) and (ii) on a share and share alike basis.

When a person ceases to be an Eligible Survivor, the amount of Preretirement Survivor Income payable shall be determined according to the number of Eligible Survivors remaining.

Preretirement Survivor Income shall not be paid to a former spouse or former Domestic Partner.

Preretirement Survivor Income payable on account of an Eligible Child under the age of 18 shall be paid to the parent of such child provided that the child is in the care of the parent and no guardian of the estate of the child has been appointed; otherwise payment shall be made to the guardian.

Preretirement Survivor Income payable on account of an Eligible Child who has attained the age of 18 shall be paid to the parent of such child provided that the child is in the care of such parent and no guardian of the estate of the child has been appointed. If such a guardian has been appointed, payment shall be made to the guardian; otherwise payment shall be made to the Eligible Child.

If the amount of Preretirement Survivor Income determined under Section 8.15 is greater than the amount payable under this Section, such amount shall be paid.

[Also see related UCRP Regulation 8.14]

8.15

PRERETIREMENT SURVIVOR INCOME FOR NONDUTY DEATH

Preretirement Survivor Income under this Section may be paid upon the death of an Active Member who has at least two years of Service Credit and whose death did not arise out of and in the course of duty, or upon the death of a Disabled Member receiving Nonduty Disability Income, or in the case of (b) below, an Inactive Member.

(a) Payment to Eligible Survivors.

The amount of Preretirement Survivor Income payable under this subsection (a) shall be determined as follows:

Effective July 1, 2002, upon the death of an Active Member or Disabled Member monthly Preretirement Survivor Income shall be determined on the basis of the number of Eligible Survivors, as indicated below, and in the following order of existing Eligible Survivors: Eligible Spouse or Eligible Domestic Partner; Eligible Child or Children; and if fewer

than five such Eligible Survivors, Eligible Dependent Parent or Parents.

- | | |
|--------------------------------|--|
| (i) one Eligible Survivor | 25% of Final Salary but not less than \$200 per month. |
| (ii) two Eligible Survivors | 35% of Final Salary but not less than \$300 per month. |
| (iii) three Eligible Survivors | 35% of Final Salary but not less than \$300 per month, plus 5% of Final Salary. |
| (iv) four Eligible Survivors | 35% of Final Salary but not less than \$300 per month, plus 10% of Final Salary. |
| (v) five Eligible Survivors | 35% of Final Salary but not less than \$300 per month, plus 15% of Final Salary. |

The payment of the total Preretirement Survivor Income determined above shall be allocated as follows:

- (A) first, the Eligible Spouse or Eligible Domestic Partner, if any, shall receive the amount designated in (i) above.
- (B) second, the Eligible Child or Children if any, shall receive an amount of Preretirement Survivor Income as described in the schedule above less the benefits described in (A) on a share and share alike basis.
- (C) third, if there are fewer than five Eligible Survivors (not including Eligible Dependent Parents), the Eligible Dependent Parent or Parents shall receive an amount of Preretirement Survivor Income as described in the schedule above less the benefits described in (A) and (B) on a share and share alike basis.

When a person ceases to be an Eligible Survivor, the amount of Preretirement Survivor Income payable shall be determined according to the number of Eligible Survivors remaining.

Preretirement Survivor Income shall not be paid to a former spouse or former Domestic Partner.

(b) Payment of Death While Eligible to Retire Benefit.

If the death of an Active Member, Disabled Member, or Inactive Member occurs after the Member has attained age 50 and has earned five years of Service Credit, or if such Member entered the Plan on or

before July 1, 1989 and has attained age 62, regardless of the Member's years of Service Credit, it will be deemed that such Member had elected to retire on the date of death and had elected Retirement Income under a full joint and last survivor payment option with the Member's surviving spouse or surviving Domestic Partner named as Contingent Annuitant provided that there is a surviving spouse or surviving Domestic Partner and that no other election for payment of Retirement Income has been made.

If there is no surviving spouse or surviving Domestic Partner, it will be deemed that such Member had not elected to retire on the date of death with respect to benefits payable.

(c) Coordination of Benefits.

The benefits under (a) and (b) shall be calculated separately and the greater of the two benefits shall be paid as follows:

- (i) if the Preretirement Survivor Income determined in subsection (b) is the larger benefit, it shall be paid to the surviving spouse or surviving Domestic Partner of the deceased Member.
- (ii) if the Preretirement Survivor Income determined in subsection (a)(A) and (B) above, which would be payable to the surviving spouse or surviving Domestic Partner on account of being an Eligible Spouse or Eligible Domestic Partner or having Eligible Children, is greater than the benefit in subsection (b), then the Preretirement Survivor Income payable shall not be less than the amount of Preretirement Survivor Income under subsection (a)(A) and (B), and shall be paid for such time as the surviving spouse or surviving Domestic Partner is an Eligible Spouse or Eligible Domestic Partner or there are Eligible Children, and preempts the payment of benefits under subsection (b).

(d) Payment of Preretirement Survivor Income on Account of Eligible Children.

Preretirement Survivor Income payable on account of an Eligible Child under the age of 18 shall be paid to the parent of such child provided that the child is in the care of the parent and no guardian of the estate of the child has been appointed; otherwise payment shall be made to the guardian.

Preretirement Survivor Income payable on account of an Eligible Child who has attained the age of 18 shall be paid to the parent of such child

provided that the child is in the care of such parent and no guardian of the estate of the child has been appointed. If such a guardian has been appointed, payment shall be made to the guardian; otherwise payment shall be made to the Eligible Child.

In matters of conflict regarding the amount or payment of Preretirement Survivor Income, the determination shall be made by the Plan Administrator.

The Preretirement Survivor Income is payable in addition to the death benefits provided in Section 8.17, if any.

[Also see related UCRP Regulation 8.15]

8.16

POSTRETIREMENT SURVIVOR CONTINUANCE

Upon the death of a Retired Member a monthly benefit shall be paid to the person or persons (on a share and share alike basis) in the first of the following categories in which there is a survivor:

- (a) to the spouse of the Retired Member for life, provided such spouse was married to the Retired Member for one full year prior to the Retirement Date and continuously to the date of the Member's death;
- (b) with respect only to Retired Members whose Retirement Date is on or after July 1, 2002, to the Domestic Partner of the Retired Member for life, provided such Domestic Partner was the Domestic Partner of the Retired Member for one full year before the Retirement Date and continuously to the date of the Member's death; and, effective January 1, 2005, with respect to a Retired Member who retired prior to July 1, 2002, to the Domestic Partner of such Retired Member for life, as determined under the eligibility rules set forth in Section 5.17.E. of the Plan Regulations;
- (c) to the Eligible Child or Children for as long as the child or children remain eligible; or
- (d) to the Eligible Dependent Parent or Parents for as long as the parent or parents remain eligible.

Upon the death or loss of eligibility of all survivors in one category, payments shall continue to the person or persons in the next succeeding category in which there are Eligible Survivors. When the eligibility of all such survivors ceases, no further monthly payments under this Section shall be made.

A Postretirement Survivor Continuance shall not be paid to a former spouse or former Domestic Partner.

The amount of the Postretirement Survivor Continuance payable with respect to a Retired Member who was a Member with Safety Benefits is equal to 50% of the Basic Retirement Income payable to the Retired Member as of the date of death.

The Postretirement Survivor Continuance is payable in addition to the Death Benefits provided in Section 8.17, if any.

[Also see related UCRP Regulation 8.16]

8.17

LUMP SUM PAYMENTS UPON DEATH

Upon the death of a person indicated below, the respective amounts of the basic death payment and the residual death payment shall be paid in a lump sum to the person's Beneficiary, and shall consist of:

(a) Basic Death Payment.

Effective October 1, 1990 the basic death payment under this Article shall be \$7,500 for all Members of the Plan. For those Active Members who became Active Members of the Plan prior to October 1, 1990, the greater of \$1,500 plus the Final Salary for one month or \$7,500 shall be paid.

(b) Residual Death Payment.

Upon the death of a Member, a residual death payment consisting of the total Accumulations in such Member's account shall be paid if or when there is no Contingent Annuitant, surviving spouse, surviving Domestic Partner, Eligible Survivors, or persons who may become Eligible Survivors or eligible for the Postretirement Survivor Continuance.

(c) Death Following a Break in Service.

If a former Member dies within four months after the effective date of a Break in Service without having made an effective election with respect to the benefits to which such person was entitled, one of the following shall apply:

- (i) if such person had been eligible to elect Retirement Income as provided by this Article, such person shall be deemed to be an

Active Member with respect to benefits payable upon the death of an Active Member;

- (ii) if not eligible under (i) above, but if such person had been eligible to become an Inactive Member, such person shall be deemed to be an Inactive Member as of the effective date of the Break in Service with respect to benefits payable upon the death of an Inactive Member; or
- (iii) if not eligible under (i) or (ii) above, the Accumulations of such person shall be paid in a lump sum to the person's Beneficiary.

Effective January 1, 2006, if the lump sum amount payable to a Beneficiary represents an Eligible Rollover Distribution with a value of more than \$1,000 and less than \$5,000, and the Beneficiary fails to provide timely directions to make a direct distribution to the Beneficiary or to transfer the funds to an Eligible Retirement Plan after receiving the appropriate notice and explanation, the Plan Administrator shall transfer the entire lump sum amount to the IRA custodian selected by the Plan Administrator to be held for the benefit of the Beneficiary.

The automatic transfer provision does not apply to an amount payable to a designated nonspouse Beneficiary that is treated as an Eligible Rollover Distribution as described in Section 2.25.

[Also see related UCRP Regulation 8.17]

8.18

DUTY DISABILITY INCOME

An Active Member who becomes disabled out of and in the course of duty shall, if eligible, be entitled to receive Duty Disability Income in accordance with this provision. For purposes of this Section, Disability Date means the first of the month following the date upon which the Member's entitlement to leave of absence in lieu of temporary disability indemnity under Sections 4804.1 and 4806 of the California Labor Code terminates. Upon request an alternative disability date prior to the finding of disability may be approved by the Plan Administrator, however, such date shall not be earlier than the day following the last day on University payroll status or the first of the month in which the application is received by the Plan Administrator, whichever is later.

(a) Eligibility.

For a Member who is eligible to receive Duty Disability Income, this income shall continue until such time as the Member is no longer disabled as defined or elects to retire.

If a Member has established reciprocity with the Public Employees' Retirement System consistent with the requirements in Section 12.08, for the purpose of determining eligibility for Disability Income, Service Credit shall include any service currently credited by the Public Employees' Retirement System.

In the case of a Disabled Member who qualifies for retirement as defined in Section 8.05 and elects to retire under such Section, Duty Disability Income shall cease.

(b) Definition of Duty Disabled Member.

A Duty Disabled Member is defined as follows:

A "Duty Disabled Member" means a Member who is prevented from performing the duties of such Member's present position, because of a medically determinable physical or mental impairment of permanent or extended and uncertain duration as determined by the Plan Administrator on the basis of qualified medical opinion, arising out of and in the course of duty.

A Disabled Member may be required to undergo medical examinations by a physician or physicians chosen by the Plan Administrator. If, on the basis of such examinations, it is determined that the Disabled Member is no longer disabled or if the Disabled Member refuses to undergo such examinations, eligibility for Duty Disability Income shall cease.

In any determination of eligibility for Duty Disability Income payments, an Active Member or Disabled Member is entitled to submit medical evidence which shall be considered in determining eligibility for such payments.

The ruling of another board, or the award of disability benefits under another program, shall not be determinative with respect to eligibility for benefits under this Section.

(c) Amount of Duty Disability Income.

For a Duty Disabled Member, the monthly Duty Disability Income shall be equal to 50% of the Member's Highest Average Plan Compensation in years for which Service Credit under this Article has been earned. This amount shall be reduced by the monthly single life annuity equivalent of any annuity payable from PERS on account of such disability, or by the monthly single life annuity equivalent of any service retirement annuity payable from PERS but only by the portion of such annuity which is based upon University service as a member of PERS.

If the amount of Duty Disability Income determined under Section 8.19 is greater than the amount payable under this Section, such amount shall be paid.

Duty Disability Income payable under this Section shall not be subject to any property settlements upon marital dissolution or legal separation under a qualified domestic relations order (QDRO) until the Duty Disabled Member attains the first eligible Plan retirement age (age 50), after which the Member's Duty Disability Income may be subject to division in accordance with a QDRO.

(d) Maximum Duty Disability Income and Adjustments.

The amount of Duty Disability Income described in (c) above shall be adjusted as follows:

With respect to an employee who becomes an Active Member on or after July 1, 1985, Duty Disability Income shall be reduced, if necessary, so that the sum of:

- (i) Duty Disability Income under this Section; and
- (ii) earnings from gainful employment;

does not exceed for any calendar year the current salary for the position held by the Member on the Disability Date.

(e) Highest Average Plan Compensation and Service Credit for a Duty Disabled Member.

When a former Duty Disabled Member becomes a Retired Member, Basic Retirement Income shall be subject to the following:

- (i) Such Member's Highest Average Plan Compensation shall be determined as provided by Section 8.09(a) or (b); and
- (ii) Service Credit shall be granted as provided by Section 8.04(b) for such years as Duty Disability Income has been payable.

(f) Reappointment of a Duty Disabled Member.

A Disabled Member may be reappointed to University service as follows:

- (i) if, upon reappointment, a Disabled Member is an Eligible Employee, Duty Disability Income shall cease and the Disabled Member shall be reinstated as an Active Member subject to the provisions of Section 3.01(b)–(d). Upon reinstatement, the Member's Contribution account shall be reestablished in an amount equal to the Member's Contributions and credited interest

on the Disability Date less 50% of all Duty Disability Income payments made, but never less than zero.

- (ii) if, upon reappointment, a Disabled Member is not an Eligible Employee, the person shall not be reinstated as an Active Member and shall continue to receive Duty Disability Income in accordance with Section 8.18(a) and so long as the person remains disabled subject to the following limitations:

If the sum of compensation from the University and Duty Disability Income in any fiscal year exceeds the full time annual compensation rate for the position to which such person is reappointed, Duty Disability Income shall cease with the month in which the excess amount is earned, and further Duty Disability Income shall not be paid until the next fiscal year or until the employment is terminated, provided such person remains disabled.

(g) Termination of Disability Status.

A person who is no longer eligible for Duty Disability Income as determined by the Plan Administrator and who has not been reappointed as an Eligible Employee:

- (i) may, if eligible, elect Retirement Income in accordance with this Article and subject to Section 2.58;
- (ii) will become an Inactive Member, at which time the Member's Contribution account shall be reestablished as provided by Section 8.18(f)(i); or
- (iii) may, if eligible, elect a Refund of Accumulations, if any, or Lump Sum Cashout subject to Section 2.34, as applicable.

[Also see related UCRP Regulation 8.18]

8.19

NONDUTY DISABILITY INCOME

An Active Member who becomes disabled and whose disability did not arise out of and in the course of duty shall, if eligible, be entitled to receive Nonduty Disability Income in accordance with this provision. For purposes of this Section, Disability Date means the date approved by the Plan Administrator, and is either the day following the last day on University payroll status or the first of the month in which the application is received by the Plan Administrator, whichever is later.

(a) Eligibility.

Active Members with at least two years of Service Credit who became Active Members on or before March 31, 1980 and Active Members with at least five years of Service Credit who became Active Members on or after April 1, 1980, shall be eligible to receive Nonduty Disability Income if they become disabled as defined in (b) below.

If a Member has established reciprocity with the Public Employees' Retirement System consistent with the requirements in Section 12.08, for the purpose of determining eligibility for Disability Income, Service Credit shall include any service currently credited by the Public Employees' Retirement System.

For purposes of determining eligibility for Nonduty Disability Income, Service Credit established under Sections 5.04(d), 6.04(d), 7.05(d), and 8.04(e) shall be excluded.

- (i) For Members whose Disability Date occurs prior to November 5, 1990, eligibility to receive Nonduty Disability Income shall continue until the earliest of:
- (A) such time as the Member is no longer disabled as defined;
 - (B) attainment of age 50 or older if Retirement Income equals or exceeds Nonduty Disability Income; or
 - (C) attainment of age 67.

For purposes of (B) above, Retirement Income means Basic Retirement Income if there is no spouse or Domestic Partner or a full joint and last survivor annuity if there is a spouse or Domestic Partner, assuming such spouse or Domestic Partner would be named as Contingent Annuitant.

- (ii) For Members whose Disability Date occurs November 5, 1990, or later, eligibility to receive Nonduty Disability Income shall continue until the earliest of:
- (A) in all cases, such time as the Member is no longer disabled as defined;
 - (B) for Members whose Disability Date occurs prior to attainment of age 65, the later of:
 - (1) attainment of age 67, or
 - (2) five years after the Disability Date;

(C) for Members whose Disability Date occurs upon or after attainment of age 65, the later of:

- (1) attainment of age 70, or
- (2) 12 months after the Disability Date.

Regardless of the above, a Disabled Member who qualifies for retirement as defined in Section 8.05 may elect to retire under such Section. In such case, Nonduty Disability Income shall cease.

(b) Definition of Nonduty Disabled Member.

A Nonduty Disabled Member is defined as follows:

- (i) with respect to an employee who became an Active Member on or before March 31, 1980, a "Nonduty Disabled Member" means a Member who is prevented from performing the duties of such Member's present position or a comparable position (as defined in (A) below), because of a medically determinable physical or mental impairment of permanent or extended and uncertain duration as determined by the Plan Administrator on the basis of qualified medical opinion. After two years of such disability, a Nonduty Disabled Member shall be deemed to be disabled only if such Member is prevented by such physical or mental impairment from engaging in any occupation for substantial compensation or profit (as defined in (B) below) as determined by the Plan Administrator on the basis of qualified medical opinion.

For purposes of this paragraph:

- (A) "comparable position" means another University position for which the Member is qualified and is medically able to perform, whether or not such position is available, and which provides a salary rate of at least 80% of the Member's Final Salary, adjusted by Plan cost of living increases.
 - (B) "any occupation for substantial compensation or profit" means any type of gainful activity, commensurate with age, education, skills, or general background, which could reasonably be expected to result in compensation or profit equivalent to 70% of the Disabled Member's Final Salary, adjusted by Plan cost of living increases. Gainful activity includes employment, self employment, and the rendering of any type of service.
- (ii) with respect to an employee who becomes an Active Member on or after April 1, 1980, "Nonduty Disabled Member" means a

Member who is prevented from engaging in substantial gainful activity, (defined below), because of a medically determinable physical or mental impairment of permanent or extended and uncertain duration as determined by the Plan Administrator on the basis of qualified medical opinion.

For purposes of this paragraph "substantial gainful activity" means a level of work activity that is both substantial and gainful and involves the performance of significant physical or mental activities which are productive in nature, and which are further defined as follows:

- (A) substantial gainful activity during the first year in benefit status means a level of work activity which would, if engaged in, result in income of 50% or more of Final Salary, adjusted by Plan cost of living increases.
- (B) following the first year in benefit status, a Member will not be considered disabled if able to engage in substantial gainful activity which would result in earnings in excess of the Social Security Administration's annually published dollar amount used to determine substantial gainful activity.

A Disabled Member may be required to undergo one or more medical examinations by a physician or physicians chosen by the Plan Administrator. If, on the basis of such examinations, it is determined that the Disabled Member is no longer disabled or if the Disabled Member refuses to undergo such examinations, eligibility for Nonduty Disability Income shall cease.

In any determination of eligibility for Nonduty Disability Income payments, an Active Member or Disabled Member is entitled to submit medical evidence which shall be considered in determining eligibility for such payments.

The ruling of another board, or the award of disability benefits under another program, shall not be determinative with respect to eligibility for benefits under this Section.

Members may be required, as a condition of eligibility for Nonduty Disability Income, to undergo evaluation by vocational and medical professionals to determine their suitability for retraining and vocational rehabilitation.

Should the Plan Administrator determine, on the basis of qualified vocational and medical opinion, that a program of retraining and

vocational rehabilitation can reasonably be expected to return a Disabled Member to substantial gainful activity, such Member shall be required to participate in such program as a condition of eligibility for Nonduty Disability Income. Should an individual fail to participate in good faith in such a program, the Plan Administrator shall have the authority to deny, suspend, or terminate Nonduty Disability Income.

(c) Amount of Nonduty Disability Income.

For a Disabled Member, the monthly Nonduty Disability Income shall be equal to the sum of:

- (i) 25% of Final Salary; and
- (ii) 5% of Final Salary for each year of Service Credit in excess of two years but not more than 15% of Final Salary; and
- (iii) 5% of Final Salary on account of each Eligible Child but not more than 20% of Final Salary.

Nonduty Disability Income payable under this Section shall not be subject to any property settlements upon marital dissolution or legal separation which are made in accordance with a qualified domestic relations order.

(d) Maximum Nonduty Disability Income and Adjustments.

The amount of Nonduty Disability Income described in (c) above shall be adjusted as follows:

- (i) if an Active Member who became a Member after July 1, 1971, receives or is eligible to receive periodic payments from another retirement or pension plan or comparable program, for a disability which existed at the time membership began, and if the same disability subsequently entitles the Member to Nonduty Disability Income, the amount of Nonduty Disability Income shall be reduced by the equivalent monthly amount of such other payments.
- (ii) with respect to an employee who becomes an Active Member on or after April 1, 1980, Nonduty Disability Income shall be reduced, if necessary, so that the sum of:
 - (A) Nonduty Disability Income under this Section;
 - (B) earnings from substantial gainful activity as defined in Section 8.19(b)(ii); and
 - (C) any other University-provided disability benefit under either a retirement or disability program except:

- (1) any long term disability benefits paid for by the Member,
and
- (2) any disability benefits measured by compensation which is
not considered Covered Compensation;

does not exceed:

- during the first year of benefit status, 70% of the Member's Final Salary, adjusted by Plan cost of living increases; and
- for each year thereafter, 60% of the Member's Final Salary, adjusted by Plan cost of living increases.

If a Disabled Member's substantial gainful activity is part of a program of rehabilitation approved by the Plan Administrator and Nonduty Disability Income is continued during a trial work period, then the total amount of Nonduty Disability Income provided under this Section and the earnings and benefits described in (i) and (ii) above shall not exceed 100% of Final Salary, adjusted by Plan cost of living increases, during such period.

Nonduty Disability Income may be suspended without affecting eligibility for Nonduty Disability Income for a trial period of up to nine months while a Disabled Member engages in employment under a program of rehabilitation.

(e) Highest Average Plan Compensation and Service Credit for a Disabled Member.

When a former Disabled Member becomes a Retired Member, Basic Retirement Income shall be subject to the following:

- (i) Such Member's Highest Average Plan Compensation shall be determined as provided by Section 8.09(a) or (b); and
- (ii) Service Credit shall be granted as provided by Section 8.04(c) for such years as Nonduty Disability Income has been payable.

(f) Reappointment of a Disabled Member.

A Disabled Member may be reappointed to University service as follows:

- (i) if, upon reappointment, a Disabled Member is an Eligible Employee, Nonduty Disability Income shall cease and the Disabled Member shall be reinstated as an Active Member subject to the provisions of Section 3.01(b)–(d). Upon reinstatement, the Member's Contribution account shall be reestablished in an

amount equal to the Member's Contributions and credited interest on the Disability Date less 50% of all Nonduty Disability Income payments made, but never less than zero.

- (ii) if, upon reappointment, a Disabled Member is not an Eligible Employee, the person shall not be reinstated as an Active Member and shall continue to receive Nonduty Disability Income in accordance with Section 8.19(a) and so long as the person remains disabled subject to the following limitation:

If the sum of compensation from the University and Nonduty Disability Income in any fiscal year exceeds the full time annual compensation rate for the position to which such person is reappointed, Nonduty Disability Income shall cease with the month in which the excess amount is earned, and further Nonduty Disability Income shall not be paid until the next fiscal year or until the employment is terminated, provided such person remains disabled.

(g) Termination of Disability Status.

A person who is no longer eligible for Nonduty Disability Income as determined by the Plan Administrator and who has not been reappointed as an Eligible Employee:

- (i) may, if eligible, elect Retirement Income in accordance with this Article and subject to Section 2.58;
- (ii) will become an Inactive Member, at which time the Member's Contribution account shall be reestablished as provided by Section 8.19(f)(i); or
- (iii) may, if eligible, elect a Refund of Accumulations, if any, or Lump Sum Cashout subject to Section 2.34, as applicable.

[Also see related UCRP Regulation 8.19]

ARTICLE 9 COST OF LIVING ADJUSTMENT

9.01 SCOPE

The cost of living adjustment described in this Article shall apply to monthly payments of Retirement Income, Disability Income, and Preretirement Survivor Income in accordance with Articles 5, 6, 7, and 8. The cost of living adjustment shall also apply to monthly payments of retirement benefits, disability retirement benefits, and survivor benefits payable under predecessor plans.

9.02 CONSUMER PRICE INDEX

For adjustments under this Article the Consumer Price Index for any July 1 means the arithmetic mean of the Consumer Price Index for All Urban Consumers for the major metropolitan area of Northern California including San Francisco and the Consumer Price Index for All Urban Consumers for the major metropolitan area of Southern California including Los Angeles, both for the preceding February, as prepared by the Bureau of Labor Statistics of the United States Department of Labor.

- (a) Consumer Price Index Movement is the ratio of the Consumer Price Index for any July 1 adjustment date to the Consumer Price Index for the preceding July 1.
- (b) Cumulative Consumer Price Index Movement is the ratio of the Consumer Price Index for any July 1 adjustment date to the Consumer Price Index for the July 1 preceding the payee's first adjustment date.

9.03 COST OF LIVING ADJUSTMENT

The monthly benefit shall be adjusted on each July 1 according to the following provisions:

- (a) The first adjustment shall be made for the July 1 which coincides with or next follows one full year from the date for which monthly retirement, disability, or death benefit payments were initially payable. All benefit

payments paid to a Member will be counted towards this year in the case of survivors or Contingent Annuitants, except that the one year period applies separately with respect to payments of a Member's 1976 Tier Benefit, 2013 Tier Benefit, Modified 2013 Tier Benefit and 2016 Tier Benefit.

- (b) The amount of the initial adjustment on the adjustment date shall be determined in accordance with the Consumer Price Index Movement but shall be limited so that the total of adjustments under this subsection granted to any payee shall not, as of any adjustment date, exceed the lesser of:
 - (i) 2% per year compounded annually beginning with July 1, 1969, or beginning with the first adjustment date, whichever is later; or
 - (ii) the Cumulative Consumer Price Index movement.
- (c) In addition to the amount determined under (b) above, effective July 1, 1992 an additional adjustment shall be made on each July 1, equal to 75% of the amount by which the percentage increase in the Consumer Price Index during the preceding year exceeds the greater of 4% or the adjustment determined in (b) above. Such additional adjustment shall not exceed 1.5% for adjustments on or before July 1, 1985. Beginning with July 1, 1986, such additional adjustment shall not exceed the difference between:
 - (i) 1.5% per year compounded annually beginning with July 1, 1986, or beginning with the first adjustment date, whichever is later; and
 - (ii) the previous compounded annual increases under this Section 9.03 (c) that have been made beginning with July 1, 1986, or beginning with the first adjustment date, whichever is later.Beginning with July 1, 1992, such additional adjustment shall not exceed the greater of 4% or the difference between (i) and (ii) above.
- (c) No adjustment shall be made if it will decrease the monthly amount payable on the adjustment date.

[Also see related UCRP Regulation 9.03]

9.04

AD HOC COST OF LIVING ADJUSTMENT JULY 1, 1988

An ad hoc cost of living adjustment shall be paid effective July 1, 1988, for persons receiving Retirement, Disability, or Survivor Income as of that date.

The amount of the ad hoc adjustment shall be based on the date the Member entered benefit status as follows:

For Members who Entered Benefit Status	Necessary Adjustment
On or before 7/1/61	0.00%
7/2/61 to 12/31/61	1.90%
1/1/62	3.95%
1/2/62 to 7/1/62	4.90%
7/2/62 to 12/31/62	3.86%
1/1/63 to 7/1/63	4.52%
7/2/63 to 12/31/63	4.46%
1/1/64 to 7/1/64	4.92%
7/2/64 to 12/31/64	7.19%
1/1/65 to 7/1/65	6.49%
7/2/65 to 12/31/65	6.41%
1/1/66 to 7/1/66	6.49%
7/2/66 to 12/31/66	6.34%
1/1/67 to 7/1/71	6.49%
7/2/71 to 7/1/72	2.39%
7/2/72 to 7/1/73	6.49%
7/2/73 to 1/1/74	1.93%
1/2/74 to 6/30/74	3.38%
7/1/74 to 7/1/75	6.49%
7/2/75 to 7/1/76	3.38%
7/2/76 to 7/1/77	6.28%
7/2/77 to 7/1/78	3.16%
7/2/78 to 12/31/78	0.00%
1/1/79 to 12/31/79	0.00%
1/1/80	7.34%
1/2/80 or later	0.00%

9.05

AD HOC COST OF LIVING ADJUSTMENT JANUARY 1, 1991

An ad hoc cost of living adjustment shall be paid effective January 1, 1991, for persons receiving Retirement, Disability, or Survivor Income as of that date.

The amount of the ad hoc adjustment shall be based on the date the Member entered benefit status as follows:

For Members who Entered Benefit Status	Necessary Adjustment
On or before 7/1/61	9.08%
7/2/61 to 7/1/77	10.91%
7/2/77 to 7/1/78	11.51%
7/2/78 to 7/1/79	8.64%
7/2/79 to 12/31/79	10.82%
1/1/80 to 1/1/80	11.50%
1/2/80 to 7/1/80	3.07%
7/2/80 to 12/31/80	5.12%
1/1/81 to 7/1/81	0.16%
7/2/81 or later	0.00%

9.06

AD HOC COST OF LIVING ADJUSTMENT JANUARY 1, 2001

An ad hoc cost of living adjustment shall be paid effective January 1, 2001, for persons receiving Retirement, Disability, or Survivor Income as of that date.

The amount of the ad hoc adjustment shall be based on the date the Member entered benefit status as follows:

For Members who Entered Benefit Status	Necessary Adjustment
On or before 12/31/61	14.48%
1/1/62 to 7/1/62	14.46%
7/2/62 to 12/31/62	14.48%
1/1/63 to 12/31/63	14.46%
1/1/64 to 7/1/64	14.48%

For Members who Entered Benefit Status	Necessary Adjustment
7/2/64 to 7/1/65	14.46%
7/2/65 to 12/31/65	14.48%
1/1/66 to 7/1/66	14.46%
7/2/66 to 12/31/66	14.48%
1/1/67 to 7/1/73	14.46%
7/2/73 to 1/1/74	14.48%
1/2/74 to 7/1/77	14.46%
7/2/77 to 7/1/78	14.49%
7/2/78 to 1/1/80	14.48%
1/2/80 to 7/1/80	14.46%
7/2/80 to 7/1/81	14.48%
7/2/81 to 7/1/82	5.08%
7/2/82 to 7/1/83	6.63%
7/2/83 to 7/1/84	4.05%
7/2/84 to 7/1/85	1.38%
7/2/85 or later	0.00%

9.07

AD HOC COST OF LIVING ADJUSTMENT JULY 1, 2022

An ad hoc cost of living adjustment shall be paid effective July 1, 2022, for persons receiving Retirement, Disability, or Survivor Income as of that date.

The amount of the ad hoc adjustment shall be based on the date the Member entered benefit status as follows:

For Members who Entered Benefit Status	Necessary Adjustment
On or before 7/1/85	13.64%
7/2/85 to 7/1/86	13.12%
7/2/86 to 7/1/87	12.04%
7/2/87 to 7/1/88	9.76%
7/2/88 to 7/1/89	6.97%

7/2/89 to 7/1/90	4.04%
7/2/90 to 7/1/91	1.38%

ARTICLE 10 CAPITAL ACCUMULATION CREDITS

10.01 SCOPE

The provisions of this Article shall apply to the Members of the Plan.

10.02 EFFECTIVE DATE

The provisions of this Article shall apply on April 1, 1992 for Members who are Active Members as of that date, provided they meet the eligibility requirements in Section 10.03. For all other Members, the provisions of this Article shall apply upon the effective date of Active Membership, provided that they meet the eligibility requirements in Section 10.03.

