LLNS Defined Benefit Pension Plan

Summary Plan Description

Effective January 1, 2020

Contents

This Summary Plan Description

This Summary Plan Description (SPD) summarizes the LLNS Defined Benefit Pension Plan ("Pension Plan" or "Plan"). If there is any conflict between this summary and the official Plan document, the terms of the Plan document will govern.

The LLNS Defined Benefit Pension Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the Internal Revenue Code of 1986, as amended ("the Code").

Participation in the Plan and/or receipt of this SPD is not a guarantee of employment or of any benefits under the LLNS Defined Benefit Pension Plan.

Eligibility and Participation

Eligibility

You are eligible to participate in the Plan if:

- on September 30, 2007, you were employed by, or on an approved leave of absence from employment with, the University of California (UC), and were an active participant in the University of California Retirement Plan (UCRP) or in an employment classification eligible to become an active participant in the UCRP, and
- you have not retired from or elected inactive vested status in the UCRP, and
- you accepted employment with LLNS on October 1, 2007 (or you accepted employment on a later date but only if you were on an approved leave of absence from employment with the University of California on September 30, 2007), and
- prior to accepting employment with LLNS, you elected Total Compensation Package 1 (TCP1).

Who May Not Participate

You are *not* eligible to participate in the Pension Plan if ANY of the following applies to you:

- you began employment with LLNS after October 1, 2007 (unless the delay in your date of hire was due to an approved leave of absence from employment with UC-LLNL), or
- you were not a participant in the UCRP or in an employment classification eligible to become a participant in the UCRP prior to October 1, 2007, or
- prior to accepting employment with LLNS, you elected to be employed by LLNS under the terms of Total Compensation Package 2 (TCP2) and did *not* elect TCP1, or
- you were not hired in a category of employees eligible to participate in the Pension Plan (for example, you are employed in the job classification “Laboratory Associate”), or
- you are not classified by LLNS, in its sole discretion (even if the classification is subsequently determined to be erroneous or is retroactively revised) as a common law employee of LLNS for purposes of federal tax withholding (e.g, you are an independent contractor), or
- you are reemployed after a termination of employment, and are not subject to one of the exceptions stated on page 6, or
- you are a “leased employee,” as defined in federal law.

Effective on and after May 1, 2008, members in the employment classification of “student employee” shall no longer be eligible to participate in the Plan and shall not thereafter resume participation in the Plan even if their employment classification changes.

Member Contributions

Effective June 2012, LLNS implemented contributions for active employees. The contributions are deducted from your paycheck on an after-tax basis on eligible compensation. The initial contribution amount was 5%. Effective June 2013, the contribution rate increased to 7%. This rate may change in the future. LLNS requires member contributions as a condition of active participation in the Plan. The portion of your basic retirement income that is attributable to your member contributions is fully vested at all times.

The portion of your basic retirement income that would be attributable to member contributions is a single life annuity that is actuarially equivalent at your retirement date to your member contributions accumulated with interest at 120 percent of the Federal mid-term rate, compounded annually from the end of the plan year in which the contributions were made to your retirement date. Since your employee contributions are made on an after-tax basis, a certain portion of your monthly annuity payment will not be taxable income to you. Your contributions are paid out using the simplified method of IRS Notice 98-2.

If you made member contributions to the UCRP while you were an active participant in the UCRP prior to October 1, 2007, interest is credited at 120 percent of the Federal mid-term rate on the balance of those contributions as of September 30, 2007 as reported by UC to the plan administrator, compounded annually from October 1, 2007 to your retirement date. Any after-tax contributions you made to UCRP will become a portion of each annuity payment and are non-taxable. The monthly benefit that is tax-free will be paid out using the simplified method of IRS Notice 98-2.

Service

How long you work for UC/LLNS is important in determining the amount of your Pension Plan benefits.

Vesting Service

Vesting service is used to determine when the benefits you've earned under the Pension Plan are no longer at risk of being forfeited due to your terminating employment. Vesting service is the total "Period of Service" (as defined in the Plan) in years and completed months that you work for LLNS on and after October 1, 2007, plus vesting service credit you earned in the University of California Retirement Plan (UCRP) before October 1, 2007, provided you are eligible to participate in the Plan. Generally, a Period of Service begins on your date of hire and ends on your "Severance from Service Date" (as defined in the Plan). Your Severance from Service Date is the earlier of the date on which you quit, retire, are discharged or die, or the first anniversary of your absence from work for any other reason (e.g., approved, unpaid leave of absence). See below for a description of Plan provisions that permit you to earn vesting service while you are on certain types of leaves as well as break in service provisions, which could cause you to forfeit your vesting service if you are not already vested. If you quit, retire, or you are discharged, and you return to work before the first anniversary of your absence from work, additional favorable service crediting rules may apply.

Credited Service

Credited service is the service used in calculating the amount of your Pension Plan benefit. Credited service is the total amount of time you work for LLNS in covered employment, plus benefit service credit in the University of California Retirement Plan (UCRP) before October 1, 2007, if you were employed or on an approved leave from employment with UC on September 30, 2007. You earn a year of credited service for each plan year in which you earn 2,080 or more hours of service while an active member in the LLNS Defined Benefit Pension Plan. Except as provided in the section below entitled "Sick Leave" (see page 4) you can earn no more than one year of credited service in each plan year, (and no more than 1.25 years of service for the period beginning October 1, 2006 and ending December 31, 2007). Part-time or variable-time work results in a proportionate amount of credited service. A fraction of a year of credited service will be earned in any year in which you work less than 2,080 hours while an active member. For example, if you work 1,040 hours in a year while you are an active member, you receive one-half year of credited service. An hour of service is an hour for which an Employee is paid or entitled to payment for services rendered. Consequently, unless specifically provided below or required by law, you will not earn credited service while you are on an unpaid leave of absence.

