

LAM RESEARCH CORPORATION

CALIFORNIA VOLUNTARY DISABILITY PLAN

Effective Date of Plan: January 1, 1993

The provisions of this restatement of the Plan apply to Disability Benefit Periods beginning on
or after September 1, 2021



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I. COVERAGE

A. Eligibility

All California employees of the Employer in covered employment as defined in Section 2606 of the California Unemployment Insurance Code are eligible for coverage under the Plan.

B. Effective Date of Coverage

Eligible employees whose date of employment is on or before the effective date of the Plan are covered on the effective date. Those whose date of employment is after the effective date are covered on their date of employment. An eligible employee may reject coverage in writing. Any employee who has rejected coverage or who has withdrawn from the Plan, and who subsequently elects, in writing, to be covered under the Plan, will be covered on the first day of the Calendar Quarter next following the date of such election.

C. Termination of Coverage

An employee's coverage will terminate:

1. At midnight of the date of termination of employment by termination of the employer-employee relationship, or at midnight of the fifteenth (15th) day following the commencement of a leave of absence without pay or a layoff without pay (a permanent termination of the employment relationship is not a layoff for purposes of this provision regardless of the term used to designate it).
2. On the date he or she ceases to be an eligible employee;
3. On the first day of the Calendar Quarter next following the employee's giving notice, in writing, of his or her intention to withdraw from the Plan; or
4. On the date of termination of the Plan.

II. BENEFITS

A. Employee Disability

Any employee who sustains a disability which begins while he or she is covered hereunder will, subject to the limitations and provisions hereinafter stated, receive a benefit for the period of such disability. The amount of such benefit will be as set forth below.

An employee will be considered to have sustained a disability if he or she:

1. Becomes unable to perform his or her regular or customary work by reason of any physical or mental illness or injury, including pregnancy, childbirth or related medical conditions; or
2. Has been ordered not to work by written order from a state or local health officer because he or she is infected with, or suspected of being infected with, a communicable disease.

Subject to the limitations and provisions hereinafter stated, an employee will be considered to have sustained a disability if he or she has been referred or recommended by competent medical authority to participate in either (i) an approved residential facility for the treatment of alcohol or drug abuse, or (ii) an approved outpatient program for the treatment of alcohol or drug abuse which requires attendance for a minimum of six (6) hours per day for a minimum of five (5) days per week.

For any employee who participates in a vocational rehabilitation plan in accordance with the California Labor Code, regular or customary work will mean, upon completion of such plan, only that employment for which the employer has been retrained.

Two consecutive periods of disability due to the same or related cause or condition and separated by a period of not more than sixty (60) days will be considered one Disability Benefit Period.

B. Family Member Disability or New Child Bonding

Beginning January 1, 2021, the Senate Bill (SB) 1123, chaptered and signed into law by the Governor, will expand the scope of the Paid Family Leave (PFL) program to allow an employee to receive benefits for leave taken for a qualifying exigency related to the covered active duty or call to covered active duty of the employee's family member in the U.S. Armed Forces.

Examples of an exigency leave are issues arising from the family member's short notice deployment or childcare issues and other related activities arising from the family member's call to active duty or being on active duty.

An eligible employee may request up to sixteen (16) weeks of Paid Family Leave in order to care for a seriously ill Family Member, or to bond with his or her new Child, provided that the employee furnish the following documentation as appropriate for his or her request:

1. a certificate from the Family Member's Physician (as required in Section IV.A. of this Plan) stating the Serious Health Condition of the Care Recipient which requires the employee's presence, and the Physician's opinion as to the probable duration of the Family Member's condition, and acknowledgement, in writing, from the employee that he or she is the only Family Member available to provide

the necessary care or comfort to the Care Recipient.

2. a certificate for a leave of absence taken for reason of the birth of a Child of the employee or the employee's Domestic Partner, or the placement of a minor Child with the employee in connection with the adoption or foster care of the Child by the employee or Domestic Partner.

Periods of Paid Family Leave for the same Care Recipient within a Twelve-Month Period shall be considered one Disability Benefit Period. Periods of disability for pregnancy and periods of family care leave for bonding associated with the birth of that Child shall be considered one Disability Benefit Period.

