



Disability Coverage

This page intentionally left blank.

Your Disability benefits are designed to provide continuing income if you are a current Employee and you are unable to work due to illness, injury, or pregnancy.

Disability Benefits

- The Company provides some coverage under the Short-Term and the Long-Term Disability plans. The benefit amount for bargaining unit versus non-bargaining Employees varies and is explained under the “Benefit Amount” section.
- Your disability benefits may be reduced by other income benefits, such as Workers’ Compensation and Social Security payments that you receive while disabled.

What happens to your benefits when ...?

For more information about what happens to your disability benefits when certain changes or events occur, see “How Changes Affect Your Benefits” in the “About Your Benefits” section.

Short-Term Disability Plan

The Short-Term Disability (STD) plan may continue to provide a percentage of your Pay for up to six months of your medically-approved disability. It is your obligation to provide the documentation required to meet the eligibility criteria for STD benefits. This includes certification of your disability by a licensed practicing physician. Payment under the Company’s STD plan will not be made until the determination of medical necessity has been received and approved.

Unless medically necessary, elective or cosmetic procedures are not covered under the STD plan.

Claims covered by Workers’ Compensation run concurrently with any applicable STD benefits. STD benefits may also be reduced by other disability income benefits you are eligible to receive from other sources, including but not limited to, the Energy Employees Occupational Illness Compensation Program Act, Social Security disability, or retirement benefits, or other sources of income.

STD benefits may vary depending upon your employee classification.

Claiming Short-Term Disability Benefits

If you are unable to work because of a qualifying absence, you must furnish periodic medical evidence of your inability to work as requested by the Company or its third-party administrator in order to receive benefits under the STD plan. You may not file a claim for benefits if you are no longer a Company Employee, and only current Company Employees are eligible for these benefits.

The Company reserves the right to confirm your disability with a physician and/or require a written statement from your treating physician at any time during your absence. Upon return to work, the Company requires a physician’s statement indicating that you are released to return to work.

In addition, during your disability you may be required to undergo periodic evaluations by your Company’s Occupational Health Services Department in order for the Company to determine if you are able to return to light duty work. If the Company’s Occupational Health Services Department and your physician determine that you are able to return to light duty work, and you do not return to work, benefits for STD will end.

When Short-Term Disability Benefits End

Benefits for any absence will end when you:

- Return to work for a full shift
- Do not provide requested satisfactory evidence of your illness or injury
- Do not return to work for light duty if you are able
- Have received the maximum number of benefit payments
- Have your employment terminated by the Company for cause

Benefit Amount

If you are unable to work due to illness, injury, or pregnancy, the STD plan may continue to pay a percentage of your Pay for up to a total of 26 weeks (1,040 cumulative hours) as long as you apply for the benefit, provide any required documentation, and are approved under the provisions of the plan.

“Pay” is defined in the Glossary.

The benefit amount and period of benefits you receive may depend on your length of service and employee classification.

Non-Bargaining

- If you have between one and six months of Company Service, you are eligible to receive up to one month’s Pay for each completed month of service based on the percentage levels listed below.
- You must meet a benefit waiting period of seven consecutive calendar days before STD benefits begin. You may use paid personal leave, paid time off, holidays or unpaid time to meet the benefit waiting period. The waiting period or any remaining portion thereof may be waived if you are hospitalized. For STD purposes, hospitalization is defined as an in-patient admission of 24 or more hours. A visit to the emergency room which lasts 24 or more hours with no in-patient admission does not waive the waiting period requirement.

For Pantex non-bargaining Employees, your sick leave bank may not be used to meet the STD benefit waiting period. Pantex non-bargaining Employees who are approved for STD may use available sick leave hours to receive 100% of their Pay while disabled from working until the Employee’s sick leave bank is exhausted. Sick leave hours will run concurrently with STD benefits. If the Employee exhausts sick leave benefits and remains eligible for STD, any remaining STD benefits would be paid based upon the tiered schedule below.

