

**YALE UNIVERSITY**  
**FACULTY PHASED RETIREMENT PLAN**

Amended January 1, 2012

I. PURPOSE

1.1 The Yale University Faculty Phased Retirement Plan for tenured faculty is designed to provide enhanced early retirement benefits to eligible tenured faculty members who start phased retirement no later than the beginning of the academic year (July 1<sup>st</sup>) after they reach Normal Retirement Age.

II. DEFINITIONS

2.1 “Salary” shall mean the Participant’s annual base salary. “Salary” shall not include administrative supplements, term allowances, extra service payments, and other payments not included in base salary. In the School of Medicine, salary shall mean institutional salary.

2.2 “Normal Retirement Age” shall mean age 70 for purposes of this Plan.

2.3 “Participant” shall mean a member of the faculty appointed to a tenured position who has met the requirements for participation set forth in Section 4.1. A tenured position solely for purposes of the Plan shall include continuing appointments in the School of Medicine in the investigator, clinician-scientist, clinician educator-scholar, and educator-scholar tracks, and any reference to a tenured faculty member in the Plan shall include individuals with continuing appointments in the School of Medicine in the investigator, clinician-scientist, clinician educator-scholar, and educator-scholar tracks.

2.4 “Phased Retirement Arrangement” shall mean a written arrangement between an eligible tenured faculty member and the University as described in Section 5.1.

2.5 “Plan” shall mean this Faculty Phased Retirement Plan for tenured faculty.

2.6 “Plan Year” shall mean the period of twelve months commencing July 1 annually.

2.7 “Phased Retirement Start Date” shall mean the January 1 or July 1 date on which the faculty member begins a half-time workload pursuant to a Phased Retirement Arrangement under Article V.

2.8 “University” shall mean Yale University.

2.9 “Year of Tenured Employment” shall mean each full twelve-month period during which the individual continues to hold an appointment as an eligible tenured faculty member or is absent from employment as a tenured faculty member with the University pursuant to an approved leave of absence, commencing on the date that a faculty member is awarded tenure by the University, or anniversary of such date, and ending on the Phased Retirement Start Date.

### 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; teaching and administrative responsibilities, including transition of responsibilities, prior to full retirement, including during any period of a Phased Retirement Arrangement; and resolution of disputes, claims or questions. Changes to the offered terms, as provided under the Plan, of a Phased Retirement Arrangement under Article V may be made by the Provost on an individual basis for special circumstances, where the Provost 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 who is an active tenured faculty member or a Clinical Professor in the School of Law (who shall be considered tenured solely for purposes of this plan), shall be eligible to become a Participant if he or she (a) has completed, on his or her Phased Retirement Start Date, at least ten (10) continuous Years of Tenured Employment with the University in an eligible position, (b) enters into an agreement for a Phased Retirement Arrangement under Article V, (c) pursuant to the Phased Retirement Arrangement, gives an irrevocable written commitment on or before his or her 70<sup>th</sup> birthday to the University (in a form prescribed by the University) to retire after the phased retirement period, and does so retire, (d) is at least 65 years of age on the Phased Retirement Start Date, (e) will commence a phased retirement no later than the July 1 following the date he or she reaches Normal Retirement Age (age 70), and (f) continues to be in active status during the period between the written commitment and the Phased Retirement Start Date.

#### V. PHASED RETIREMENT ARRANGEMENT

5.1 Upon the request of an active tenured faculty member who is eligible to become a Participant, the University and the faculty member shall enter into a Phased Retirement Arrangement under this Plan. Under a Phased Retirement Arrangement, the Participant shall not be required to work more than a half-time workload for a period of one to three years starting at the beginning of a semester (to be selected by the faculty member) at full (100%) Salary for year one, seventy-five percent (75%) Salary for year two and fifty percent (50%) Salary for year three, with continuing participation in the University's regular employee benefit plans based on the relevant annual plan terms during the period of phased retirement. Notice of intent to elect a Phased Retirement Arrangement should be given prior to beginning the period of phased retirement and no later than faculty member's 70<sup>th</sup> birthday. The Phased Retirement Arrangement shall contain an irrevocable written commitment (in a form prescribed by the University) to retire following the phased retirement period.

## VI. SPECIAL TRANSITION ELECTION

6.1 a. A special one-time transition election shall be available to each active tenured faculty member who, on the effective date of the Plan, is eligible to become a Participant as set forth in Section 4.1 except that the faculty member will be older than Normal Retirement Age (age 70) by August 31, 2011, and must elect no later than August 31, 2011 to participate in a Phased Retirement Arrangement that shall commence no later than July 1, 2012.

b. With respect of faculty at the School of Medicine, a special one-time transition election shall be available to each active tenured faculty member who, on the effective date of the Plan, is eligible to become a Participant as set forth in Section 4.1 except that the faculty member will be older than Normal Retirement Age (age 70) by February 28, 2013, and must elect no later than February 28, 2013 to participate in a Phased Retirement Arrangement that shall commence no later than September 1, 2013.

## VII. AMENDMENT AND TERMINATION

7.1 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. Any amendment or termination shall impose no obligation or liability on the University with respect to any faculty member, whether or not the faculty member has applied to become a Participant, prior to the time when the Phased Retirement Arrangement has been signed by the faculty member and received by the University.

7.2 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 faculty member who has previously entered into a Phased 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 such faculty member.

## VIII. INTERPRETATION AND OTHER CONDITIONS

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

8.2 Participation in this Plan shall preclude participation in the Early Retirement Subsidy Plan for Tenured Faculty.

8.3 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.

8.4 In addition, this Plan is intended to constitute a voluntary retirement incentive plan within the meaning of 29 U.S.C. §623(m).

8.5 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.

8.6 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 Phased Retirement Arrangement.