C. Amount of Benefit

The weekly benefit payable hereunder, for an employee's disability, will be equal to 75% of weekly Earnings but not more than \$4,800 nor less than \$50 to a maximum of the workers' compensation temporary disability indemnity weekly benefit amount in effect at the time of the commencement of disability thereafter. The weekly minimum amount is \$50. The benefits received for disability is not taxable.

The weekly benefit payable hereunder, for an employee's Paid Family Leave, will be equal to 100% of his or her weekly Earnings but not more than \$4,800 for sixteen (16) weeks of Paid Family Leave. The weekly minimum amount is \$50. The benefits received for Paid Family Leave is taxable.

The weekly benefit payable hereunder, for an employee's disability, will be the Statutory Benefit that was the basis for calculation of the employee's disability claim in effect when employee's disability commenced.

The weekly benefit payable hereunder, for an employee's Paid Family Leave, will be the Statutory Benefit that was the basis for calculation of the employee's Paid Family Leave claim in effect when employee's leave commenced. The Paid Family Leave weekly benefit amount for a claim for bonding by the biological mother will be the Statutory Benefit that was the basis for calculation of the employee's disability pregnancy claim in effect when her disability commenced.

For each day of any period of disability for which benefits are payable, and which is less than a full week, the amount of benefit payable will be one-seventh (1/7) of the amount of the weekly benefit.

The maximum benefit payable during any one Disability Benefit Period will be fifty-two (52) times the weekly benefit payable. However, if an employee has been referred or recommended by competent medical authority to participate as a resident or as an outpatient in an alcohol or drug abuse treatment facility, the maximum number of days for which benefits are payable for such treatment will be ninety (90).

The maximum benefit payable during an employee's Paid Family Leave will be sixteen (16) times 100% of his or her weekly benefit payable not to exceed the benefit maximum of \$4,800 during the twelve-month period that begins with the first day that a valid claim is established for Paid Family Leave.

D. Limitations on the Amount of Benefit

Benefits will be limited to the State Plan rate (weekly amount and maximum benefit):

1. for any employee classified as temporary in accordance with the corporate policy of the Employer;
2. for any disability arising during the extended coverage period following the commencement of a layoff without pay or a leave of absence without pay (except that this limitation will not apply in the case of a temporary shut-down initiated by the Employer);
3. for any employee who has declined alternative employment offered by the Employer that is within the employee's physical capabilities and is comparable in status and compensation to the employee's former job;
4. for any disability that is not substantiated by Objective Medical Evidence;
5. for any disability for which the employee is not under the care or treatment of a Physician;
6. for any disability which results from cosmetic surgery which is not necessary to correct an illness or injury.

E. Reductions in Excess of State Plan Benefits

Benefits in excess of the State Plan rate (weekly amount and maximum benefit) will be reduced by the amount of any benefits that are available to the employee (whether or not such benefits are applied for) from the following sources:

1. state disability plan (other than California, except for benefits payable to an employee as a result of simultaneous coverage shown in Section II.G. of this Plan) or any Plan providing disability payments pursuant to a compulsory benefit act or law.
2. temporary and permanent disability payments (whether total or partial), vocational rehabilitation payments, and any other amounts awarded to or allocated for the participant, net of any reasonable attorney's fees and amounts allocated for the payment of medical expenses, under any Workers'

Compensation Law, Occupational Disease Law, or any other legislation or law of similar purpose. Any amount awarded or paid in a lump sum that represents payment for a specific period will be prorated over that period. If the amount awarded or paid in a lump sum does not represent payment for a specified period, or if such a specified period cannot be determined, the lump sum will be prorated over a period of fifty-two weeks.

3. amounts received or awarded because the employee was injured by a third party, less any unreimbursed medical expenses awarded by a court and less reasonable expenses of collecting such amounts, including attorneys' fees. Amounts received will also include amounts received from the employee's own uninsured motorist coverage.

If the employee either chooses not to apply for, elects to defer, or fails to request any of the above benefits, the Plan Administrator will reduce his or her benefits on the basis that the employee had received the benefit on the earliest date that he or she was eligible.

F. Waiting Period

There is no waiting period. Your benefits will begin on the first day of disability or Paid Family Leave.

G. Simultaneous Coverage

Simultaneous coverage exists when a claimant is covered by and eligible for disability benefits from more than one disability insurance plan, including one or more VPs and SDI.