Sick Leave

If you retire within 120 days of the date you terminate your employment with LLNS, any accumulated unused sick leave can be converted to credited service. Each hour of unused sick leave converts to one hour of credited service. As a result, you may earn more than a year of credited service in the year in which you terminate. Because credited service is part of the benefit formula, this additional credited service may increase your retirement income. However, service credited for sick leave is not included in determining whether you are vested in the Plan or if you are eligible for Pension Plan benefits.

Disability Status

If you become an inactive member because you are disabled (see "Disability Benefits" on page 12), you continue to earn credited service until the earliest of:

- the date you cease to be a disabled member,
- the date you begin to receive your monthly benefit, or
- your normal retirement date.

You earn such service at the same rate you were scheduled to work on the last day prior to your leave.

In order to receive credited service for the period of a work-related disability leave of absence, you will be required to make up member contributions plus interest for the period of your leave due to a totally temporary disability due to an industrial injury or illness incurred during the course of LLNS employment.

Military Leave

If you take a leave of absence that qualifies as a leave under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), you receive vesting and credited service for the time spent in uniformed service and for a period following uniformed service, provided you return to work within the time periods required by USERRA. A guide to your rights under USERRA is available on the Department of Labor website at https://www.dol.gov/agencies/vets/programs/userra
You earn credited service for military leave at the same rate you were scheduled to work on the last day prior to your leave.

Since member contributions are required under the Plan, you will be required to make up member contributions for a period of USERRA leave in order to receive credited service for the period of your military leave.

Governmental Service Approved Leave

If you take a leave of absence that LLNS approves as governmental service necessary for national security for a period of not more than three years, you receive vesting and credited service for the period of your leave, provided you return to work with LLNS. Governmental Service Approved Leave means a Technology Transfer Program Leave, US Government Service Leave, or International Atomic Energy Agency Leave approved by LLNS as "Governmental Service Approved Leave" in accordance with Lawrence Livermore National Laboratory Human Resources Policy, 308 – Government Service Leave.

It also includes an approved leave that was taken by a participant prior to October 1, 2007, while the participant was a UCRP participant, provided LLNS determines that the leave would have satisfied the requirements noted in the preceding paragraph had the policy been in place at the initiation of the leave, and that upon the termination of such leave the individual becomes an Employee of LLNS within the applicable timeframe.

In each case, the leave must be for not more than three years and the individual must return to work for LLNS no more than 90 days after the end of the leave. You earn credited service for Governmental Service Approved Leave at the same rate you were scheduled to work on the last day prior to your leave.

Since member contributions are required under the Plan, you will be required to make up member contributions plus interest for a period of Governmental Service Approved Leave in order to receive credited service for the period of your governmental service approved leave.

Leave Without Pay

Except as provided above, or otherwise as required by law, you do not earn vesting or credited service during an unpaid leave of absence.

Break in Service

You will incur a break in service for **vesting** service purposes if you have a one year "period of severance" (as defined in the Plan). Please note, however, that the first one year "period of severance" will be ignored if the absence is due to pregnancy, birth or adoption of a child or caring for a child immediately after birth or adoption.

- **If you were not vested** before you incurred a break in service and you incur five or more consecutive years of breaks in service, you will lose all your vesting service and credited service prior to your break and you will no longer be able to participate in the Pension Plan. If you return to work with LLNS before you incur five consecutive years of breaks in service, you can earn additional vesting service by returning to work.
- **If you were vested** before you incurred a break in service, you will retain your vesting and credited service and be eligible for retirement benefits from the Pension Plan.

Termination of Active Member Status

You are considered to have a termination of employment if you cease to be a common law employee of LLNS. Regardless of your vested status, upon rehire after a valid termination of employment, you will not be permitted to resume active member status in the Pension Plan. As a result you will not earn additional credited service or have your Highest Average Plan Compensation (HAPC) earned after rehire considered for benefits under the Plan. There are exceptions to this rule in the following limited circumstances:

- you terminate from active member status on account of disability, or
- you were involuntarily terminated from active member status in an employer-initiated workforce reduction and return to covered employment within 3 years of the termination, or
- you were an active member who was vested, became an inactive member who was temporarily totally disabled due to an industrial injury or illness in the course of LLNS employment, and return to active employment, or
- you are on an approved leave of absence, including a Governmental Service Approved Leave of absence, and return to covered employment within three years of the first day of your approved leave of absence, or within 90 days of the end of your governmental service approved leave of absence, whichever comes first, or
- you are on a USERRA leave and return to active employment with LLNS within the time periods required under USERRA.

If you terminate **from active member status** on account of disability or workers' compensation, recover and are rehired by LLNS into covered employment prior to your retirement date, you rejoin the Pension Plan immediately regardless of the length of time you were inactive. If you were involuntarily terminated by LLNS as part of an employer-initiated workforce reduction, or you were on an approved leave of absence, you generally must return to covered employment within three years and prior to your retirement date in order to resume or maintain active member status in the Pension Plan. If you take a leave of absence that qualifies as a leave under the USERRA, you must return to covered employment within the time periods required by USERRA in order to resume active member status in the Pension Plan. (See “Military Leave” on page 5)

If none of these circumstances apply, you will not be permitted to resume active member status in the Pension Plan.

Vesting

Being “vested” means that the benefits you’ve earned under the Pension Plan are no longer at risk of being forfeited due to your terminating employment. However, there may be other circumstances in which your benefit could be reduced – such as assignment to another individual pursuant to the terms of a qualified domestic relations order or a tax lien. Additionally, if you’ve been rehired after beginning retirement income payments, those payments may be suspended for any month in which you earn 40 or more hours of service.