10.03 ELIGIBILITY

A Member as defined in accordance with Section 2.04 of the Plan is eligible to receive Capital Accumulation Credits in accordance with Sections 10.04, 10.05, and 10.06, provided that:

- (a) For the April 1, 1992 Accrual Date, the Member:
 - (i) has Active Member status as of April 1, 1992;
 - (ii) has been paid Covered Compensation from the University during the period from January 1, 1991 to December 31, 1991; and
 - (iii) has been an Active Member continuously between December 31, 1991 and April 1, 1992.
- (b) For the July 1, 1992 Accrual Date, the Member:
 - (i) has Active Member status on July 1, 1992; and
 - (ii) has been paid Covered Compensation from the University during the Plan Year immediately preceding the July 1, 1992 Accrual Date.

- (c) For the July 1, 1993 Accrual Date, the Member:
 - (i) has Active Member status on July 1, 1993; and
 - (ii) has been paid Covered Compensation from the University during the Plan Year immediately preceding the July 1, 1993 Accrual Date.
- (d) For the November 1, 1993 Accrual Date, the Member:
 - (i) has Active Member status on October 1, 1993;
 - (ii) has been paid Covered Compensation from the University during the period from July 1, 1993 through October 31, 1993; and
 - (iii) either:
 - (A) has a 5 percent reduction in pay rate (excluding pay from Lawrence Berkeley Laboratory, Lawrence Livermore National Laboratory, and Los Alamos National Laboratory) between July 1, 1993 and October 1, 1993 and the reduced pay rate is in effect on October 1, 1993 due to the 1993-94 Salary Plan (a temporary salary reduction program in the 1993-94 Plan Year); or
 - (B) is a student in a casual/restricted position on October 1, 1993; or
 - (C) is a participant in the Time Reduction Incentive Plan on October 1, 1993.
- (e) For the July 1, 1994 Accrual Date, the Member:
 - (i) has Active Member status on June 1, 1994;
 - (ii) has been paid Covered Compensation from the University during the period from November 1, 1993 through June 30, 1994; and
 - (iii) either:
 - (A) effective November 1, 1993, has the pay rate temporarily restored to the rate in effect on June 30, 1993, and subsequently has a 2.6 percent reduction in pay rate (excluding pay from Lawrence Berkeley Laboratory, Lawrence Livermore National Laboratory, and Los Alamos National Laboratory) between November 1, 1993 and June 1, 1994 and the reduced pay rate is in effect on June 1, 1994 due to the 1993-94 Salary Plan (a temporary salary reduction program in the 1993-94 Plan Year); or

(B) is a member of the UC/American Federation of State, County, and Municipal Employees (AFSCME) agreement for the Service Unit or the American Federation of State, County, and Municipal Employees (AFSCME) agreement for the Clerical and Allied Services Unit and has a 4.16% reduction in pay rate between February 1, 1994 and June 30, 1994 pursuant to the collective bargaining process; or

(C) is a student in a casual/restricted position on June 1, 1994; or

(D) is a participant in the Time Reduction Incentive Plan on June 1, 1994.

(f) For the April 1, 2002 Accrual Date, the Member:

(i) has Active Member status on April 1, 2002; and

(ii) has been paid Covered Compensation from the University during the period from April 1, 2001 through March 31, 2002.

(g) For the April 1, 2003 Accrual Date, the Member:

(i) has Active Member status on April 1, 2003; and

(ii) has been paid Covered Compensation from the University during the period from April 1, 2002 through March 31, 2003.

[Also see related UCRP Regulation 10.03]

10.04

CAPITAL ACCUMULATION CREDITS

Each Member who meets the eligibility requirements of Section 10.03 shall receive Capital Accumulation Credits, in accordance with Sections 10.05 and 10.06 respectively.

10.05

ACCRUAL CREDITS

A Member shall earn Accrual Credits as follows:

(a) For the April 1, 1992 Accrual Date, each Member who meets the eligibility requirements in Section 10.03(a) shall receive an Accrual Credit in an amount equal to 5 percent of the Covered Compensation the Member was paid from the University during the period of January 1, 1991 through December 31, 1991.

(b) For the July 1, 1992 Accrual Date, each Member who meets the eligibility requirements in Section 10.03(b) shall receive an Accrual

Credit in an amount equal to 2.5 percent of the Covered Compensation the Member was paid from the University during the Plan Year immediately preceding the July 1, 1992 Accrual Date.

- (c) For the July 1, 1993 Accrual Date, each Member who meets the eligibility requirements in Section 10.03(c) shall receive an Accrual Credit in an amount equal to 2.5 percent of the Covered Compensation the Member was paid from the University during the Plan Year immediately preceding the July 1, 1993 Accrual Date.
- (d) For the November 1, 1993 Accrual Date, each Member who meets the eligibility requirements in Section 10.03(d) shall receive an Accrual Credit in an amount equal to 5.26 percent of the Covered Compensation the Member earned, and any adjustments to Covered Compensation paid, from the University as reported in the payroll tapes for July, 1993 through October, 1993. Retroactive adjustments for this period processed after October 31, 1993 shall be excluded.
- (e) For the July 1, 1994 Accrual Date, each Member who meets the eligibility requirements in Section 10.03(e) shall receive an Accrual Credit in an amount equal to 2.67 percent of the Covered Compensation the Member earned, and any adjustments to Covered Compensation paid, from the University as reported in the payroll tapes for November, 1993 through June, 1994. Retroactive adjustments for this period processed after June 30, 1994 shall be excluded.
- (f) For the April 1, 2002 Accrual Date, each Member who meets the eligibility requirements in Section 10.03(f) shall receive an Accrual Credit in an amount equal to 3 percent of the Covered Compensation the Member earned, and any adjustments to Covered Compensation paid, from the University as reported in the payroll tapes for April 1, 2001 through March 31, 2002. Retroactive adjustments for this period processed after March 31, 2002 shall be excluded.
- (g) For the April 1, 2003 Accrual Date, each Member who meets the eligibility requirements in Section 10.03(g) shall receive an Accrual Credit in an amount equal to 5 percent of the Covered Compensation the Member earned, and any adjustments to Covered Compensation paid, from the University as reported in the payroll tapes for April 1, 2002 through March 31, 2003. Retroactive adjustments for this period processed after March 31, 2003 shall be excluded.

Accrual Credits will only be made on Accrual Dates. The amendment of the Plan to provide Accrual Credits on one or more Accrual Dates shall

not give any Member any right (vested, accrued or otherwise) to any other Accrual Credits on any other Accrual Date or to the establishment of additional Accrual Dates.

[Also see related UCRP Regulation 10.05]

10.06

INTEREST CREDITS

Each month, a Member who has earned Accrual Credits in accordance with Section 10.05 shall receive an Interest Credit determined by using a rate which, when compounded monthly, shall equal the annual rates specified below, as applicable:

- (a) the rate used to determine the Interest Credits accrued under Section 10.05(a)-(e): 8.5% per year; and
- (b) the rate used to determine the Interest Credits accrued under Section 10.05(f)-(g): the assumed rate of investment earnings of the Plan, as follows:
 - (i) effective January 1, 2020: 6.75%;
 - (ii) effective January 1, 2016: 7.25%;
 - (iii) prior to January 1, 2016: 7.5%.

The rates established under this Section will be effective on January 1 following the Regents' approval of a change in the assumed rate of investment earnings of the Plan.

Such Interest Credits shall be credited as of the last day of each month.

[Also see related UCRP Regulation 10.06]

10.07

NONFORFEITABILITY

Each Member's Capital Accumulation Credits shall be fully vested at all times.

10.08

DISTRIBUTION EVENTS

The Capital Accumulation Payment shall only be distributed upon a Break in Service and the occurrence of the following events:

- (a) if a Member elects Retirement Income, such Member shall automatically receive the Capital Accumulation Payment which

consists of the total value of Capital Accumulation Credits in accordance with Section 10.09 at the same time;

- (b) if a Member receives a Refund of Accumulations or a Lump Sum Cashout in accordance with Section 4.08, such Member shall automatically receive the Capital Accumulation Payment which consists of the total value of Capital Accumulation Credits in accordance with Section 10.09 at the same time;
- (c) if a Member is eligible for and receives Disability Income, such Member shall automatically receive the Capital Accumulation Payment which consists of the total value of Capital Accumulation Credits in accordance with Section 10.09 at the same time; or
- (d) if a Member separates from University employment and becomes an Inactive Member in accordance with Section 3.08, such Member may, but is not required to, take a distribution of the Member's Capital Accumulation Payment until such time as the Member elects Retirement Income, a Lump Sum Cashout or a Refund of Accumulations; and
- (e) if a Member separates from University employment, is not eligible for and has not received a distribution under one of the provisions described above, and is not eligible to become an Inactive Member in accordance with Section 3.08, such Member shall automatically receive the Capital Accumulation Payment which consists of the total value of the Capital Accumulation Credits, in accordance with Section 10.09.

Notwithstanding the above, effective September 1, 2014, if the Capital Accumulation Payment is more than \$1,000, and the Member fails to provide timely directions to make a direct distribution to the Member or to transfer the funds to an Eligible Retirement Plan after receiving the appropriate notice and explanation, the Plan Administrator shall transfer the entire Capital Accumulation Payment to the IRA custodian selected by the Plan Administrator to be held for the benefit of the Member. As of January 1, 2006, but prior to September 1, 2014, in the absence of timely direction from the Member, Capital Accumulation Payments to be transferred to the IRA Custodian pursuant to this paragraph were limited to amounts of more than \$1,000 and less than \$5,000.

[Also see related UCRP Regulation 10.08]

10.09

CAPITAL ACCUMULATION PAYMENT

The Capital Accumulation Payment shall be made in the form of a lump sum. The value of the Capital Accumulation Payment shall be determined subject to Plan transaction deadlines and Plan Regulations.

At the Member's request, the Capital Accumulation Payment may be transferred to the third-party insurer contracts maintained by the Plan Administrator at the time of the transfer. Such purchase shall be subject to Plan transaction deadlines and Plan Regulations, as well as the provisions of the third-party insurer contracts. The amount of the annuity and the rate of interest shall be established under the contract with the third-party insurer. All rights and obligations to provide benefits to the Member under the Plan with respect to the Capital Accumulation Payment shall be considered fully satisfied by the transfer of the Capital Accumulation Payment to the third-party insurer at the time of purchase.

A Capital Accumulation Payment, paid on or after January 1, 1993, is an Eligible Rollover Distribution, and as such all or any part of the Capital Accumulation Payment may be paid as a Direct Rollover.

10.10

DEATH BENEFITS

Notwithstanding Section 10.08, upon the death of a Member prior to the receipt of the Capital Accumulation Payment, such amount shall be paid to the Member's Beneficiary in the form of a lump sum. The value of the Capital Accumulation Payment shall be determined subject to Plan transaction deadlines and Plan Regulations.

Effective September 1, 2014, if the Capital Accumulation Payment payable to the Beneficiary represents an Eligible Rollover Distribution with a value of more than \$1,000, and the Beneficiary fails to provide timely directions to make a direct distribution to the Beneficiary or to transfer the funds to an Eligible Retirement Plan after receiving the appropriate notice and explanation, the Plan Administrator shall transfer the entire Capital Accumulation Payment to the IRA custodian selected by the Plan Administrator to be held for the benefit of the Beneficiary. As of January 1, 2006 but prior to September 1, 2014, in the absence of timely direction from the Beneficiary, Capital Accumulation Payments to be transferred to the IRA Custodian pursuant to this paragraph were limited to amounts of more than \$1,000 and less than \$5,000.

The automatic transfer provision does not apply to an amount payable to a designated nonspouse Beneficiary that is treated as an Eligible Rollover Distribution as described in Section 2.25.

[Also see related UCRP Regulation 10.10]

10.11

MINIMUM DISTRIBUTION RULE

All Members in the Plan must receive the Capital Accumulation Payment by the Required Beginning Date as defined in Section 2.38.

10.12

SECTION 415 MAXIMUM BENEFIT

The maximum annual amount of Retirement Income (including any Social Security Supplement), Postretirement Survivor Continuance, and the Capital Accumulation Payment payable from the Plan shall not exceed the limit described in Section 415(b) of the Internal Revenue Code and shall be administered in accordance with the Plan Regulations.

For purposes of determining the Section 415 limit, the University elects to be covered by Section 415(b)(10) of the Internal Revenue Code in which the maximum benefit payable would be the greater of either:

- the Section 415(b) limit, or
- the accrued benefit of an employee who became an Active Member of the Plan before January 1, 1990, but without regard to any Plan amendment after October 14, 1987.

For a Member whose greater payment would be the accrued benefit without regard to any Plan amendment after October 14, 1987, benefits payable under the Plan shall not include any benefit form, formula or factor which was not included in the Plan as of October 14, 1987. These amendments include, but are not limited to, the Capital Accumulation Payment, certain payment options described in Sections 5.12, 6.11, 7.11 and 8.10, the 2013 Tier Benefit, the Modified 2013 Tier Benefit, the 2016 Tier Benefit and changes to the cost of living adjustment and Basic Retirement Income factors.

[Also see related UCRP Regulation 10.12]

10.13**REINSTATEMENT PROVISIONS**

- (a) If a Member incurs a Break in Service in accordance with Section 2.09, is reappointed, and is an Eligible Employee, such Member shall be reinstated as an Active Member, subject to the provisions of Article 3, and the following shall apply:
 - (i) Such Member shall receive Accrual Credits and Interest Credits in accordance with Sections 10.05 and 10.06 respectively, provided the eligibility requirements in Section 10.03 are met; and
 - (ii) A Member who has received a Capital Accumulation Payment shall not be entitled to redeposit the amount of such payment to the Plan.

ARTICLE 11

ADMINISTRATION, REVISION, AND TERMINATION OF THE PLAN

11.01

AUTHORITIES

The Regents has broad oversight responsibility for the administrative and investment functions of the Plan and its related Trust.

- (a) The President of the University shall serve as Plan Administrator of the Plan except to the extent the duties of the Plan Administrator are delegated under University policies and procedures to another individual, in which case such individual shall serve as the Plan Administrator with respect to the delegated duties. The Plan Administrator shall promulgate such Plan Regulations and interpretations as are necessary or appropriate for the effective operation of the Plan, except for the custodianship and investment of the assets of the Trust.

The Plan Administrator has full discretionary authority to administer the Plan on a day-to-day basis. The Plan Administrator may designate other persons to assist in performing such administrative duties, including, but not limited to, agents, accountants, counsel, consultants and record keepers. The Plan Administrator shall have the authority to make appropriate amendments to the Plan in order to accommodate changes in the Internal Revenue Code and Treasury Regulations to preserve the qualified status of the Plan under the Internal Revenue Code. The Plan Administrator shall also have the authority to make appropriate amendments to the Plan in order to comply with changes in California State law. The Plan Administrator shall inform The Regents of any such changes as soon as possible. The Plan Administrator also shall have the authority to make Plan amendments to reflect the details of operational procedures. Such amendments shall not include any policy changes.

The Plan Administrator shall, in its sole and absolute discretion, construe and interpret the terms and conditions of the Plan and any issue arising out of, relating to, or resulting from the administration and

operation of the Plan, which interpretation or construction shall be final and binding on all parties, including, without limitation, any Member or Beneficiary. When making a determination or calculation, the Plan Administrator shall, in its sole and absolute discretion, be entitled to rely upon information furnished by the University, Members and Beneficiaries or other individuals acting on their behalf.

It is the intent of the Plan Administrator to apply Plan provisions equally to all eligible Members without discrimination among them. No employee or agent of the University has the authority to modify this Plan or to make representations, warranties, or inducements other than as set forth in this Plan and the applicable Plan Regulations. Any such representations, warranties, or inducements shall be null and void.

- (b) The Regents shall serve as the Trustee of the Trust, as established in accordance with Article 14 unless The Regents names a successor trustee as authorized in Section 14.02. As Trustee, The Regents, through its Committee on Investments, has responsibility for overseeing the establishment of investment policies for, and management of the assets of, the Trust. The OCIO has primary responsibility for implementing the investment policies established by The Regents. The OCIO also serves as custodian of the assets of the Trust, provided, however, that the OCIO may redelegate all or part of its duties as custodian to an entity that satisfies the requirements of Section 408(n) of the Internal Revenue Code. The custodian shall hold all assets of the Trust under its control for the benefit of Members and their Beneficiaries.

[Also see related UCRP Regulation 11.01]

11.02

PAYMENT OF BENEFITS

All benefits payable under the provisions of this Plan shall be paid from the Trust.

11.03

ANNUAL REPORT

The Plan Administrator shall make an annual report to The Regents and to the Members of the Plan. Each Member shall be provided with an annual statement concerning the status of the Member's Accumulations in the Plan.

11.04

COSTS OF ADMINISTRATION

The costs of administration of the Plan shall be paid from the Trust, as long as they are deemed reasonable expenses by the Plan Administrator. Such expenses shall include, but are not limited to, expenses for professional, legal, accounting, actuarial, and investment services.

11.05

PLAN FIDUCIARIES

The Regents, the Plan Administrator, the OCIO and the Trustee (which may be The Regents) shall be considered Plan fiduciaries and shall discharge their respective duties set forth in this Plan solely in the interest of the Members and their Beneficiaries:

- (a) for the exclusive purpose of providing benefits to Members and their Beneficiaries and defraying reasonable expenses of administering the Plan;
- (b) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;
- (c) by diversifying the investments of the Trust as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and
- (d) in accordance with the terms of the Plan to the extent the Plan is consistent with the provisions of applicable law.

No fiduciary shall permit the indicia of ownership of any Trust assets to be maintained outside the jurisdiction of the District Courts of the United States, except as described in Section 404(b) of the Employee Retirement Income Security Act of 1974, as amended, and the U.S. Department of Labor regulations issued thereunder. For purposes of this paragraph, the indicia of ownership of an interest in an investment fund shall be the document(s) evidencing the Trust's interest held by the Trustee or another Plan fiduciary or such other fiduciary's authorized delegate acting as the Trustee's custodial agent pursuant to Section 14.04 and not any underlying assets of the fund.

11.06

CLAIMS PROCEDURE

A Member must submit a request for benefits under the Plan. Requests for benefits shall include all pertinent information requested by the Plan Administrator, including reasonable proof thereof.

Requests for benefits must be made in accordance with procedures established by the Plan Administrator.

Each request for benefits shall be acted upon and approved or disapproved by the Plan Administrator within 90 days following its receipt by the Plan Administrator.

If any request for benefits is denied, in whole or in part, the Plan Administrator shall notify the applicant in writing of such denial and of the applicant's right to a review by the Plan Administrator. The written notice shall also set forth specific reasons for the denial, specific references to pertinent Plan provisions on which the denial is based, a description of any additional material or information necessary for the applicant to perfect the request, an explanation why such material or information is necessary, and an explanation of the Plan's review procedure. If the Plan Administrator fails to act within the 90-day period specified above, the Member may assume that the request for benefits has been denied.

11.07

CLAIMS REVIEW PROCEDURE

Any Member, or the Member's duly authorized representative, whose application for benefits is denied in whole or in part as described in Section 11.06, may request that the Plan Administrator review the decision by submitting a written statement to the Plan Administrator within 60 days after receiving written notice from the Plan Administrator of the denial of the claim.

The written statement must:

- (a) request a review of the application for benefits by the Plan Administrator;
- (b) set forth all of the reasons upon which the request for review is based and any facts in support thereof; and
- (c) set forth any issues or comments which the applicant deems relevant to the application.

A request for review from a disability applicant or recipient shall be handled through established procedures as outlined in Plan Regulations.

The Plan Administrator shall act upon each such other application within 60 days (unless circumstances require a longer period) after either receipt of the applicant's request for review or receipt of any additional materials reasonably requested by the Plan Administrator from the applicant, whichever occurs later.

The Plan Administrator shall make a full and fair review of each such application and any related written materials submitted by the applicant or the University. The Plan Administrator may require the University or the Member to submit within 30 days after a written notice by the Plan Administrator, such additional facts, documents or other evidence as is deemed necessary or advisable in the sole discretion of the Plan Administrator in making such a review. On the basis of the review, the Plan Administrator shall make an independent determination of the applicant's eligibility for benefits under the Plan. The decision of the Plan Administrator on any application for benefits shall be final and conclusive upon all persons if supported by substantial evidence in the record. If the Plan Administrator denies an application in whole or in part, the Plan Administrator shall give written notice of the decisions to the applicant setting forth the specific reasons for such denial and specific references on which the decisions are based. Such written notice shall be given within 120 days of the date the appeal was filed unless circumstances require a longer period.

11.08

CORRECTION OF ERRORS

If an error or omission is discovered in the administration of the Plan, the Plan Administrator shall take such equitable action as may be necessary or appropriate to correct the error consistent with guidance from the Internal Revenue Service. Any overpayment of benefits from this Plan shall be returned to the Plan Administrator immediately on demand by the Plan Administrator. The Plan Administrator may take all necessary or appropriate action, including but not limited to filing suit, to recover overpayments of benefits under the Plan. Overpayments may be set off against subsequent benefit payments owed under the Plan. Additionally, any person who receives or holds any overpayments shall hold such amounts in trust for the benefit of the Plan Administrator.

[Also see related UCRP Regulation 11.08]

11.09

COMMUNICATIONS SENT TO MEMBERS

All notices or communications to Members shall be effective when sent by first class United States mail if in writing to the Member's last known address or when conveyed to a Member by electronic means that meet standards substantially the same as the standards in the Treasury Regulations governing electronic communications. The Plan Administrator and The Regents shall be entitled to rely conclusively upon, and shall be fully protected in any action or nonaction taken in good faith in reliance upon, any notices, communications, or instructions issued in writing or when conveyed to a Member by electronic means that meet standards substantially the same as the standards in the Treasury Regulations governing electronic communications.

11.10

REVISION AND TERMINATION OF THE PLAN

The Regents may at any time revise any part of this Plan provided that such revision shall not lessen any of the accrued benefits of any Members of the Plan. In the event of termination of this Plan, unless such termination is made because the Plan is being turned over to or absorbed by another retirement plan which affords substantially equal or greater benefits, the benefits of the Plan shall become nonforfeitable to the extent funded, and the assets of the Plan shall be used solely to fund such benefits until all liabilities of the Plan have been satisfied. Once all liabilities have been satisfied, any excess assets shall revert to The Regents.

[Also see related UCRP Regulation 11.10]

ARTICLE 12 MISCELLANEOUS

12.01

ACTUARIAL VALUATION AND EXPERIENCE INVESTIGATION

There shall be an actuarial valuation of the assets and liabilities of the Plan annually each July 1st and an experience investigation of the actuarial assumptions used in the valuation every three to five Plan years, as deemed necessary by the Plan Administrator. Upon the basis of any and all such investigations and valuations, The Regents may adopt a revised Actuarial Equivalence Basis and revised actuarial assumptions, and may make such revision in the contribution rate of the University or of the Members as it considers necessary to meet the funding requirements of the Plan. No adjustment shall be included in revised contribution rates, however, for the time prior to the effective date of such revisions.

12.02

APPLICABLE LAW

This Plan shall be governed by the laws of the State of California and applicable federal law.

12.03

ELECTIONS AND DESIGNATIONS

Every election for a Plan benefit, every election for a benefit payment option, and every designation of a Beneficiary or Contingent Annuitant which a Member is required or permitted to make shall be in accordance with procedures established and approved by the Plan Administrator. Such election or designation shall become effective only when it is filed with the Plan Administrator, is approved and processed. No election or designation may be changed after any payment has been made by the Plan, or 15 days from the date on the Plan Administrator's confirmation letter, if later. All elections concerning contributions and payments to and from the Plan shall be subject to Plan or payroll transaction deadlines.

[Also see related UCRP Regulation 12.03]

12.04

SERVICE RIGHTS

Nothing in this Plan or in any supplementary resolution or regulation of The Regents shall be construed as giving to a Member any right to be retained in the service of the University.

12.05

DUTY TO PROVIDE INFORMATION

Each Member, benefit recipient, or person eligible for benefits from this Plan shall provide such information and evidence and shall sign such documents as may be required from time to time for the administration of the Plan.

12.06

PROHIBITION AGAINST ASSIGNMENT

No benefit payable from the Fund to any person (including a Member or beneficiary) shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, or charge the same shall be void; and no such benefit shall in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements, or torts of any such person, nor shall it be subject to attachment or legal process for or against such person, except to such extent as may be required by law.

[Also see related UCRP Regulation 12.06]

12.07

DOMESTIC RELATIONS ORDERS

For purposes of this Section 12.07, the following definitions shall apply in addition to the definitions in Section 2 of the Plan:

“Alternate Payee” means a Member’s spouse, former spouse, child or other dependent.

“Designated Payee” means an Alternate Payee or Other Payee named in a DRO that purports to create or recognize such Alternate Payee’s or Other Payee’s right to, or purports to assign to such Alternate Payee or Other Payee the right to, receive all or part of the benefits payable to a Member, including Capital Accumulation Credits and/or Accumulations, if any, held on behalf of the Member under UCRP.

“Domestic Relations Order” or “DRO” means any judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, Other Payee maintenance, or marital or domestic partnership property rights to a Designated Payee, and is made in accordance with state domestic relations law.

“Other Payee” means a Member’s Registered Domestic Partner or former Registered Domestic Partner who is not an Alternate Payee.

“QDRO” means a DRO that creates or recognizes the existence of an Alternate Payee’s right to, or assigns to an Alternate Payee the right to, receive all or part of the benefits payable to a Member, which has been deemed by the Plan Administrator to be in compliance with the provisions of Section 414(p) of the Internal Revenue Code applicable to governmental plans and the terms of the Plan.

“Registered Domestic Partner” means an individual whose domestic partnership with a Member is registered with the Secretary of the State of California as described in Section 2.19(a)(i)(A) or whose domestic partnership was validly formed in another jurisdiction and is substantially equivalent to a State of California-registered domestic partnership as described in Section 2.19(a)(ii) and Section 2.19(a)(iv) of the Plan.

The provisions of Section 12.06 will not apply to any DRO that (i) is a QDRO or (ii) effective January 1, 2005, creates or recognizes the existence of an Other Payee’s right to, or assigns to an Other Payee the right to, receive all or part of a Member’s benefits consistent with the applicable provisions of California law governing the partnerships of Registered Domestic Partners and the terms of the Plan. A DRO that satisfies the requirements of clause (i) or (ii), as determined by the Plan Administrator, will be treated as approved under this Section. In no event shall any payment of an Active Member’s benefits, other than a Refund of Accumulations, be made to an Other Payee pursuant to a DRO approved under this Section 12.07 until the Active Member has attained his or her Normal Retirement Age.

When the Plan Administrator receives a DRO, the Plan Administrator shall:

- (a) Notify the Member and each Designated Payee named in the DRO of the receipt of the DRO and provide an explanation of the Plan procedures for determining whether the DRO is approved under this Section; and

- (b) Determine whether the DRO is approved under this Section under the applicable Plan procedures.

A DRO shall be qualified only in accordance with this Section and Plan Regulation 12.07. The Plan Administrator may at any time make appropriate amendments to Plan Regulation 12.07 in accordance with Section 11.01 of the Plan.

Notwithstanding any other provision in the Plan, Retirement Income under Articles 5 through 8 will be offset when a division of a Member's account occurs under this Section 12.07. The offset will be the value of benefits due or paid individuals in accordance with this Section.

[Also see related UCRP Regulation 12.07]

12.08

RECIPROCITY

- (a) An employee who becomes an Active Member of this Plan within 180 days of termination of employment where such Member was a member of PERS shall be entitled to the following provided that the Member's contributions to PERS have remained on deposit with PERS and the Member retires on the same date under both plans, or, in the case of a Member who is eligible for Disability Income under this Plan, the member retires under PERS on his or her Disability Date, subject to the limit in subsection (c).
 - (i) Credited service accrued in PERS shall be included with Service Credit accrued under this Plan to satisfy eligibility requirements for benefits under this Plan;
 - (ii) Compensation earnable while a member of PERS shall be included in determining the Member's Highest Average Plan Compensation under this Plan.
- (b) A former Member of this Plan who within 180 days of a Break in Service becomes a member of PERS shall become an Inactive Member of this Plan. The Inactive Member shall be entitled to the following provided that the Member's contributions, if any, have remained on deposit with this Plan and the Member retires on the same date under both plans, subject to the limit in subsection (c):
 - (i) Credited service accrued in PERS shall be included with Service Credit accrued under this Plan to satisfy eligibility requirements for benefits under this Plan;

- (ii) Compensation earnable while a member of PERS shall be included in determining the Member's Highest Average Plan Compensation under this Plan.
- (c) During any period that the Member is retired for disability under PERS, the Member shall be entitled to receive Retirement Income subject to Section 2.58 or the Lump Sum Cashout subject to Section 2.34 under this Plan based on the appropriate attained age but not less than the factor for retirement at the Member's earliest retirement age as described in Sections 5.05, 6.05, 7.06 and 8.05, provided, however, that the amount of Retirement Income on the Retirement Date shall not exceed the amount necessary (when added to the single life annuity payable from PERS) to provide a total benefit equal to the Retirement Income that would have been payable under this Plan if the total service (i.e., service credited under both this Plan and PERS) of the Inactive Member had been in this Plan. If the single life annuity payable from PERS equals or exceeds the amount of Retirement Income that would have been payable under this Plan if the total service (i.e., service credited under both this Plan and PERS) of the Inactive Member had been in this Plan, then no Retirement Income will be payable to the Member under this Section.
- (d) The provisions of this Section shall apply in like manner and under like conditions to a Member of this Plan by reason of membership in:
 - (i) The San Diego County Employees Retirement System, provided that such Member became an employee of the University in accordance with the terms of the Operating Agreement executed on February 9, 1965 by the County of San Diego and The Regents; or
 - (ii) The Sacramento County Employees Retirement System, provided that such Member became an employee of the University in accordance with the Agreement providing for the transfer of Operation, Control, and Ownership of the Sacramento Medical Center executed on November 20, 1972 by the County of Sacramento and The Regents; or
 - (iii) The Orange County Employees' Retirement System, provided that such Member became an employee of the University in accordance with the Agreement providing for the Transfer of Operation, Control, and Ownership of the Orange County Medical

Center executed on October 1, 1974 by the county of Orange and The Regents.

[Also see related UCRP Regulation 12.08]

12.09

CONCURRENT RETIREMENT

Any Active Member, Disabled Member, Inactive Member or former Member, who

- (a) is an Active Member on or after July 1, 2002;
- (b) is a member of STRS; and
- (c) satisfies the requirements of Section 5.05, 6.05, 7.06 or 8.05, as applicable,

shall be eligible after July 1, 2002 for retirement from this Plan concurrent with retirement under STRS. Concurrent retirement can be on the same date from both plans or on a different date from each plan; provided that an Active Member, Disabled Member, Inactive Member or former Member shall lose eligibility for concurrent retirement under this Plan if such Member earns service credit under this Plan or STRS after retiring concurrently under this Plan or STRS. A Retired Employee or Retired Member who is subsequently employed in a position subject to membership in STRS shall not be eligible to elect concurrent retirement under this Section 12.09 following this subsequent employment.

An Active Member, Disabled Member, Inactive Member, or former Member who meets the requirements for concurrent retirement set forth in this Section 12.09 shall be entitled to the following:

- (d) Compensation earnable while a member of STRS shall be considered in determining the Highest Average Plan Compensation under this Plan, provided the Member did not earn service credit concurrently under this Plan and under STRS; and
- (e) Eligibility for retirement under Section 5.05, 6.05, 7.06 or 8.05, as applicable, with less than five years of Service Credit if eligible for service retirement from STRS, unless such eligibility is dependent upon retiring concurrently under the Plan or any other public retirement plan as defined in the Plan Regulations.

[Also see related UCRP Regulation 12.09]

12.10

UNCLAIMED BENEFITS AND ACCUMULATIONS

In any situation where monthly benefits are payable, a Refund of Accumulations, or a Capital Accumulation Payment is due but no claim for such benefits or refund has been received, or where a Refund of Accumulations is required but no request for refund has been received, a reasonable search, including mailing of a registered letter to the last known address, shall be made to ascertain the whereabouts of the eligible Member, Eligible Survivor, or Beneficiary.