When benefits are paid under simultaneous coverage, the liable plans equally share the SDI weekly and maximum benefit rate. Additionally, each VP pays the difference between the full SDI rate and the amount of benefit entitlement under that VP. Each VP is counted as one plan. SDI is counted as one plan even if the claimant works for more than one SDI-covered employer.

H. Redirection of Benefits

An employee eligible to receive benefits under this Plan may choose to redirect a portion of his or her weekly benefit to cover all or part of the cost of employee-paid benefits. To execute this option, the employee must designate in writing, on a form available from the Employer, the weekly amount to be so redirected. This redirection may be initiated at the time the employee applies for Plan benefits or at any time while receiving Plan benefits. The employee may terminate, or change the terms of, the redirection at any time while receiving Plan benefits.

I. Overpayments

In the event the calculation of a benefit under the Plan results in an overpayment to the employee, the employee will be required to repay such overpayment to the extent permitted under the CUIC and the CCR. The Employer will make reasonable arrangements with the employee or his or her legal representative(s) for the repayment to the Plan, including, but not limited to the reduction of future benefits under the Plan or the reduction of future pay from the Employer as allowed under the CUIC and the CCR.

III. CONTRIBUTIONS

The specific contribution, if any, required of covered employees will be contained in a statement of coverage provided to each employee. Any required contributions will not exceed the amount authorized by Section 3260 of the California Unemployment Insurance Code.

IV. EXCLUSIONS

A. No benefits are payable under the following conditions:

1. No benefits are payable for any disability which is not supported by a certificate from a Physician, stating the medical facts, including secondary diagnoses when applicable, within the Physician's knowledge, a conclusion with respect to the disability of the employee, or the Family Member for which the eligible employee has requested Paid Family Leave, and an opinion with respect to the probable duration of the disability. The certificate must also contain a diagnosis or diagnostic code prescribed in the International Classification of Diseases, or, where no diagnosis has yet been obtained, a detailed statement of symptoms. The certificate must be based on a physical examination and a documented medical history.
 - a. For purposes of disability related to normal pregnancy or childbirth, the certificate of a midwife, nurse-midwife or a nurse practitioner, duly licensed under California law and acting within the scope of his or her practice, will be accepted.
 - b. As to any employee, or the Family Member for which the eligible employee has requested Paid Family Leave, who is hospitalized in or under the care of any medical facility of the United States government, a certificate as to the employee's, or the employee's Family Member's, disability, signed by any duly authorized medical officer of such facility, will be accepted.
 - c. With respect to an employee, or the Family Member for which the eligible employee has requested Paid Family Leave, who is hospitalized in a county hospital in this State, or hospitalized by said county hospital in another hospital, a certificate as to such employee's, or the employee's Family Member's, disability as shown by his or her hospital chart, signed by the registrar of the hospital, will be accepted.

- d. If, in accordance with Section 2629 of the California Unemployment Insurance Code, an employee is entitled to receive benefits under this Plan, reduced by workers' compensation benefits, it will not be necessary that the employee obtain a certificate of a Physician to receive the reduced amount of benefits for any day, provided the employee submits evidence of receipt of temporary disability benefits under a workers' compensation law for that day.
 - e. If any employee, or the Family Member for which the eligible employee has requested Paid Family Leave, in good faith adheres to the teachings of any bona fide church, set, denomination, or organization, and depends for healing entirely upon prayer or spiritual means, the certificate of a duly authorized or accredited practitioner of such bona fide church, sect, denomination, or organization as to the disability of the claimant, or the claimant's Family Member, and the estimated duration of such disability, will be accepted.
2. No benefits are payable for any period of disability for which benefits are paid or payable under any unemployment compensation act of the United States or of any state.
 3. No benefits are payable for any day for which the employee receives wages or regular wages from his or her employer, except that benefits will be paid for any seven-day week or partial week in an amount not to exceed his or her maximum weekly benefit, or applicable portion thereof, which, together with the wages or regular wages received, does not exceed the wage earned, exclusive of overtime pay, in the last full week of work immediately prior to the commencement of his or her disability.
 4. No benefits are payable for any day of unemployment and disability for which the employee receives, or is entitled to receive, benefits in the form of cash payments under a workers' compensation or employer liability law of this State or any other state or of the federal government for (i) temporary disability indemnity, (ii) permanent disability indemnity for the same injury or illness, or (iii) a maintenance allowance; except that if the amount of such cash payment for temporary or permanent disability indemnity, or for a maintenance allowance combined with permanent disability indemnity, is less than the amount he or she would otherwise receive as benefits under this Plan, and, in the case of an employee receiving a maintenance allowance provided he or she has elected to receive the maximum permanent disability indemnity, the employee will be entitled to receive for such day, if otherwise eligible, disability benefits, reduced by the amount of such cash payment.
 5. No Paid Family Leave benefits will be payable to an employee on a day that he or she is eligible to receive benefits for his or her own disability.