When You Become Vested

You become vested in the Pension Plan when you have completed at least five years of vesting service. You are always 100% vested in your member contributions.

Retirement Benefits

The formula used to calculate your pension benefit includes:

- **Your credited service** – the total number of years you worked for LLNS in covered employment, plus service credited in the University of California Retirement Plan before October 1, 2007. See page 4 for the definition of credited service.
- **Your age factor** – a factor based on the completed years and months of your age on the date you retire (.0250 at age 60, decreasing by .0014 per year to .0110 at age 50).
- **Your Benefit Percentage** – a number determined in step 1, described below.
- **Your Highest Average Plan Compensation (HAPC)** – your highest average monthly full-time equivalent plan compensation during 36 continuous months as an active member of the Plan and/or an active participant in UCRP. For purposes of the Pension Plan, only your base salary is considered. Other types of compensation, such as supplements or differentials for overtime, bonuses or other special circumstances are not included. Eligible compensation is determined before taxes, and before your contributions to the 401(k) Savings Plan and/or other before-tax contributions to obtain welfare benefits are taken out. Federal law limits the amount of compensation that can be taken into account under a qualified plan. This limitation changes from time to time according to changes in the law and in regulations.

Your maximum monthly benefit under the Plan cannot exceed 100% of your HAPC less $133, or the limits imposed by federal law for qualified retirement plans, whichever is less. Furthermore, to the extent that a portion of your benefit is to be paid from the UCRP (or this Plan) to a former spouse pursuant to the terms of a qualified domestic relations order, your benefit under the

Pension Plan will be offset by the value of the benefit paid from UCRP (or this Plan) to your alternate payee.

Calculating Your Pension Benefit

Step 1: Calculate your Benefit Percentage

Definition: Age factors are based on your age (in complete years and months) on the date you retire as shown in the following chart.

Calculation: Credited service x age factor = benefit percentage (not to exceed 100%).

Example: Using the chart below, if you retire at age 60 with 20 years of credited service, your benefit percentage is 50%.

- 20 years x .0250 = 50%

Retirement Age Factors

Age in Years	Complete Months From Last Birthday to Retirement Date											
	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** →											

Step 2: Calculate Your Basic Retirement Income

Definition: Your HAPC is determined as defined above. If you terminated with a vested benefit prior to your retirement date, your HAPC will be adjusted as described in the section "Cost of Living Adjustments." If your UCRP benefits were coordinated with Social Security, monthly HAPC is reduced by $133 to account for the company's contribution to Social Security.

Calculation: Benefit percentage from Step 1 x (monthly HAPC - $133 offset for members whose UCRP benefits were coordinated with Social Security) = basic retirement income payable as a single life annuity.

Example: Assuming your UCRP benefits were coordinated with Social Security and your monthly HAPC is $4,133, using the benefit percentage from Step 1 above, your basic retirement income is $2,000 per month.

50% of ($4,133 - $133 = $4,000) = $2,000 per month

Step 3: Calculate your temporary supplement (for members who begin payment of retirement benefits before age 65)

Definition: If your UCRP benefits were coordinated with Social Security and you begin payment of your retirement benefits before age 65, you receive a temporary supplement from the Plan, paid through the month of your 65th birthday (or through the month of your death, if earlier). In effect, the supplement temporarily restores the Social Security reduction applied to the HAPC.

Calculation: Benefit percentage x $133 = monthly temporary supplement (not to exceed $133)

Example: Using the benefit percentage from Step 1 (50.0%), the temporary supplement is $66.50.

50% x $133 = $66.50 monthly temporary supplement

Final Calculation: The member will receive $2,066.50 per month to age 65. After age 65, the member will receive $2,000 per month for life.

$2,000	basic retirement income
+ 66.50	temporary supplement
= $2,066.50	total monthly income until age 65
then $2,000	per month for life, after age 65

Note for members whose UCRP benefits were not coordinated with Social Security

When you retire, if you demonstrate that you are not eligible for Social Security, the benefit formula will not include the $133 offset and you will not receive the temporary supplement.

If you are unable to demonstrate that you are not eligible for Social Security when you apply for retirement benefits, you will be presumed to be eligible for Social Security benefits and your benefit will be determined with that presumption. The benefit formula will include the $133 offset but it will only apply to credited service on and after October 1, 2007. Your temporary supplement, if any, will be calculated based on credited service on and after October 1, 2007.

When You May Retire

In this summary plan description, the terms “retire” and “retirement” refer to the date as of which benefit payments begin under the Pension Plan after you have satisfied the administrative procedures for beginning payment of your benefits. You may contact the plan administrator for more information about these procedures.

Normal Retirement – Age 60 with 5 Years of Vesting Service

Normal retirement age is the later of age 60 or the date that you have at least 5 years of vesting service. Your normal retirement date is the first of the month coincident with or immediately following the date you reach normal retirement age.

Early Retirement – Ages 50 to 59

You may elect to retire as early as age 50 if you have at least five years of vesting service. If you choose early retirement, the retirement age factors applied to your benefit (see table on page 8) result in a reduction in your benefit of 5.6% per year from the benefit you would receive at age 60. Your early retirement date is the first of the month you elect to retire following the later of the date you satisfy the age and service requirements, or receive the election materials (provided you complete the election materials within the time period described in the election materials).

If You Continue Working After Age 60

In general, your Pension Plan benefits will not begin unless you terminate your employment with LLNS and retire. If you continue working in covered employment for the company after age 60, your pension benefits will continue to accrue. Payments otherwise due to be paid on and after your normal retirement date will be suspended for each month in which you work 40 or more hours. If you work fewer than 40 hours in a given month or are employed after you attain age 70½ , when you eventually retire, your benefit will be adjusted to provide an actuarial increase to your accrued benefit related to those months.

For information about the 70½ distribution date, see “Internal Revenue Code Provisions” on page 20.