If, at the end of the Plan Year following the Plan Year in which any payment of monthly benefits, refund, or a Capital Accumulation Payment is due and payable from the Plan, such search remains unproductive and the payments due still cannot be made, such amounts shall revert to the Plan. If the person or persons entitled thereafter come forward and request payment and establish such entitlement, the amounts then due, including retroactive payments from date of eligibility, shall be paid accordingly.

If, within five years from age 70, no evidence has been obtained as to the whereabouts of an Inactive Member, it shall be presumed for all purposes of the Plan that such Member died on the day preceding the date such Member would have attained age 70, and benefits shall be paid accordingly.

[Also see related UCRP Regulation 12.10]

ARTICLE 13 OTHER RETIREMENT PLANS

13.01 SCOPE

Employees of the University who are members, or eligible to become members, of PERS, the State Teachers' Retirement System (STRS), the San Diego County Employees' Retirement System (SDCERS), the Sacramento County Employees' Retirement Association (SCERA), or the Orange County Employees' Retirement System (OCERS) under the governing provisions of those respective plans, shall participate in PERS, STRS, SDCERS, SCERA, or OCERS, as appropriate, in accordance with this Article and Section 12.04.

Employees who have entered the service of the Agricultural Extension Service of the University with dual appointments with the Federal Government and the University of California and who were members of the Federal Civil Service Retirement System (FCSRS) at the time of entrance into the service of the University shall continue to participate in FCSRS in accordance with this Article and Section 12.04.

13.02 DEDUCTIONS

Deductions for employee contributions to PERS, STRS, FCSRS, SDCERS, SCERA, or OCERS shall be made from the salaries and wages of all employees of the University who are eligible to and do participate in one of those retirement plans. Such deductions are based upon the rates of contributions established under the appropriate sections of the Government Code of the State of California, the Education Code of the State of California, the Federal Civil Service Retirement Law, and the governing provisions of SDCERS, SCERA, and OCERS, respectively, and shall begin at the time such employees become eligible to and do participate. The appropriate officials of the University are authorized and directed to make deductions from salaries and wages of employees of the University to pay to the appropriate retirement plans the sums so deducted, and to furnish copies of salary rolls and payrolls, notifications

of appointments and resignations, and such other information as may be necessary for the administration of such retirement plans.

13.03

UNIVERSITY CONTRIBUTIONS

The University shall contribute to the appropriate retirement plans a percentage of the eligible compensation of University employees who participate in PERS, STRS, FCSRS, SDCERS, SCERA, and OCERS; such contributions are based upon the rates of employer contributions established under the appropriate sections of the laws governing each retirement plan.

13.04

TRANSFER TO UNIVERSITY OF CALIFORNIA RETIREMENT PLAN

When a University employee who is a member of STRS, FCSRS, SDCERS, SCERA, or OCERS is transferred to a University position and is not eligible for continued membership in one of those plans, such member shall be transferred to membership in this Plan as of the effective date of the transfer if such member is an Eligible Employee. Disposition of the member's accumulations is determined in accordance with the law governing the appropriate plan.

ARTICLE 14 TRUST

14.01 ESTABLISHMENT

The following sections of this Article 14 provide for the establishment of a Trust to hold any contributions made under, and transfers to, the Plan, and earnings thereon.

All amounts of contributions and all transfers of other assets made pursuant to the Plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property or rights shall be held in trust for the exclusive benefit of Members and their Beneficiaries.

It shall be impossible, at any time prior to the satisfaction of all liabilities with respect to Members and their Beneficiaries for any part of the Trust, other than such part as is required to pay taxes and reasonable expenses of administration of the Plan and the Trust (including payment of Trustee's fees), to be used for or diverted to purposes other than for the exclusive benefit of Members and their Beneficiaries. For purposes of this Article 14, "Member" includes an "Alternate Payee" or "Other Payee" except as otherwise specifically provided.

[Also see related UCRP Regulation 14.01]

14.02 TRUSTEE

The Regents shall serve as Trustee of the Trust established for the Plan and administer and distribute the Trust in accordance with the provisions of the Plan and Trust. The Regents may substitute another person (including but not limited to a bank within the meaning of Section 408(n) of the Internal Revenue Code) to serve as the Trustee. The Trustee shall have the duty to make payments for costs and expenses incurred by the Plan and other distributions from the Trust, including but not limited to benefit payments, in accordance with the directions of the Plan Administrator. The Trustee may delegate all or any part of its duties as Trustee.

14.03

TITLE

The Trustee is vested with title to all the assets of the Trust and shall have full power and authority to do all acts necessary or appropriate to carry out its duties hereunder. No Member, Beneficiary, or any other person shall have any right or interest in the Trust except as provided in the Plan. Prior to the time of distribution, neither a Member nor a Beneficiary (nor a legal representative of a Member, a Beneficiary, or any other person) shall have any right, by way of anticipation or otherwise, to assign, encumber, or in any manner dispose of any interest in the Trust except as permitted under the Plan or as required by law or directed by a court of competent jurisdiction.

14.04

CUSTODY

The OCIO shall act as custodian of the assets of the Trust as described in Section 11.01(b). The OCIO may redelegate such custodial duties to one or more banks within the meaning of Section 408(n) of the Internal Revenue Code. Each custodian so designated shall receive and hold as part of the Trust such assets of the Plan as may be transferred to it from time to time. A custodian shall be accountable only for the assets actually received by it.

14.05

INVESTMENT

(a) The OCIO shall invest and reinvest the assets of the Trust consistent with the investment policies established for the Trust by The Regents, as described in Section 11.01(b). Trust assets may be invested and reinvested, and kept invested, without distinction between principal and income, in stocks, bonds, options contracts of any type, contracts for the immediate or future delivery of financial instruments and other property or other securities, interests in limited partnerships, limited liability companies or other investment funds; certificates of participation or shares of any mutual investment company, trust or fund; or annuity or investment contracts issued by an insurance company or in any other property of any kind, real or personal, tangible or intangible, as it may deem advisable, subject only to the provisions of Section 14.05(b) and any other restrictions contained in this Article 14 as determined by the OCIO consistent with the investment policies of The Regents.

- (b) The OCIO may appoint one or more third-party managers to manage the investment of a designated part of the Trust assets directly or through a separate fund. The OCIO may remove a third-party manager when the OCIO deems such removal to be necessary or appropriate. If a third-party manager is removed or resigns, the authority and duty to direct the investment and reinvestment of the assets under the control and management of the third-party manager shall revert to the OCIO except to the extent the OCIO appoints a successor third-party manager for such assets. Neither the Trustee nor the OCIO shall be liable for the acts or omissions of a third-party manager appointed by the OCIO, nor be under obligation to invest or otherwise manage any asset of the Trust that is subject to the direction of such manager. The fees and reasonable expenses of a third-party manager appointed by the OCIO shall be paid from the Trust.
- (c) The OCIO, as a fiduciary, shall have primary responsibility for its own investment decisions. With respect to the appointment of third-party managers or trustees who manage Trust assets directly or through a separate trust or other fund, the OCIO shall have secondary or oversight responsibility for the prudence of the initial appointment and continuation of the manager's or trustee's appointment. Neither the Trustee nor the OCIO shall be liable for the acts or omissions of a third-party manager, or be under obligation to invest or otherwise manage any asset of the Trust that is subject to the direction of such appointed third-party manager. With respect to other third-party managed investment funds where the manager is not appointed by the OCIO, the Trust asset shall be the interest in such fund held by the Trustee and the OCIO shall be responsible as a fiduciary for the prudence of its selections of, and continuing investments once made in, such funds, but not for the individual investment decisions made by the third-party fund managers.

14.06

POWERS OF TRUSTEE

The Trustee shall have the following powers and authority, to be exercised in its sole discretion:

- (a) To keep any or all securities or other property in the name of a nominee with or without power of attorney for a transfer or in its own name without disclosing its fiduciary capacity, or in bearer of book entry form;

- (b) To make, execute, acknowledge and deliver any and all instruments deemed necessary or appropriate to carry out the powers herein granted;
- (c) To employ suitable agents, including, but not limited to, auditors, actuaries, accountants, and legal and other counsel, and to pay their expenses and reasonable compensation for services to the Trust from the Trust. The Trustee may consult, from time to time, with legal counsel who may, but need not be, legal counsel for The Regents and shall be fully protected in acting or refraining from acting upon the advice of any counsel with respect to legal questions;
- (d) To settle securities trades through a securities depository that utilizes an institutional delivery system, in which event the Trustee may deliver or receive securities in accordance with appropriate trade reports or statements given to the Trustee by such depository; and
- (e) To vote upon any stock, bonds or other securities of any corporation, association, trust or investment fund at any time held by the Trust, or otherwise consent to or request any action on the part of such corporation, association, trust or investment fund, and to give general or special proxies or powers of attorney, with or without power of substitution, and to exercise any conversion privileges, subscription rights or other options; to participate in reorganizations, recapitalizations, consolidations, mergers and similar transactions with respect to such securities; to deposit such securities in any voting trust, or with any protective or like committee, or with a trustee, or with depositories designated thereby; and generally to exercise any of the powers of an owner with respect to securities or property held by the Trust that the Trustee deems to be for the best interests of the Trust.

In addition, the Trustee shall have all of the powers, rights and privileges conferred upon and granted to, trustees under the trust laws of the state of California. Without limiting the generality of the foregoing, the Trustee shall be authorized to buy and sell property on such terms as it deems advisable, to enter into contracts and leases, to borrow money and to mortgage or pledge any Trust property, to employ agents, to engage in litigation as plaintiff or defendant, to exercise all rights of ownership of stock owned by the Trust and to pay any expenses or assessments against the Trust or its property.

14.07

VALUATION

The assets of the Trust shall be valued at their fair market values on the date(s) of valuation, as determined by the Trustee, based upon such sources of information as it may deem reliable including, but not limited to, stock market quotations, statistical evaluation services, newspapers of general circulation, financial publications, advice from investment counselors or brokerage firms, or any combination of sources.

14.08

LEGAL ACTIONS

If the Trustee commences or defends any action, administrative, judicial or otherwise, the Trustee may retain professionals, including legal or financial advisors to represent the Trustee in its capacity as Trustee hereunder. The reasonable expenses of retaining such professionals will be paid from the Trust.

No Member or Beneficiary will be considered a necessary party in any legal action or proceeding with respect to the Trust except insofar as such action or proceeding relates specifically to such person. No other person having an interest in the Trust will be entitled to notice of any such action or proceeding. Any judgment entered on any such action or proceeding will be binding on all persons claiming under the Trustee.

14.09

RESIGNATION OR REMOVAL

The Trustee may resign at any time. If the Trustee that is resigning is The Regents, the Trustee's resignation shall be accomplished by The Regents' substituting another person as Trustee in accordance with Section 14.02. Any other Trustee may resign by delivering to The Regents a written notice of resignation to take effect not less than sixty (60) days after delivery unless such time period is waived by The Regents. The Regents may remove the Trustee at any time by delivering to the Trustee a written notice of removal. Such resignation or removal will take effect no less than sixty (60) days after delivery of written notice thereof to the Trustee unless the Trustee waives such time period. However, The Regents may require that a resignation or removal shall take effect at an earlier time specified by The Regents if such earlier time is necessary to satisfy duties and responsibilities established for the Trustee in this Article 14.

Upon the resignation or removal of the Trustee, The Regents shall appoint a successor Trustee, which may be The Regents.

Upon the effective date of removal or resignation, the Trustee shall immediately transfer to the successor Trustee all assets of the Trust as it is then constituted and true copies of all of its records relating to the Trust. The Trustee shall execute and deliver all documents and instruments that are necessary or appropriate to transfer and convey the right, title and interest in all Trust assets to any successor Trustee, as instructed by The Regents. No later than ninety (90) days after such transfer, the Trustee shall provide a true and complete final accounting to The Regents of all items with respect to these Plan assets as are requested, in writing, by The Regents.

Upon receiving assets of the Trust and the related documents, the successor Trustee will become vested in all the assets, powers, duties and rights of the Trustee under the Trust with respect to such assets with the same effect as though the successor Trustee were originally named as Trustee hereunder.

14.10

AMENDMENT OR TERMINATION

The Regents reserves the right at any time and from time to time to amend, retroactively if necessary, in whole or in part, any or all of the provisions of this Trust by notice thereof in writing delivered to the Trustee, provided that no such amendment that affects the rights, duties, liabilities or responsibilities of the Trustee may be made without its consent, and provided further that no such amendment shall authorize or permit any part of the corpus or income of the Trust to be used for or diverted to purposes other than for the exclusive benefit of Members and Beneficiaries.

The Trust may be terminated at any time by The Regents, in which case the Trustee shall dispose of the Trust in accordance with written direction of the Plan Administrator and upon certification that such direction is in accordance with the terms of the Plan. The Trustee may reserve such reasonable amounts as the Trustee may deem necessary or appropriate for outstanding and accrued charges against the Plan, including Trustee's and Custodian's expenses. Upon termination of the Trust, the Trustee will continue to have all of the powers provided in this

Article 14 as are necessary or desirable for the orderly liquidation of the Trust.

APPENDIX A

[Also see related UCRP Regulation Appendix A]

PHASED RETIREMENT

1. Scope

Phased retirement is closed to new participation; no new contractual agreements will be accepted after July 10, 1990. Only those currently in the program can continue to participate until their current contracts are complete.

This Appendix sets forth those separate provisions of the Plan which apply only to Active Members who participate in phased retirement under applicable personnel policies of the University. All provisions of the Plan shall apply to an Active Member in phased retirement except as otherwise provided by this Appendix.

2. REQUIRED MEMBERSHIP

Employees in phased retirement are deemed to be Eligible Employees and are required to be Active Members of the Plan as follows:

- (a) employees who were contributing members of another retirement plan to which the University contributes immediately before entering phased retirement become Members with Coordinated Benefits.
- (b) employees who were Active Members of the Plan immediately before entering phased retirement, retain their prior class of membership in accordance with Article 3.

3. CONTRIBUTIONS

All contributions to the Plan with respect to Active Members in phased retirement shall be made and credited as provided in Article 4; except that in calculating the amount of such contributions with respect to an employee who was an Active Member of the Plan immediately before entering phased retirement, Covered Compensation shall be deemed equal to the Full Time Equivalent Compensation for any portion of phased retirement in which the Active Member receives no Basic Retirement Income.

University Contributions to the Plan, in addition to those required by Section 4.01, shall be made at least annually in amounts reasonably

required to cover the additional actuarial costs, if any, of phased retirement.

4. SERVICE CREDIT DURING PHASED RETIREMENT

Active Members in phased retirement shall earn Service Credit as provided in Articles 5, 6, 7, or 8, as applicable; except that in calculating the amount of such Service Credit with respect to an employee who was an Active Member of the Plan immediately before entering phased retirement, Covered Compensation shall be deemed equal to the Full Time Equivalent Compensation for any portion of phased retirement in which the Active Member receives no Basic Retirement Income.

5. RETIREMENT INCOME DURING PHASED RETIREMENT

For employees who were Active Members of the Plan prior to entering phased retirement, the amount of Basic Retirement Income payable during phased retirement is determined in accordance with Articles 5, 6, 7, or 8, as applicable, as of the date of entrance into phased retirement.

For any year while participating in phased retirement, an Active Member may elect to receive the full amount of such Basic Retirement Income, any percentage of such Basic Retirement Income, or no Basic Retirement Income; provided, however, that the amount of Basic Retirement Income when added to Covered Compensation during phased retirement shall not be more than the full time salary rate of the position. The Active Member may change the percentage of such Basic Retirement Income as of any July 1.

The amount of such Basic Retirement Income shall be subject to the applicable Articles 5, 6, 7, or 8.

An Active Member who elects to receive Basic Retirement Income during phased retirement shall not be permitted to:

- (a) elect payment options under Articles 5, 6, 7, or 8 during phased retirement. Such options may, however, be elected at the time of full retirement to be effective upon full retirement; or
- (b) elect the Lump Sum Cashout at the end of the phased retirement period.

An Active Member who elects to receive no Basic Retirement Income during phased retirement shall be permitted to elect the Lump Sum Cashout at the end of the phased retirement period in accordance with Section 4.08.

6. FULL RETIREMENT

An Active Member in phased retirement enters full retirement either on:

- (a) the Normal Retirement Age in accordance with Section 2.42 or
- (b) such earlier date as the Member may elect early retirement in accordance with Articles 5, 6, 7, 8, or Section 15 of this Appendix A, if applicable.

7. RETIREMENT INCOME UPON FULL RETIREMENT FOR MEMBERS WITH COORDINATED BENEFITS

For an Active Member with Coordinated Benefits, Basic Retirement Income, as of the date of full retirement, shall equal the sum of the appropriate amount set forth in (a), (b), (c), or (d) below, and the incentive provided in Section 15(d) of this Appendix A, if applicable.

- (a) if an Active Member received no Basic Retirement Income during the entire period of participation in phased retirement, the total Basic Retirement Income at full retirement shall be determined as provided by Article 5.
- (b) if an Active Member received the full amount of Basic Retirement Income during the entire period of participation in phased retirement, the total Basic Retirement Income at full retirement shall be the sum of:
 - (i) the full amount of Basic Retirement Income determined as of date of entrance into phased retirement, increased by cost of living adjustments, as provided by Article 9; and
 - (ii) an amount of Basic Retirement Income, determined in accordance with Section 5.06 or 5.10, based on the Service Credit and the Highest Average Plan Compensation established during phased retirement.
- (c) if an Active Member received Basic Retirement Income, during any period of phased retirement, the total Retirement Income at full retirement shall be equal to the sum of:
 - (i) the amount determined in (b) above; and
 - (ii) the product of:
 - (A) the difference between the amounts determined in (a) and (b) above, and

(B) the difference between 100% and the average monthly percentage rate of payments of Basic Retirement Income received during phased retirement.

(d) for an Active Member who, immediately prior to entering phased retirement was a member of another retirement plan to which the University contributed, the total Basic Retirement Income shall be an amount determined in accordance with Section 5.06 or 5.10 based on the Service Credit and the Highest Average Plan Compensation established during phased retirement.

The total amount of Retirement Income determined in (a), (b), (c), or (d) above shall be subject to the provisions of Article 5, as applicable, and the 100% limit set forth in Section 5.06.

[Also see related UCRP Regulation Appendix A(7)]

8. RETIREMENT INCOME UPON FULL RETIREMENT FOR MEMBERS WITH NONCOORDINATED BENEFITS

For an Active Member with Noncoordinated Benefits, Basic Retirement Income, as of the date of full retirement, shall equal the sum of the appropriate amount set forth in (a), (b), or (c) below, and the incentive provided in Section 15(d) of this Appendix A, if applicable.

(a) if an Active Member received no Basic Retirement Income during the entire period of participation in phased retirement, the total Basic Retirement Income at full retirement shall be determined as provided by Article 6.

(b) if an Active Member received the full amount of Basic Retirement Income during the entire period of participation in phased retirement, the total Basic Retirement Income at full retirement shall be the sum of:

(i) the full amount of Basic Retirement Income determined as of date of entrance into phased retirement, increased by cost of living adjustments, as provided by Article 9; and

(ii) an amount of Basic Retirement Income, determined in accordance with Section 6.06 or 6.09, based on the Service Credit and the Highest Average Plan Compensation established during phased retirement.

(c) if an Active Member received Basic Retirement Income, during any period of phased retirement, the total Retirement Income at full retirement shall be equal to the sum of:

- (i) the amount determined in (b) above; and
- (ii) the product of:
 - (A) the difference between the amounts determined in (a) and (b) above, and
 - (B) the difference between 100% and the average monthly percentage rate of payments of Basic Retirement Income received during phased retirement.

The total amount of Retirement Income, determined in (a), (b), or (c) above shall be subject to the provisions of Article 6 as applicable, and the 100% limit set forth in Section 6.06.

[Also see related UCRP Regulation Appendix A(8)]

9. RETIREMENT INCOME UPON FULL RETIREMENT FOR MEMBERS WITH TIER TWO BENEFITS

For a Member with Tier Two Benefits, Basic Retirement Income, as of the date of full retirement, shall equal the sum of the appropriate amount set forth in (a), (b), or (c) below, and the incentive provided in Section 15(d) of this Appendix A, if applicable.

- (a) if an Active Member received no Basic Retirement Income during the entire period of participation in phased retirement, the total Basic Retirement Income at full retirement shall be determined as provided by Article 7.
- (b) if an Active Member received the full amount of Basic Retirement Income during the entire period of participation in phased retirement, the total Basic Retirement Income at full retirement shall be the sum of:
 - (i) the full amount of Basic Retirement Income determined as of the date of entrance into phased retirement, increased by cost of living adjustments, as provided by Article 9; and
 - (ii) an amount of Basic Retirement Income determined in accordance with Section 7.07 or 7.09, based on Tier Two Service Credit and the Highest Average Plan Compensation established during phased retirement.
- (c) if an Active Member received Basic Retirement Income during any period of phased retirement, the total Retirement Income at full retirement shall be equal to the sum of:

- (i) the amount determined in (b) above; and
- (ii) the product of:
 - (A) the difference between the amounts determined in (a) and (b) above; and
 - (B) the difference between 100% and the average monthly percentage rate of payments of Basic Retirement Income received during phased retirement.

The total amount of Retirement Income determined in (a), (b), or (c) above shall be subject to the provisions of Article 7 as applicable, and to the 100% limit set forth in Section 7.07.

[Also see related UCRP Regulation Appendix A(9)]

10. RETIREMENT INCOME UPON FULL RETIREMENT FOR MEMBERS WITH SAFETY BENEFITS

For an Active Member with Safety Benefits, Basic Retirement Income, as of the date of full retirement, shall equal the sum of the appropriate amount set forth in (a), (b), or (c) below, and the incentive provided in Section 15(d) of this Appendix A, if applicable.

- (a) if an Active Member received no Basic Retirement Income during the entire period of participation in phased retirement, the total Basic Retirement Income at full retirement shall be determined as provided by Article 8.
- (b) if an Active Member received the full amount of Basic Retirement Income during the entire period of participation in phased retirement, the total Basic Retirement Income at full retirement shall be the sum of:
 - (i) the full amount of Basic Retirement Income determined as of the date of entrance into phased retirement, increased by cost of living adjustments, as provided by Article 9; and
 - (ii) an amount of Basic Retirement Income, determined in accordance with Section 8.06, based on the Service Credit and the Highest Average Plan Compensation established during phased retirement.
- (c) if an Active Member received Basic Retirement Income, during any period of phased retirement, the total Retirement Income at full retirement shall be equal to the sum of:

- (i) the amount determined in (b) above; and
- (ii) the product of:
 - (A) the difference between the amounts determined in (a) and (b) above, and
 - (B) the difference between 100% and the average monthly percentage rate of payments of Basic Retirement Income received during phased retirement.

The total amount of Retirement Income, determined in (a), (b), or (c) above shall be subject to the provisions of Article 8 as applicable, and the 100% limit set forth in Section 8.06.

[Also see related UCRP Regulation Appendix A(10)]

11. DISABILITY DURING PHASED RETIREMENT

An Active Member who becomes disabled during phased retirement shall be entitled to receive Disability Income in accordance with Articles 5, 6, 7, or 8; except that in calculating the amount of Disability Income, Final Salary shall be deemed equal to the Full Time Equivalent Compensation, without adjustment for having less than 100% time pay status during phased retirement. The amount of Disability Income so calculated shall be reduced by an amount equal to the Basic Retirement Income the Active Member was receiving on the Disability Date.

12. LUMP SUM DEATH PAYMENTS DURING PHASED RETIREMENT

Upon the death of an Active Member during phased retirement, the basic death payment shall be made in accordance with Articles 5, 6, 7, or 8 as applicable. For purposes of the one month salary payment, however, Final Salary shall be deemed equal to the Full Time Equivalent Compensation without adjustment for having less than 100% time pay status during phased retirement.

13. PRERETIREMENT SURVIVOR INCOME DURING PHASED RETIREMENT

Upon the death of an Active Member during phased retirement, Preretirement Survivor Income shall be paid in accordance with Articles 5, 6, 7, or 8, as applicable; except that in calculating the amount of Preretirement Survivor Income, Final Salary shall be deemed equal to the Full Time Equivalent Compensation, without adjustment for having less than 100% time pay status during phased retirement. The amount of Preretirement Survivor Income so calculated shall be reduced by an

amount equal to the Postretirement Survivor Continuance payable under the applicable article on account of such Active Member's death.

14. CAPITAL ACCUMULATION CREDITS DURING PHASED RETIREMENT

(a) All Accrual Credits with respect to Members in phased retirement shall be made and allocated as provided in Article 10. In calculating the amount of such credits with respect to:

- (i) an employee who was an Active Member of the Plan immediately before entering phased retirement; and
- (ii) an employee who was a contributing member of another retirement plan to which the University contributes immediately before entering phased retirement,

Covered Compensation shall be the Covered Compensation actually paid from the University during phased retirement.

(b) An Active Member in phased retirement shall not be eligible to receive a Capital Accumulation Payment accrued in accordance with Article 10 during phased retirement.

15. RETIREMENT ACCELERATION OPPORTUNITY PROGRAM (RAOP)

(a) *Eligibility*

An Active Member in phased retirement who is an Active Member to the Retirement Date who:

- (i) is eligible to retire under the terms of the Plan as of January 1, 1993, and
- (ii) agrees not to accept a position with the University which would require membership in the Plan unless the first date of such reemployment would occur after the 5th anniversary of the date of retirement under RAOP, and
- (iii) agrees that any future employment by such individual for the University in a position not covered under Section 15(a)(ii) of this Appendix A following retirement under RAOP shall be limited by guidelines relating to this program as established by the President and the terms and conditions of RAOP, and
- (iv) properly fills out an election form, which form may contain such further terms and conditions as the President considers appropriate, including the Member's agreement that participation in

RAOP constitutes full satisfaction of any retirement obligations due the Member and any Beneficiaries shall be eligible for RAOP.

(b) *Retirement Date*

An Active Member in phased retirement who elects to retire under RAOP between October 12, 1992 and 5:00 p.m. December 7, 1992 shall have a Retirement Date of January 1, 1993 and such election shall be irrevocable as of December 7, 1992.

(c) *Contributions*

No Member Contributions shall be required for the Service Credit awarded in RAOP.

(d) *RAOP Incentive*

An Active Member in phased retirement who elects to retire under RAOP shall receive a RAOP incentive equal to the product of:

- (i) the number of years of Service Credit under Section 15(e) of this Appendix A; and
- (ii) the factor for attained age on January 1, 1993 as provided in Section 5.06, 6.06, 7.07, or 8.06, as applicable; and
- (iii) the RAOP average pay as provided in Section 15(f) of this Appendix A less \$133 for Active Members with Coordinated Benefits, or the RAOP average pay as provided in Section 15(f) of this Appendix A for all other Member classifications.

The RAOP incentive is separate from the accrued phased retirement as of the full Retirement Date of January 1, 1993.

Notwithstanding anything contained herein to the contrary, the RAOP benefit incentive and/or any other payments associated with this contingent program shall not be a vested or accrued Plan benefit. In addition, the RAOP incentive shall be payable solely for each month prior to the violation of such Member's agreements under Section 15(a)(ii), (iii), or (iv) of this Appendix A.

(e) *Service Credit*

An Active Member in phased retirement who elects to retire under RAOP shall receive additional Service Credit for purposes of the incentive provided under Section 15(d) of this Appendix A and the Social Security Supplement under Section 5.07, if applicable, equal to the greater of:

- (i) five years of Service Credit, or

- (ii) the amount of Service Credit the Active Member would have earned from January 1, 1993 if the Member continued University employment until the full Retirement Date specified in the phased retirement contract in effect on July 31, 1992. Such Service Credit shall be based on the Member's appointment or, to the extent the Member is not scheduled to receive any portion of Basic Retirement Income during phased retirement, Section 4 of this Appendix A.

Notwithstanding (i) and (ii) above, additional Service Credit shall not be credited to any Member which would cause such Member's Retirement Income and Social Security Supplement, if any, to exceed any limits set forth in the Plan or imposed by law. In addition, modifications to a phased retirement contract received by the Plan Administrator after July 1, 1992, which extend the full Retirement Date beyond January 1, 1993, shall not increase the value of (ii) above.

(f) *RAOP Average Pay*

The RAOP average pay used to determine the RAOP incentive under Section 15(d) of this Appendix A shall be the average of the Full Time Equivalent Compensation for the 36 month period ending June 30, 1991 increased by seven percent. RAOP average pay shall also be deemed to be the HAPC for purposes of Retirement Income calculations under Sections 7(a), (b)(ii) and (d), 8(a) and (b)(ii), 9(a) and (b)(ii), and 10(a) and (b)(ii) of this Appendix A.

(g) *Transition Assistance Payment*

In addition to the RAOP incentive provided under Section 15(d) of this Appendix A, each Active Member who elects to retire under RAOP shall be entitled to receive a transition assistance payment which shall be calculated based on the Active Member's Full Time Equivalent Compensation for January, 1992. The benefit shall be equal to the Member's January, 1992 Full Time Equivalent Compensation times three times the appointment rate reflected in the Member's phased retirement contract in effect on July 31, 1992. Such benefit shall be payable as a lump sum payment as soon as practicable following such individual's Retirement Date. The transition assistance payment is an Eligible Rollover Distribution for an Active Member who elects to retire under RAOP, and as such all or any part of the transition assistance payment may be paid as a Direct Rollover. In the event that an Active Member who elects to retire under RAOP violates the agreements under Sections 15(a)(ii), (iii), or (iv) of this Appendix A, the entire

amount of such transition assistance payment shall be recovered.

(h) *Benefit Limitations*

In the event that total benefits paid from the Plan including the RAOP incentive and transition assistance payment under Sections 15(d) and (g) of this Appendix A, respectively, exceed limits established under Section 415(b) of the Internal Revenue Code, such benefits shall be reduced in accordance with Plan Regulations.

(i) *Establishment of Service Credit*

An Active Member who elects to retire under RAOP may elect to establish Service Credit under Sections 5.04(d), 6.04(d), 7.05(d), or 8.04(e) of the Plan provided the period to be established is at least four consecutive weeks. The established Service Credit shall be used to determine the accrued phased retirement benefit as of January 1, 1993.

(j) *Plan Provisions*

Notwithstanding any provisions in the Plan to the contrary, the benefits payable on the full Retirement Date shall be based on the Plan provisions adopted prior to the end of the Plan Year ending June 30, 1992 for an Active Member who elects to retire under RAOP including both the RAOP incentive and the phased retirement benefit accrued as of January 1, 1993.

(k) *Noncontributory Service*

For an Active Member who elects to retire under RAOP who received Service Credit for which Member Contributions were not required (noncontributory service), the monthly amount of Basic Retirement Income under Sections 7, 8, 9, or 10 of this Appendix A shall be the benefit determined for all years of Service Credit, including noncontributory service, less the Retirement Income Offset. The alternative calculation under Sections 5.06, 6.06, and 8.06 for such individual shall not apply.

(l) *Death Benefit Not Affected*

In the event that an Active Member who satisfies all of the eligibility requirements of Section 15(a) elects to retire under RAOP and dies prior to the Retirement Date specified in Section 15(b), the provisions of Section 15 of this Appendix A shall not apply.

[Also see related UCRP Regulation Appendix A(15)]

APPENDIX B

[Also see related UCRP Regulation Appendix B]

VOLUNTARY EARLY RETIREMENT INCENTIVE PROGRAM-I

Voluntary Early Retirement Incentive Program (VERIP-I): A special contingent financial incentive available once and for a limited time period to effect substantial payroll savings in light of severe and cumulative budgetary shortfalls.

1. SCOPE

This appendix sets forth those separate provisions of the Plan which apply only to Active Members described in Section 2 of this Appendix B. All provisions of the Plan shall apply to an Active Member in the Voluntary Early Retirement Incentive Program except as otherwise provided by this Appendix.

