

RETIREMENT SEVERANCE PLAN

(Local 34 and 35 Members, YUSOA and Certain Non-Union Employees)

Effective January 20, 2017

I. PURPOSE

1.1 The Yale University Retirement Severance Plan for Local 34 and Local 35 Members, Yale University Security Officers Association (YUSOA) and Certain Non-Union Employees (“Severance Plan”) is designed to provide a one-time cash benefit to eligible employees who retire in accordance with the Severance Plan. This Severance Plan is offered pursuant to the Memorandum of Agreement between Yale University and Local No. 34, Federation of University Employees, UNITE HERE (“Local 34”) dated January 20, 2017 and the Memorandum of Agreement between Yale University and Local No. 35, Federation of University Employees, AFL-CIO (“Local 35”), and to YUSOA members and Certain Non-Union Employees dated January 20, 2017.

II. DEFINITIONS

2.1 “Participant” shall mean an employee who is a member of either Local 34, Local 35, YUSOA or is an Excluded Clerical and Technical or Excluded Security staff member (Certain Non-Union Employees) and has met the requirements for participation set forth in Section 4.1.

2.2 “Retirement Agreement” shall mean a written agreement between an eligible employee and the University as described in Section 5.1.

2.3 “Plan” shall mean this Retirement Severance Plan for Local 34 and Local 35 Members, YUSOA and Certain Non-Union Employees.

2.4 “Retirement Date” shall mean the date on or before September 1, 2017 set forth in a Retirement Agreement on which an employee irrevocably agrees to retire.

2.5 “Retirement Payment” shall mean the product (1) the individual’s Full Years of Employment and (2) one thousand dollars (\$1,000.00).

2.6 “University” shall mean Yale University.

2.7 “Year of Employment” shall mean a year of retirement-eligible service, i.e., Vesting Service, and shall include any Vesting Year as such term is defined in the Yale University Retirement Plan for Staff Employees as Amended and Restated through July 1, 2013.

III. ADMINISTRATION

3.1 The Plan shall be administered by the University. As part of its administrative rights and duties, the University shall make rules and decisions which shall be final and binding upon every person regarding all aspects of the Plan, including, but not limited, as follows: eligibility to participate; loss of eligibility to participate; requirements to submit waivers of employment claims, or other forms, as a condition of participation; entitlement to and calculation of benefits set forth hereunder; work responsibilities, including transition of responsibilities, prior to full retirement; and resolution of disputes, claims or questions. Changes to the offered terms, as provided under the Plan, of a Retirement Agreement under Article V may be made by the Vice President for Human Resources and Administration on an individual basis for special circumstances, where the Vice President determines that such changes serve the best interests of the University.

3.2 Whenever the University under the terms of the Plan is permitted or required to do or perform any act, make any rule, or decide any issue, the same may be done by any duly authorized Officer of the University.

3.3 Any disagreement or dispute by any person claiming a benefit under the Plan regarding any aspect of the Plan or its implementation or administration shall be presented in writing to the University and the University’s determination shall be final and binding.

IV. ELIGIBILITY

4.1 An employee of the University shall be eligible to participate in the Plan if the employee (a) as of December 22, 2016 is an active employee, and a member of Local 34 or Local 35, YUSOA or Certain Non-Union Employees limited to Excluded Clerical and Technical and Excluded Security staff (b) on or before September 1, 2017 has completed at least twenty-five (25) Years of Employment with the University, (c) on or before September 1, 2017, is at least 62 years of age; and (d) enters into a written Retirement Agreement under Article V, which gives an irrevocable commitment to the University to retire on or before September 1, 2017. An employee who meets the requirements of the previous sentence but who retired on or after December 22, 2016 and prior to the general announcement of this Severance Plan shall also be eligible to participate in the Plan.

V. RETIREMENT AGREEMENT

5.1 Upon the request of an employee who is eligible to become a Participant and confirmation by Human Resources, the University and employee shall enter into a Retirement Agreement under this Plan. Notice of intent to elect retirement must be given and a properly completed Retirement Agreement must be completed and approved prior to the Retirement Date. The Retirement Agreement shall contain an irrevocable written commitment (in a form prescribed by the University) to retire by the Retirement Date. After meeting all the terms and requirements of the Retirement Agreement, including entering into and not revoking waivers, and retiring on the Retirement Date, the Participant shall receive a lump sum payment equal to the Retirement Payment within thirty (30) days after the Retirement Date. Amounts paid under this Agreement are (a) subject to regular federal, state and local tax withholding and (b) considered as supplemental compensation that is not included for purposes of calculating applicable employee benefits (e.g., employee and employer retirement contributions, life and disability benefits). If the Participant dies or becomes disabled prior to the Retirement Date and after entering into the

Retirement Agreement, the Participant or his or her heirs shall still be entitled to receive the Severance Payment.

5.2 A Participant shall perform assigned service responsibilities and abide by all applicable University policies and procedures through the Retirement Date. A Participant shall not be eligible to be rehired into a similar position with the University after the Retirement Date but is eligible, subject to the discretion of the University, to be rehired as a part-time casual employee.

VI. AMENDMENT AND TERMINATION

6.1 The University shall have the right to amend or terminate the Plan at any time prospectively or retroactively, and in whole or in part, to the extent that it may deem advisable including, but not limited to, an amendment or a termination that the University determines is necessary or appropriate to comply with any federal or state law, regulation, or other interpretation thereof. Unless otherwise required by any federal or state law, regulation, or other interpretation thereof, such amendments will not diminish the benefits offered under this Plan. Any amendment or termination shall impose no obligation or liability on the University with respect to any employee, whether or not the employee has applied to become a Participant, prior to the time when the Retirement Agreement has been signed by the employee and approved by the University.

6.2 In the event that the Plan is amended in a manner that materially affects its terms or benefits, the irrevocable commitment to retire by each employee who has previously entered into a Retirement Arrangement, but who has not yet actually retired, shall continue in full force and effect. The University shall acknowledge in writing that the terms and benefits of the Plan prior to such amendment will continue to apply with respect to employee.

VII. INTERPRETATION AND OTHER CONDITIONS

7.1 The provisions of this Plan shall be construed and enforced according to the laws of the State of Connecticut.

7.2 Any obligations arising under the Plan shall be paid from the general assets of the University, and nothing contained in the Plan shall be deemed to create an obligation of the University to set aside or earmark funds. This Plan is unfunded.

7.3 In addition, this Plan is intended to constitute an employment severance program offered to a group of employees within the meaning of 29 U.S.C. §626(f)(1).

7.4 The University shall comply with applicable federal and state tax laws, including withholding appropriate federal and state taxes with respect to the payment of benefits.

7.5 Payouts and benefits under this Plan are non-assignable and non-transferable. The University shall not be liable for the debts, contracts, or obligations of any Participant or his or her beneficiaries, and the rights to awards under the Plan may not be taken in execution by attachment or garnishment, or by any other legal or equitable proceeding while in the hands of the University; nor shall any Participant or his or her beneficiaries have any right to assign, pledge, or transfer any benefits or payments hereunder. Notwithstanding the foregoing, the University shall comply with a domestic relations order, issued by a court of competent jurisdiction, with respect to amounts due to a Participant after he or she has entered into a Retirement Agreement.