- If you have six months or more of Company Service, you are eligible to receive Pay for approved claims as follows after meeting the applicable benefit waiting period:
 - 100% of Pay for weeks one through six
 - 80% of Pay for weeks seven through twelve
 - 70% of Pay for weeks thirteen through twenty-six

Note: For non-bargaining Employees, holiday time may not be entered during an approved STD absence.

- Periods of disability are treated as separate periods if they are:
 - Due to unrelated causes and are separated by your return to active work for at least one complete shift
 - Due to the same or related condition and are separated by a return to active work of at least 520 work hours or three calendar months, whichever is longer

Note: For eligible Pantex non-bargaining Employees, available sick leave will be paid at 100% of Pay for weeks one through twenty-six until the sick leave bank is exhausted.

Metal Trades Council (MTC)

- You are eligible upon hire for STD benefits based on the percentage levels listed below.
- You must meet a benefit waiting period of 40 consecutive hours before STD begins. You may use sick leave to meet the benefit waiting period. If you do not have sufficient sick leave hours to meet the waiting period requirement, accrued Time Off with Pay (TOWP) may be used. The waiting period or any remaining portion thereof may be waived if you are hospitalized. For STD purposes, hospitalization is defined as being held overnight in the hospital. A visit to the emergency room which lasts 24 or more hours with no in-patient admission does not waive the waiting period requirement.
- You are eligible to receive Pay for approved claims as follows after meeting the applicable benefit waiting period:
 - 100% of Pay for weeks one through six
 - 80% of Pay for weeks seven through twelve
 - 70% of Pay for weeks thirteen through twenty-six
- Periods of disability are treated as separate periods if they are due to a related or unrelated cause and are separated by a return to work for a continuous period of at least 160 hours, excluding overtime, without any absence (excludes holiday).

Note: For eligible MTC Employees, available sick leave will be paid at 100% of Pay for weeks one through twenty-six until all sick leave hours are exhausted.

Pantex Guards Union (PGU)

- You must meet a benefit waiting period of three full or partial consecutive workdays unless you are hospitalized, have surgery or have a medical condition related to 10 CFR 712 (Human Reliability Program) or 10 CFR 1046 (Medical, Physical Readiness, Training, and Access Authorization Standards for Protective Force Personnel). Hospitalization is defined as in-patient hospital admission.
- You are eligible to receive Pay (not to exceed 12 hours per day) for approved claims as follows:
 - 100% of Pay for weeks one through six
 - 80% of Pay for weeks seven through twelve
 - 70% of Pay for weeks thirteen through twenty-six
- Periods of disability are treated as separate periods if they are due to a related or unrelated cause and are separated by a return to work for a continuous period of at least 30 scheduled work days.

Note: For eligible PGU Employees, available sick leave will be paid at 100% of Pay for weeks one through twenty-six until the sick leave accrual is exhausted.

Atomic Trades and Labor Council (ATLC) and United Steel Workers (USW)

- If you have between one and six months of Company Service, you are eligible to receive up to one month's Pay for each completed month of service based on the percentage levels listed below.
- You must meet a benefit waiting period of 40 consecutive hours before STD benefits begin. You may use paid personal leave, paid time off, holidays or unpaid time to meet the benefit waiting period. The waiting period or any remaining portion thereof may be waived if you are hospitalized. For STD purposes, hospitalization is defined as an in-patient admission. A visit to the emergency room which lasts 24 or more hours with no in-patient admission does not waive the waiting period requirement.