Vested Benefits

If you stop working for the company before you become eligible to retire, but after you become vested, you may claim the vested Pension Plan benefits you have earned at any time on or after the date you reach retirement age. If you do so, your benefits will be based on the age factor for your selected retirement age, in accordance with the payment options described below. If you are vested and stop working, your HAPC will be adjusted to include an increase for cost-of-living until the earlier of your normal retirement age or the date you retire and begin to receive your monthly benefit. The maximum cost-of-living adjustment for this purpose is 2% per year. Adjustments to HAPC are described in the section “Cost of Living Adjustments”.

If You Return to Work After Benefit Payments Begin

If you leave LLNS and are later re-employed after you retire, you will not be eligible to earn additional credited service in the Pension Plan.

With one exception, noted below, your retirement income, together with any Social Security supplement you are receiving, will be suspended during your period of reemployment for any month in which you have 40 or more hours of service. If you are younger than 65 when you resume retired status, your retirement income benefit and Social Security supplement (if any), adjusted for cost-of-living increases in the interim, will resume. If you are older than 65, your benefit may also be adjusted for months in which you have fewer than 40 hours of service. If you should die during the period of post-retirement employment and you have elected a contingent annuitant form of payment, your contingent annuitant will receive a benefit in accordance with your election.

If you and LLNS have entered into a special employment agreement which requires that you work fewer than 1000 hours in any rolling 12 month period, your benefit payments will continue throughout the period of the special employment agreement.

Disability Benefits

There are no disability income benefits payable under the Pension Plan. Disability income benefits prior to retirement may be available through a welfare benefit plan. Contact the Benefits Office.

You are considered a disabled member for purposes of the Plan if you are determined to be disabled in accordance with the employer's Defined Benefit Eligible Disability Program, which is part of the LLNS Welfare Benefit Plan for Employees. While you are a disabled member, you will receive credited service and your HAPC will be adjusted for cost-of-living until the earliest of the date you cease to be a disabled member, your normal retirement date, or the date you retire.

However, in no event will the monthly benefit that will be paid upon retirement to a disabled member be more than the greater of:

- your basic retirement benefit taking into account the HAPC adjustments while you were disabled including any additional credited service earned while you were disabled, or
- 40% of your full-time equivalent plan compensation (60% of full-time equivalent plan compensation for members whose UCRP benefits were not coordinated with Social Security determined at the date you retire) on the date you left employment because of disability. If you fail to demonstrate that you are not eligible for Social Security when you retire, you will be presumed to be eligible for Social Security benefits, and your benefit will be determined in accordance with that presumption. Contact the plan administrator for guidance on what information you will need to provide.

Example

Your UCRP benefits were coordinated with Social Security and your full-time equivalent plan compensation is $5,000 per month on the day you leave employment with LLNS because of disability. You later become eligible to retire at a time when your basic retirement benefit taking into account the HAPC adjustments while you were a disabled member but not including any additional credited service earned while you were a disabled member equals $1,500 per month. Your retirement benefit is limited to the greater of $2,000 (40% of $5,000) or $1,500. The maximum monthly benefit that will be paid to you upon retirement is therefore $2,000.

Payment Forms

The payment methods available under the Pension Plan include:

- a single life annuity, and
- a 50%, 66⅔%, 75% or 100% joint & contingent annuity.

Optional Payment Forms

Single Life Annuity

Under this payment method, you will receive a monthly benefit payment that will continue for the rest of your lifetime. No benefit payments are made after your death.

If you are married and want to elect this option, you must have your spouse's written consent, witnessed by a Plan representative or notary. Throughout this SPD, "spouse" refers to the person with whom you entered into a legal marriage under the laws of a state, the District of Columbia, a U.S. territory, or foreign country that recognizes your marriage.

50%, 66⅔%, 75% or 100% Joint & Contingent Annuity

Under these payment methods, you receive a monthly benefit payment for the rest of your life. If you die before your contingent annuitant does, your contingent annuitant will receive 50%, 66⅔%, 75% or 100% of your monthly benefit for life. You may name any natural person as your contingent annuitant, although the amount payable may be subject to IRS limits with respect to certain younger contingent annuitants. However, if you are married and you want to name any individual other than your spouse as your contingent annuitant, you must have your spouse's written consent, witnessed by a Plan representative or notary.

Because the Plan is paying a benefit over the lifetimes of two people, the initial monthly benefit amount is smaller than it would be if it were paid as a single life annuity.

Note: For the 50%, 66⅔%, 75% or 100% joint and contingent annuity, the single life annuity amount will be increased by a factor of 2.4% for individuals whose UCRP benefits were coordinated with Social Security. In the case of a member whose UCRP benefits were not coordinated with Social Security, the single life annuity amount will be increased by a factor of 4.8% if the member demonstrates that he or she will not be eligible for Social Security Benefits upon retirement. If such an individual is eligible for Social Security Benefits, the factor of 4.8% will be applied only to the portion of the member's benefit attributable to UCRP service.

"Normal" Payment Form

If You Are Unmarried

If you are unmarried, your normal payment form is a single life annuity. Under this payment method, you will receive a monthly benefit payment that will continue for the rest of your lifetime. No benefit payments are made after your death.

If You Are Married

If you are married, your normal payment form is the 50% joint and contingent annuity with your spouse as contingent annuitant.

Under this payment method, you receive a monthly benefit payment for the rest of your life. If you die before your spouse does, your surviving spouse will receive 50% of your monthly benefit for life.

Example 1 – 50% Joint & Contingent Annuity:

Let's assume the monthly single life annuity was $2,000 and you retire at age 60 with a spouse who is 3 years younger than you.