2. ELIGIBILITY

An Active Member who:

- (a) does not hold the University title of President, Senior Vice President, Vice President, Chancellor, Laboratory Director, General Counsel of The Regents, OCIO of The Regents, or Secretary of The Regents, and
- (b) has not previously received a benefit from the Plan (other than a Refund of Accumulations pursuant to Section 4.08, or 7.04(d) of the Plan in effect prior to July 1, 1990), and has not participated in the phased retirement program, and
- (c) is eligible to retire under the terms of the Plan and has a minimum of five years of Service Credit in the Plan as of the Member's separation date, excluding any Service Credit attributable to accrued sick leave or service credited under a reciprocal agreement or any service recognized for vesting purposes only, but including any PERS service credit earned while a University employee, and
- (d) agrees not to accept a position with the University which would require membership in the Plan unless the first date of such reemployment would occur after the 5th anniversary of the date of retirement under the Voluntary Early Retirement Incentive Program, and
- (e) agrees that any service by such individual for the University in a

position not covered under Section 2(d) following retirement under the Voluntary Early Retirement Incentive Program shall be limited by guidelines relating to this program as established by the President, and

(f) either:

- (i) holds a faculty position at any percentage of time in the Professor, Professor in Residence, or Professor of Clinical (e.g., Medicine) series or as Lecturer SOE, Senior Lecturer SOE, Acting Associate Professor, Acting Professor, and whose age and Service Credit, excluding any Service Credit attributable to accrued sick leave or service credited under a reciprocal agreement or any service recognized for vesting purposes only, but including any PERS service credit earned while a University employee, together equal at least 80 as of June 30, 1991, or would equal 80 as of June 30, 1991, if the Member continued working until such date, or
- (ii) does not hold a faculty position under one of the titles listed in Section 2(f)(i), and whose age and Service Credit, excluding any Service Credit attributable to accrued sick leave or service credited under a reciprocal agreement or any service recognized for vesting purposes only, but including any PERS service credit earned while a University employee, together equal at least 75 as of June 30, 1991, or would equal 75 as of June 30, 1991, if the Member continued working until such date, shall be eligible for the Voluntary Early Retirement Incentive Program.

3. RETIREMENT DATE

- (a) An Active Member under Section 2(f)(i) or 2(f)(ii) who holds a position at Lawrence Livermore National Laboratory or Los Alamos National Laboratory and who elects to retire under the Voluntary Early Retirement Incentive Program between November 1, 1990 and December 14, 1990 shall have a Retirement Date of January 1, 1991.
- (b) An Active Member under Section 2(f)(i), other than anyone who holds a position at Lawrence Livermore National Laboratory or Los Alamos National Laboratory, who elects to retire under the Voluntary Early Retirement Incentive Program between February 1, 1991 and March 31, 1991 shall have a scheduled Retirement Date of July 1, 1991, or of the first day of the month from April 1, 1991 to June 1, 1991 if the Member's responsibilities to the University permit such earlier retirement date.

- (c) An Active Member under Section 2(f)(ii), other than anyone who holds a position at Lawrence Livermore National Laboratory or Los Alamos National Laboratory, who elects to retire under the Voluntary Early Retirement Incentive Program between February 1, 1991 and March 31, 1991 shall have a Retirement Date which is the first of the month beginning April 1, 1991 but no later than July 1, 1991.
- (d) Notwithstanding anything contained in this Section 3 to the contrary, solely for purposes of determining Basic Retirement Income under Section 5.06, 6.06, 7.07, and 8.06, an Active Member who elects to retire under the Voluntary Early Retirement Incentive Program on a date prior to July 1, 1991, shall nevertheless be treated as having earned the amount of Service Credit that the Active Member would have earned if the Active Member had remained employed by the University through June 30, 1991 and as being the age that the Active Member would be on July 1, 1991.

4. CONTRIBUTIONS

No Member Contributions shall be required for the Service Credit awarded in the Voluntary Early Retirement Incentive Program.

5. SERVICE CREDIT

- (a) Any Active Member who satisfies the eligibility requirements of Section 2 of this Appendix B shall be credited with additional Service Credit as provided in this Section 5(a). The amount of such additional Service Credit shall be equal to the lesser of (1) five more years of Service Credit or (2) the number of additional years of Service Credit which can be taken into account in determining such Active Member's Retirement Income and Social Security Supplement, if any, under the terms of the Plan without exceeding any Plan or federal limits provided therein. Such additional Service Credit shall be credited solely for the purpose of determining such Active Member's Retirement Income for each month prior to the occurrence of either of the following events: (1) such individual violates the agreement under Section 2(d) of this Appendix B or (2) such individual remains employed by the University in a position described in Section 2(e) of this Appendix B beyond the limited period specified in such individual's agreement under such Section. No additional Service Credit shall be credited to such an Active Member for purposes of determining the amount of Retirement Income following either of the events described in the preceding sentence.

- (b) Notwithstanding anything contained herein to the contrary, the crediting of additional Service Credit under this Section 5 and or any other payments associated with this program shall not be a vested or accrued plan benefit, cause an Active Member to be deemed to be any age other than the Active Member's actual age or age as of July 1, 1991, and shall not affect the eligibility described in Sections 2(f)(i) and 2(f)(ii).

6. DEATH BENEFIT NOT AFFECTED

An Active Member who satisfies all of the eligibility requirements of Section 2 of this Appendix B except that such Active Member dies prior to the Retirement Date specified in Sections 3(a), 3(b), or 3(c) of this Appendix B, whichever is applicable, shall not be credited any additional Service Credit under Section 5 of this Appendix B.

7. HIGHEST AVERAGE PLAN COMPENSATION (HAPC)

The Highest Average Plan Compensation used to determine Retirement Income under the Voluntary Early Retirement Incentive Program shall be the HAPC as of June 30, 1990, increased by seven percent.

8. OTHER PAYMENTS

- (a) In addition to the additional Service Credit provided under Section 5 of this Appendix B, each Active Member who satisfies the eligibility requirements of Section 2(f)(ii) of this Appendix B shall be granted a transition assistance payment under VERIP-I retirement which shall be calculated based on the Active Member's Retirement Date and the Active Member's Covered Compensation for June 30, 1990 increased by seven percent (such increased Covered Compensation is hereinafter referred to as "adjusted June 30, 1990 Covered Compensation"). The benefit is payable as follows:

RETIREMENT	TRANSITION ASSISTANCE PAYMENT
January 1, 1991	Three times the Member's adjusted June 30, 1990 Covered Compensation
April 1, 1991	Six times the Member's adjusted June 30, 1990 Covered Compensation
May 1, 1991	Five times the Member's adjusted June 30, 1990 Covered Compensation

June 1, 1991	Four times the Member's adjusted June 30, 1990 Covered Compensation
July 1, 1991	Three times the Member's adjusted June 30, 1990 Covered Compensation

Such benefit shall be payable as a lump sum payment as soon as practicable following such individual's Retirement Date.

- (b) In addition to the additional Service Credit provided under Section 5 of this Appendix B, each Active Member who satisfies the eligibility requirements of Section 2(f)(i) of this Appendix B shall be granted a transition assistance payment under VERIP-I retirement which shall be calculated based on the Active Member's Covered Compensation for June 30, 1990 increased by seven percent (the Active Member's "adjusted June 30, 1990 Covered Compensation"). The benefit shall be equal to three times the Member's adjusted June 30, 1990 Covered Compensation. Such benefit shall be payable as a lump sum payment as soon as practicable following such individual's Retirement Date.
- (c) For the purpose of the limitations under Section 415(b) of the Internal Revenue Code, the reduction shall first be made by limiting the amount of the transition assistance payment as provided under Sections 8(a) and 8(b) of this Appendix B.

For purposes of determining compliance with Section 415 of the Internal Revenue Code, the term compensation will mean W-2 wages as defined in Treasury Regulation section 1.415-2(d)(11)(i).

APPENDIX C

[Also see related UCRP Regulation Appendix C]

VOLUNTARY EARLY RETIREMENT INCENTIVE PROGRAM-II

Voluntary Early Retirement Incentive Program-II (VERIP-II): A special contingent financial incentive available for a fixed time period to effect substantial payroll savings in light of severe and cumulative budgetary shortfalls to a select targeted group of employee-plan Members.

1. SCOPE

This appendix sets forth those separate provisions of the Plan which apply only to Active Members described in Section 2 of this Appendix C. All provisions of the Plan shall apply to an Active Member in VERIP-II except as otherwise provided by this Appendix.

2. ELIGIBILITY

An Active Member as of February, 1992 to the Retirement Date who:

- (a) does not hold the University title of President, Senior Vice President, Vice President, Chancellor, General Counsel of The Regents, OCIO of The Regents, or Secretary of The Regents, and
- (b) has not previously received a benefit from the Plan or from the California Public Employees' Retirement System (PERS) based on University service (other than a Refund of Accumulations pursuant to Sections 4.08, or 7.04(d) of the Plan in effect prior to July 1, 1990), and has not participated in the phased retirement program, Faculty Early Retirement Program, VERIP-I, or any employment termination severance package offered at a location, and
- (c) is eligible to retire under the terms of the Plan and has a minimum of five years of Service Credit in the Plan as of the Member's separation date, excluding any Service Credit attributable to accrued sick leave or service credited under a reciprocal agreement or any service recognized for vesting purposes only, but including any PERS service credit earned while a University employee, and
- (d) agrees not to accept a position with the University which would require membership in the Plan unless the first date of such reemployment would occur after the 5th anniversary of the date of retirement under VERIP-II, and

- (e) agrees that any future employment by such individual for the University in a position not covered under Section 2(d) following retirement under VERIP-II shall be limited by guidelines relating to this program as established by the President and terms and conditions of VERIP-II, and
- (f) either:
 - (i) holds a faculty position at any percentage of time in the Professor, Professor in Residence, or Professor of Clinical (e.g., Medicine) series or as Lecturer SOE, Senior Lecturer SOE, Acting Associate Professor, Acting Professor, and whose age and Service Credit, excluding any Service Credit attributable to accrued sick leave or service credited under a reciprocal agreement or any service recognized for vesting purposes only, but including any PERS service credit earned while a University employee, together equal at least 78 as of December 31, 1992, or
 - (ii) holds a position no portion of which is under one of the titles listed in Section 2(f)(i), and whose age and Service Credit, excluding any Service Credit attributable to accrued sick leave or service credited under a reciprocal agreement or any service recognized for vesting purposes only, but including any PERS service credit earned while a University employee, together equal at least 65 as of December 31, 1992, or would equal at least 65 as of December 31, 1992, if the Member continued working until such date, and
- (g) is employed in February, 1992 at one of the ten campuses, five hospitals, ASUCLA, UC Law San Francisco, Agriculture and Natural Resources, or Office of the President locations; is not employed at Lawrence Berkeley Laboratory, Lawrence Livermore National Laboratory, or Los Alamos National Laboratory, except for an Active Member under Section 2(f)(i) with a joint appointment at such a laboratory shall be eligible for VERIP-II.

3. RETIREMENT DATE

- (a) An Active Member under Section 2(f)(i) who elects to retire under VERIP-II between August 3, 1992 and 5:00 p.m. October 30, 1992 shall have a Retirement Date of January 1, 1993 and such election shall be irrevocable as of October 30, 1992.

- (b) An Active Member under Section 2(f)(ii) who elects to retire under VERIP-II between August 3, 1992 and 5:00 p.m. October 2, 1992 shall have a Retirement Date of November 1, 1992 and such election shall be irrevocable as of October 2, 1992.
- (c) Notwithstanding anything contained in this Section 3 to the contrary, solely for the purposes of determining Basic Retirement Income under Sections 5.06, 6.06, 7.07, and 8.06, an Active Member under Section 2(f)(ii) who elects to retire under VERIP-II, shall nevertheless be treated as having earned the amount of Service Credit that the Active Member would have earned if the Active Member had remained employed by the University through December 31, 1992 and as being the age that the Active Member would be on January 1, 1993.

4. CONTRIBUTIONS

No Member Contributions shall be required for the Service Credit awarded in VERIP-II.

5. SERVICE CREDIT

- (a) Any Active Member who elects to retire under this Appendix C shall be credited with additional Service Credit as provided in this Section 5(a). The amount of such additional Service Credit shall be equal to the lesser of (1) five more years of Service Credit or (2) the number of additional years of Service Credit which can be taken into account in determining such Active Member's Retirement Income and Social Security Supplement, if any, under the terms of the Plan without exceeding any limits set forth in the Plan or imposed by law. Such additional Service Credit shall be credited solely for the purpose of determining such Member's Retirement Income for each month prior to the violation of such individual's agreements under Section 2(d) or 2(e) of this Appendix C.
- (b) Notwithstanding anything contained herein to the contrary, the crediting of additional Service Credit under this Section 5 and/or any other payments associated with this contingent program shall not be a vested or accrued Plan benefit, cause an Active Member to be deemed to be any age other than the Active Member's actual age or age as of January 1, 1993, and shall not affect the eligibility of the Active Member described in Sections 2(f)(i) and 2(f)(ii).

6. DEATH BENEFIT NOT AFFECTED

In the event that an Active Member, who satisfies all of the eligibility requirements of Section 2, elects to retire under this Appendix C and dies prior to the Retirement Date specified in Section 3, the provisions of Appendix C shall not apply.

7. HIGHEST AVERAGE PLAN COMPENSATION (HAPC)

The Highest Average Plan Compensation used to determine Retirement Income under VERIP-II shall be the average of the Full Time Equivalent Compensation for the 36 month period ending June 30, 1991, increased by seven percent.

8. TRANSITION ASSISTANCE PAYMENT

In addition to the additional Service Credit provided under Section 5 of this Appendix C, each Active Member who elects to retire under this Appendix C shall be entitled to receive a transition assistance payment under VERIP-II retirement which shall be calculated based on the Active Member's Covered Compensation for January, 1992. The benefit shall be equal to three times the Member's January, 1992 Covered Compensation. Such benefit shall be payable as a lump sum payment as soon as practicable following such individual's Retirement Date. The transition assistance payment, made on or after January 1, 1993, is an Eligible Rollover Distribution for an Active Member who elects to retire under VERIP-II, and as such all or any part of the transition assistance payment may be paid as a Direct Rollover. In the event that an Active Member who elects to retire under VERIP-II violates the agreements under Sections 2(d) or 2(e) of this Appendix C, the entire amount of such transition assistance payment shall be recovered.

9. BENEFIT LIMITATIONS

In the event that total benefits paid from the Plan exceed limits established under Section 415(b) of the Internal Revenue Code, such benefits shall be reduced in accordance with Plan Regulations.

For purposes of determining compliance with Section 415 of the Internal Revenue Code, the term compensation will mean W-2 wages as defined in Treasury Regulation section 1.415-2(d)(11)(i).

10. ESTABLISHMENT OF SERVICE CREDIT

An Active Member who elects to retire under this Appendix C may elect to establish Service Credit under Sections 5.04(d), 6.04(d), 7.05(d), or 8.04(e) of the Plan provided the period to be established is at least four consecutive weeks.

11. PLAN PROVISIONS

Notwithstanding any provisions in the Plan to the contrary, the benefits payable on the Retirement Date shall be based on the Plan provisions adopted prior to the end of the Plan year ending June 30, 1992 for an Active Member who elects to retire under VERIP-II.

12. NONCONTRIBUTORY SERVICE

For an Active Member who elects to retire under VERIP-II who received Service Credit for which Member Contributions were not required, the monthly amount of Basic Retirement Income shall be the benefit determined for all years of Service Credit, including noncontributory service, less the Retirement Income Offset. The alternative calculation under Sections 5.06, 6.06, and 8.06 for such individual shall not apply.

APPENDIX D

[Also see related UCRP Regulation Appendix D]

VOLUNTARY EARLY RETIREMENT INCENTIVE PROGRAM-III

Voluntary Early Retirement Incentive Program-III (VERIP-III): A special contingent financial incentive available for a fixed time period to effect substantial payroll savings in light of severe and cumulative budgetary shortfalls to a select targeted group of employee-Plan Members.

1. SCOPE

This appendix sets forth those separate provisions of the Plan which apply only to Active Members described in Section 2 of this Appendix D. All provisions of the Plan shall apply to an Active Member in VERIP-III except as otherwise provided by this Appendix.

2. ELIGIBILITY

An Active Member as of January, 1993 as evidenced by January, 1993 payroll records, who remains an Active Member continuously through the last working day prior to the Retirement Date and who:

- (a) does not hold the position of President, Senior Vice President, Vice President, Chancellor, General Counsel of The Regents and Vice President—Legal Affairs, OCIO, or Laboratory Director, as of January, 1993, and
- (b) has not previously received a benefit from the Plan or from the California Public Employees' Retirement System (PERS) based on University service (other than a Refund of Accumulations pursuant to Section 4.08, or 7.04(d) of the Plan in effect prior to July 1, 1990), and has not participated in the phased retirement program, Faculty Early Retirement Program, VERIP-I, VERIP-II, Retirement Acceleration Opportunity Program, or any employment termination severance package offered at a location, and
- (c) is eligible to retire under the terms of the Plan and has a minimum of five years of Service Credit in the Plan as of the Member's separation date, excluding any Service Credit attributable to accrued sick leave or service credited under a reciprocal agreement or any service recognized for vesting purposes only, but including any PERS service credit earned while a University employee, and

- (d) agrees not to accept a position with the University which would require membership in the Plan unless the first date of such reemployment would occur after the 5th anniversary of the date of retirement under VERIP-III, and
- (e) agrees that any future employment by such individual for the University in a position not covered under Section 2(d) following retirement under VERIP-III shall be limited by guidelines relating to this program as established by the President and terms and conditions of VERIP-III, and
- (f) either:
 - (i) is employed in January, 1993, in a faculty position at any percentage of time in the Professor, Professor in Residence, or Professor of Clinical (e.g., Medicine) series or as Lecturer SOE, Senior Lecturer SOE, Acting Associate Professor, Acting Professor, and whose age and Service Credit, excluding any Service Credit attributable to accrued sick leave or service credited under a reciprocal agreement or any service recognized for vesting purposes only, but including any PERS service credit earned while a University employee, together equal at least 73 as of July 1, 1994, or
 - (ii) is employed in January, 1993, solely at Lawrence Berkeley Laboratory, Lawrence Livermore National Laboratory, or Los Alamos National Laboratory and has been paid University of California net federal taxable compensation for the 1992 calendar year as evidenced by Internal Revenue Service (IRS) Form W-2 in an amount of \$62,345 or greater, and whose age and Service Credit, excluding any Service Credit attributable to accrued sick leave or service credited under a reciprocal agreement or any service recognized for vesting purposes only, but including any PERS service credit earned while a University employee, together equal at least 67 as of November 1, 1993, or
 - (iii) is employed in January, 1993, solely at Lawrence Berkeley Laboratory, Lawrence Livermore National Laboratory, or Los Alamos National Laboratory and has been paid University of California net federal taxable compensation for the 1992 calendar year as evidenced by IRS Form W-2 in an amount less than \$62,345, and whose age and Service Credit, excluding any Service Credit attributable to accrued sick leave or service credited under a reciprocal agreement or any service recognized for vesting

purposes only, but including any PERS service credit earned while a University employee, together equal at least 55 as of November 1, 1993, or

- (iv) is employed in January, 1993, at any percentage of time at one of the ten campuses, five medical centers, ASUCLA, Agriculture and Natural Resources, Office of the President locations or UC Law San Francisco and holds a position no portion of which is under one of the titles listed in Section 2(f)(i), and whose age and Service Credit, excluding any Service Credit attributable to accrued sick leave or service credited under a reciprocal agreement or any service recognized for vesting purposes only, but including any PERS service credit earned while a University employee, together equal at least 55 as of November 1, 1993 shall be eligible for VERIP-III.

3. RETIREMENT DATE

- (a) An Active Member under Section 2(f)(i) who elects between February 15, 1994 and 5:00 p.m. April 29, 1994 to retire under VERIP-III shall have a Retirement Date of July 1, 1994 and such election shall be irrevocable as of April 29, 1994.
- (b) An Active Member under Section 2(f)(iv) who elects between July 1, 1993 and 5:00 p.m. October 1, 1993 to retire under VERIP-III shall have a Retirement Date of November 1, 1993 and such election shall be irrevocable as of October 1, 1993.
- (c) An Active Member under Section 2(f)(ii) or 2(f)(iii) who elects between July 16, 1993 and 5:00 p.m. October 1, 1993 to retire under VERIP-III shall have a Retirement Date of November 1, 1993 and such election shall be irrevocable as of October 1, 1993.

4. CONTRIBUTIONS

No Member Contributions shall be required for the age credit and Service Credit awarded in VERIP-III in accordance with Section 5.

5. AGE CREDIT AND SERVICE CREDIT

- (a) Any Active Member under Section 2(f)(i) who has such faculty appointment at the Berkeley campus and who elects to retire under this Appendix D shall be credited with additional age credit and Service Credit as described below for purposes of determining the age factor and years of Service Credit used in calculating the amount of Basic

Retirement Income under Sections 5.06, 6.06, 7.07, or 8.06 and the amount of the Social Security Supplement, if any, under Section 5.07. The amount of such additional age credit and Service Credit shall total eight years and shall be apportioned as follows:

- (i) the Active Member shall receive age credit equal to the number of years and whole months required to obtain the highest age factor, up to a maximum of 2 years; and
 - (ii) the Active Member shall receive additional Service Credit, expressed in whole months, equal to the difference between 8 years and the additional age credit given in Section 5(a)(i).
- (b) Any Active Member under Section 2(f)(i) who has such faculty appointment at any location other than the Berkeley campus and any Active Member under Section 2(f)(iv) who elects to retire under this Appendix D shall be credited with additional age credit and Service Credit as described below for purposes of determining the age factor and years of Service Credit used in calculating the amount of Basic Retirement Income under Sections 5.06, 6.06, 7.07, or 8.06 and the amount of the Social Security Supplement, if any, under Section 5.07. The amount of such additional age credit and Service Credit shall total eight years and shall be apportioned as follows:
- (i) the Active Member shall receive age credit equal to the number of years and whole months required to obtain the highest age factor, up to a maximum of 3 years; and
 - (ii) the Active Member shall receive additional Service Credit, expressed in whole months, equal to the difference between 8 years and the additional age credit given in Section 5(b)(i).
- (c) Any Active Member under Section 2(f)(ii) or 2(f)(iii) who elects to retire under this Appendix D shall be credited with additional age credit and Service Credit as described below for purposes of determining the age factor and years of Service Credit used in calculating the amount of Basic Retirement Income under Sections 5.06, 6.06, 7.07, or 8.06 and the amount of the Social Security Supplement, if any, under Section 5.07. The amount of such additional age credit and Service Credit shall total six years and shall be apportioned as follows:
- (i) the Active Member shall receive age credit equal to the number of years and whole months required to obtain the highest age factor, up to a maximum of 3 years; and

- (ii) the Active Member shall receive additional Service Credit, expressed in whole months, equal to the difference between 6 years and the additional age credit given in Section 5(c)(i).
- (d) If the Member violates the agreements under Section 2(d) or 2(e) of this Appendix D, such additional age credit and Service Credit shall be credited solely for the purpose of determining the amount of such Member's Basic Retirement Income and Social Security Supplement, if any, for each month prior to the violation of such individual's agreement under Section 2(d) or 2(e) of this Appendix D.
- (e) Additional age credit given under Section 5(a), 5(b), or 5(c) shall not be counted for any other purposes, including but not limited to, the following:
 - (i) when determining the factor used to convert Basic Retirement Income to one of the payment options under Sections 5.12, 6.11, 7.11, and 8.10;
 - (ii) when determining the factor used to calculate the Retirement Income Offset under Sections 5.08, 6.07, and 8.07;
 - (iii) when determining eligibility for the Social Security Supplement, if any, under Section 5.07;
 - (iv) when determining whether the Retirement Income, the Social Security Supplement, if any, the transition assistance payment, and the Capital Accumulation Payment, if any, exceed limits under Section 415 of the Internal Revenue Code as described in Sections 5.09, 6.08, 7.08, and 8.08; and
 - (v) when determining eligibility for VERIP-III under Sections 2(c) and 2(f).
- (f) Additional Service Credit given under Section 5 shall not be counted for purposes of determining eligibility for VERIP-III under Sections 2(c) and 2(f).
- (g) For an Active Member who elects to retire under this Appendix D, a projection of sick leave, if eligible, and Service Credit, from the date of the systems records used to produce the retirement statements up to the Retirement Date shall be included for purposes of calculating the amount of Basic Retirement Income under Sections 5.06, 6.06, 7.07, and 8.06 and the amount of the Social Security Supplement, if any, under Section 5.07.

6. DEATH BENEFIT NOT AFFECTED

In the event that an Active Member, who satisfies all of the eligibility requirements of Section 2, elects to retire under this Appendix D and dies prior to the Retirement Date specified in Section 3, the provisions of Appendix D shall not apply.

7. HIGHEST AVERAGE PLAN COMPENSATION (HAPC)

- (a) The Highest Average Plan Compensation used to determine Retirement Income under VERIP-III for an Active Member under Section 2(f)(i) shall be the average of the Full Time Equivalent Compensation for the 36 month period ending June 30, 1993, as evidenced by systems records used to produce the retirement statements, increased by seven percent.
- (b) The Highest Average Plan Compensation used to determine Retirement Income under VERIP-III for an Active Member under Section 2(f)(ii), 2(f)(iii), or 2(f)(iv) shall be the average of the Full Time Equivalent Compensation for the 36 month period ending June 30, 1992, as evidenced by April, 1993 systems records, increased by seven percent.

8. TRANSITION ASSISTANCE PAYMENT

In addition to the additional age credit and Service Credit provided under Section 5 of this Appendix D, each Active Member who elects to retire under this Appendix D shall be entitled to receive a transition assistance payment under VERIP-III which shall be calculated based on the Active Member's Covered Compensation. The benefit shall be equal to three times the Member's January, 1993 Covered Compensation for an Active Member under Section 2(f)(ii), 2(f)(iii), or 2(f)(iv). For an Active Member under Section 2(f)(i) the benefit shall be equal to three times the Member's April, 1993 Covered Compensation. Such benefit shall be payable as a lump sum payment as soon as practicable following such Member's Retirement Date. The transition assistance payment is an Eligible Rollover Distribution for an Active Member who elects to retire under VERIP-III, and as such all or any part of the transition assistance payment may be paid as a Direct Rollover. In the event that an Active Member who elects to retire under VERIP-III violates the agreement under Section 2(d) or 2(e) of this Appendix D, the entire amount of such transition assistance payment shall be recovered.

9. BENEFIT LIMITATIONS

- (a) Notwithstanding this Appendix D, the number of additional years of age credit and Service Credit which can be taken into account in determining such Active Member's Retirement Income and Social Security Supplement, if any, shall not cause:
- (i) the product of the age factor and years of Service Credit used in calculating such Active Member's Retirement Income and Social Security Supplement, if any, under VERIP-III to be more than two times the product of such Active Member's actual age factor and years of Service Credit projected as of the Retirement Date;
 - (ii) the Retirement Income and Social Security Supplement, if any, to exceed any limits set forth in the Plan. However, for an Active Member who elects to retire under VERIP-III, any retirement benefits payable from PERS on account of University service shall not be considered when determining the 100% Plan limit as described in Section 5.06, 6.06, 7.07, or 8.06;
 - (iii) the Retirement Income and Social Security Supplement, if any, to exceed any limit imposed by law.
- (b) In the event that total benefits paid from the Plan exceed limits established under Section 415(b) of the Internal Revenue Code, such benefits shall be reduced in accordance with Plan Regulations.
- (c) Notwithstanding anything contained herein to the contrary, the crediting of additional age credit and Service Credit under Section 5 and/or any payments associated with this contingent program shall not be a vested or accrued Plan benefit.

For purposes of determining compliance with Section 415 of the Internal Revenue Code, the term compensation will mean W-2 wages as defined in Treasury Regulation section 1.415-2(d)(11)(i).

10 ESTABLISHMENT OR REESTABLISHMENT OF SERVICE CREDIT

An Active Member who elects to retire under this Appendix D may not elect to establish or reestablish Service Credit under Sections 5.04(d), 5.04(e), 6.04(d), 6.04(e), 7.05(d), 7.05(e), 8.04(e), or 8.04(f) of the Plan unless the period to be established or reestablished is at least 180 consecutive days, except to meet the eligibility requirements under Section 2 or the minimum eligibility requirements for annuitant insurance coverage.

11. NONCONTRIBUTORY SERVICE

For an Active Member who elects to retire under VERIP-III who received Service Credit for which Member Contributions were not required (commonly referred to as "noncontributory service"), the monthly amount of Basic Retirement Income shall be the benefit determined for all years of Service Credit, including noncontributory service, less the Retirement Income Offset. The alternative calculation under Section 5.06, 6.06, or 8.06 for such Member shall not apply.

12. VERIP-III PROVISIONS

No alterations will be accepted that change a Member's appointment percentage, title code, salary rate, location, or UCRP Member classification (Coordinated, Noncoordinated, Tier Two, or Safety), for the month eligibility is determined and the month the retirement statement is produced, in order to qualify the Member for VERIP-III or to increase the Member's benefits.

13. PLAN PROVISIONS

Notwithstanding any provisions in the Plan to the contrary, the benefits payable on the Retirement Date shall be based on the Plan provisions in effect as of the end of the Plan Year ending June 30, 1994 for an Active Member who elects to retire under VERIP-III.

APPENDIX F

UCSF STANFORD HEALTH CARE STAFF-PENSION PLAN TRANSFER

To effectuate the transfer of certain plan benefits from the UCSF Stanford Health Care Staff Pension Plan (“SPP”) into the Plan, this Appendix F supersedes and replaces prior Appendix F and shall set forth the rules governing determination of Service Credit, Covered Compensation, benefits, payment of benefits and other features under the Plan for certain individuals, as provided below. Capitalized terms shall have the meaning described in Article 2 of the Plan unless otherwise defined in this Appendix. Any amounts payable pursuant to this Appendix shall be subject to the maximum benefit limitations set forth in Sections 5.09, 6.08, 7.08 and 8.08 of the Plan.

1. GENERAL PROVISIONS

On or about November 26, 2002 the Plan shall assume the assets and liabilities transferred from the SPP to the extent required by Section 414(l) of the Internal Revenue Code (and any rulings from the Internal Revenue Service) and the agreements entered into between the University, UCSF Stanford Health Care and Stanford Hospital and Clinics. SPP shall transfer to the Plan liabilities for each former “North Site Employee” and each Schedule A participant under SPP and shall transfer assets as required. “North Site Employees” are individuals who:

(a) were employed by UCSF Stanford Health Care at:

- (i) the UCSF Medical Center/Mount Zion location, the UCSF Medical Center/Moffitt Long location or related faculty practice, clinic, home care and outreach operations on either March 31, 2000, or their last day of active employment at UCSF Stanford Health Care (including commencement of an approved leave of absence, disability, retirement) prior to March 31, 2000; or
- (ii) worked at the Executive Park corporate office if identified as a North Site Employee by agreements between the Regents and Stanford Hospital and Clinics; and

(b) accrued benefits under Article 3 or Schedule C of SPP (other than solely on account of inclusion in Schedule A of SPP).

Effective November 27, 2002, the Plan shall provide benefits as provided in this Appendix F, provided, however, that the Plan shall provide to each

former North Site Employee (and participant in Schedule A of SPP) a benefit that is no less than the participant's benefit transferred on behalf of such participant from SPP to the Plan to the extent required by Section 414(l) of the Internal Revenue Code (the "Code").

2. MEMBERSHIP

- (a) Any Inactive Member who was a North Site Employee and who did not return to Eligible Employee status on or after April 1, 2000 shall remain an Inactive Member under the Plan (unless and until such Inactive Member returns to Eligible Employee status).
- (b) Any former North Site Employee who was not a Member of the Plan prior to November 1, 1997 and who did not become an Eligible Employee on or after April 1, 2000, shall, to the extent of any transfer of a benefit to the Plan from SPP on behalf of such individual, be treated similar to an Inactive Member if such individual has five years of Service Credit for eligibility under Section 3 below.
- (c) A former Member who returned as an Eligible Employee on or around April 1, 2000, following a period of employment as a North Site Employee, shall become an Active Member of the Plan upon such individual's return as an Eligible Employee and shall reenter the Plan as a Member with Coordinated Benefits as defined in Article 3 (and Section 7.05(e)) of the Plan, unless:
 - (i) such Member is a Member with Noncoordinated Benefits as provided in Section 3.04 (and 7.05(e)) of the Plan, who shall return as a Member with Noncoordinated Benefits; or
 - (ii) such Member holds an eligible safety classification as set forth in Plan Regulations and qualifies as a Member with Safety Benefits as described in Section 3.06 of the Plan.