-
- If you have six months or more of Company Service, you are eligible to receive Pay for approved claims as follows after meeting the applicable benefit waiting period:
 - 100% of Pay for weeks one through six
 - 80% of Pay for weeks seven through twelve
 - 70% of Pay for weeks thirteen through twenty-six
 - STD payments will not be made for:
 - Any disability occurring during the first 12 months that the employee's plan coverage is in effect if caused by any condition for which he or she received treatment during the three-month period before his or her coverage became effective
 - Any period of incapacity beyond the third consecutive calendar day during which the employee is not under treatment by a licensed treating physician
 - Any disability caused directly or indirectly by war declared or undeclared
 - Any intentionally self-inflicted injury
 - Any disability resulting from commission of a felony
 - Any disability due to willful misconduct, violation of Company rules, or refusal to use safety appliances
 - Periods of disability are treated as separate periods if they are:
 - Due to unrelated causes and are separated by your return to active work for at least one complete shift
 - Due to the same or related condition and are separated by a return to active work of at least 520 work hours or three calendar months, whichever is longer

Y-12 Fire Captains and Lieutenants (FCLT)

- If you have between one and six months of Company Service, you are eligible to receive up to one month's Pay for each completed month of service based on the percentage levels listed below.
- You must meet a benefit waiting period of seven consecutive calendar days before STD benefits begin. You may use paid personal leave, paid time off, holidays or unpaid time to meet the benefit waiting period. The waiting period or any remaining portion thereof may be waived if you are hospitalized. For STD purposes, hospitalization is defined as an in-patient admission of 24 or more hours. A visit to the emergency room which lasts 24 or more hours with no in-patient admission does not waive the waiting period requirement.
- If you have six months or more of Company Service, you are eligible to receive Pay for approved claims as follows after meeting the applicable benefit waiting period:
 - 100% of Pay for weeks one through six
 - 80% of Pay for weeks seven through twelve
 - 70% of Pay for weeks thirteen through twenty-six
- Periods of disability are treated as separate periods if they are:
 - Due to unrelated causes and are separated by your return to active work for at least one complete shift
 - Due to the same or related condition and are separated by a return to active work of at least 520 work hours or three calendar months, whichever is longer

International Guards Union of America (IGUA) Central Alarm Station Operators, Central Training Facility Instructors, and Beta 9 Operators

- If you have between one and six months of Company Service, you are eligible to receive up to one month's Pay for each completed month of service based on the percentage levels listed below.
- You must meet a benefit waiting period of 40 consecutive hours before STD benefits begin. You may use paid personal leave, paid time off, holidays or unpaid time to meet the benefit waiting period. The waiting period or any remaining portion thereof may be waived if you are hospitalized. For STD purposes, hospitalization is defined as an in-patient admission. A visit to the emergency room which lasts 24 or more hours with no in-patient admission does not waive the waiting period requirement.
- If you have six months or more of Company Service, you are eligible to receive Pay for approved claims as follows after meeting the applicable benefit waiting period:
 - 100% of Pay for weeks one through six
 - 80% of Pay for weeks seven through twelve
 - 60% of Pay for weeks thirteen through twenty-six
- STD payments will not be made for:
 - Any disability occurring during the first 12 months that the employee's plan coverage is in effect if caused by any condition for which he/she received treatment during the three month period before his/her coverage became effective
 - Any period of non-occupational disability absence beyond 40 hours during which the employee is not under treatment by a licensed practicing physician
 - Any disability caused directly or indirectly by war declared or undeclared
 - Any intentionally self-inflicted injury
 - Any disability resulting from commission of a felony
 - Any disability due to willful misconduct, violation of Company rules, or refusal to use safety appliances
- Periods of disability are treated as separate periods if they are:
 - Due to unrelated causes and are separated by your return to active work for at least one complete shift
 - Due to the same or related condition and are separated by a return to active work of at least 520 work hours or three calendar months, whichever is longer