First, your benefit will be increased by 2.4%*:

1.024 x $2,000 = $2,048

Then a reduction factor is applied:

0.917 x $2,048 = $1,878

The reduction factor varies according to the option you choose as well as the average life expectancy of both you and your contingent annuitant.

In this example, your retirement benefit is **$1,878** to be paid every month for life. When you die, your spouse would receive 50% of this amount, **$939** for life.

*Note: a factor of 4.8% would apply if you were not eligible for coordinated benefits while a UCRP participant, and demonstrated that you are not eligible for Social Security benefits at retirement.

Example 2 – 66⅔% Joint & Contingent Annuity:

Let’s again assume the monthly single life annuity was $2,000 and you retire at age 60 with a spouse who is 3 years younger than you.

First, your benefit will be increased by 2.4%*:

1.024 x $2,000 = $2,048

Then a reduction factor is applied:

0.892 x $2,048 = $1,827

The reduction factor varies according to the option you choose as well as the average life expectancy of both you and your contingent annuitant.

In this example, your retirement benefit is **$1,827** to be paid every month for life. When you die, your spouse will receive 66⅔% of this amount, **$1,218** for life.

*Note: a factor of 4.8% would apply if you were not eligible for coordinated benefits while a UCRP participant, and demonstrated that you are not eligible for Social Security benefits at retirement.

Example 3 – 75% Joint & Contingent Annuity:

Let’s again assume the monthly single life annuity was $2,000 and you are retiring at age 60 with a spouse who is 3 years younger than you.

First, your benefit will be increased by 2.4%*:

1.024 x $2,000 = $2,048

Then a reduction factor is applied.

0.880 x $2,048 = $1,802

The reduction factor varies according to the option chosen as well as the average life expectancy of both you and your contingent annuitant.

In this example, your retirement benefit is **$1,802** to be paid every month for life. When you die, your spouse would receive 75% of this amount, **$1,352** for life.

*Note: a factor of 4.8% would apply if you were not eligible for coordinated benefits while a UCRP participant, and demonstrated that you are not eligible for Social Security benefits at retirement.

Example 4 – 100% Joint & Contingent Annuity:
Let's again assume the monthly single life annuity was $2,000 and you are retiring at age 60 with a spouse who is 3 years younger than you. First, your benefit will be increased by 2.4%*: **1.024 x $2,000 = $2,048** Then a reduction factor is applied: **0.847 x $2,048 = $1,735** *The reduction factor varies according to the option you choose as well as the average life expectancy of both you and your contingent annuitant.* In this example, your retirement benefit is **$1,735** to be paid every month for life. When you die, your spouse would receive 100% of this amount, **$1,735** for life (the same amount you received). *Note: a factor of 4.8% would apply if you were not eligible for coordinated benefits while a UCRP participant, and demonstrated that you are not eligible for Social Security benefits at retirement.

Spousal Consent

If you are married and choose the single life annuity payment option or choose the 50%, 66⅔%, 75% or 100% joint and contingent annuity option naming someone other than your spouse as the beneficiary, you must have your spouse's written consent, witnessed by a Plan representative or notary.

Deferring Benefit Payments

If you leave LLNS after you are eligible to retire, you may defer beginning your Pension Plan benefit payments until your age 70½ distribution date, see "Internal Revenue Code Provisions" on page 20. If you do this, you will be considered a deferred eligible member. If you wait to begin receiving benefit payments your benefit may be larger, in part because your age factor may be higher when you retire and in part because of the change in your life expectancy (and, if applicable, your contingent annuitant's life expectancy) by the time payments begin. However, you should also bear in mind the following:

- The adjustment to your HAPC will be made only through the date you attain normal retirement age.
- If you die prior to your retirement date, death benefits will be paid in accordance with the pre-retirement death benefits provided under the Plan (see page 17). As a result, your spouse

(if any) may receive less than he or she would have received had you elected to retire with a 66 2/3%, 75% or 100% joint and contingent annuitant. If you are unmarried, a smaller survivor benefit may be due upon your death.

Qualified Domestic Relations Order

Your choice of beneficiary and payment option may be affected by a Qualified Domestic Relations Order (QDRO). A QDRO is a judgment, decree, or order that relates to divorce decrees, property settlements, and child support orders. If a court order of this type is received, you will be advised in writing. You may obtain a copy of the plan's written procedures for determining if a domestic relations order is qualified upon request to the plan administrator, and at no cost.

Survivor Benefits

Certain survivor benefits, including preretirement survivor income for death that were formerly provided through the UCRP, will now be provided through a welfare benefit plan. The following benefits will be provided by the Pension Plan. If you properly elect to retire, but die before you reach your retirement date, your spouse would receive the benefit described below.

Preretirement Survivor Benefits (If You Are Not Eligible for Retirement)

If you are an active member and have completed at least 2 years of vesting service, or if you are a vested inactive and have completed 5 years of vesting service, but are not eligible for early retirement (age 50 with 5 years of vesting service) when you die, the Pension Plan will pay a "Qualified Preretirement Survivor Annuity" (QPSA) to your surviving spouse (if any), provided you have been married to your spouse for at least the one-year period immediately preceding your death. If you are not married, no QPSA benefit will be provided.

The QPSA is an annuity calculated as if you had:

- terminated employment at the earlier of
  - your actual termination of employment, or
  - your date of death, and
- survived until your earliest retirement date (no earlier than the date the member would have attained age 50) and elected a 50% joint & contingent annuity.

The QPSA is the survivor's portion of the 50% joint & contingent annuity.

Preretirement Survivor Benefits (If You Are Eligible for Retirement)

If you are eligible to retire when you die (that is, age 50 with at least five years of vesting service) but have not yet reached your retirement date, a lifetime retirement benefit will be payable to your surviving spouse.