3. ELIGIBILITY

Effective April 1, 2000, for purposes of determining eligibility for the following benefits under the Plan, a former North Site Employee's period of employment at UCSF Stanford Health Care shall be counted as Service Credit:

- (a) for Early Retirement under Sections 5.05, 6.05, 7.06 and 8.05 of the Plan;
- (b) for Preretirement Survivor Income under Sections 5.16, 6.15, 7.15, 8.14 and 8.15; and

- (c) for eligibility for certain disability benefits under Sections 5.19, 6.18, 7.18, 8.18 and 8.19 of the Plan.

Any North Site Employee whose "Vested Percentage" under SPP was 100%, as determined under SPP, shall be deemed to have the requisite years of Service Credit for the purpose of eligibility for the benefits listed in (a), (b) and (c) above.

4. COMPENSATION AND SERVICE CREDIT

- (a) Effective April 1, 2000, for purposes of calculating Highest Average Plan Compensation under the Plan, earnings or salary paid to a North Site employee by UCSF Stanford Health Care, to the extent it would have counted as Covered Compensation under the Plan if paid by the University, shall count towards Highest Average Plan Compensation under the Plan. For purposes of calculating Highest Average Plan Compensation, continuous periods of employment of the North Site Employee at UCSF Stanford Health Care shall be included as continuous months of employment under the Plan.
- (b) Effective April 1, 2000, for purposes of calculating Retirement Income under Sections 5.06, 6.06, 7.07 and 8.06 (including benefits due to "Death While Eligible to Retire" under Sections 5.16(b), 6.15(b), 7.15(b) and 8.15(b)) and Disability Income under Sections 5.19, 6.18, 7.18, 8.18 and 8.19 of the Plan, a North Site Employee's periods of employment with UCSF Stanford Health Care shall count as Service Credit under the Plan subject to Section 5 below. This Section 4(b) shall not alter any member's age at retirement or Retirement Date under the Plan.
- (c) Eligible Employees who were North Site Employees and who accrued a benefit under the SPP shall receive the greater of:
 - (i) their accrued benefit under Article 3 or Schedule C of the SPP as of March 31, 2000, limited to service and earnings earned as of March 31, 2000, (to the extent required under Section 414(l) of the Code) plus any Basic Retirement Income accrued prior to November 1, 1997; or
 - (ii) their accrued Basic Retirement Income, if any, under the Plan.

The foregoing is intended to protect benefits accrued as of March 31, 2000 under the SPP for North Site Employees.

5. SCHEDULE A PARTICIPANT

Upon retirement, a former North Site Employee who is a participant in Schedule A of SPP (“Schedule A Participant”) shall have his or her Basic Retirement calculated as the greater of (a) or (b):

- (a) Minimum Benefit – A participant in Schedule A of SPP shall receive any previously accrued Basic Retirement Income benefit under the Plan as of November 1, 1997 based on Service Credit and Highest Average Plan Compensation before November 1, 1997 plus the Schedule A benefit accrued under SPP as of March 31, 2000, or
- (b) Additional Years of Service Credit or Highest Average Plan Compensation – A Member’s Basic Retirement Income, including the additional Highest Average Plan Compensation under Section 4(a) and any additional years of Service Credit under Section 4(b) above.
- (c) Other Schedule A Participants – Effective April 1, 2000, upon retirement of a participant in Schedule A of SPP who is not a North Site Employee, such participant shall have his or her Basic Retirement Income calculated as the greater of (a) above or the Basic Retirement Income under UCRP including any additional years of Service Credit earned or purchased after March 31, 2000.

6. RULES FOR RETIREES AND FORMER MEMBERS

- (a) If a former or current Member who is a North Site Employee received a Refund of Accumulations upon the transfer of employment to UCSF Stanford Health Care, such individual may reestablish Service Credit by redepositing such amount pursuant to the rules established under the Plan if such individual is an employee of the University and if such redeposit would result in at least five years of Service Credit under the Plan. Any other former or current Member who is a North Site Employee and who received a Refund of Accumulations upon the transfer of employment to UCSF Stanford Health Care, shall be eligible to redeposit such amount pursuant to the rules established under the Plan once such individual becomes an Active Member of the Plan if such redeposit election is made pursuant to the rules under the Plan.
- (b) If a North Site Employee retired from UCSF Stanford Health Care, and is receiving benefit payments from SPP, such payments, subject to this Section 6(b), shall continue from the Plan and the Member’s Retirement Date shall be the later of the date of termination from UCSF Stanford Health Care or their retirement date under SPP. If any application of Sections 4(a) and 4(b) above, to a Member’s Basic

Retirement Income causes the Member's Basic Retirement Income to exceed the benefit payable under Sections 3.1, 3.2 or 3.3 of SPP (before adjustment for forms of payment provided for in Sections 4.2 and 4.3 of SPP), the amount payable from the Plan shall be increased (as of the date of retirement) to reflect such application. If such North Site Employee is employed by the University and becomes an Eligible Employee, his or her payments under this Section 6(b) shall be suspended under the provisions for reinstatement under Sections 5.14, 5.15, 6.13, 6.14, 7.14, 8.12 and 8.13 of the Plan, in accordance with rules established by the University.

- (c) For North Site Employees who commenced receipt of retirement income from UCRP after transfer of employment to UCSF Stanford Health Care and returned to the University's employ as an Eligible Employee, their benefits under UCRP shall take into account the rules for reinstatement under Sections 5.14, 5.15, 6.13, 6.14, 7.13, 7.14, 8.12 and 8.13 of the Plan, in accordance with rules established by the University.
- (d) A Retired Member who is a North Site Employee who does not return to Eligible Employee status on or after April 1, 2000 and who receives enhanced Service Credit in Section 4(b) or an increase in Highest Average Plan Compensation in Section 4(a) as a result of the transfer of benefits from SPP, shall have his or her Retirement Income adjusted, as of the date such individual terminated from UCSF Stanford Health Care, to reflect any increase resulting from such changes but otherwise under the terms of the Plan in effect on such Member's Retirement Date. Such Retired Member's Retirement Date or age at retirement shall not change.
- (e) A former Member who is a North Site Employee who received a Lump Sum Cash Out following the transfer of employment to UCSF Stanford Health Care, shall receive an additional lump sum payment for any benefit based upon any adjustment to Highest Average Plan Compensation in Section 4(a) or years of Service Credit in Section 4(b) attributable to his or her period of employment at UCSF Stanford Health Care, calculated under the terms of the Plan applicable on the date of the first Lump Sum Cash Out or, if greater, the actuarial value of the SPP benefit transferred to the Plan. The lump sum payment determined under the preceding sentence shall be payable to a former North Site Employee who returned to Eligible Employee status at the University only after such Member, subsequent to April 1, 2000, terminates employment with the University with less than five years of Service Credit.

7. BENEFICIARIES

Effective April 1, 2000, any beneficiary being paid pre-retirement death benefits under SPP attributable to a former North Site Employee of UCSF Stanford Health Care shall continue to be paid such benefits under the Plan, unless a greater benefit is provided in this paragraph.

- (a) Preretirement Survivor Income – If a deceased North Site Employee would have been eligible (counting Service Credit for eligibility under Section 3) for Preretirement Survivor Income under Sections 5.16(a), 6.15(a), 7.15(a), 8.14 or 8.15(a), such amount, if greater than the SPP pre-retirement death benefit, shall be payable to the beneficiaries provided for in such Sections of the Plan effective April 1, 2000.
- (b) Death While Eligible to Retire – If a deceased North Site Employee would have been eligible for a benefit under Sections 5.16(b), 6.15(b), 7.15(b) or 8.15(b), taking into account Section 4(a) and 4(b), such benefit, if greater than the SPP pre-retirement death benefit, shall be payable to the beneficiaries provided for in such Sections of the Plan effective April 1, 2000.

8. MISCELLANEOUS

- (a) A former North Site Employee may request to establish Service Credit under Sections 5.04(c) and (d), 6.04(c) and (d), 7.05(c) and (d) and 8.04(d) and (e), for periods of leave from UCSF Stanford Health Care if, and to the extent, such right to establish Service Credit would have been available if employed at the University.
- (b) The University shall establish such rules as necessary to administer the benefits described in this Appendix F, as set forth in Plan Regulations.

APPENDIX G

SUPPLEMENTAL ALLOCATION OF SERVICE PROGRAM FOR CERTAIN EMPLOYEES

This Appendix, effective January 1, 2001, provides for a supplemental allocation of Service Credit under the University of California Retirement Plan (Plan) to certain eligible employees in recognition of their prior efforts on behalf of the University. This program shall be referred to below as the Supplemental Allocation of Service Program (or Program).

1. SCOPE

This Appendix sets forth separate provisions of the Plan which apply to certain employees of the University described in Section 2 of this Appendix G. All other provisions of the Plan, including defined terms, shall apply to an employee who is eligible for the Supplemental Allocation of Service Program except as otherwise provided by this Appendix G.

2. ELIGIBILITY FOR SUPPLEMENTAL ALLOCATION OF SERVICE PROGRAM

(a) Subject to the provisions of Section 2(b), an employee is eligible for participation in this Program if he or she:

- (i) is on January 1, 2001 an Eligible Employee with an active University appointment (as defined in University staff personnel policies), or an Eligible Employee on an approved leave with or without pay, or
- (ii) has an active University appointment (as defined in University staff personnel policies) on January 1, 2001, or is on an approved leave with or without pay, and becomes an Eligible Employee between January 1, 2001 and December 31, 2001,

and has a current University hire date at least six months before January 1, 2001 and that precedes a Plan entry date by six months or longer.

(b) Notwithstanding Section 2(a), an employee is not eligible for participation in this Program if he or she is one of the following:

- (i) an employee who is eligible for (as a Retired Member or former Retired Member) and executes a waiver of future Plan benefit accruals for the period of re-employment covered by such waiver, under procedures established by the University,

- (ii) on January 1, 2001, a member of a category of employees excluded from participation in the Plan under Section 2.23(i)–(ix) of the Plan,
- (iii) on January 1, 2001, an Active Member who is receiving disability payments from the Plan, or
- (iv) on January 1, 2001, an academic appointee, as defined in University academic personnel policies.

3. ALLOCATION OF SERVICE CREDIT

Any employee who satisfies the eligibility requirements of Section 2 shall be allocated additional years of Service Credit of one or two years as provided in this Section 3. The individual allocation will be based upon the number of months between an employee's current University hire date and the employee's Plan entry date.

- (a) If the employee's current University hire date precedes the employee's Plan entry date by no less than six (6) and no more than twelve (12) months, the employee will receive an allocation of one year of Service Credit.
- (b) If the employee's current hire date precedes the employee's Plan entry date by more than twelve (12) months, the employee will receive an allocation of two years of Service Credit.

Under this Section 3, the University may also consider claims by employees who self-identify to receive an allocation of Service Credit in the amount of one or two years of Service Credit provided these employees meet the eligibility requirements of Section 2(a)(i) or (ii) above and substantially meet the requirements of this Section 3, or can substantiate at least six months of consecutive University employment before January 1, 2001 that was not excluded from UCRP membership under Section 2.23(i)–(ix) of the Plan, and if such service was not during a month in which the individual received Retirement Income or Disability Income from the Plan, as determined by the University's review of such claims. The deadline for submission of any claim and supporting documentation is July 31, 2002. All claims must be postmarked by that date to be accepted by UC Benefits.

4. SPECIAL APPEALS

(a) Requirements to Appeal Under the Supplemental Allocation of Service Program

An employee who satisfies the eligibility requirements of Section 2(a)(i) or (ii) and who can substantiate that he or she had Prior Temporary

Service (as defined in Section 4(b) below) may appeal for an allocation of Service Credit in an amount different from that provided in Section 3. Any individual requesting an appeal for an allocation of Service Credit in an amount different from that provided in Section 3, under this Section 4 must submit documentation to substantiate periods of Prior Temporary Service and his or her eligibility for the amount of Service Credit he or she claims. The deadline for submission of appeals and supporting documentation is July 31, 2002. All appeals must be postmarked by that date to be accepted by UC Benefits.

(b) Definition of "Prior Temporary Service"

For purposes of this Program, the term "Prior Temporary Service" is defined in (i) through (iii) below but excluding (iv) through (vi) below:

- (i) previous periods of University employment before January 1, 2001,
 - (ii) periods of employment with the University after an employee attained 1,000 hours of service within a rolling 12-month period, and
 - (iii) periods of employment with the University in a position that is not automatically exempt from Plan membership pursuant to Section 2.23(i)–(ix) of the Plan,
- but excluding
- (iv) periods of University employment during which the employee received Covered Compensation,
 - (v) periods of University employment during a month in which the employee received any Retirement Income or Disability Income from the Plan, and
 - (vi) periods of University employment after an employee's Retirement Date under Appendix B, C or D (Voluntary Early Retirement Income Programs) equal to the amount of Service Credit credited to such employee under Appendix B, C or D.

In determining total Prior Temporary Service, University employment following a 12-month period with no University employment shall be treated as a new period of service subject to the rules of Section 4(b) above, (particularly the prerequisite of 1,000 hours before counting any Prior Temporary Service), with the result added to other periods of Prior Temporary Service.

(c) Effect of Appeal on Service Credit Determination Under the Plan

If an employee submits sufficient documentation, as determined by the University, to substantiate:

- (i) either his eligibility under Section 2(a)(i) or (ii), or his eligibility for this Appendix G, and
- (ii) periods of Prior Temporary Service, an allocation of Service Credit under this Appendix G shall be made to such employee equal to the number of months or years determined as a result of the University's review of such employee's appeal.

(d) Calculations of Service Credit On Appeal Shall Be Binding

By requesting a review of his or her records on appeal under this Section 4, a Member agrees to accept the results of the review even if the results turn out to be less favorable than the Service Credit allocation under Section 3 above. If a Member requests a calculation of his or her Service Credit under this Section 4, the determination of years of Service Credit under the Plan shall include the result produced by the University's review of such appeal, and not any allocation amount under Section 3.

(e) Purchase of Pre-November 1990 Service Credit

Should the University's review of records and the employee's appeal indicate that the Member had Prior Temporary Service before November 1, 1990, the Member may elect to purchase the service if such service exceeds the maximum allocation amount provided under Section 3. The election to purchase Service Credit under this program requires that the Member commit to the purchase of the entire amount of Service Credit available to him or her for purchase, or to forego the purchase of any Service Credit under this program. A Member may elect to pay the required Member Contributions of 2% of current Covered Compensation for each month of Service Credit purchased. An Active Member may enter into an irrevocable election to pay for such Service Credit on a pretax basis by having the payments deducted on an installment basis from each payroll payment. Payments made under such elections shall be in accordance with Section 414(h) of the Internal Revenue Code and shall be deemed to be employer pick-up contributions. The election shall terminate on the earlier of (1) the date the Member incurs a Break in Service, or otherwise is no longer an Active Member due to retirement, death, disability or separation from service, or (2) the date of payment of the last installment for the total payment amount for the purchased Service

Credit. If a Member's election terminates due to events in item (1) in the preceding sentence, such Member shall receive a proportionate amount of the Service Credit sought for purchase based on the amount actually paid to the total amount of the payments required. If a Member declines to make an irrevocable election to purchase the Service Credit on a pretax basis, such Member may alternatively submit a single lump-sum payment on an after-tax basis for the total amount of the required payment for such Service Credit. Such lump sum payment shall not be greater than the limits as described in Section 415 of the Internal Revenue Code. Any required Member Contributions and interest thereon shall be determined in accordance with Plan procedures. Administrative provisions for arranging payment for pre-November 1990 Service Credit will be administered under the terms of the Plan for purchasing additional Service Credit.

5. SERVICE CREDIT ALLOCATIONS AND PURCHASES SHALL NOT ALTER THE PLAN ENTRY DATE

All Service Credit allocations under this Appendix G shall be considered adjustments to Service Credit in recognition of past service with the University. In no instance shall any such allocation or purchase of Service Credit under this Supplemental Allocation of Service Program alter an individual's Plan entry date to a date earlier than the date upon which the Member became or becomes a Member as set forth in the Plan. The additional Service Credit allocated under this Appendix G shall be credited solely for the purpose of determining a Member's Retirement Income, Disability Income, or Lump Sum Cashout (excluding any benefits under Article 10 of the Plan.) This allocation under Appendix G shall only apply to benefits accrued on or after January 1, 2001.

6. SUNSET PROVISION

Notwithstanding anything contained herein to the contrary, the right to participate in this Supplemental Allocation of Service Program shall not be a permanent feature of the Plan. This Supplemental Allocation of Service Program as set forth in this Appendix G shall terminate and cease to apply to any employee of the University effective July 31, 2002. Processing of claims or appeals received by July 31, 2002 will continue until all appeals have been researched and determination of Service Credit allocation completed for each appellant.

7. FINALITY

This Supplemental Allocation of Service Program, as set forth in this Appendix G, shall be the sole provision for establishing supplemental allocations of Service Credit for Prior Temporary Service. All decisions, after application of Section 4, shall be final as to Service Credit for years of Prior Temporary Service and years of prior University employment that were not counted or do not count as Service Credit under the Plan (except by operation of this Appendix). No years of employment with the University may count twice for determining Service Credit under the Plan. Any individual who establishes eligibility for Service Credit under Section 5, 6, 7, or 8 of the Plan for any prior periods of University employment before January 1, 2001 shall have such Service Credit reduced by the Service Credit allocation under this Appendix G.

APPENDIX H

ACADEMIC SUPPLEMENTAL ALLOCATION OF SERVICE PROGRAM FOR CERTAIN ACADEMIC EMPLOYEES

This Appendix, effective January 1, 2001, provides for a supplemental allocation of Service Credit under the University of California Retirement Plan (Plan) to certain eligible academic employees in recognition of their prior efforts on behalf of the University of California (University). This program shall be referred to below as the Academic Supplemental Allocation of Service Program (or Program).

1. SCOPE

This Appendix sets forth separate provisions of the Plan which apply to certain academic employees of the University who had prior temporary employment with the University, as provided in Sections 2 and 3 of this Appendix H. All other provisions of the Plan, including defined terms, shall apply to an employee who is eligible for the Supplemental Allocation of Service Program except as otherwise provided by this Appendix H.

2. ELIGIBILITY FOR ACADEMIC SUPPLEMENTAL ALLOCATION OF SERVICE PROGRAM

- (a) Subject to the provisions of Sections 2(b), 2(c) and 3, an employee who has Eligible Employment (defined below) is eligible for participation in this Program if he or she:
 - (i) is on January 1, 2001 an Eligible Employee with an active academic University appointment (as defined in University academic personnel policies) or an Eligible Employee on an approved leave with or without pay, or
 - (ii) has an active academic University appointment (as defined in University academic personnel policies) or is on an approved leave with or without pay on January 1, 2001, and becomes an Eligible Employee between January 1, 2001 and December 31, 2001, and has a current University hire date at least six months before January 1, 2001 and that precedes a Plan entry date by six months or longer and such period was Eligible Employment. Notwithstanding Section 2(a), an employee is not eligible for participation in this Program if he or she is one of the following:

- (i) an employee who is eligible for (as a Retired Member or former Retired Member) and executes a waiver of future Plan benefit accruals for the period of re-employment covered by such waiver, under procedures established by the University,
- (ii) on January 1, 2001, a member of a category of employees excluded from participation in the Plan under Section 2.23(i)–(ix) of the Plan,
- (iii) on January 1, 2001, an Active Member who is receiving disability payments from the Plan,
- (iv) a Member who received an allocation of Service Credit under the provisions of Appendix G of the Plan, or
- (v) an employee who was employed by UCSF Stanford Health Care between November 1997 and April 2000.

(c) Eligible Employment

Eligible Employment that otherwise qualifies for Sections 2 and 3 but does not include the following service:

- (i) periods of employment during which an employee was excluded from the Plan under Section 2.23(i)–(ix) of the Plan,
- (ii) employment as an employee designated with a health sciences compensation plan title code for payroll purposes,
- (iii) periods of employment as a participant in another retirement plan to which the University contributes,
- (iv) periods of employment with, or concurrent with, a non-University employer, including joint or split appointments, during which the employee received benefit accruals or contributions under another employer's retirement plan,
- (v) appointments during which the University made contributions on behalf of such individual to a supplemental retirement plan in addition to, or in lieu of benefit accruals under the Plan,
- (vi) an appointment for University Extension courses or programs that is not annual or indefinite,
- (vii) employment designated with a Howard Hughes Medical Institute Investigator title code for payroll purposes,
- (viii) periods of University employment after an employee's Retirement Date under Appendix B, C or D (Voluntary Early Retirement Incentive Programs) equal to the amount of Service Credit credited to such employee under Appendix B, C or D,

- (ix) periods of University employment during a month in which the employee received any Retirement Income or Disability Income from the Plan,
- (x) periods of University service as a volunteer or during which an individual received no compensation.

3. ALLOCATION OF SERVICE CREDIT

- (a) Any employee who satisfies the eligibility requirements of Section 2 shall be allocated additional years of Service Credit of one or two years as provided in this Section 3. The individual allocation will be based upon the number of months of Eligible Employment between an employee's current University hire date and the employee's Plan entry date as set forth below:
 - (i) If the employee's current University hire date precedes the employee's Plan entry date by no less than six (6) and no more than twelve (12) months, the employee will receive an allocation of one year of Service Credit.
 - (ii) If the employee's current University hire date precedes the employee's Plan entry date by more than twelve (12) months, the employee will receive an allocation of two years of Service Credit.
- (b) Under this Section 3, the University may also consider claims by employees who self-identify to receive an allocation of Service Credit in the amount of one or two years of Service Credit provided these employees meet the eligibility requirements of Section 2(a)(i) or (ii) above and substantially meet the requirements of this Section 3, or can substantiate at least six months of consecutive Eligible Employment before January 1, 2001 that was not excluded from UCRP membership under Section 2.23(i)–(ix) of the Plan. The deadline for submission of any claim and supporting documentation is December 31, 2002.

All claims must be postmarked by that date to be accepted by UC Benefits.

4. SPECIAL APPEALS

- (a) *Requirements to Appeal Under the Supplemental Allocation of Service Program*

An academic employee who satisfies the eligibility requirements of Section 2(a)(i) or (ii) and who can substantiate that he or she had Prior Temporary Service (as defined in Section 4(b) below) may appeal for

an allocation of Service Credit in an amount different from that provided in Section 3. Any individual requesting an appeal for an allocation of Service Credit in an amount different from that provided in Section 3, under this Section 4 must submit documentation to substantiate periods of Prior Temporary Service and his or her eligibility for the amount of Service Credit he or she claims. The deadline for submission of appeals and supporting documentation is December 31, 2002. All appeals must be postmarked by that date to be accepted by UC Benefits.

(b) *Definition of "Prior Temporary Service"*

For purposes of this Program, the term "Prior Temporary Service" is defined in (i) through (iii) below but excluding (iv) and (v) below:

- (i) previous periods of University employment before January 1, 2001,
- (ii) periods of employment with the University after an employee attained 1,000 hours of service within a rolling 12-month period, and

- (iii) periods of employment with the University in a position that is not exempt from Plan membership pursuant to Section 2.23(i) - (ix) of the Plan,

but excluding

- (iv) January 2002 periods of University employment during which the employee received Covered Compensation, and
- (v) periods of employment excluded from Eligible Employment under Section 2.

In determining total Prior Temporary Service, University employment following a 12-month period with no University employment shall be treated as a new period of service subject to the rules of Section 4(b) above, (particularly the prerequisite of 1,000 hours before counting any Prior Temporary Service), with the result added to other periods of Prior Temporary Service.

(c) *Effect of Appeal on Service Credit Determination Under the Plan*

If an employee submits sufficient documentation, as determined by the University, to substantiate:

- (i) either his eligibility under Section 2(a)(i) or (ii), or his eligibility for this Appendix H, and
- (ii) periods of Prior Temporary Service,

an allocation of Service Credit under this Appendix H shall be made to such employee equal to the number of months or years determined as a result of the University's review of such employee's appeal.

(d) *Calculations of Service Credit On Appeal Shall Be Binding*

By requesting a review of his or her records on appeal under this Section 4, a Member agrees to accept the results of the review even if the results turn out to be less favorable than the Service Credit allocation under Section 3 above. If a Member requests a calculation of his or her Service Credit under this Section 4, the determination of years of Service Credit under the Plan shall include the result produced by the University's review of such appeal, and not any allocation amount under Section 3.

(e) *Purchase of Pre-November 1990 Service Credit*

Should the University's review of records and the employee's appeal indicate that the Member had Prior Temporary Service before November 1, 1990, the Member may elect to purchase the service if such service exceeds the maximum allocation amount provided under Section 3. The election to purchase Service Credit under this program requires that the Member commit to the purchase of the entire amount of Service Credit available to him or her for purchase, or to forego the purchase of any Service Credit under this program. A Member may elect to pay the required Member Contributions of 2% of current Covered Compensation for each month of Service Credit purchased. An Active Member may enter into an irrevocable election to pay for such Service Credit on a pretax basis by having the payments deducted on an installment basis from each payroll payment. Payments made under such elections shall be in accordance with Section 414(h) of the Internal Revenue Code and shall be deemed to be employer pick-up contributions. The election shall terminate on the earlier of (1) the date the Member incurs a Break in Service, or otherwise is no longer an Active Member due to retirement, death, disability or separation from service, or (2) the date of payment of the last installment for the total payment amount for the purchased Service Credit. If a Member's election terminates due to events in item (1) in the preceding sentence, such Member shall receive a proportionate amount of the Service Credit sought for purchase based on the amount actually paid to the total amount of the payments required. If a Member declines to make an irrevocable election to purchase the Service Credit on a pretax basis, such Member may alternatively submit a

single lump-sum payment on an after-tax basis for the total amount of the required payment for such Service Credit. Such lump sum payment shall not be greater than the limits as described in Section 415 of the Internal Revenue Code.

Any required Member Contributions and interest thereon shall be determined in accordance with Plan procedures. Administrative provisions for arranging payment for pre-November 1990 Service Credit will be administered under the terms of the Plan for purchasing additional Service Credit.

5. SERVICE CREDIT ALLOCATIONS AND PURCHASES SHALL NOT ALTER THE PLAN ENTRY DATE

All Service Credit allocations under this Appendix H shall be considered adjustments to Service Credit in recognition of past service with the University. In no instance shall any such allocation or purchase of Service Credit under this Supplemental Allocation of Service Program alter an individual's Plan entry date to a date earlier than the date upon which the Member became or becomes a Member as set forth in the Plan. Any changes in a Member's Plan entry date may alter the Member's eligibility for this Program. The additional Service Credit Allocated under this Appendix H shall be credited solely for the purpose of determining a Member's Retirement Income, Disability Income, or Lump Sum Cashout (excluding any benefits under Article 10 of the Plan). This allocation under Appendix H shall only apply to benefits accrued on or after January 1, 2001.

6. SUNSET PROVISION

Notwithstanding anything contained herein to the contrary, the right to participate in this Supplemental Allocation of Service Program shall not be a permanent feature of the Plan. This Supplemental Allocation of Service Program as set forth in this Appendix H shall terminate and cease to apply to any employee of the University effective December 31, 2002. Processing of claims or appeals received by December 31, 2002 will continue until all appeals have been researched and determination of Service Credit allocation completed for each appellant.

7. FINALITY AND NO DUPLICATIVE SERVICE

This Supplemental Allocation of Service Program, as set forth in this Appendix H, shall be the sole provision for establishing supplemental allocations of Service Credit for Prior Temporary Service. All decisions,

after application of Section 4, shall be final as to Service Credit for years of Prior Temporary Service and years of prior University employment that were not counted or do not count as Service Credit under the Plan (except by operation of this Appendix). No years of employment with the University may count twice for determining Service Credit under the Plan. Any individual who establishes eligibility for Service Credit under Section 5, 6, 7, or 8 of the Plan for any prior periods of University employment before January 1, 2001 shall have such Service Credit reduced by the Service Credit allocation under this Appendix H.

APPENDIX I

UCSF STANFORD HEALTH CARE SUPPLEMENTAL ALLOCATION OF SERVICE PROGRAM

This Appendix, effective January 1, 2001, provides for a supplemental allocation of Service Credit under the University of California Retirement Plan (Plan) to certain eligible employees in recognition of their prior efforts on behalf of the University of California (University) and who were employed by UCSF Stanford Health Care (“UCSF SHC”) on November 1, 1997 and returned to employment at the University on or after April 1, 2000. This program shall be referred to below as the UCSF SHC Supplemental Allocation of Service Program (or Program).

1. SCOPE

This Appendix sets forth separate provisions of the Plan which apply to certain employees of the University who had prior temporary employment with the University, as provided in Section 2 of this Appendix I. All other provisions of the Plan, including defined terms, shall apply to an employee who is eligible for the UCSF SHC Supplemental Allocation of Service Program except as otherwise provided by this Appendix I.

2. ELIGIBILITY FOR SUPPLEMENTAL ALLOCATION OF SERVICE PROGRAM

(a) Subject to the provisions of Sections 2 and 3, an employee who has Eligible Employment (defined below) is eligible for participation in this Program if he or she was employed by UCSF SHC on November 1, 1997 and returned to employment at the University on or after April 1, 2000, and:

(i) is, on January 1, 2001, an Eligible Employee with an active non-academic University appointment (as defined in University staff personnel policies) or an Eligible Employee on an approved leave with or without pay, or

has an active non-academic University appointment (as defined in University personnel policies) or is on an approved leave with or without pay on January 1, 2001, and becomes an Eligible Employee between January 1, 2001 and December 31, 2001, and has a current University hire date at least six months before

January 1, 2001 and that precedes a Plan entry date by six months or longer and such period was Eligible Employment.

- (b) Notwithstanding Section 2(a), an employee is not eligible for participation in this Program if he or she is one of the following:
- (i) an employee who is eligible for (as a Retired Member or former Retired Member) and executes a waiver of future Plan benefit accruals for the period of re-employment covered by such waiver, under procedures established by the University,
 - (ii) on January 1, 2001, a member of a category of employees excluded from participation in the Plan under Section 2.23(i)–(ix) of the Plan,
 - (iii) on January 1, 2001, an Active Member who is receiving disability payments from the Plan,
 - (iv) a Member who received an allocation of Service Credit under the provisions of Appendix G or Appendix H of the Plan.

(c) Eligible Employment

Eligible Employment that qualifies for Sections 2 and 3 is employment with the University before January 1, 2001 excluding the following:

- (i) periods of employment during which an employee was excluded from the Plan under Section 2.23(i)–(ix) of the Plan,
- (ii) periods of employment during which an employee was a contributing or active member in another retirement plan to which the University or UCSF SHC contributes,
- (iii) periods of employment during which UCSF SHC provided benefits to such employee under a retirement plan,
- (iv) periods of employment with, or concurrent with, a non-University employer, including joint or split appointments, during which the employee received benefit accruals or contributions under another employer's retirement plan,
- (v) appointments during which the University made contributions on behalf of such individual to a supplemental retirement plan in addition to, or in lieu of benefit accruals under the Plan,
- (vi) periods of University employment after an employee's Retirement Date under Appendix B, C or D (Voluntary Early Retirement Incentive Programs) equal to the amount of Service Credit credited to such employee under Appendix B, C or D,

- (vii) periods of University employment during a month in which the employee received any Retirement Income or Disability Income from the Plan,
- (viii) periods of University service as a volunteer or during which an individual received no compensation.

3. ALLOCATION OF SERVICE CREDIT

- (a) Any employee who satisfies the eligibility requirements of Section 2 shall be allocated additional years of Service Credit of one or two years as provided in this Section 3. The individual allocation will be based upon the number of full consecutive months by which an employee's pre-UCSF SHC University hire date precedes the employee's Plan entry date:
 - (i) If, excluding the period between November 1, 1997 and April 1, 2000, an employee's most recent University hire date prior to November 1, 1997 precedes the employee's Plan entry date by no less than six (6) months and no more than twelve (12) months, the employee will receive an allocation of one year of Service Credit.
 - (ii) If, excluding the period between November 1, 1997 and April 1, 2000, an employee's most recent University hire date prior to November 1, 1997 precedes the employee's Plan entry date by more than twelve (12) months, the employee will receive an allocation of two years of Service Credit.
- (b) Under this Section 3, the University may also consider claims by employees who self-identify to receive an allocation of Service Credit in the amount of one or two years of Service Credit provided these employees meet the eligibility requirements of Section 2(a)(i) or (ii) above and substantially meet the requirements of this Section 3, or can substantiate at least six months of consecutive Eligible Employment before January 1, 2001 (excluding the period of November 1, 1997 through April 1, 2000) that was not excluded from UCRP membership under Section 2.23(i)–(ix) of the Plan. The deadline for submission of any claim and supporting documentation is July 31, 2002. All claims must be postmarked by that date to be accepted by UC Benefits.