International Guards Union of America (IGUA) Security Police Officers

- You must have at least one week of Company Service to be eligible for STD benefits, eligibility schedule as follows:
 - At least one week but less than six weeks – Maximum Benefit is six weeks
 - At least six weeks but less than twelve weeks – Maximum Benefit is twelve weeks
 - At least twelve weeks or more – Maximum Benefit is twenty-six weeks
- You must meet a benefit waiting period of 40 consecutive hours before STD benefits begin. You may use paid personal leave, paid time off, holidays or unpaid time to meet the benefit waiting period. The waiting period or any remaining portion thereof may be waived if you are hospitalized. For STD purposes, hospitalization is defined as in-patient admission. A visit to the emergency room which lasts 24 or more hours with no in-patient admission does not waive the waiting period requirement.
- You are eligible to receive Pay for approved claims as follows after meeting the applicable benefit waiting period:
 - 100% of Pay for weeks one through six
 - 80% of Pay for weeks seven through twelve
 - 70% of Pay for weeks thirteen through twenty-six
- STD payments will not be made for:
 - Any disability occurring during the first 12 months that the employee's plan coverage is in effect if caused by any condition for which he or she received treatment during the three-month period before his or her coverage became effective
 - Any period of non-occupational disability absence beyond the 40th consecutive hour during which the employee is not under treatment by a licensed practicing physician
 - Any disability caused directly or indirectly by war declared or undeclared
 - Any intentionally self-inflicted injury
 - Any disability resulting from commission of a felony
 - Any disability due to willful misconduct, violation of Company rules, or refusal to use safety appliances
- Periods of disability are treated as separate periods if they are:
 - Due to unrelated causes and are separated by your return to active work for at least one complete shift
 - Due to the same or related condition and are separated by a return to active work of at least 520 work hours or three calendar months, whichever is longer

Long-Term Disability Plan

Your Long-Term Disability (LTD) benefits are designed to provide continuing income if you have an illness, injury or pregnancy. You become eligible to apply for benefits after you have been Totally Disabled (as defined in the Glossary) for six months, 26 weeks, or 1,040 cumulative hours. LTD benefits pick up where STD benefits leave off, provided you have at least six months prior service with the Company at the beginning date of your Total Disability. It is your obligation to provide required documentation of your disability.

PGU Employees with sick leave banks in excess of 26 weeks shall be allowed to exhaust all Sick Leave hours before commencing LTD benefits.

Determining Your Long-Term Disability Benefit

You may not file a claim for benefits if you are no longer a Company Employee, and only current Company Employees are eligible for these benefits.

To calculate the amount you are eligible to receive under the LTD plan, follow these steps:

1. Multiply your monthly Pay by the appropriate percentage of coverage (description of benefit percentage is listed under "Benefit Amount") to determine your maximum monthly benefit.
2. Subtract other income you are eligible to receive to find your adjusted monthly benefit from the plan. Continue to Step Three only if you are eligible to receive family Social Security.
3. If the resulting total of all income benefits you are eligible to receive is more than 75% of your monthly Pay, or 45% if you did not elect the additional 30% LTD Buy-Up benefit that was available to you, your monthly LTD benefit will be reduced to bring your total disability income to 75% of your monthly Pay (or 45% if you did not elect the additional 30% LTD Buy-Up benefit).

Example:

Assume you are a Non-Bargaining Employee earning \$3,000 a month and your benefit level is 60% (30% Company + 30% Buy-Up).	
Monthly Pay	\$3,000
LTD benefit percentage	x 60%
Maximum monthly LTD benefit	\$1,800
Assume you are eligible for primary Social Security of \$800 a month.	
Maximum monthly LTD benefit	\$1,800
Primary Social Security	-\$800
Adjusted monthly LTD benefit	\$1,000
Assume you are eligible for family Social Security of \$500 a month.	
Assume earnings of \$3,000 per month	\$3,000
75% disability benefit	x 75%
	\$2,250
Primary Social Security	-\$800
Family Social Security	-\$500
Total family disability income	\$950

Social Security and Long-Term Disability Benefits

You are required to apply for Social Security and any other income you may be eligible to receive as a result of your disability within the first twelve months of disability. If your initial application for Social Security is denied, you are required to pursue the entire Social Security benefits appeals process. If you fail to complete the appeals process, your LTD benefit will be reduced by the estimated Social Security benefit that might have been available to you.