This benefit is calculated as though you had:

- terminated employment on the date of your death, and
- elected to retire on the day after the date of death (or a later date designated by your spouse) and had chosen the 100% joint & contingent annuity with your spouse named as contingent annuitant.

The benefit is payable beginning the day after your death, or a later date designated by your spouse. The qualified preretirement survivor annuity (QPSA) is the survivor's portion of the 100% joint & contingent annuity.

Temporary Social Security Supplement

A temporary Social Security supplement is also payable to your surviving spouse while he or she is receiving a preretirement survivor benefit until the day you would have reached age 65, unless your spouse provides proof satisfactory to the administrator that you are a member who was not eligible for benefits coordinated with Social Security. (See "Calculating Your Pension Benefit" on page 8).

Single Sum Death Benefit

If you die while an active, retired or terminated vested member, your beneficiary is eligible to receive a $7,500 death benefit from the Pension Plan. If you were a participant in the UCRP before October 1, 1990, your beneficiary is eligible to receive the greater of the $7,500 payment described in the preceding sentence, or $1,500 + one month final salary based on the member's full time equivalent compensation for the last complete calendar month of employment.

The single sum death benefit is in addition to benefits continued under applicable surviving spouse payment methods, if any, as explained above.

Return of Member Contributions

The Pension Plan provides that any remaining balance of your member contributions after all annuity payments are completed, will be paid to your beneficiary in a single lump sum. Additionally, if you terminate before becoming vested in the portion of your benefit that is not attributable to member contributions, the balance of your member contributions will be paid to you in a single lump sum.

Designating a Beneficiary

You may designate any natural person or persons as your beneficiary to receive the single sum death benefit and any return of member contributions. You must designate your beneficiary(ies) according to the procedures established by the Plan Administrator and the Plan Administrator must receive your designation before you die.

If you are married, you must designate your spouse as beneficiary unless your spouse consents to the non-spouse beneficiary designation in writing, and the spouse's consent is witnessed by a Plan representative or notary.

If you do not name a beneficiary, your single sum death benefit and any return of member contributions will be paid as follows:

- first, to your spouse, then
- if none, to your domestic partner as identified in a valid registration with LLNS in accordance with LLNS' human resource procedures, then
- if none, to your child or children, including adopted child or children (a child or children of a deceased child shall take the share of such child by representation), then
- if none, to your parent or parents, then
- if none, to your sibling or siblings, then
- if none, to your estate.

Cost-of-Living Adjustments (COLA)

After your benefits begin, you will be eligible to receive an annual cost-of-living adjustment (COLA), paid each July 1. The COLA is based on the Consumer Price Index (CPI) increase from the July 1 preceding your retirement date (as defined in the plan document) to the July 1 adjustment date. The COLA on any July 1 adjustment date is limited to:

- A base adjustment equal to the change in the CPI since the preceding July 1, but limited so that the total of the base adjustments through the current July 1 adjustment date do not exceed the lesser of:
  - 2% per year compounded annually from the July 1 preceding your retirement date (as defined in the plan document) to the current July 1 adjustment date, or
  - the cumulative change in the CPI from the July 1 preceding your retirement date to the current July 1 adjustment date,

  plus an additional adjustment equal to
- 75% of the amount, if any, by which the CPI increase for the plan year exceeds the greater of 4% or the base adjustment above. The maximum additional adjustment is 4%.

If the CPI decreases, Plan benefits are not reduced. The CPI used to determine the annual COLA is the average of the CPIs for All Urban Consumers for the major metropolitan area of Northern California including San Francisco and the major metropolitan area of Southern California including Los Angeles, and is measured from February to February.

If you do not have an hour of credited service after June 27, 2008, you will be eligible for your first COLA on the July 1 that follows the anniversary of your retirement date (as defined in the plan document). If you have an hour of credited service after June 27, 2008, you will be eligible for your first COLA on the July 1 that follows your retirement date (your first COLA will be pro-rated based on the number of complete months from your first payment date to the following July 1).

For preretirement survivor income of members who die on or before June 27, 2008, the COLA is provided on the July 1 after one full year following the member's death. For preretirement survivor income of members who die after June 27, 2008, the COLA is calculated from the July 1 following the member's death, with the first July 1 COLA pro-rated based on the number of complete months from the member's date of death to the following July 1. These adjustments apply even if benefits are not payable until a later time, as in the case of a surviving spouse who reaches the age for benefits to commence at a later date.

If you are inactive or disabled and later retire, your HAPC will be increased on each July 1 that precedes the earlier of the date you elect to retire or your normal retirement date for the annual change in the cost-of-living. The adjustment on each July 1 will be 2% (or the actual CPI increase, if less). If you have an hour of credited service after June 27, 2008, the cost-of-living adjustment for your first July 1 as an inactive member will be pro-rated based on the number of full calendar months from your termination date to July 1. If you have an hour of credited service after June 27, 2008, the cost-of-living adjustment for the year you retire will be pro-rated based on the number of your full calendar months as an inactive member from the July 1 preceding your retirement date to the earlier of your normal retirement date or your retirement date.

Internal Revenue Code Provisions

Age 70½ Distribution Date

The Internal Revenue Code requires that you begin receiving minimum distributions from the Plan by April 1 of the calendar year following the later of the year in which:

- you turn 70½, or
- your employment with LLNS ends.

Generally, the optional forms of payment of your retirement income satisfy the minimum distribution requirements. If you do not apply for retirement benefits by the date above, basic retirement income will begin automatically. Minimum required distributions are considered taxable income.

Minimum required distributions are calculated according to U.S. Treasury regulations. Similar rules apply to benefit payments made to your beneficiary after your death.

Maximum Benefit Amounts

The federal government imposes some limitations on retirement plan benefits and the compensation that can be used to calculate those benefits.