4. SPECIAL APPEALS

(a) *Requirements to Appeal Under the Supplemental Allocation of Service Program*

An employee who satisfies the eligibility requirements of Section 2(a)(i) or (ii) and who can substantiate that he or she had Prior Temporary Service (as defined in Section 4(b) below) may appeal for an allocation of Service Credit in an amount different from that provided in Section 3. Any individual requesting an appeal for an allocation of Service Credit in an amount different from that provided in Section 3, under this Section 4 must submit documentation to substantiate periods of Prior Temporary Service and his or her eligibility for the amount of Service Credit he or she claims. The deadline for submission of appeals and supporting documentation is July 31, 2002. All appeals must be postmarked by that date to be accepted by UC Benefits.

(b) *Definition of "Prior Temporary Service"*

For purposes of this Program, the term "Prior Temporary Service" is Eligible Employment after an employee attained 1,000 hours of service within a rolling 12-month period, but excluding periods of University employment during which the employee received Covered Compensation.

In determining total Prior Temporary Service, University employment following a 12-month period with no University employment shall be treated as a new period of service subject to the rules of Section 4(b) above, (particularly the prerequisite of 1,000 hours before counting any Prior Temporary Service), with the result added to other periods of Prior Temporary Service.

(c) *Effect of Appeal on Service Credit Determination Under the Plan*

If an employee submits sufficient documentation, as determined by the University, to substantiate:

- (i) either his or her eligibility under Section 2(a)(i) or (ii), or his or her eligibility for this Appendix I, and
- (ii) periods of Prior Temporary Service, an allocation of Service Credit under this Appendix I shall be made to such employee equal to the number of months or years determined as a result of the University's review of such employee's appeal.

(d) *Calculations of Service Credit On Appeal Shall Be Binding*

By requesting a review of his or her records on appeal under this Section 4, a Member agrees to accept the results of the review even if the results turn out to be less favorable than the Service Credit allocation under Section 3 above. If a Member requests a calculation of his or her Service Credit under this Section 4, the determination of years of Service Credit under the Plan shall include the result produced by the University's review of such appeal, and not any allocation amount under Section 3.

(e) *Purchase of Pre-November 1990 Service Credit*

Should the University's review of records and the employee's appeal indicate that the Member had Prior Temporary Service before November 1, 1990, the Member may elect to purchase the service if such service exceeds the maximum allocation amount provided under Section 3. The election to purchase Service Credit under this program requires that the Member commit to the purchase of the entire amount of Service Credit available to him or her for purchase, or to forego the purchase of any Service Credit under this program. A Member may elect to pay the required Member Contributions of 2% of current Covered Compensation for each month of Service Credit purchased. An Active Member may enter into an irrevocable election to pay for such Service Credit on a pretax basis by having the payments deducted on an installment basis from each payroll payment. Payments made under such elections shall be in accordance with Section 414(h) of the Internal Revenue Code and shall be deemed to be employer pick-up contributions. The election shall terminate on the earlier of (1) the date the Member incurs a Break in Service, or otherwise is no longer an Active Member due to retirement, death, disability or separation from service, or (2) the date of payment of the last installment for the total payment amount for the purchased Service Credit. If a Member's election terminates due to events in item (1) in the preceding sentence, such Member shall receive a proportionate amount of the Service Credit sought for purchase based on the amount actually paid to the total amount of the payments required. If a Member declines to make an irrevocable election to purchase the Service Credit on a pretax basis, such Member may alternatively submit a single lump-sum payment on an after-tax basis for the total amount of the required payment for such Service Credit. Such lump sum payment shall not be greater than the limits as described in Section 415 of the Internal Revenue Code.

Any required Member Contributions and interest thereon shall be determined in accordance with Plan procedures. Administrative provisions for arranging payment for pre-November 1990 Service Credit will be administered under the terms of the Plan for purchasing additional Service Credit.

5. SERVICE CREDIT ALLOCATIONS AND PURCHASES SHALL NOT ALTER THE PLAN ENTRY DATE

All Service Credit allocations under this Appendix I shall be considered adjustments to Service Credit in recognition of past service with the University. In no instance shall any such allocation or purchase of Service Credit under this Supplemental Allocation of Service Program alter an individual's Plan entry date to a date earlier than the date upon which the Member became or becomes a Member as set forth in the Plan. Any changes in a Member's Plan entry date may alter the Member's eligibility for this Program. The additional Service Credit allocated under this Appendix I shall be credited solely for the purpose of determining a Member's Retirement Income, Disability Income, or Lump Sum Cashout (excluding any benefits under Article 10 of the Plan.) This allocation under Appendix I shall only apply to benefits accrued on or after January 1, 2001.

6. SUNSET PROVISION

Notwithstanding anything contained herein to the contrary, the right to participate in this Supplemental Allocation of Service Program shall not be a permanent feature of the Plan. This Supplemental Allocation of Service Program as set forth in this Appendix I shall terminate and cease to apply to any employee of the University effective July 31, 2002. Processing of claims or appeals received by July 31, 2002 will continue until all appeals have been researched and determination of Service Credit allocation completed for each appellant.

7. FINALITY AND NO DUPLICATIVE SERVICE

This Supplemental Allocation of Service Program, as set forth in this Appendix I, shall be the sole provision for establishing supplemental allocations of Service Credit for Prior Temporary Service. All decisions, after application of Section 4, shall be final as to Service Credit for years of Prior Temporary Service and years of prior University employment that

were not counted or do not count as Service Credit under the Plan (except by operation of this Appendix). No years of employment with the University may count twice for determining Service Credit under the Plan. Any individual who establishes eligibility for Service Credit under Section 5, 6, 7, or 8 of the Plan for any prior periods of University employment before January 1, 2001 shall have such Service Credit reduced by the Service Credit allocation under this Appendix I.

APPENDIX J

SUPPLEMENTAL ALLOCATION OF SERVICE PROGRAM FOR CERTAIN NON-SENATE INSTRUCTIONAL UNIT EMPLOYEES

This Appendix, effective January 1, 2004, provides for a supplemental allocation of Service Credit under the University of California Retirement Plan (Plan) to certain eligible employees in the Non-Senate Instructional (NSI) Unit, in recognition of their prior efforts on behalf of the University of California (University). This program shall be referred to below as the NSI Allocation Program.

1. SCOPE

This Appendix sets forth separate provisions of the Plan which apply to certain NSI Unit employees of the University who had prior temporary employment with the University, as provided in Sections 2 and 3 of this Appendix J. All other provisions of the Plan, including defined terms, shall apply to an employee who is eligible for this NSI Allocation Program except as otherwise provided by this Appendix J.

2. ELIGIBILITY FOR SUPPLEMENTAL ALLOCATION OF SERVICE PROGRAM FOR NON-SENATE INSTRUCTIONAL UNIT EMPLOYEES

- (a) Subject to the provisions of Sections 2(b) and 3, an employee is eligible for participation in this NSI Allocation Program if:
 - (i) the employee is an Active Member on January 1, 2004, or becomes an Active Member on any date thereafter but not later than December 31, 2004;
 - (ii) the employee is in a NSI Unit 18 title on January 1, 2004 or by December 31, 2004;
 - (iii) the employee did not receive an allocation of Service Credit under any of Appendices G, H or I of the Plan before January 1, 2004; and
 - (iv) the employee had a period of Eligible Temporary Employment with the University that (A) occurred before the employee's Plan entry date, and (B) lasted at least five months during a 12-month period ending before January 1, 2004.

- (b) *Eligible Employment.* Eligible Employment means periods of employment with the University before January 1, 2004, excluding the following periods of University service:
- (i) periods of employment during which an employee was excluded from the Plan under Section 2.23(i)–(ix) of the Plan;
 - (ii) employment as an employee designated with a health sciences compensation plan title code for payroll purposes;
 - (iii) periods of employment as a participant in another retirement plan to which the University contributes;
 - (iv) periods of employment with, or concurrent with, a non- University employer, including joint or split appointments, during which the employee received benefit accruals or contributions under another employer’s retirement plan;
 - (v) appointments during which the University made contributions on behalf of such individual to a supplemental retirement plan in addition to, or in lieu of, benefit accruals under the Plan;
 - (vi) an appointment for University Extension courses or programs that is not annual or indefinite;
 - (vii) employment designated with a Howard Hughes Medical Institute Investigator title code for payroll purposes;
 - (viii) periods of University employment after an employee’s Retirement Date under Appendix B, C or D (Voluntary Early Retirement Incentive Programs) equal to the amount of Service Credit credited to such employee under Appendix B, C or D;
 - (ix) periods of University employment during a month in which the employee received any Retirement Income or Disability Income from the Plan;
 - (x) periods of University service as a volunteer or during which an individual received no compensation;
 - (xi) periods of employment as a visiting appointee, other than employment in the Visiting Lecturer and Visiting Senior Lecturer titles (title codes 1601, 1604, 1608, 1609, 1611 and 1618, all of which were discontinued in August 1986), subject to qualification and verification by the Plan Administrator; and
 - (xii) periods of employment for which the employee received Service Credit under the Plan.

3. ALLOCATION OF SERVICE CREDIT

- (a) An employee who satisfies the eligibility requirements of Section 2 may be allocated additional years of Service Credit of one or two years as provided in this Section 3. The individual allocation will be based upon the number of months of Eligible Employment completed by the employee before the employee's Plan entry date, as set forth below:
- (i) If the employee has at least five months but less than 12 months of Eligible Employment during a 12-month period ending before the employee's Plan entry date, and is not eligible to receive an allocation under (ii) below, the employee will receive an allocation of one year of Service Credit.
 - (ii) If the employee has more than 12 consecutive months of Eligible Employment ending before the employee's Plan entry date, the employee will receive an allocation of two years of Service Credit.
- (b) Under this Section 3, the University may also consider claims by employees who self-identify to receive an allocation of Service Credit under Section 3(a), provided that such an employee can substantiate at least five months of Eligible Employment before the employee's Plan entry date. The deadline for submission of any such claim and supporting documentation is December 31, 2004. All claims must be postmarked by that date to be accepted by UC Benefits.

4. SPECIAL APPEALS

(a) *Requirements to Appeal Under the Supplemental Allocation of Service Program*

A NSI Unit employee who is eligible to receive an allocation of Service Credit under Section 3 and who can substantiate that he or she had Prior Temporary Service (as defined in Section 4(b) below) may appeal for an allocation of Service Credit in an amount different from that provided in Section 3. Any individual requesting such an appeal must submit documentation to substantiate periods of Prior Temporary Service and his or her eligibility for the amount of Service Credit claimed. The deadline for submission of appeals and supporting documentation is December 31, 2004. All appeals must be postmarked by that date to be accepted by UC Benefits.

(b) *Definition of “Prior Temporary Service”*

For purposes of this NSI Allocation Program, the term “Prior Temporary Service” means periods of temporary employment with the University completed before the employee’s Plan entry date or January 1, 2004, whichever is earlier, provided that:

- (i) such temporary employment includes only periods of employment with the University after the employee has completed 750 hours on pay status in an NSI title within a 12- month period (or after 1,000 hours in a non-NSI title within a 12- month period); and
- (ii) Prior Temporary Service shall not include periods of employment excluded from Eligible Temporary Employment under Section 2(c).

In determining total Prior Temporary Service, University employment following a 12-month period with no University employment shall be treated as a new period of service subject to the rules of Section 4(b) above (particularly the prerequisite of 750 hours (or 1,000 hours if applicable) before counting any Prior Temporary Service), with the result added to other periods of Prior Temporary Service.

(c) *Effect of Appeal on Service Credit Determination Under the Plan*

If an eligible employee submits sufficient documentation, as determined by the University, to substantiate periods of Prior Temporary Service, an allocation of Service Credit under this Appendix J shall be made under Section 4(e) and (f) below.

(d) *Calculations of Service Credit On Appeal Shall Be Binding*

By requesting a review of his or her records on appeal under this Section 4, a Member agrees to accept the results of the review even if the results are less favorable than the Service Credit allocation under Section 3 above. If a Member requests a calculation of his or her Service Credit under this Section 4, the determination of years of Service Credit under the Plan shall include the result produced by the University’s review of such appeal, and not any allocation amount under Section 3.

(e) *Post-October 1990 Service Credit.*

With respect to allocations of Service Credit under this Section 4 for Prior Temporary Service after October 31, 1990, such allocations shall be equal to the number of months or years of such Prior Temporary Service determined as a result of the University’s review of such employee’s appeal.

(f) *Pre-November 1990 Service Credit.*

If the University's review of records in connection with a Member's appeal indicate that the Member had Prior Temporary Service before November 1, 1990, the Member shall receive an allocation of Service Credit as follows:

- (i) if the Member's pre-November 1990 Prior Temporary Service is two years or less, the allocation shall equal the amount of his or her Prior Temporary Service; and
- (ii) if the Member's pre-November 1990 Prior Temporary Service exceeds two years, the Member shall receive an allocation of two years of Service Credit at no cost. Additionally, the employee may elect to purchase Service Credit for the entire remaining period of pre-November 1990 Prior Temporary Service, subject to the following rules:
 - (1) If the Member elects to purchase such Service Credit, the Member must commit to the purchase of the entire amount of Service Credit available to him or her for purchase, or to forego the purchase of any Service Credit under this Appendix J;
 - (2) a Member may elect to pay the required Member Contributions of 2% of current Covered Compensation for each month of Service Credit purchased;
 - (3) an Active Member may enter into an irrevocable election to pay for such Service Credit on a pretax basis by having the payments deducted on an installment basis from each payroll payment, provided that payments made under such elections shall be in accordance with Section 414(h) of the Internal Revenue Code and shall be deemed to be employer pick-up contributions;
 - (4) the election to purchase Service Credit shall terminate on the earlier of (A) the date the Member incurs a Break in Service, or otherwise is no longer an Active Member due to retirement, death, disability or separation from service, in which case such Member shall receive a proportionate amount of the Service Credit sought for purchase based on the amount actually paid to the total amount of the payments required or (B) the date of payment of the last installment for the total payment amount for the purchased Service Credit; and

- (5) if a Member declines to make an irrevocable election to purchase the Service Credit on a pretax basis, such Member may alternatively submit a single lump-sum payment on an after-tax basis for the total amount of the required payment for such Service Credit. Such lump sum payment shall not be greater than the limits as described in Section 415 of the Internal Revenue Code.

Any required Member Contributions and interest thereon shall be determined in accordance with Plan procedures. Administrative provisions for arranging payment for pre-November 1990 Service Credit will be administered under the terms of the Plan for purchasing additional Service Credit.

5. SERVICE CREDIT ALLOCATIONS AND PURCHASES SHALL NOT ALTER THE PLAN ENTRY DATE

All Service Credit allocations under this Appendix J shall be considered adjustments to Service Credit in recognition of past service with the University. In no instance shall any such allocation or purchase of Service Credit under this NSI Allocation Program alter an individual's Plan entry date to a date earlier than the date on which the Member became or becomes a Member as set forth in the Plan. Any changes in a Member's Plan entry date may alter the Member's eligibility for this NSI Allocation Program. The additional Service Credit allocated under this Appendix J shall be credited solely for the purpose of determining a Member's Retirement Income, Disability Income, or Lump Sum Cashout (excluding any benefits under Article 10 of the Plan). This allocation under Appendix J shall only apply to benefits accrued on or after January 1, 2004.

6. SUNSET PROVISION

Notwithstanding anything contained herein to the contrary, the right to participate in this NSI Allocation Program shall not be a permanent feature of the Plan. This NSI Allocation Program as set forth in this Appendix J shall terminate and cease to apply to any employee of the University effective December 31, 2004. Processing of claims or appeals received by December 31, 2004 will continue until all appeals have been researched and determination of Service Credit allocation completed for each appellant.

7. FINALITY AND NO DUPLICATIVE SERVICE

This NSI Allocation Program, as set forth in this Appendix J, shall be the sole provision for establishing supplemental allocations of Service Credit for Prior Temporary Service to eligible NSI Unit employees. All decisions, after application of Section 4, shall be final as to Service Credit for years of Prior Temporary Service and years of prior University employment that were not counted or do not count as Service Credit under the Plan (except by operation of this Appendix). No periods of employment with the University may count twice for determining Service Credit under the Plan. Any individual who establishes eligibility for Service Credit under Section 5, 6, 7, or 8 of the Plan for any prior periods of University employment before January 1, 2004 shall have such Service Credit reduced by the Service Credit allocation under this Appendix J.

APPENDIX K

UCSF STANFORD HEALTH CARE RETIREMENT PLAN TRANSFERS

1. SCOPE

This Appendix sets forth the rules governing the determination of benefits, payment of benefits, Covered Compensation, and other features under the Plan for certain individuals and the election to purchase Service Credit, as provided below. Capitalized terms shall have the meaning described in Article 2 of the Plan unless otherwise defined in this Appendix. Any amounts payable pursuant to this Appendix shall be subject to the maximum benefit limitations set forth in Sections 5.09, 6.08, 7.08 and 8.08 of the Plan.

2. GENERAL PROVISIONS

This Appendix K shall apply to North Site Employees. “North Site Employees” are individuals who:

- (a) were employed by UCSF Stanford Health Care (“UCSF SHC”) at:
 - (i) the UCSF Medical Center/Mount Zion location, the UCSF Medical Center/Moffitt Long location and related faculty practice, clinic, home care and outreach operations on either March 31, 2000, or their last day of active employment at UCSF SHC (including commencement of an approved leave of absence, disability, retirement) prior to March 31, 2000; or
 - (ii) worked at the Executive Park corporate office if identified as a North Site Employee by agreements between the Regents and Stanford Hospital and Clinics; and
- (b) participated in the UCSF SHC 403(b) Retirement Plan (“Retirement Plan”) at some time between November 1, 1997 and March 31, 2000; and
- (c) did not accrue a benefit under Article 3 of the UCSF SHC defined benefit plan, the UCSF SHC Staff Pension Plan (“SPP”) (excluding SPP Schedule A benefits) while a North Site Employee under (a) above.

An individual shall be treated as a North Site Employee for purposes of this Appendix K only for the period of time he or she met the requirements of the General Provisions of Section 2 of this Appendix.

3. MEMBERSHIP

- (a) Any Inactive Member who was a North Site Employee and who did not return to Eligible Employee status on or after April 1, 2000 shall remain an Inactive Member under the Plan (unless and until such Inactive Member returns to Eligible Employee status).
- (b) Any former North Site Employee who was not a Member of the Plan prior to November 1, 1997 and who did not become an Eligible Employee on or after April 1, 2000, shall, to the extent of any purchase of Service Credit under this Appendix K on behalf of such individual, be treated similar to an Inactive Member if such individual has five years of Service Credit for eligibility under Section 4 of this Appendix.
- (c) A former Member who returns as an Eligible Employee on or around April 1, 2000, following a period of employment as a North Site Employee, shall become an Active Member of the Plan upon such individual's return as an Eligible Employee and shall reenter the Plan as a Member with Coordinated Benefits as defined in Article 3 (and Section 7.05(e)) of the Plan, unless:
 - (i) such Member is a Member with Noncoordinated Benefits as provided in Section 3.04 (and 7.05(e)) of the Plan, who shall return as a Member with Noncoordinated Benefits, or
 - (ii) such Member holds an eligible safety classification as set forth in Plan Regulations and qualifies as a Member with Safety Benefits as described in Section 3.06 of the Plan.

4. ELIGIBILITY

Effective April 1, 2000, for purposes of determining eligibility for the following benefits under the Plan, a former North Site Employee's period of employment at UCSF SHC shall be counted as Service Credit:

- (a) for Early Retirement under Sections 5.05, 6.05, 7.06 and 8.05 of the Plan;
- (b) for Preretirement Survivor Income under Sections 5.16, 6.15, 7.15, 8.14 and 8.15 of the Plan; and

- (c) for eligibility for certain disability benefits under Sections 5.19, 6.18, 7.18, 8.18 and 8.19 of the Plan.

5. ELECTION TO PURCHASE SERVICE CREDIT

On or about June 30, 2003, the Plan shall offer to certain individuals the choice to exchange a portion of their benefit under the UCSF SHC Retirement Plan for Service Credit under the Plan, as permitted by Section 403(b)(13) of the Internal Revenue Code (and any rulings from the Internal Revenue Service).

Subject to the limitations and requirements set forth below, a North Site Employee who had Service Credit under the Plan prior to November 1, 1997 or between April 1, 2000 and September 30, 2003 (or both) shall be offered a choice to purchase Service Credit under the Plan for his or her period of employment as a North Site Employee. The exchange purchase price for such Service Credit shall be 50% of the "Basic Contribution" made on behalf of such individual under the UCSF SHC Retirement Plan, as determined by the University in consultation with UCSF SHC and Stanford Health Care. Such election shall be subject to the rules and procedures established by the University to facilitate such purchases.

- (a) Such exchange purchases shall be permitted by current Members and by former Members who received a Lump Sum Cashout following the transfer of employment to UCSF SHC.
- (b) The exchange election to purchase Service Credit for the period of employment as a North Site Employee must be received by the University by September 30, 2003.
- (c) The exchange purchase price for such Service Credit shall be paid by a direct transfer of assets from Fidelity custodial accounts maintained under the Retirement Plan, except as provided in this Section 5(d) below.
- (d) To the extent an individual is invested in TIAA annuities under the Retirement Plan or such individual's account balance in the Retirement Plan is less than the exchange purchase price (including individuals with zero account balances due to distributions from the Retirement Plan), the individual electing to purchase the Service Credit attributable to the period of employment as a North Site Employee shall pay the exchange purchase price in a lump-sum amount to the Plan. Such payment shall be made by September 30, 2003.

- (e) The University shall offer such exchange elections to North Site Employees to purchase the Service Credit available under this Section 5 subject to the restrictions, deadlines and procedures established by the University.
- (f) The purchase of Service Credit by any electing North Site Employee shall be final after full payment is made as provided in (c) or (d) above.

6. EFFECT OF ELECTIVE PURCHASE OF SERVICE CREDIT

- (a) For purposes of calculating Retirement Income under Sections 5.06, 6.06, 7.07 and 8.06 (including benefits due to "Death While Eligible" to Retire" under Sections 5.16(b), 6.15(b), 7.15(b) and 8.15(b)) and Disability Income under Sections 5.19, 6.18, 7.18, 8.18 and 8.19 of the Plan, a North Site Employee's periods of purchased Service Credit shall count as Service Credit under the Plan. This Section 6 shall not alter any Member's age at retirement or Retirement Date under the Plan.
- (b) For purposes of calculating Highest Average Plan Compensation under the Plan, earnings or salary paid to a North Site Employee by UCSF SHC, to the extent it would have counted as Covered Compensation under the Plan if paid by the University, shall count towards Highest Average Plan Compensation under the Plan for periods of Service Credit purchased in accordance with Section 5 of this Appendix. For purposes of calculating Highest Average Plan Compensation, continuous periods of employment as a North Site Employee at UCSF SHC shall be included as continuous months of employment under the Plan.

7. RULES FOR RETIREES AND FORMER MEMBERS

- (a) If a former or current Member who is a North Site Employee received a Refund of Accumulations upon the transfer of employment to UCSF SHC, such individual may reestablish Service Credit by redepositing such amount pursuant to the rules established under the Plan if such individual is an employee of the University and if such redeposit would result in at least five years of Service Credit under the Plan in combination with Service Credit awarded for eligibility purposes under this Appendix K. Any other former or current Member who is a North Site Employee and who received a Refund of Accumulations upon the transfer of employment to UCSF SHC, shall be eligible to redeposit such total amount pursuant to the rules established under the Plan

once such individual becomes an Active Member of the Plan, if such redeposit election is made pursuant to the rules under the Plan.

- (b) For North Site Employees who commenced receipt of retirement income from UCRP after transfer of employment to UCSF SHC and returned to the University's employ as an Eligible Employee, their benefits under UCRP shall take into account the rules for reinstatement under Sections 5.14, 5.15, 6.13, 6.14, 7.13, 7.14, 8.12 and 8.13 of the Plan, in accordance with rules established by the University.
- (c) A Retired Member who is a North Site Employee who does not return to Eligible Employee status on or after April 1, 2000 and who purchases Service Credit in accordance with Section 5 of this Appendix, shall have his or her Retirement Income adjusted, as of the later of the date such individual terminated from UCSF SHC or retired under the Plan, to reflect the increase resulting from such purchase, but otherwise under the terms of the Plan in effect on such Member's Retirement Date. Such Retired Member's Retirement Date or age at retirement shall not change.
- (d) A current or former Member who is a North Site Employee and who previously received a Lump Sum Cashout following the transfer of employment to UCSF SHC shall be eligible to purchase Service Credit under Section 5 of this Appendix K. Such a former Member who purchases the Service Credit in accordance with Section 5 shall receive an additional lump sum payment based on the purchase attributable to his or her period of employment as a North Site Employee, calculated under the terms of the Plan applicable on the date of the first Lump Sum Cashout. The lump sum payment determined under the preceding sentence shall also be payable to an Active or Inactive Member who purchased the Service Credit in accordance with Section 5 if such Member, subsequent to April 1, 2000, terminates employment with the University with less than five years of Service Credit.

8. BENEFICIARIES

Beneficiaries are not permitted to purchase Service Credit under this Appendix K.

9. MISCELLANEOUS

- (a) A former North Site Employee who is an Active Member may request to establish Service Credit in accordance with the payment provisions under Sections 5.04(c) and (d), 6.04(c) and (d), 7.05(c) and (d) and 8.04(d) and (e) of the Plan and under rules established by the University, for the following:
 - (i) periods of leave from UCSF SHC if, and to the extent, such right to reestablish Service Credit would have been available if employed at the University, or
 - (ii) total periods of service as a North Site Employee for which a Member was eligible for but declined a purchase under Section 5 above.
- (b) The University shall establish such rules as necessary to administer the benefits described in this Appendix K, as set forth in Plan Regulations.

APPENDIX L

LOS ALAMOS NATIONAL LABORATORY TRANSITION

1. SCOPE

Effective June 1, 2006, management of the Los Alamos National Laboratory (LANL) was transitioned from the University to a private, limited liability corporation: the Los Alamos National Security, LLC (LANS). As part of the transition, each Eligible LANL Member received an offer of employment with LANS to become effective immediately following the Member's termination of employment with the University on May 31, 2006. Eligible LANL Members who accepted the LANS employment offer could elect to participate in either the LANS Plan or a LANS DC Plan.

This Appendix sets forth the rules modifying the determination of benefits, transfer or retention of benefits, payment of benefits, and other features under UCRP that apply only to Eligible LANL Members, Survivors, Beneficiaries, or Designated Payees. The standard provisions of UCRP continue to apply except to the extent specifically modified by the provisions of this Appendix L.

2. DEFINITIONS

The definitions set forth in Article 2 of UCRP apply to the provisions of this Appendix L, and the following definitions apply only to the provisions of this Appendix L:

- (a) *CAP-Only Member* means a LANS Plan Member who has Capital Accumulation Credits retained under Article 10 of UCRP.
- (b) *Eligible Designated Payee* means an individual who, as of June 1, 2006, is named as a Designated Payee of an Eligible LANL Member pursuant to
 - (i) an approved domestic relations order providing for the division of the Member's UCRP Benefit or
 - (ii) a domestic relations order that is not processed by the Plan Administrator prior to June 1, 2006, but is signed by that date and subsequently endorsed-filed with the court and approved under UCRP's domestic relations procedures.

- (c) *Eligible LANL Member* means an individual who on May 31, 2006 is a University employee in good standing at LANL and is an Active Member or a Reinstated Retired Member.
- (d) *Final Transfer* means the final transfer of substantially all of the assets and liabilities associated with the LANS Plan Members' UCRP Benefits as determined by the University.
- (e) *LANS Plan* means the LANS Defined Benefit Pension Plan established by LANS for the benefit of its eligible employees and their beneficiaries.
- (f) *LANS DC Plan* means a defined contribution plan established by LANS for the benefit of its eligible employees and their beneficiaries.
- (g) *LANS Plan Member* means an Eligible LANL Member who elects to participate in the LANS Plan.
- (h) *Reinstated Retired Member* means a Retired Member whose UCRP payments were suspended upon reinstatement as an Eligible Employee at LANL prior to June 1, 2006.
- (i) *UCRP Benefit* means the benefit accrued by an Eligible LANL Member under UCRP as of May 31, 2006, other than the Capital Accumulation Payment (CAP) benefit, based on the Member's HAPC and Service Credit determined as of that date.
- (j) *Unused Sick Leave* means the sick leave accrued, but unused, by an Eligible LANL Member as of May 31, 2006.

3. PLAN ELECTION

(a) *Source of Benefit Payments*

If an Eligible LANL Member accepts employment with LANS and elects to participate in the LANS Plan, the Member's UCRP Benefit and the associated assets and liabilities will be transferred to the LANS Plan contingent upon receipt by the University of certain assurances regarding the transfer process and the LANS Plan from both LANS and the Department of Energy and receipt of all necessary and appropriate regulatory approvals. After the Final Transfer, no benefit will be payable to a LANS Plan Member, or his or her beneficiary or designated payee, from UCRP to the extent the benefit is payable from the LANS Plan or a successor plan with respect to the same period of service except to the extent such Member, beneficiary or designated payee may be eligible to receive all or part of a Capital Accumulation

Payment or the designated payee is an Eligible Designated Payee who elects the retention option described in Section 6(b) below. Prior to the Final Transfer, no benefit shall be payable from UCRP to a LANS Plan Member, or his or her beneficiary or designated payee, both as determined under the LANS Plan, except as provided in Section 8 below.

(b) *DC Plan Election*

If an Eligible LANL Member accepts employment with LANS and elects to participate in a LANS DC Plan, assets and liabilities attributable to the Member's UCRP Benefit will be retained in UCRP. The Member will incur a Break in Service as of May 31, 2006, and his or her UCRP Benefit will be payable under Section 4.08 of UCRP.

(c) *Declines Employment*

If a vested Eligible LANL Member declines employment with LANS, the Member will incur a Break in Service as of May 31, 2006, and his or her UCRP Benefit will be payable under Section 4.08 of UCRP.

(d) *No Reduction of UCRP Benefit*

In no event will the UCRP Benefit transferred to the LANS Plan immediately following the transfer of assets and liabilities be less than the benefit the Member would have been entitled to receive from UCRP immediately before the transfer if UCRP had then terminated.

4. CAPITAL ACCUMULATION PAYMENT

The Capital Accumulation Credits of a CAP-Only Member will remain on deposit with UCRP until the CAP-Only Member separates from service with LANS. Upon such separation, the CAP-Only Member's Capital Accumulation Payment will be distributed in accordance with Section 10.08(d) of UCRP. The Capital Accumulation Credits of a CAP-Only Member will continue to accrue Interest Credits in accordance with Section 10.06 of UCRP until distributed.

5. SERVICE CREDIT

(a) *Service Credit Established*

Effective January 18, 2006, an Eligible LANL Member who is or has been without pay on account of an approved Leave as defined in Sections 5.04(d), 6.04(d), 7.05(d) and 8.04(e) of the Plan:

- (i) may establish Service Credit for such Leave with a one-time lump-sum after-tax payment to the Plan on or before May 31, 2006. This provision applies whether or not the established Service Credit would cause the Eligible LANL Member to satisfy UCRP's vesting requirements; or
- (ii) may complete the process of establishing Service Credit for the Leave through monthly payroll deductions and, to the extent necessary to make full payment, with a lump-sum after-tax payment to the Plan made within 60 days after the date such Member ceases to be an Active Member. This provision applies whether or not the established Service Credit would cause the Eligible LANL Member to satisfy UCRP's vesting requirements and regardless of how long the monthly repayment schedule to establish the Service Credit has been in effect.