If...	Then...
You later complete the Social Security appeals process and are denied benefits	Your LTD benefits will be retroactively reinstated and you will receive a "catch-up" payment.
You receive a cost of living increase to your Social Security disability income after your LTD benefit has been calculated	Your LTD benefits will not change.
Your disability makes you eligible to receive family Social Security benefits	Your total disability income from all sources may not exceed 75% of your monthly pay, or 45% if you did not elect the additional 30% Buy-Up benefit when it was available to you.

Important Information Regarding Medicare, Social Security, and Long-Term Disability

You are responsible for communicating with the Social Security Office and understanding how Medicare eligibility and enrollment fit your personal situation. It is your obligation to enroll yourself or your Eligible Dependent(s) in Medicare in a timely fashion so your out-of-pocket expenses are minimized. The Company's medical plan vendor will coordinate claim payments as though Medicare is in effect, even if you are not enrolled in Medicare.

Contact Social Security or Medicare to receive Social Security Disability Insurance and answer Medicare questions.

Taking a Job While Disabled

If you return to work at the Company on a reduced-hour basis, you may be eligible to continue receiving up to 50% of your LTD benefit level.

If you participate in an Approved Rehabilitative Employment Program outside the Company, approved by both the Company and the third-party administrator, you may continue to receive part of your LTD income for up to 12 months. Your monthly LTD benefits may be reduced by any money received from your rehabilitative earnings. If you want to participate in an Approved Rehabilitative Employment Program, it is your responsibility to apply for any such approved program.

"Approved Rehabilitative Employment Program" is defined in the Glossary.

Successive Disabilities (Y-12 Employees Only)

If you receive LTD benefits, return to work for less than 520 Hours of Work or three calendar months (whichever is longer) and again become disabled due to the same illness or injury, LTD income will resume without a six-month STD waiting period, provided proper physician documentation is received and approved by the claims administrator. However, if you have been working for at least 520 Hours of Work, or more than three months (if longer), you will need to satisfy the STD waiting period before benefits begin.

"Hour of Work" is defined in the Glossary.

Disabilities due to unrelated causes will be treated as separate disabilities requiring satisfaction of separate waiting periods if the disabilities are separated by your return to work for eight consecutive hours.

Exclusions

LTD benefits are not payable for disabilities:

- Occurring during the first 12 months that your plan coverage is in effect if caused by any condition for which you received treatment during the three-month period before your plan coverage became effective
- If you are not under the care of a licensed practicing physician
- Due to an intentional self-inflicted injury
- Resulting from your commission of a felony
- Due to war, declared or undeclared
- Reported after termination of your active employment

Claiming Long-Term Disability Benefits

Within 90 days after your STD begins, the Company's third-party administrator will mail applicable forms to your home address to be completed by you and your treating physician. If forms are not received, contact the Benefit Plans Office.

Duration of Benefits

The LTD plan continues a portion of your Pay after you have been determined disabled for six months (or 1,040 cumulative work hours). As long as you continue to be disabled under plan provisions, benefits will be payable in accordance with the following schedule:

Non-Bargaining; ATLC; FCLT; MTC; IGUA Central Alarm Station Operators, Central Training Facility Instructors, and Beta 9 Operators; PGU; and USW

Age When Disability Begins	Maximum Benefit Period
62 or under	Until 65 th birthday or 42 months, if later
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 and above	12 months

IGUA Security Police Officers

Age When Disability Begins	Maximum Benefit Period
Prior to age 60	Until 65 th birthday
60 and above	Lesser of 60 months or to age 70

During the time you are receiving LTD benefits, you must furnish periodic medical evidence of your illness or injury if requested by the Company or the Company's third-party administrator in order to remain eligible to receive benefits.