Rules, Regulations and Administrative Information

Your Rights under the Employee Retirement Income Security Act of 1974 (ERISA)

As a member in the LLNS Defined Benefit Pension Plan, you're entitled to certain rights and protections under ERISA. ERISA provides that all pension plan participants are entitled to:

- Receive Information about Your Plan and Benefits
  - Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all documents governing the Pension Plan, including insurance contracts, if any, and a copy of the latest annual report (Form 5500 Series) filed by the Pension Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
  - Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Pension Plan, including insurance contracts and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
  - Receive a summary of the Pension Plan's annual financial report. The Plan Administrator is required by law to furnish each member with a copy of this summary annual report.
  - Obtain a statement telling you whether you have a right to receive a retirement benefit at normal retirement age (age 60 and 5 years of vesting service) and if so, what your benefits would be at normal retirement age if you stop working under the Pension Plan now. If you do not have a right to a retirement benefit, the statement will tell you how many more years you have to work to get a retirement benefit. This statement must be requested in writing and is not required to be given more than once every 12 months. The Pension Plan must provide the statement free of charge.

- Prudent Actions by Plan Fiduciaries
  - In addition to creating rights for Pension Plan members, ERISA imposes duties upon the people who are responsible for the operation of the Pension Plan. The people who operate your Pension Plan, called "fiduciaries" of the Pension Plan, have a duty to do so prudently and in the interest of you and other Pension Plan members and beneficiaries. No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a retirement benefit or exercising your rights under ERISA.

- Enforce Your Rights
  - If your claim for a retirement benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge and to appeal any denial, all within certain time schedules.

- Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Pension Plan documents or the latest annual report from the Pension Plan and don't receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials weren't sent because of reasons beyond the administrator's control. If you have a claim for benefits which is denied or ignored, in whole or in part, after exhausting the Claims and Appeals procedures described in this SPD, you may file suit in a state or federal court. In addition, if you disagree with the Pension Plan's decision or lack thereof concerning the qualified status of a domestic relations order, after exhausting the Claims and Appeals procedures described in this SPD you may file suit in a federal court. If it should happen that Pension Plan fiduciaries misuse the Pension Plan's money, or if you're discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you're successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

▪ Assistance with Your Questions

- If you have any questions about your Pension Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or:

Division of Technical Assistance and Inquiries
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

- You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Claims and Appeal Procedures

Claims Procedure

A “claim” occurs when a member or beneficiary either (i) makes an application for a benefit under the Plan, or (ii) disputes a determination by the Plan Administrator (or a person authorized by the Plan Administrator) of the amount of any benefit or the resolution of any matter affecting a benefit under the Plan. A claim or appeal may be filed by an authorized representative of the member or beneficiary who is the claimant. A member or beneficiary may not submit a dispute with respect to a benefit under this Plan more than one year after the date the individual has knowledge of all material facts that are the subject of the dispute.

Claims for benefits under the Plan should be filed with the Plan Administrator (or its delegate) using, if required by the Plan Administrator, forms provided for that purpose. The Plan Administrator will give you written notice of the disposition of a claim within 90 days after the claim has been filed, unless special circumstances require an extension of time for processing, in which case such notice of disposition shall be given within 180 days after the application has been filed.

If your claim is denied in whole or in part, the Plan Administrator shall give you a written explanation stating the reasons for the denial. The written notification will include:

- the specific reason for the denial;
- specific references to the pertinent Plan provisions on which the denial is based;
- a description of any additional material or information that you need to submit with an explanation of why such material or information is necessary;
- an offer to provide you, on request, free of charge, reasonable access to and copies of all documents, records and other information relevant to your claim for benefits; and
- a description of the Plan's review procedures and the time limits applicable to the claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review.

Appeal Procedure

If you want a review of a denied claim you may submit an appeal in writing in a manner acceptable to the Benefits and Appeals Committee. The deadline for submitting any such appeal shall be 60 days after you receive the written notification of the denial of the claim, as described above. Within 60 days following the receipt of the notice of appeal, the Benefits and Appeals Committee, or its delegate will give you either (i) a written notice of the decision of the reviewer, or (ii) if special circumstances require an extension of time for review, a notice of a 60-day extension of the review period. In the latter case, the notice of the decision of the reviewer shall be delivered to the claimant by the Benefits and Appeals Committee (or its delegate) within 120 days after the application has been filed. The Benefits and Appeals Committee's review will take into account all comments, documents, records, and other information you submit, without regard to whether that information was submitted or considered in the initial benefit determination.

If your appeal is denied, the notification will:

- explain the specific reasons and specific Plan provisions on which its decision is based,
- include a statement describing any voluntary appeal procedures offered by the Plan and the claimant's right to obtain information about these procedures,
- include a statement regarding your right to bring a civil action under ERISA 502(a), and
- offer to provide you, on request, free of charge, reasonable access to and copies of all documents, records and other information relevant to your claim for benefits.

The Plan Administrator has full and complete discretion to:

- make findings of fact pertaining to a claim or appeal,
- interpret the Plan as applied to the facts, and
- decide all aspects of the claim or appeal.

The decision by the Benefits and Appeals Committee (or its delegate) shall be the final and conclusive administrative review proceeding under the Plan. You are required to pursue all administrative appeals under the Plan as a precondition to challenging the denial of your claim in a lawsuit. You may not submit a dispute to a court with respect to a denied claim under this Plan more than one year after the date the Benefits and Appeals Committee renders its final decision upon appeal.

General Plan Provisions and Plan Administration

Controlling Law

To the extent not superseded by the laws of the United States (in particular the Employee Retirement Income Security Act), the laws of California (without regard to its choice of law principles) shall be controlling in all matters relating to the Plan.

Costs of Administration

The costs of administration of the Plan shall be paid from the assets of the Plan, if they are not paid by the employer directly. Such expenses shall include, but are not limited to, expenses for professional, legal, accounting, record keeping, and investment services.