(b) *Service Credit Reestablished*

Effective January 18, 2006, an Eligible LANL Member who received a Refund of Accumulations attributable to Member Contributions made during a prior period of Plan membership, causing a forfeiture of Service Credit:

- (i) may reestablish Service Credit for the entire period of previous membership in the Plan by making a one-time lump-sum after-tax payment to the Plan on or before May 31, 2006. This provision applies whether or not the reestablished Service Credit would cause the Eligible LANL Member to satisfy the Plan's vesting requirements; or
- (ii) may complete the process of reestablishing Service Credit for the entire period of previous membership in the Plan through monthly payroll deductions and, to the extent necessary to make full payment, with a lump-sum after-tax payment to the Plan made within 60 days after the date such Member ceases to be an Active Member. This provision applies whether or not the reestablished Service Credit would cause the Active LANL Member to satisfy the Plan's vesting requirements and regardless of how long the monthly repayment schedule to reestablish the Service Credit has been in effect.
- (iii) If the assets and liabilities associated with the UCRP Benefit of an Eligible LANL Member are transferred to the LANS Plan, and the individual is subsequently reemployed by the University, the

individual may not reestablish Service Credit for any period of University employment prior to June 1, 2006.

(c) *Service Credit During Military Leave*

Effective May 18, 2006:

- (i) Service Credit shall be earned without payment of Member and University Contributions by an Eligible LANL Member who was on a military leave which commenced before and ended after May 31, 2006, provided such individual returns to service with LANS at the expiration of such leave. The amount of the Service Credit awarded shall be for the period of the military leave up to May 31, 2006 and shall be equal to the ratio of the Eligible LANL Member's Covered Compensation to applicable Full Time Equivalent Compensation for the last 12 months of continuous service preceding the effective date of the military leave. The calculation of such Service Credit shall be consistent with the requirements of Section 414(u) of the Internal Revenue Code.
- (ii) An Eligible LANL Member who was on military leave as of May 31, 2006 and who is entitled to Service Credit for such leave up to May 31, 2006 may not make up Member Contributions that would have been contributed to the Defined Contribution Plan, as described in Section 4.02 of UCRP.

6. DOMESTIC RELATIONS ORDERS

(a) *Options Available*

An Eligible Designated Payee may elect to have assets and liabilities attributable to his or her share of the Member's UCRP Benefit retained in, and paid from, UCRP ("retention option") or transferred to the LANS Plan ("transfer option").

(b) *Retention Option*

If the Eligible Designated Payee elects the retention option, his or her benefit under UCRP will be determined as if the Member had elected to become an Inactive Member as of June 1, 2006. The HAPC used to calculate the Eligible Designated Payee's benefit will reflect increases attributable to the total percentage of cost-of-living adjustments specified in Section 9.03(b) of the Plan on each July 1 that occurs in the period beginning July 1, 2006 and ending on the July 1 coinciding with or immediately preceding the commencement date

of the Eligible Designated Payee's monthly benefit or Lump Sum Cashout. No UCRP Benefit attributable to the Eligible Designated Payee's share of the Member's benefit will be transferred to or payable under the LANS Plan.

(c) *Transfer Option*

If an Eligible Designated Payee elects the transfer option, the Eligible Designated Payee's share of the Member's UCRP Benefit will become payable from the LANS Plan in accordance with the terms of the LANS Plan and its qualified domestic relations order procedures. The Eligible Designated Payee will have no right to any additional benefit payable under UCRP except to the extent that the Eligible Designated Payee may be entitled to a share of the Member's Capital Accumulation Payment under a domestic relations order approved by the Plan Administrator or as provided in Section 8 below.

7. REAPPOINTED RETIRED MEMBERS

Reinstated Retired Members were provided with the same transition benefit options as other Eligible LANL Members. Their subsequent retirement benefits following the transition to LANS are calculated as follows:

If a Reinstated Retired Member elects to participate in the LANS Plan, the Member's UCRP Benefit and the associated assets and liabilities will be transferred to the LANS Plan. The Member's subsequent retirement benefit will be determined under the terms of LANS Plan. By electing to participate in the LANS Plan, the Member waives all rights to receive Retirement Income or a Lump Sum Cashout based on the UCRP Benefit from UCRP except as provided in Section 8 below.

- (a) If a Reinstated Retired Member elects to retire on June 1, 2006, the Member's UCRP Benefit will be calculated in accordance with reinstatement provisions set forth in Sections 5.15, 6.14, 7.14 and 8.13 of the Plan and Regulations.
- (b) If a Reinstated Retired Member accepts employment with LANS, and elects to participate in a LANS DC Plan, the Member's subsequent retirement benefit from UCRP will be calculated in accordance with the reinstatement provisions of Sections 5.15, 6.14, 7.14 and 8.13 of the Plan and Regulations, except that the HAPC for the period of reemployment at LANL used to determine the Member's initial Basic

Retirement Income will be increased according to the provisions of Plan Sections 5.11(c), 6.10(c), 7.10(c) and 8.09(c) on each July 1 that occurs in the period beginning July 1, 2006 and ending on the July 1 coinciding with or immediately preceding the Member's subsequent retirement.

8. INTERIM BENEFIT PAYMENTS

The University has agreed to facilitate retirement payments of UCRP Benefits to LANS Plan Members and their beneficiaries and designated payees due to the inability of the LANS Plan to make such payments before the Final Transfer. This accommodation is intended to reflect the elections made by LANS Plan Members and will be interpreted consistent with such limited purpose.

(a) *LANS Plan Distribution Options*

If a LANS Plan Member retires or dies prior to the Final Transfer, or if a designated payee named in a qualified domestic relations order that purports to divide a LANS Plan Member's benefit under the LANS Plan is eligible, and elects, to start payment of his or her monthly benefit prior to the Final Transfer, the part of any such benefit payable to the distributee that is attributable to the Member's UCRP Benefit will be paid from UCRP, subject to the following limitations:

- (i) The LANS Plan Member electing retirement must choose to receive his or her UCRP Benefit in the form of one of the distribution options described in clause (ii) below that is available under the LANS Plan, each of which is actuarially equivalent to the Member's UCRP Benefit expressed as the Member's basic retirement income determined under the LANS Plan. Actuarial equivalence is determined by using an interest assumption of 7.5% and a mortality assumption (regardless of gender) of the 1994 Group Annuity Reserving Table for Males, with ages set back three years for the Member and ages set back five years for the contingent annuitant and an assumed cost of living adjustment equal to 2.0% per year.
- (ii) The distribution options include:
 - (1) 100% joint and contingent annuity;
 - (2) 66 2/3% joint and contingent annuity;
 - (3) 50% joint and contingent annuity; or
 - (4) single life annuity.

(b) *Spousal Consent*

A LANS Plan Member who has a spouse on his or her retirement date under the LANS Plan must obtain and deliver the written and notarized consent of his or her spouse if the Member wishes to designate a contingent annuitant other than the spouse for a joint and contingent annuity or to elect a single life annuity.

(c) *Death of Member*

If the LANS Plan Member dies before the Final Transfer, causing the Member's beneficiary identified by the plan administrator of the LANS Plan to become eligible for the basic death benefit and/or residual death benefit established under the terms of the LANS Plan, the part of such benefits, if any, attributable to the Member's UCRP Benefit will be paid from UCRP. If the LANS Plan Member dies prior to retirement and before the Final Transfer, his or her spouse will be eligible to receive a preretirement survivor annuity consistent with the terms of the LANS Plan. The part of such benefit attributable to the Member's UCRP Benefit will be paid from UCRP.

(d) *Designated Payee*

If the designated payee is eligible to and elects to start payments of a monthly benefit consistent with the terms of the LANS Plan, the part of such benefit attributable to the member's UCRP Benefit will be paid under UCRP.

(e) *Additional Requirements*

No payment will be made under this Section 8 unless the Department of Energy/National Nuclear Security Administration (DOE/NNSA) provides written assurances acceptable to the University regarding the release of the University's obligations with respect to certain fund transfer requirements applicable to the University under Contract No. W-7405-ENG-36, the treatment of expenses incurred in connection with the interim payments and the accounting for interim payments in the Final Transfer, and no LANS Plan Member or his or her beneficiary or designated payee shall have any right to payment under this Section 8 until such assurances are provided to the University.

Prior to making a payment under this Section 8, the Plan Administrator must confirm the identity of the distributee, and the amount, form and starting date of the distributee's interim payment, in an Exhibit to Appendix L.

No benefits will be paid under this Section 8 after the Final Transfer, and the LANS Plan will make all other payments of UCRP Benefits for LANS Plan Members.

9. MISCELLANEOUS

(a) *Unused Sick Leave*

Eligible LANL Members who elect to become Inactive Members and to accept employment with LANS as of June 1, 2006 can choose to transfer their Unused Sick Leave to LANS or to leave it with the University for conversion to UCRP Service Credit.

- (i) If such an Inactive Member elects to transfer his or her Unused Sick Leave to LANS, then the Unused Sick Leave may not be subsequently converted to UCRP Service Credit.
- (ii) If such an Inactive Member elects to leave his or her Unused Sick Leave at the University, the Unused Sick Leave may be converted to UCRP Service Credit, provided that the Member elects a UCRP monthly retirement benefit with a Retirement Date that is within 120 days of his or her separation from University employment on May 31, 2006. No Unused Sick Leave will be converted to Service Credit if the Member elects to receive a Lump Sum Cashout.

(b) *No Vested Rights*

The University reserves the right to amend, modify or terminate this Appendix L and no person shall be vested in any UCRP benefit by reason of the terms or operation of this Appendix L.

**EXHIBIT L-1
LOS ALAMOS NATIONAL LABORATORY TRANSITION**

LANS Plan Participant ID	Benefit Commencement Date	Form of Monthly Benefit Payment	Monthly Benefit Amount	Monthly Social Security Supplement
01-960117376	12/01/06	50% Joint & Contingent Annuity	<u>\$1,076.16</u>	<u>\$15.00</u> Payable Through 09/01/2007
02-960153668	12/01/06	100% Joint & Contingent Annuity	<u>\$1,130.75</u>	<u>\$21.19</u> Payable Through 01/01/2014
03-960083404	1/01/07	50% Joint & Contingent Annuity	<u>\$451.53</u>	<u>\$14.26</u> Payable Through 02/01/2013
04-960146035	2/01/07	Single Life Annuity	<u>\$721.07</u>	<u>\$10.60</u> Payable Through 11/01/2017
05-960111432	2/01/07	100% Joint & Contingent Annuity	<u>\$2,488.83</u>	<u>\$40.52</u> Payable Through 06/01/2014
06-960105259	2/01/07	100% Joint & Contingent Annuity	<u>\$1,748.93</u>	<u>\$30.90</u> Payable Through 11/01/2013

LANS Plan Participant ID	Benefit Commencement Date	Form of Monthly Benefit Payment	Monthly Benefit Amount	Monthly Social Security Supplement
07-960093173	3/01/07	Single Life Annuity	<u>\$6,470.80</u>	<u>\$71.54</u> Payable Through 8/01/2013
08-960089128	3/01/07	Single Life Annuity	<u>\$2,807.93</u>	<u>\$62.55</u> Payable Through 9/1/2017
09-96009680 deceased – DOD 12/16/06	1/01/07	100% Joint & Contingent Annuity	<u>\$6,094.92</u> <u>LSC Death Payment</u> <u>of</u> <u>\$13,666.27</u>	<u>\$79.47</u> Payable Through 4/1/2012

APPENDIX M

LAWRENCE LIVERMORE NATIONAL LABORATORY TRANSITION

1. SCOPE

Effective October 1, 2007, management of the Lawrence Livermore National Laboratory (LLNL) was transitioned from the University to a private, limited liability corporation: the Lawrence Livermore National Security, LLC (LLNS). As part of the transition, each Eligible LLNL Member received an offer of employment with LLNS to become effective immediately following the Member's termination of employment with the University on September 30, 2007. Eligible LLNL Members who accepted the LLNS employment offer could elect to participate in either the LLNS Plan or a LLNS DC Plan.

This Appendix sets forth the rules modifying the determination of benefits, transfer or retention of benefits, payment of benefits, and other features under UCRP that apply only to Eligible LLNL Members, Survivors, Beneficiaries, or Designated Payees. The standard provisions of UCRP continue to apply except to the extent specifically modified by the provisions of this Appendix M.

2. DEFINITIONS

The definitions set forth in Article 2 of UCRP apply to the provisions of this Appendix M, and the following definitions apply only to the provisions of this Appendix M:

- (a) *CAP-Only Member* means a LLNS Plan Member who has Capital Accumulation Credits retained under Article 10 of UCRP.
- (b) *Concurrent Appointee* means a part-time Eligible LLNL Member who, as of September 30, 2007, has a concurrent and ongoing part-time appointment as an Eligible Employee at another UC location and does not incur a Break in Service as of October 1, 2007.
- (c) *Eligible Designated Payee* means an individual who, as of October 1, 2007, is named as a Designated Payee of an Eligible LLNL Member pursuant to:

- (i) an approved domestic relations order providing for the division of the Member's UCRP Benefit or
 - (ii) a domestic relations order that is not processed by the Plan Administrator prior to October 1, 2007, but is signed by that date and subsequently endorsed-filed with the court and approved under UCRP's domestic relations procedures.
- (d) *Eligible LLNL Member* means an individual who on September 30, 2007 is a University employee in good standing at LLNL and is an Active Member or a Reinstated Retired Member.
- (e) *Final Transfer* means the final transfer of substantially all of the assets and liabilities associated the LLNS Plan Members' UCRP Benefits as determined by the University.
- (f) *LLNS Plan* means the LLNS Defined Benefit Pension Plan established by LLNS for the benefit of its eligible employees and their beneficiaries.
- (g) *LLNS DC Plan* means a defined contribution plan established by LLNS for the benefit of its eligible employees and their beneficiaries.
- (h) *LLNS Plan Member* means an Eligible LLNL Member who elects to participate in the LLNS Plan.
- (i) *Reinstated Retired Member* means a Retired Member whose UCRP payments were suspended upon reinstatement as an Eligible Employee at LLNL prior to September 30, 2007.
- (j) *UCRP Benefit* means the benefit accrued by an Eligible LLNL Member under UCRP as of September 30, 2007, other than the Capital Accumulation Payment (CAP) benefit, based on the Member's HAPC and Service Credit determined as of that date.
- (k) *UCRP Eligibility Date* means the date that a Concurrent Appointee, who elected to transfer his or her Service Credit to the LLNS Plan, became an Active Member of the Plan.
- (l) *Unused Sick Leave* means the sick leave accrued, but unused, by an Eligible LLNL Member as of September 30, 2007.

3. PLAN ELECTION

(a) *Source of Benefit Payments*

If an Eligible LLNL Member accepts employment with LLNS and elects to participate in the LLNS Plan, the Member's UCRP Benefit and the associated assets and liabilities will be transferred to the LLNS Plan

contingent upon receipt by the University of certain assurances regarding the transfer process and the LLNS Plan from both LLNS and the Department of Energy and receipt of all necessary and appropriate regulatory approvals. After the Final Transfer, no benefit will be payable to a LLNS Plan Member, or his or her beneficiary or designated payee, from UCRP to the extent the benefit is payable from the LLNS Plan or a successor plan with respect to the same period of service except to the extent such Member, beneficiary or designated payee may be eligible to receive all or part of a Capital Accumulation Payment or the designated payee is an Eligible Designated Payee who elects the retention option described in Section 6(b) below. Prior to the Final Transfer, no benefit shall be payable from UCRP to a LLNS Plan Member, or his or her beneficiary or designated payee, both as determined under the LLNS Plan, except as provided in Section 9 below.

(b) DC Plan Election

If an Eligible LLNL Member accepts employment with LLNS and elects to participate in a LLNS DC Plan, assets and liabilities attributable to the Member's UCRP Benefit will be retained in UCRP. The Member will incur a Break in Service as of September 30, 2007, and his or her UCRP Benefit will be payable under Section 4.08 of UCRP.

(c) Declines Employment

If a vested Eligible LLNL Member declines employment with LLNS, the Member will incur a Break in Service as of September 30, 2007, and his or her UCRP Benefit, if eligible, will be payable under Section 4.08 of UCRP.

(d) No Reduction of UCRP Benefit

In no event will the UCRP Benefit transferred to the LLNS Plan immediately following the transfer of assets and liabilities be less than the benefit the Member would have been entitled to receive from UCRP immediately before the transfer if UCRP had then terminated.

4. CAPITAL ACCUMULATION PAYMENT

The Capital Accumulation Credits of a CAP-Only Member will remain on deposit with UCRP until the CAP-Only Member separates from service with LLNS. Upon such separation, the CAP-Only Member's Capital Accumulation Payment will be distributed in accordance with Section 10.08(e) of UCRP. The Capital Accumulation Credits of a CAP-Only

Member will continue to accrue Interest Credits in accordance with Section 10.06 of UCRP until distributed.

5. SERVICE CREDIT

(a) Service Credit Established

Effective February 1, 2007, an Eligible LLNL Member who is or has been without pay on account of an approved Leave as defined in Sections 5.04(d), 6.04(d), 7.05(d) and 8.04(e) of the Plan:

- (i) may establish Service Credit for such Leave with a one-time lump-sum after-tax payment to the Plan on or before September 30, 2007. This provision applies whether or not the established Service Credit would cause the Eligible LLNL Member to satisfy UCRP's vesting requirements; or
- (ii) may complete the process of establishing Service Credit for the Leave through monthly payroll deductions and, to the extent necessary to make full payment, with a lump-sum after-tax payment to the Plan made within 60 days after the date such Member ceases to be an Active Member. This provision applies whether or not the established Service Credit would cause the Eligible LLNL Member to satisfy UCRP's vesting requirements and regardless of how long the monthly repayment schedule to establish the Service Credit has been in effect.

(b) Service Credit Reestablished

Effective February 1, 2007, an Eligible LLNL Member who received a Refund of Accumulations attributable to Member Contributions made during a prior period of Plan membership, causing a forfeiture of Service Credit:

- (i) may reestablish Service Credit for the entire period of previous membership in the Plan by making a one-time lump-sum after-tax payment to the Plan on or before September 30, 2007. This provision applies whether or not the reestablished Service Credit would cause the Eligible LLNL Member to satisfy the Plan's vesting requirements; or
- (ii) may complete the process of reestablishing Service Credit for the entire period of previous membership in the Plan through monthly payroll deductions and, to the extent necessary to make full payment, with a lump-sum after-tax payment to the Plan made within 60 days after the date such Member ceases to be an Active

Member. This provision applies whether or not the reestablished Service Credit would cause the Active LLNL Member to satisfy the Plan's vesting requirements and regardless of how long the monthly repayment schedule to reestablish the Service Credit has been in effect.

- (iii) If the assets and liabilities associated with the UCRP Benefit of an Eligible LLNL Member are transferred to the LLNS Plan, and the individual is subsequently reemployed by the University, the individual may not reestablish Service Credit for any period of University employment prior to October 1, 2007.

(c) *Service Credit During Military Leave*

Effective October 1, 2007:

- (i) Service Credit shall be earned without payment of Member and University Contributions by an Eligible LANL Member who was on a military leave which commenced before and ended after September 30, 2007, provided such individual returns to service with LLNS at the expiration of such leave. The amount of the Service Credit awarded shall be for the period of the military leave up to September 30, 2007 and shall be equal to the ratio of the Eligible LANL Member's Covered Compensation to applicable Full Time Equivalent Compensation for the last 12 months of continuous service preceding the effective date of the military leave. The calculation of such Service Credit shall be consistent with the requirements of Section 414(u) of the Internal Revenue Code.
- (ii) An Eligible LANL Member who was on military leave as of September 30, 2007 and who is entitled to Service Credit for such leave up to September 30, 2007 may not make up Member Contributions that would have been contributed to the Defined Contribution Plan, as described in Section 4.02 of UCRP.

6. DOMESTIC RELATIONS ORDERS

(a) *Options Available*

An Eligible Designated Payee may elect to have assets and liabilities attributable to his or her share of the Member's UCRP Benefit retained in, and paid from, UCRP ("retention option") or transferred to the LLNS Plan ("transfer option").

(b) Retention Option

If the Eligible Designated Payee elects the retention option, his or her benefit under UCRP will be determined as if the Member had elected to become an Inactive Member as of October 1, 2007. The HAPC used to calculate the Eligible Designated Payee's benefit will reflect increases attributable to the total percentage of cost-of-living adjustments specified in Section 9.03(b) of the Plan on each July 1 that occurs in the period beginning July 1, 2008 and ending on the July 1 coinciding with or immediately preceding the commencement date of the Eligible Designated Payee's monthly benefit or Lump Sum Cashout. No UCRP Benefit attributable to the Eligible Designated Payee's share of the Member's benefit will be transferred to or payable under the LLNS Plan.

(c) Transfer Option

If an Eligible Designated Payee elects the transfer option, the Eligible Designated Payee's share of the Member's UCRP Benefit will become payable from the LLNS Plan in accordance with the terms of the LLNS Plan and its qualified domestic relations order procedures. The Eligible Designated Payee will have no right to any additional benefit payable under UCRP except to the extent that the Eligible Designated Payee may be entitled to a share of the Member's Capital Accumulation Payment under a domestic relations order approved by the Plan Administrator or as provided in Section 9 below.

7. CONCURRENT APPOINTEES

Concurrent Appointees were provided with the same transition benefit options as other Eligible LLNL Members. Their accrued UCRP benefits, as determined on October 1, 2007, are as follows:

(a) Service Credit Transferred

If a Concurrent Appointee accepts part-time employment with LLNS and elects to participate in the LLNS Plan, the Member's Service Credit accrued as of September 30, 2007 and associated assets and liabilities will be transferred to the LLNS Plan.

Effective October 1, 2007, a record of a Concurrent Appointee's transferred Service Credit will be retained and counted for purposes of determining eligibility for early Retirement benefits under Sections 5.05, 6.05, 7.06 and 8.05 of the Plan. The Highest Average Plan Compensation used to calculate the Member's future Basic Retirement

Income (or the various Payment Options under Sections 5.12, 6.11, 7.11 or 8.10 of the Plan) will be based on Covered Compensation earned on and after October 1, 2007. The Concurrent Appointee's UCRP Eligibility Date will be retained for purposes of determining the applicable limit on the Member's Covered Compensation, in accordance with Section 2.13(k).

(b) Service Credit Retained

If a Concurrent Appointee accepts employment with LLNS and elects to participate in a LLNS DC Plan, the Member's Service Credit and associated assets and liabilities attributable to the Member's UCRP Benefit earned from employment at LLNL will be retained in UCRP.

8. REAPPOINTED RETIRED MEMBERS

Reinstated Retired Members were provided with the same transition benefit options as other Eligible LLNL Members. Their subsequent retirement benefits following the transition to LLNS are calculated as follows:

If a Reinstated Retired Member elects to participate in the LLNS Plan, the Member's UCRP Benefit and the associated assets and liabilities will be transferred to the LLNS Plan. The Member's subsequent retirement benefit will be determined under the terms of LLNS Plan. By electing to participate in the LLNS Plan, the Member waives all rights to receive Retirement Income or a Lump Sum Cashout based on the UCRP Benefit from UCRP except as provided in Section 9 below.

- (a) If a Reinstated Retired Member elects to retire on October 1, 2007, the Member's UCRP Benefit will be calculated in accordance with reinstatement provisions set forth in Sections 5.15, 6.14, 7.14 and 8.13 of the Plan and Regulations.
- (b) If a Reinstated Retired Member accepts employment with LLNS, and elects to participate in a LLNS DC Plan, the Member's subsequent retirement benefit from UCRP will be calculated in accordance with the reinstatement provisions of Sections 5.15, 6.14, 7.14 and 8.13 of the Plan and Regulations, except that the HAPC for the period of reemployment at LLNL used to determine the Member's initial Basic Retirement Income will be increased according to the provisions of Sections 5.11(c), 6.10(c), 7.10(c) and 8.09(c) of the Plan on each July 1 that occurs in the period beginning July 1, 2008 and ending on the

July 1 coinciding with or immediately preceding the Member's subsequent retirement.

9. INTERIM BENEFIT PAYMENTS

The University has agreed to facilitate retirement payments of UCRP Benefits to LLNS Plan Members and their beneficiaries and designated payees due to the inability of the LLNS Plan to make such payments before the Final Transfer. This accommodation is intended to reflect the elections made by LLNS Plan Members and will be interpreted consistent with such limited purpose.

(a) LLNS Plan Distribution Options

If a LLNS Plan Member retires or dies prior to the Final Transfer, or if a designated payee named in a qualified domestic relations order that purports to divide a LLNS Plan Member's benefit under the LLNS Plan is eligible, and elects, to start payment of his or her monthly benefit prior to the Final Transfer, the part of any such benefit payable to the distributee that is attributable to the Member's UCRP Benefit will be paid from UCRP, subject to the following limitations:

- (i) The LLNS Plan Member electing retirement must choose to receive his or her UCRP Benefit in the form of one of the distribution options described in clause (ii) below that is available under the LLNS Plan, each of which is actuarially equivalent to the Member's UCRP Benefit expressed as the Member's basic retirement income determined under the LLNS Plan. Actuarial equivalence is determined by using an interest assumption of 7.5% and a mortality assumption (regardless of gender) of the 1994 Group Annuity Reserving Table for Males, with ages set back three years for the Member and ages set back five years for the contingent annuitant and an assumed cost of living adjustment equal to 2.0% per year.
- (ii) The distribution options include:
 - (1) 100% joint and contingent annuity;
 - (2) 75% joint and contingent annuity (for retirement dates on and after January 1, 2008)
 - (3) 66 2/3% joint and contingent annuity;
 - (4) 50% joint and contingent annuity; or
 - (5) single life annuity.

(b) Spousal Consent

A LLNS Plan Member who has a spouse on his or her retirement date under the LLNS Plan must obtain and deliver the written and notarized consent of his or her spouse if the Member wishes to designate a contingent annuitant other than the spouse for a joint and contingent annuity or to elect a single life annuity.

(c) Death of Member

If the LLNS Plan Member dies before the Final Transfer, causing the Member's beneficiary identified by the plan administrator of the LLNS Plan to become eligible for the basic death benefit and/or residual death benefit established under the terms of the LLNS Plan, the part of such benefits, if any, attributable to the Member's UCRP Benefit will be paid from UCRP. If the LLNS Plan Member dies prior to retirement and before the Final Transfer, his or her spouse will be eligible to receive a preretirement survivor annuity consistent with the terms of the LLNS Plan. The part of such benefit attributable to the Member's UCRP Benefit will be paid from UCRP.

(d) Designated Payee

If the designated payee is eligible to and elects to start payments of a monthly benefit consistent with the terms of the LLNS Plan, the part of such benefit attributable to the member's UCRP Benefit will be paid under UCRP.

(e) Additional Requirements

No payment will be made under this Section 9 unless the Department of Energy/National Nuclear Security Administration (DOE/NNSA) provides written assurances acceptable to the University regarding the release of the University's obligations with respect to certain fund transfer requirements applicable to the University under Contract No. W-7405-ENG-48, the treatment of expenses incurred in connection with the interim payments and the accounting for interim payments in the Final Transfer, and no LLNS Plan Member or his or her beneficiary or designated payee shall have any right to payment under this Section 9 until such assurances are provided to the University.

Prior to making a payment under this Section 9, the Plan Administrator must confirm the identity of the distributee, and the amount, form and starting date of the distributee's interim payment, in an Exhibit to Appendix M.

No benefits will be paid under this Section 9 after the Final Transfer, and the LLNS Plan will make all other payments of UCRP Benefits for LLNS Plan Members.

10. MISCELLANEOUS

(a) Unused Sick Leave

Eligible LLNL Members who elect to become Inactive Members and to accept employment with LLNS as of October 1, 2007 can choose to transfer their Unused Sick Leave to LLNS or to leave it with the University for conversion to UCRP Service Credit.

- (i) If such an Inactive Member elects to transfer his or her Unused Sick Leave to LLNS, then the Unused Sick Leave may not be subsequently converted to UCRP Service Credit.
- (ii) If such an Inactive Member elects to leave his or her Unused Sick Leave at the University, the Unused Sick Leave may be converted to UCRP Service Credit, provided that the Member elects a UCRP monthly retirement benefit with a Retirement Date that is within 120 days of his or her separation from University employment on September 30, 2007. No Unused Sick Leave will be converted to Service Credit if the Member elects to receive a Lump Sum Cashout.

(b) No Vested Rights

The University reserves the right to amend, modify or terminate this Appendix M and no person shall be vested in any UCRP benefit by reason of the terms or operation of this Appendix M.

APPENDIX N

BENEFIT PROVISIONS FOR CERTAIN FACULTY WORKING UNDER AFFILIATION AGREEMENTS AT THE HOWARD HUGHES MEDICAL INSTITUTE AND THE LUDWIG INSTITUTE FOR CANCER RESEARCH

This Appendix sets forth the rules for modifying the calculation of benefits for certain eligible faculty who while on approved leave without pay from the University, work under affiliation agreements with either of two private agencies, the Howard Hughes Medical Institute or the Ludwig Institute for Cancer Research and who retire, become disabled or die on or after March 1, 2007.

1. SCOPE

Appendix N sets forth the rules for modifying the calculation of benefits (Retirement Income, Preretirement Survivor Income, and Disability Income) and determining eligibility for Retirement Income for certain faculty members placed on an approved leave without pay from the University during employment with a research affiliate (as described in 2(b) below) of the University. The standard provisions of UCRP apply to the benefits described in this Appendix N except to the extent specifically modified by the provisions of this Appendix N.

2. DEFINITIONS

The definitions set forth in Article 2 of UCRP apply to the provisions of this Appendix N except where otherwise specified in this Appendix N. The following definitions apply only to the provisions of this Appendix N.

- (a) *Adjusted HAPC* means an Eligible Faculty Member's highest average monthly Full Time Equivalent Compensation as defined in this Appendix N, including any applicable stipends, during 36 continuous months within the member's Combined Period or the actual Combined Period, if less than 36 months.
- (b) *Affiliated Employment* means the period of employment during which an Eligible Faculty Member is employed by HHMI or Ludwig pursuant to an affiliation agreement between HHMI and the University or Ludwig and the University, as applicable, while on an approved leave without pay from the University.

- (c) *Combined Period* means an Eligible Faculty Member's periods of employment as an Eligible Employee and in Affiliated Employment.
- (d) *Combined Service Credit* means the sum of an Eligible Faculty Member's:
 - (i) Service Credit established under Section 5.04, 6.04 or 7.05 of UCRP while an Eligible Employee and Active Member or while a Disabled Member, as applicable;
 - (ii) service credit accrued under PERS as an Eligible Employee; and
 - (iii) service during Affiliated Employment.
- (e) *Covered Compensation* means, for purposes of this Appendix N:
 - (i) the total monthly remuneration of an Eligible Faculty Member determined consistent with the definition of "Covered Compensation" in Article 2 with respect to each month an Eligible Faculty Member is an Eligible Employee; and
 - (ii) the deemed monthly compensation of an Eligible Faculty Member determined consistent with the definition of "UC-Approved Equivalent Covered Compensation" as set forth in this Appendix N with respect to each month an Eligible Faculty Member is in Affiliated Employment.
- (f) *Eligible Faculty Member* means a Ladder Rank Faculty Member who is placed on an approved leave without pay status from his or her University appointment during his or her Affiliated Employment and who retires, becomes disabled or dies on or after March 1, 2007.
- (g) *Final Salary*, as used in this Appendix N, has the meaning set forth in Article 2, provided the definition of "Full Time Equivalent Compensation" set forth in this Appendix N is substituted for the definition of "Full Time Equivalent Compensation" set forth in Article 2.
- (h) *Full Time Equivalent Compensation*, as used in this Appendix N has the meaning set forth in Article 2, provided the definition of "Covered Compensation" set forth in this Appendix N is substituted for the definition of "Covered Compensation" set forth in Article 2.
- (i) *HHMI* means Howard Hughes Medical Institute.
- (j) *Ladder Rank Faculty Member* means a University faculty member holding a tenured title, or non-tenured title in a series in which tenure may be conferred, including the Professorial series, Clinical Professor of Dentistry (50 percent or more time) series, and Supervisor of

Physical Education series, as that listing may be modified from time to time in the Academic Personnel Manual.