Pantex Site-Specific Information

- Absent a substantiated need for a reasonable accommodation, Pantex Employees (excluding PGU) are ordinarily terminated from the payroll when beginning LTD. Employees may request to return to work after receiving LTD benefits and such requests will be considered on a case-by-case basis.
- Pantex Employees (excluding PGU) can no longer participate in the Company-sponsored medical, dental, or visions plans provided to Employees once they have entered LTD.
- PGU Employees may choose to terminate when reaching LTD status or remain on payroll in a leave of absence status for 24 months.

If the PGU Employee elects to retire while transitioning to LTD, LTD benefits and pension benefits will run concurrently. LTD benefits will be reduced by any Social Security disability or Social Security retirement benefits you receive.

If the PGU Employee chooses to remain on payroll in a leave of absence status, the employee will continue to accrue service for benefits (excluding Pension) and may continue Company-sponsored medical, dental, or vision at active Employee premium rates.

Y-12 Site-Specific Information:

- Y-12 Employees who recover from illness or injury during the first 24 months of LTD leave may contact the Benefit Plans Office to request a return to work medical evaluation to determine if the Employee is capable of performing the essential functions of the job with or without reasonable accommodation(s). The Company does not hold an employment or job position open when an Employee is on LTD. The decision on whether you return to work will be based on the results of this medical evaluation and the availability of an open position for which you qualify. If a position is available, the Benefit Plans Office will coordinate a return to work medical evaluation by your Company's Occupational Health Services Department.

Benefit Amount

Non-Bargaining, FCLT, IGUA Central Alarm Station Operators, Central Training Facility Instructors, and Beta 9 Operators Employees

- Your monthly LTD plan base benefit equals 30% of your monthly basic straight time Pay, up to a maximum monthly benefit of \$5,000.
- If you elected to purchase the LTD Buy-Up plan, then you are eligible for an additional 30% of your monthly basic straight time Pay, up to a maximum monthly benefit of \$8,000.
- The LTD plan is reduced by income benefits you are eligible to receive from other sources, as described under "Reduction of Benefits."

ATLC, USW, and MTC

- Your monthly LTD plan base benefit equals 35% of your monthly basic straight time Pay, up to a maximum monthly benefit of \$5,000.
- If you elected to purchase the LTD Buy-Up plan, then you are eligible for an additional 30% of your monthly basic straight time Pay, up to a maximum monthly benefit of \$8,000.
- The LTD plan is reduced by income benefits you are eligible to receive from other sources, as described under "Reduction of Benefits."

PGU

- Your LTD plan base benefit equals 65% of your monthly basic straight time Pay, up to a maximum monthly benefit of \$6,000.
- The LTD plan is reduced by income benefits you are eligible to receive from other sources, as described under "Reduction of Benefits."

IGUA Security Police Officers

- Your monthly LTD plan base benefit equals 35% of your monthly basic straight time Pay, up to a maximum monthly benefit of \$5,000.
- If you elected to purchase the LTD Buy-Up plan, then you are eligible for an additional 30% of your monthly basic straight time Pay, up to a maximum monthly benefit of \$8,000.
- The LTD plan is reduced by income benefits you are eligible to receive from other sources, as described under "Reduction of Benefits."

The LTD administrator will instruct you on how to apply for Social Security benefits.

Reduction of Benefits

Your LTD benefits are reduced by other sources of income that are payable to you because of your total disability. Income that may reduce your LTD benefits includes, but not limited to:

- Workers' Compensation benefits or benefits provided under a similar law, state disability benefits, and other statutory benefits for disability, retirement, or unemployment
- Benefits provided through Company benefit plans
- Any Social Security benefits for which you are eligible, including any benefit received by a dependent on your behalf because of your entitlement (refer to the Social Security and "Long-Term Disability Benefits")

If any of these benefits are payable as a lump sum, your LTD benefit will be calculated as if these benefits are paid monthly. The insurance company may have the right to recover advanced benefits by direct payment or by offsetting against future LTD payments.

Your LTD benefits will not be reduced by any private disability coverage that you have purchased.