No Employment Rights

The Plan does not constitute a contract of employment, and participation in the Plan does not entitle you to a guarantee of employment or to any right or claim to any benefit under the Plan, unless such right or claim has specifically accrued under the terms of the Plan.

Plan Revision and Termination

LLNS, by action of the LLNS Executive Committee or its delegate, can amend, terminate, or partially terminate the Plan at any time. Any amendment or termination will be made in writing.

Plan Amendments

Except as permitted by applicable law, no amendment shall decrease the amount of your accrued Plan benefits or non-forfeitable benefits as of the adoption date or effective date of the amendment, whichever is later.

If the employer amends the Plan to change the vesting schedule, special rules apply. See the Plan document for details.

Plan Termination

Your retirement benefits under the Plan will be insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the Plan were to terminate without enough money to pay all benefits, the PBGC would step in to pay retirement benefits. Because of the statutory limitations on the amount of benefits that the PBGC guarantees, some people could lose certain benefits.

The Plan document includes special provisions as to how the money in the trust funds must be used for the benefit of members, joint annuitants and spouses. The funds would not be returned to the employer unless there are more than enough funds to pay all accrued benefits. If the Pension Plan were to be terminated, your benefits earned up to the date of termination would become fully vested to the extent funded.

The PBGC guarantee generally covers:

- normal and early retirement benefits;
- disability benefits if you become disabled before the Plan terminates; and
- certain survivor's benefits.

The PBGC guarantee generally **doesn't** cover:

- benefits greater than the maximum guaranteed amount set by law for the year in which the Plan terminates;
- some or all of benefit increases that have been in place for less than five years at the time the Plan terminates;
- benefits that aren't vested because you haven't worked long enough for the company;
- benefits for which you haven't met all of the requirements at the time the Plan terminates;
- certain early retirement benefits (such as supplemental benefits that stop when you become eligible for Social Security) if they result in early retirement monthly benefits that are greater than your monthly benefit at the Plan's normal retirement age; and
- non-retirement benefits, such as health or life insurance, certain death benefits, vacation pay and severance pay.

Even if certain benefits aren't guaranteed, you still might receive some of those benefits from the PBGC depending on how much money the Pension Plan has and on how much the PBGC might collect from employers.

If you have questions about the PBGC or the benefits it guarantees, you may contact the Plan Administrator, or you may contact the PBGC at:

PBGC
Technical Assistance Division
1200 K Street, N.W. Suite 930
Washington, D.C. 20005-4026
(202) 326-4136

TTY/TDD users may call the federal relay service toll free at 1-800-877-8339 and ask to be connected to (202) 326-4136. Additional information about the PBGC's pension insurance program is available through the PBGC's website at http://www.pbgc.gov.

"Top Heavy" Considerations

If the LLNS Defined Benefit Pension Plan becomes "top-heavy"—that is, if the value of benefits for key employees exceeds 60% of the total benefits—LLNS will make changes necessary to satisfy the federal tax code rules for top-heavy plans.

Plan Details

Plan Name
LLNS Defined Benefit Pension Plan

Plan Type
The Plan is a defined benefit pension plan.

Plan Identification
Employer Identification Number: 20-5624386
Plan Number: 003

Plan Year
Plan Year generally means the 12-month period beginning on January 1 and ending on December 31.

Plan Administrator and Plan Administration
The Benefits and Investment Committee is the Plan Administrator, with full discretionary authority to administer and interpret the Plan, including discretionary authority to determine eligibility for participation and for benefits under the Plan, to appoint one or more investment managers, to correct errors to the extent practicable, to make determinations under the Plan's claims and appeal procedures, and to construe ambiguous terms. The Benefits and Investment Committee may delegate its discretionary authority and such duties and responsibilities as it deems appropriate to facilitate the day-to-day administration of the Plan and, unless the Benefits and Investment Committee provides otherwise, such a delegation will carry with it the full discretionary authority to accomplish the delegation. Determinations by the Benefits and Investment Committee or its delegate will be final and conclusive upon all persons.

Plan Administrator

Benefits and Investment Committee
Lawrence Livermore National Security, LLC
7000 East Avenue
Mail Stop L-640
Livermore, CA 94550
925-422-9955

Plan Sponsor
Lawrence Livermore National Security, LLC (“LLNS”)
7000 East Avenue
Mail Stop L-640
Livermore, CA 94550
925-422-9955

Plan Trustee

BNY Mellon Asset Servicing
500 Grant Street
Pittsburgh, PA 15258

Agent for Service of Legal Process

The agent for service of legal process is:

LLNS Counsel
Lawrence Livermore National Security, LLC
7000 East Avenue
Mail Stop L-701
Livermore, CA 94550

Source of Funding

Employer contributions to the Pension Plan are held in a trust fund administered by a trustee. The money in the trust fund is for the benefit of eligible Pension Plan members and their beneficiaries.

Duty to Keep Plan Administrator Informed

You or your beneficiary (if you die) must notify the Plan Administrator if you (or your beneficiary) move or change mailing addresses.

For More Information

This SPD describes highlights of the LLNS Defined Benefit Pension Plan. The official Plan document governs and controls all rights and benefits in case of any conflict with the explanations given in this SPD or in any other oral or written statements made by the Plan Administrator, Trustee or any individual with real or apparent authority in maintaining the Plan. Some terminology in this SPD differs from that in the Plan document. If you would like to examine the Plan documents or ask questions about the Plan, contact your Plan Administrator.

Where to Get Information	
Lawrence Livermore National Security, LLC	
Address	7000 East Avenue Mail Stop L-640 Livermore, CA 94550
Phone	925-422-9955
LLNL Web site	https://benefits.llnl.gov/