- (k) *Ludwig* means Ludwig Institute for Cancer Research.
- (l) *UC-Approved Equivalent Covered Compensation* means an Eligible Faculty Member's deemed monthly compensation during his or her Affiliated Employment determined as follows:
 - (i) with respect to an Eligible Faculty Member with a Health Sciences Compensation Plan appointment, the total base salary rate the faculty member would be paid, taking into account his or her academic rank, step and Academic Programmatic Unit, as if the member were on a University payroll; and
 - (ii) with respect to an Eligible Faculty Member with a general campus appointment, the approved academic year salary rate the member would be paid as a nine-month appointee, taking into account his or her academic rank and step, as if the member were on a University payroll.

3. QUALIFIED EFFECTIVE DATE OF MEMBERSHIP

For purposes of determining eligibility for the lump sum payment upon death described in Sections 5.18(a), 6.17(a) and 7.17(a), each Eligible Faculty Member shall be deemed an Active Member effective as of the date his or her Affiliated Employment begins or the date the Eligible Faculty Member becomes an Eligible Employee, whichever occurs first.

4. ELIGIBILITY FOR RETIREMENT INCOME OR LUMP SUM CASHOUT

Solely for purposes of determining whether an Eligible Faculty Member is eligible to receive Retirement Income consistent with Sections 5.05, 6.05 and 7.06, or a Lump Sum Cashout described in Section 4.08(c), an Eligible Faculty Member's Combined Service Credit will be treated as Service Credit.

5. HIGHEST AVERAGE PLAN COMPENSATION

For purposes of calculating an Eligible Faculty Member's Basic Retirement Income consistent with Sections 5.06, 6.06 and 7.07 and for purposes of calculating the Death While Eligible to Retire benefit under Sections 5.16(b), 6.15(b) and 7.15(b), each reference to Highest Average Plan Compensation will be deemed a reference to "Adjusted HAPC" as defined in this Appendix N.

6. MODIFICATION TO FINAL SALARY

For purposes of calculating Preretirement Survivor Income attributable to an Eligible Faculty Member under Sections 5.16(a), 6.15(a) or 7.15(a), and for purposes of calculating an Eligible Faculty Member's Disability Income under Sections 5.19(c), 6.18(c) or 7.18(c), each reference to "Final Salary" will be deemed a reference to "Final Salary" as defined in this Appendix N.

7. FUNDING

The provision of benefits under this Appendix N is intended to be cost neutral to UCRP. Thus, each location with designated Eligible Faculty Members will be assessed an amount, determined by using the same actuarial assumptions as used for the Plan's annual actuarial valuation, that is projected to be required to cover the additional actuarial liability incurred by providing the Appendix N benefits to the location's designees. These assessments will be credited to UCRP as University Contributions.

APPENDIX O

ALTERNATIVE BENEFIT SCHEDULE FOR PRESIDENT YUDOF

1. BENEFITS SCHEDULE

Mark G. Yudof (subsequently referred to as “the President”) started University employment on June 16, 2008. Notwithstanding any other provision of the Plan, and consistent with the schedule approved by The Regents at its meeting on March 27, 2008, the President will be eligible to receive Basic Retirement Income from UCRP in the applicable amount established in the Benefits Schedule below upon separation from University employment after completing the specified number of Years of Employment. For purposes of this Appendix O, “Year of Employment” means the 12-month period beginning June 16, 2008 and each anniversary of that date during which the President is an Eligible Employee.

The Basic Retirement Income provided in this Appendix O replaces, and is in lieu of, any other Basic Retirement Income provided under the Plan. Under no circumstances will the President or his Eligible Survivors or Beneficiaries receive both a benefit under this Appendix O and under any other provision of the Plan other than the lump sum death benefit described in Section 5.18 of the Plan. The amount paid from the Plan will be subject to the maximum benefit limitation under Section 415 of the Internal Revenue Code described in Section 5.09 of the Plan.

BENEFITS SCHEDULE

Date of Separation	Years of Employment Completed	Annual UCRP Basic Retirement Income
Prior to June 16, 2009	0	\$0
After June 15, 2009 and prior to June 16, 2010	1	\$29,554
After June 15, 2010 and prior to June 16, 2011	2	\$60,217
After June 15, 2011 and prior to June 16, 2012	3	\$92,029
After June 15, 2012 and prior to June 16, 2013	4	\$127,307
After June 15, 2013 and prior to June 16, 2014	5	\$230,000
After June 15, 2014 and prior to June 16, 2015	6	\$300,000
After June 15, 2015 and prior to June 16, 2016	7	\$350,000
After June 15, 2016	8 or more	Sum of \$350,000 and Basic Retirement Income determined under formula applicable to Members with Coordinated Benefits with Service Credit offset by seven years

2. APPLICATION OF UCRP PROVISIONS

The provisions of UCRP other than those in this Appendix O shall apply to the President's UCRP benefit except as described in Section 1 above and as modified and/or clarified below:

3.02 The President is a Member with Coordinated Benefits.

- 3.08 The President will become an Inactive Member upon a Break in Service after completing one Year of Employment.
- 4.02 During the period the President is an Active Member, his mandatory contributions will be made on the same schedule and contributed to the same plan trust as the contributions of other Members with Coordinated Benefits.
- 4.08 The President shall be deemed to satisfy the age and service requirements for election of the lump sum form of his Basic Retirement Income determined under the Benefits Schedule in Section 1 above upon completing one Year of Employment.
- 5.05 The President shall be deemed to satisfy the age and service requirements for electing early retirement upon completing one Year of Employment.
- 5.16 If the President dies while an Active Member or a Disabled Member, Preretirement Survivor Income shall be paid to the person or persons (on a share and share alike basis) in the first of the following categories in which there is a survivor: Eligible Spouse or Eligible Domestic Partner, Eligible Children, or Eligible Dependent Parents. The amount payable to the survivor will be the greater of (i) 25% of the President's Final Salary for the first three monthly payments and thereafter 25% of Final Salary less \$106.40 or (ii) the amount that would be payable to the survivor if the President had elected to retire on his date of death and to have his Basic Retirement Income determined under the Benefits Schedule in Section 1 above paid under a full joint and last survivor payment option described in Section 5.12(a) with his surviving spouse or surviving Domestic Partner named as Contingent Annuitant, provided that there is a surviving spouse or surviving Domestic Partner and that no other election for payment of Retirement Income has been made.

If the President dies while an Inactive Member, only the amount described in Clause (ii) above will be payable to his Eligible Survivor.

- 5.19 If the President becomes disabled while an Active Member, he will be entitled to receive Disability Income, and he will continue to accrue Years of Employment until such date as his Basic Retirement Income under this Appendix O would exceed his

Disability Income if he retired. The President's Disability Income will be an amount equal to 15% of his Final Salary plus 2.5% of Final Salary for each Year of Employment in excess of two years, but not more than 25% of Final Salary less \$106.40. The President shall cease being eligible to receive Disability Income at the later of (i) attainment of age 70, or (ii) 12 months after his Disability Date.

3. FUNDING

To the extent that the President continues as an Active Member during the first seven Years of Employment, the University will make supplemental University Contributions to the UCRP Trust at the close of each Year of Employment one through seven in an amount projected to be sufficient to fund the excess of the benefits provided in this Appendix O over the annual Basic Retirement Income that he would be entitled to receive under the standard formula in Section 5.06 if he elected to retire at the beginning of the next such year and were fully vested in such benefit. Funding of all other UCRP benefits that the President would be entitled to receive will be consistent with the UCRP funding policy applicable to the benefits of all UCRP Members.

APPENDIX P

MEMBER CONTRIBUTIONS

Pursuant to Article 4, Active Members are required to make Member Contributions in an amount calculated under the applicable formula and as of the applicable effective date. Member Contribution rates are listed separately for policy-covered Members and represented Members. Member Contribution rates for represented Members are determined under the terms of the applicable collective bargaining agreements. The most recent rates reflect the terms of the bargaining agreements in place as of July 1, 2024 for each systemwide and local collective bargaining unit.

Active Members with Tier Two Benefits are not required to contribute to the Plan.

For purposes of this Appendix P:

“Contribution Resumption Date” means, unless otherwise noted, the first day of a Member’s first payroll cycle beginning on or after April 15, 2010.

Member Contributions expressed as a percent of Covered Compensation are reduced by \$19 per month for 1976 Tier Members and Safety Members; no reduction applies to the Member Contributions of 2013 Tier Members, 2016 Tier Members or Multi-tier Members.

“Old-Age, Survivors and Disability Insurance (OASDI) Wage Base” means the maximum amount of earnings subject to the Federal Insurance Contributions Act (FICA) for each calendar year as established by law.

A Member Contribution rate becomes effective with the payroll period that includes the Effective Date unless otherwise noted. The current Member Contribution rate is the last rate shown in each of the following tables.

CONTRIBUTION RATES FOR POLICY-COVERED MEMBERS – Percent of Covered Compensation

Effective Date	Member Class				
	Coordinated with Social Security		Not Coordinated with Social Security		Safety
	1976 Tier Member	2013 Tier, or 2016 Tier ¹ Member	1976 Tier Member	2013 Tier, or 2016 Tier ¹ Member	
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	3.0%	N/A	3.0%
July 1, 2011	3.5%	N/A	3.5%	N/A	4.5%
July 1, 2012	5.0%	N/A	5.0%	N/A	6.0%
July 1, 2013	6.5%	7.0%	6.5%	7.0%	7.5%
July 1, 2014	8.0%	7.0%	8.0%	7.0%	9.0%
July 1, 2016	8.0%	7.0%	8.0%	7.0%	9.0%
¹ 2016 Tier effective July 1, 2016					

**CONTRIBUTION RATES FOR REPRESENTED MEMBERS – Percent of Covered Compensation
SYSTEM-WIDE BARGAINING UNITS**

Bargaining Unit: BR - Graduate Student Researchers (if eligible for UCRP ¹)						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
December 23, 2022 ²	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%
¹ Graduate Student Researchers are not normally eligible for UCRP membership. Any BR- Graduate Student Researcher who is eligible for UCRP based on a previous appointment not followed by a Break in Service contributes at the same rate as policy-covered Members. ² BR contract effective December 23, 2022:						

Bargaining Unit: BX - Academic Student Employees (if eligible for UCRP ¹)						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%
¹ Academic Student Employees are not normally eligible for UCRP membership. Any BX- Academic Student Employee who is eligible for UCRP based on a previous appointment not followed by a Break in Service contributes at the same rate as policy-covered Members.						

Bargaining Unit: CX - Clerical & Allied Services						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member ³	1976 Tier Member	2013 Tier Member	2016 Tier Member ³
Contribution Resumption Date: January 1, 2012 ¹	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
February 1, 2012 ²	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
June 1, 2017	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

¹ CX Member Contributions were made by the University campuses retroactively for the period beginning with the first day of a CX Member's first payroll cycle beginning on or after April 15, 2010, through December 31, 2011.

² For CX Members Coordinated with Social Security, Member Contributions in the amount of 1.5% retroactive to July 1, 2011 were made by 1976 Tier CX Members in a lump sum payment in May 2012. For CX Members Not Coordinated with Social Security, Member Contributions in the amount of 0.5% retroactive to July 1, 2011 were made by 1976 Tier CX Members in a lump sum payment in May 2012.

³ 2016 Tier effective for CX June 1, 2017.

Bargaining Unit: DX¹ – Physicians, Dentists and Podiatrists						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

¹ DX contract ratified July 21, 2015, effective July 21, 2015. Prior to the DX contract effective date, Member contributions were withheld at the same rates as those that were applicable to policy-covered Members.
Note: UAPD was recognized by UC as exclusive representative for the DX bargaining unit on November 21, 2013.

Bargaining Unit: EX - Patient Care Technical						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	Modified 2013 Tier Member	2016 Tier Member ⁵	1976 Tier Member	Modified 2013 Tier Member	2016 Tier Member ⁵
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
November 1, 2011 ¹	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013 ²	5.0%	7.0%	N/A	5.0%	7.0%	N/A
July 24, 2013 ^{2,3}	6.5%	7.0%	N/A	6.5%	7.0%	N/A
August 1, 2014 ⁴	9.0%	9.0%	N/A	9.0%	9.0%	N/A
November 1, 2018	9.0%	9.0%	7.0%	9.0%	9.0%	7.0%
June 24, 2020 ⁶	9.0%	9.0%	N/A	9.0%	9.0%	N/A

¹ EX Members contributed at the 3.5% rate retroactive to July 1, 2011. The retroactive contributions were made in one lump-sum payment in March 2012.

² UC implemented* terms of its August 15, 2012 collective bargaining contract proposal relevant to UCRP Member Contribution rates, i.e., EX Members are to contribute at the same rates as those rates established by the Regents for non-represented employees (*per completion of the Higher Education Employer-Employee Relations Act's impasse procedures and the subsequent determination of impasse in negotiations by the Public Employment Relations Board).

³ Effective for the payroll period that includes August 1, 2013

⁴ Effective for the payroll period that includes August 1, 2014

⁵ 2016 Tier effective for EX November 1, 2018 through June 23, 2020

⁶ Effective on the June 24, 2020 pay date, all 2016 Tier members will be prospectively moved into the Modified 2013 Tier and the 2016 Tier will be closed to positions covered under the Patient Care Technical (EX) contract Timing on implementation of stated rates may be subject to further bargaining.

Bargaining Unit: HX - Health Care Professionals				
Effective Date	Member Class			
	Coordinated with Social Security		Not Coordinated with Social Security	
	1976 Tier Member	Modified 2013 Tier Member	1976 Tier Member	Modified 2013 Tier Member
Contribution Resumption Date: December 1, 2010 ¹	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	3.0%	N/A
July 1, 2011	3.5%	N/A	3.5%	N/A
July 1, 2013 ²	3.5%	7.0%	3.5%	7.0%
March 1, 2014	8.6%	7.0%	8.6%	7.0%
July 1, 2014	9.0%	9.0%	9.0%	9.0%

¹ HX Member Contributions were made retroactively to the first day of the HX Member's first payroll cycle beginning on or after April 15, 2010. The retroactive contributions were made in six monthly payments beginning December 1, 2010.

² HX 1976 Tier Members contribute at the 3.5% rate for the payroll period which includes July 1, 2012 through the payroll period which ends prior to March 1, 2014; additional retroactive Member Contributions for this period in the amount of 1.5% percent of Covered Compensation are to be made in a lump-sum by the University locations on behalf of HX 1976 Tier Members.

Bargaining Unit: IX – Non-Senate Instructional (Lecturers)						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	5.0%	7.0%	N/A	5.0%	7.0%	N/A
July 1, 2014	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

Bargaining Unit: LX – Professional Librarians						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	5.0%	7.0%	N/A	5.0%	7.0%	N/A
July 1, 2014	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

Bargaining Unit: NX - Registered Nurses				
Effective Date	Member Class			
	Coordinated with Social Security		Not Coordinated with Social Security	
	1976 Tier Member	Modified 2013 Tier Member	1976 Tier Member	Modified 2013 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	3.0%	N/A
July 1, 2011	3.5%	N/A	3.5%	N/A
July 1, 2012	5.0%	N/A	5.0%	N/A
July 1, 2013	5.0%	7.0%	5.0%	7.0%
February 1, 2014	8.0%	8.0%	8.0%	8.0%
July 1, 2014	9.0%	9.0%	9.0%	9.0%

Bargaining Unit: PA - Police Officers	
Effective Date	Member Class
	Safety
Contribution Resumption Date	3.0%
July 1, 2011	4.5%
July 1, 2012	6.0%
July 1, 2013	7.5%
July 1, 2014	9.0%

Bargaining Unit: PX - Postdoctoral Scholars (if eligible for UCRP¹)						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
Contribution Resumption Date: September 1, 2010	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

¹ Postdoctoral Scholars are not normally eligible for UCRP membership. Any PX- Postdoctoral Scholar who is eligible for UCRP based on a previous appointment not followed by a Break in Service contributes at the same rate as policy-covered Members.

Bargaining Unit: RA¹ – Academic Researchers						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
November 8, 2019	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

¹ RA contract effective November 8, 2019. Prior to the RA contract effective date, Member contributions were withheld at the same rates as those that were applicable to policy-covered Members.

Bargaining Unit: RX - Research Support Professionals				
Effective Date	Member Class			
	Coordinated with Social Security		Not Coordinated with Social Security	
	1976 Tier Member	Modified 2013 Tier Member	1976 Tier Member	Modified 2013 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	3.0%	N/A
July 1, 2011	3.5%	N/A	3.5%	N/A
February 1, 2012	4.23%	N/A	3.5%	N/A
July 1, 2012	5.0%	N/A	5.0%	N/A
July 1, 2013	5.0%	7.0%	5.0%	7.0%
March 1, 2014	8.6%	7.0%	8.6%	7.0%
July 1, 2014	9.0%	9.0%	9.0%	9.0%

Bargaining Unit: SX - Service						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	Modified 2013 Tier Member	2016 Tier Member ⁵	1976 Tier Member	Modified 2013 Tier Member	2016 Tier Member ⁵
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
November 1, 2011 ¹	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013 ²	5.0%	7.0%	N/A	5.0%	7.0%	N/A
September 24, 2013 ^{2, 3}	6.5%	7.0%	N/A	6.5%	7.0%	N/A
August 1, 2014 ⁴	9.0%	9.0%	N/A	9.0%	9.0%	N/A
July 1, 2018	9.0%	9.0%	7.0%	9.0%	9.0%	7.0%
June 10, 2020 ⁶	9.0%	9.0%	N/A	9.0%	9.0%	N/A

¹ SX Members contributed at the 3.5% rate retroactive to July 1, 2011. The retroactive contributions were made during the period November 1, 2011 through June 30, 2012.

² UC implemented* terms of its September 6, 2013 collective bargaining contract proposal relevant to UCRP Member Contribution rates, i.e., SX Members are to contribute at the same rates as those established by the Regents for non-represented employees (*per completion of the Higher Education Employer-Employee Relations Act's impasse procedures and the subsequent determination of impasse in negotiations).

³ Effective for the payroll period that includes October 1, 2013

⁴ Effective for the payroll period that includes August 1, 2014

⁵ 2016 Tier effective for SX July 1, 2018 through June 9, 2020

⁶ Effective on the June 10, 2020 pay date, all 2016 Tier members will be moved into the Modified 2013 Tier and the 2016 Tier will be closed to positions covered under the Service (SX) contract.

Bargaining Unit: TX - Technical				
Effective Date	Member Class			
	Coordinated with Social Security		Not Coordinated with Social Security	
	1976 Tier Member	Modified 2013 Tier Member	1976 Tier Member	Modified 2013 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	3.0%	N/A
July 1, 2011	3.5%	N/A	3.5%	N/A
February 1, 2012	4.23%	N/A	3.5%	N/A
July 1, 2012	5.0%	N/A	5.0%	N/A
July 1, 2013	5.0%	7.0%	5.0%	7.0%
March 1, 2014	8.6%	7.0%	8.6%	7.0%
July 1, 2014	9.0%	9.0%	9.0%	9.0%

CONTRIBUTION RATES FOR REPRESENTED MEMBERS – Percent of Covered Compensation LOCAL BARGAINING UNITS

Bargaining Unit: B6 - San Diego Marine Crew						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
September 1, 2022 ¹	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

¹ B6 contract effective September 1, 2022

Bargaining Unit: F3 - Fire Fighters (Davis)	
Effective Date	Member Class
	Safety
Contribution Resumption Date	3.0%
July 1, 2011	4.5%
July 1, 2012	6.0%
February 1, 2014 ¹	7.5%
July 1, 2014	9.0%

¹ F3 Members contributed at the 7.5% rate retroactively to July 1, 2013. The retroactive contributions were made in a lump sum in the payroll period which included February 1, 2014.

Bargaining Unit: GS - Berkeley Printing Trades				
Effective Date	Member Class			
	Coordinated with Social Security		Not Coordinated with Social Security	
	1976 Tier Member	2013 Tier Member	1976 Tier Member	2013 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	3.0%	N/A
July 1, 2011	3.5%	N/A	3.5%	N/A
July 1, 2012	5.0%	N/A	5.0%	N/A
July 1, 2013	6.5%	7.0%	6.5%	7.0%
July 1, 2014	8.0%	7.0%	8.0%	7.0%

Bargaining Unit: HA – College Services Unit (UC Law San Francisco)				
Effective Date	Member Class			
	Coordinated with Social Security		Not Coordinated with Social Security	
	1976 Tier Member	Modified 2013 Tier Member	1976 Tier Member	Modified 2013 Tier Member
Contribution Resumption Date: May 1, 2010	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	3.0%	N/A
July 1, 2011	3.5%	N/A	3.5%	N/A
July 1, 2012	5.0%	N/A	5.0%	N/A
July 1, 2013	6.5%	7.0%	6.5%	7.0%
July 1, 2014	8.0%	7.0%	8.0%	7.0%
February 1, 2015	9.0%	9.0%	9.0%	9.0%

Bargaining Unit: K2 - San Francisco Skilled Craft						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

Bargaining Unit: K3 - Davis Skilled Craft						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
June 1, 2023 ¹	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

¹ K3 contract effective June 1, 2023.

Bargaining Unit: K4 - Los Angeles Skilled Craft						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member ¹	1976 Tier Member	2013 Tier Member	2016 Tier Member ¹
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
June 1, 2017	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%
¹ 2016 Tier effective for K4 June 1, 2017						

Bargaining Unit: K5 - Riverside Skilled Craft						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

Bargaining Unit: K6 - San Diego Skilled Craft						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member ¹	1976 Tier Member	2013 Tier Member	2016 Tier Member ¹
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
June 1, 2017	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%
¹ 2016 Tier effective for K6 June 1, 2017						

Bargaining Unit: K7 - Santa Cruz Skilled Craft				
Effective Date	Member Class			
	Coordinated with Social Security		Not Coordinated with Social Security	
	1976 Tier Member	Modified 2013 Tier Member	1976 Tier Member	Modified 2013 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	3.0%	N/A
October 1, 2011 ¹	3.5%	N/A	3.5%	N/A
July 1, 2013	3.5%	7.0%	3.5%	7.0%
May 16, 2014 ²	6.5%	7.0%	6.5%	7.0%
August 1, 2014 ³	9.0%	9.0%	9.0%	9.0%

¹ K7 Members contributed at the 3.5% rate retroactive to July 1, 2011; the retroactive contributions were made in a lump sum payment May 16, 2014.

² K7 Members contributed at a rate of 5% retroactive to July 1, 2012 and at the 6.5% rate retroactive to July 1, 2013; the retroactive contributions were made in a lump sum payment May 16, 2014.

³ Effective for the payroll period that includes August 1, 2014

Bargaining Unit: K8 - Santa Barbara Skilled Craft						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member¹	1976 Tier Member	2013 Tier Member	2016 Tier Member¹
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
August 28, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

¹ 2016 Tier effective for K8 August 28, 2016

Bargaining Unit: K9 - Irvine Skilled Craft						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base ¹	N/A	N/A	3.0%	N/A	N/A
April 1, 2012 ²	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014 ³	8.0%	7.0%	N/A	8.0%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%
¹ K9 1976 Tier Members contributed at this rate until the April 1, 2012 effective date. ² K9 1976 Tier Members contribute at the 3.5% rate retroactively for the period July 1, 2011 through March 31, 2012; the retroactive contributions are to be made in equal installments from July 17, 2013 through June 18, 2014. If the Member's employment ends prior to full payment of retroactive contributions the balance due will be collected from the Member's final paycheck. ³ K9 1976 Tier Members to contribute at rate shown pursuant to an adjusted schedule that is subject to the collective bargaining process.						

Bargaining Unit: KB - Berkeley Skilled Craft						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

Bargaining Unit: KM - Merced Skilled Craft						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

Bargaining Unit: LH – Professional Librarians (UC Law San Francisco)						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
Contribution Resumption Date	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%

Bargaining Unit: M2 – San Francisco House Staff (if eligible for UCRP¹)						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
July 1, 2018 ²	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%
¹ San Francisco House Staff are not normally eligible for UCRP membership. Any M2 San Francisco House Staff who are eligible for UCRP based on a previous appointment not followed by a Break in Service contribute at same the rate as policy-covered Members. ² M2 contract effective July 1, 2018.						

Bargaining Unit: M4 – Los Angeles House Staff (if eligible for UCRP¹)						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
September 10, 2019 ²	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%
¹ Los Angeles House Staff are not normally eligible for UCRP membership. Any M4 Los Angeles House Staff who are eligible for UCRP based on a previous appointment not followed by a Break in Service contribute at same the rate as policy-covered Members. ² M4 contract effective September 10, 2019.						

Bargaining Unit: M6 - San Diego House Staff (if eligible for UCRP¹)						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
Contribution Resumption Date:	2.0% up to OASDI wage base, plus 4.0% above wage base	N/A	N/A	3.0%	N/A	N/A
July 1, 2011	3.5%	N/A	N/A	3.5%	N/A	N/A
July 1, 2012	5.0%	N/A	N/A	5.0%	N/A	N/A
July 1, 2013	6.5%	7.0%	N/A	6.5%	7.0%	N/A
July 1, 2014	8.0%	7.0%	N/A	8.0%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%
¹ San Diego House Staff are not normally eligible for UCRP membership. Any M6 San Diego House Staff who are eligible for UCRP based on a previous appointment not followed by a Break in Service contribute at same the rate as policy-covered Members.						

Bargaining Unit: M9 - Irvine House Staff (if eligible for UCRP¹)						
Effective Date	Member Class					
	Coordinated with Social Security			Not Coordinated with Social Security		
	1976 Tier Member	2013 Tier Member	2016 Tier Member	1976 Tier Member	2013 Tier Member	2016 Tier Member
May 13, 2016 ²	8.0%	7.0%	N/A	8.0%	7.0%	N/A
July 1, 2016	8.0%	7.0%	7.0%	8.0%	7.0%	7.0%
¹ Irvine House Staff are not normally eligible for UCRP membership. Any M9 Irvine House Staff who are eligible for UCRP based on a previous appointment not followed by a Break in Service contribute at same the rate as policy-covered Members.						
² M9 contract effective May 13, 2016.						

APPENDIX Q

UCSF BENIOFF CHILDREN'S HOSPITAL OAKLAND AFFILIATION

The Regents entered into an affiliation agreement with Children's Hospital and Research Center at Oakland (CHO) on behalf of the University of California, San Francisco (UCSF) on August 1, 2013. Upon the closing date of the affiliation agreement, January 1, 2014 ("Closing Date"), the name of the affiliated organization became UCSF Benioff Children's Hospital Oakland (BCHO).

This Appendix Q shall set forth the applicable rules for certain individuals who transition employment directly from BCHO to UCSF in furtherance of the affiliation as provided below. Capitalized terms shall have the meaning described in Article 2 of the Plan unless otherwise defined in this Appendix.

An employee who transitions employment directly from BCHO to UCSF in furtherance of the affiliation on or after the Closing Date, and who becomes an Eligible Employee, shall have his or her equivalent vesting credit under the Retirement Plan For Children's Hospital & Research Center at Oakland as of the employee's transition date recognized by the Plan, but only for purposes of satisfying the vesting requirements for benefits under the Plan.

APPENDIX R

COLLECTIVE BARGAINING UNIT PARTICIPATION IN THE RETIREMENT CHOICE PROGRAM (“THE PROGRAM”)

1. SCOPE

This Appendix sets forth participation in the Retirement Choice Program (“The Program”) for Systemwide and local collective bargaining units. Section 2 of this Appendix outlines the collective bargaining units that participate in The Program and provides the date on which covered employees were first permitted to make an election to participate in The Program. Section 3 of this Appendix outlines the collective bargaining units that do not participate in The Program. Section 4 of this Appendix outlines the collective bargaining units that no longer participate in The Program and provides the time period in which covered employees were permitted to make an election to participate in The Program.

2. COLLECTIVE BARGAINING UNITS PARTICIPATING IN THE RETIREMENT CHOICE PROGRAM

Effective July 1, 2016, unless otherwise noted, the bargaining units listed below participate in the Program. This list will be updated from time to time.

Bargaining Unit (Systemwide, then Local units listed)	Code
Clerical & Allied Services <i>participation is effective June 1, 2017</i>	CX
Physicians, Dentists and Podiatrists	DX
Non-Senate Instructional (Lecturers)	IX
Professional Librarians	LX
Academic Researchers <i>participation is effective November 8, 2019</i>	RA
San Diego Marine Crew	B6
San Francisco Skilled Craft	K2
Los Angeles Skilled Craft <i>participation is effective June 1, 2017</i>	K4
Riverside Skilled Craft	K5
San Diego Skilled Craft <i>participation is effective June 1, 2017</i>	K6
Santa Barbara Skilled Craft <i>participation is effective August 28, 2016</i>	K8
Irvine Skilled Craft	K9
Berkeley Skilled Craft	KB
Merced Skilled Craft	KM
Professional Librarians (UC Law San Francisco)	LH

3. COLLECTIVE BARGAINING UNITS NOT PARTICIPATING IN THE RETIREMENT CHOICE PROGRAM

- (a) An employee who is first hired or rehired as, or becomes, an Eligible Employee under Section 2.23 on or after July 1, 2016 and who is represented by a bargaining unit that is not participating in the Program, as listed below, will not be eligible to elect a primary retirement option, will become an Active Member as described in Section 3.01(c), and will not be subject to the PEPRRA Maximum. This list will be updated from time to time.

Bargaining Unit (Systemwide, then Local units listed)	Code
Patient Care Technical	EX
Health Care Professionals	HX
Registered Nurses	NX
Police Officers	PA
Research Support Professionals	RX
Technical	TX
Service	SX
Fire Fighters (Davis)	F3
Berkeley Printing Trades	GS
College Service Unit (UC Law San Francisco)	HA
Santa Cruz Skilled Craft	K7

- (b) An employee who is first hired or rehired as, or becomes, an Eligible Employee under Section 2.23 on or after July 1, 2016, and who is represented by a bargaining unit that is not participating in the Program, as listed below, will not be eligible to elect a primary retirement option and will become an Active member as described in Section 3.01(c). This list will be updated from time to time.

Bargaining Unit	Code
Davis Skilled Craft	K3

- (a) The bargaining units listed below do not participate in the Program because represented employees in these units are not Eligible Employees. However, employees in these units who became Active Members based on a previous appointment continue to be an Active Member until a Break in Service occurs.

Bargaining Unit	Code
Graduate Student Researchers	BR
Academic Student Employees	BX
Postdoctoral Scholars	PX
San Francisco House Staff	M2
Davis House Staff	M3
Los Angeles House Staff	M4
Riverside House Staff	M5
San Diego House Staff	M6
Irvine House Staff	M9

4. COLLECTIVE BARGAINING UNITS FORMERLY PARTICIPATING IN THE RETIREMENT CHOICE PROGRAM

The bargaining units listed below participated in the Program at one time, but subsequently ratified contracts ending participation in the Program, as detailed below. This list will be updated from time to time.

Bargaining Unit	Code
<p>Patient Care Technical</p> <p><i>Participation was effective November 1, 2018 and ended under the contract that was ratified on February 7, 2020, with the exception of Savings Choice Participants who will remain Savings Choice Participants in accordance with the addendum to said contract.</i></p>	EX
<p>Service</p> <p><i>Participation was effective July 1, 2018, and ended under the contract that was ratified on January 31, 2020, with the exception of Savings Choice Participants who will remain Savings Choice Participants in accordance with the addendum to said contract.</i></p>	SX
<p>Davis Skilled Craft</p> <p><i>Participation in the Program ended effective December 31, 2023 under the contract ratified on June 1, 2023, with the exception of Savings Choice Participants who will remain Savings Choice Participants in accordance with the addendum to said contract.</i></p>	K3

APPENDIX S

VESTING CREDIT FOR PRIOR UCRP SERVICE FOR PRESIDENT DRAKE

Michael V. Drake (subsequently referred to as “the President”) started University employment as a rehired Retired Employee on August 1, 2020. Notwithstanding any other provision of the Plan, and consistent with the appointment and compensation item approved by The Regents at its meeting on July 7, 2020, the President shall have his prior years of Service Credit under the Plan recognized only for purposes of satisfying the vesting requirements for benefits under the Plan. For avoidance of doubt, any prior years of Service Credit earned before August 1, 2020 shall not be counted for purposes of calculating any benefit accrual under the Plan earned on or after August 1, 2020.