6. No benefits are payable for any period of disability while an employee is confined by court order or certification as a dipsomaniac, drug addict, or sexual psychopath.
7. No benefits are payable if a determination is made that the employee has willfully, for the purpose of obtaining benefits, either made a false statement or representation, with actual knowledge of the falsity thereof, or withheld a material fact in order to obtain any benefits under this Plan. This exclusion will apply to benefits from the date such determination is made and for not less than seven (7) nor more than thirty-five (35) subsequent days. If there is a recurrence of the same exclusion, subsequent to the initial exclusion during such period, the period excluded will be extended for an additional period not to exceed fifty-six (56) days.
8. No benefits are payable to an individual (i) who is incarcerated in any federal, state or municipal penal institution, jail, medical facility, hospital (public or private) or in any other place because of a criminal conviction under a federal, state or municipal law or ordinance, or (ii) whose disability is caused by, or arises out of, either the commission of a crime resulting in a felony conviction, or the arrest, investigation or prosecution pursuant to such crime.
9. No benefits are payable to an employee for any period of leave, which would otherwise qualify for Paid Family Leave benefits, if another Family Member is ready, willing, able, and available for the same period of time in a day that the employee is providing the required care.

V. OTHER REQUIREMENTS

- A. Security as required by the Employment Development Department will be deposited to secure the operation of the Plan. The amount of the deposit will be determined by the Department and will be deposited with the State Treasurer for the purpose herein specified.
- B. The Employer agrees to furnish to the Employment Development Department the information, reports, and records as are required for the proper administration of the Plan.
- C. The Employer agrees to pay all valid assessments or charges levied by the Employment Development Department in accordance with the California Unemployment Insurance Code.
- D. The Plan will continue in effect for a period of one year from the effective date and continuously thereafter unless thirty (30) days' advance written notice is given of the termination of the Plan. Termination will be effective only on the anniversary of the effective date of the Plan next following the filing of the notice; except that the

Plan may be terminated on the operative date of any law increasing the benefit amounts provided by Sections 2653 and 2655 of the Unemployment Insurance Code, or the operative date of any change in the rate of worker contributions as determined by Section 984, if notice of such termination of the Plan is transmitted to the Employment Development Department not less than thirty (30) days prior to the operative date of such law or change. If the Plan is not terminated on such thirty (30) day notice because of the enactment of a law increasing benefits or because of a change in the rate of worker contributions as determined by Section 984, the Plan will be amended to conform to such increase or change on the operative date of the increase or change.

VI. COMPLIANCE

The Employer hereby guarantees that each employee covered by this Plan will, in all respects, be afforded rights at least equal to those afforded by the State Disability Fund and will receive a weekly rate and maximum amount and duration of benefits at least equal to those which he or she would have received from the State Disability Fund but for coverage by this Plan.

A Expenses of the Plan

A loan to the Voluntary Plan by the Employer has always been permitted by the Unemployment Insurance Code/Regulations. The purpose of the plan statement is to confirm in writing the past and future intent of the Employer to make loans as often as may be required.

It is intended that the Voluntary Plan employee contributions will pay for all Plan expenses (as authorized by the UI Code, including claim benefit costs.) However, in the event the Voluntary Plan does not have sufficient employee contributions to pay some or all of the Plan expenses, the Employer shall make a loan to the Plan and shall recoup the Employer loan from future employee contributions. All transactions relating to an Employer loan shall be documented in the Voluntary Plan General Ledger.

VII. CLAIMS

You must notify TRISTAR, the claims administrator, of your claim as soon as is reasonably possible at 1-844-610-1885. Except for good cause, a claim must be filed within forty-five (45) days following the first compensable day.

An employee who files a claim will receive a Notice of Computation (DE429D) from the State which shows the minimum amount he or she should be paid. Employees should note the wage quarters used by the State to compute the amount. If an employee was in the military service, received workers' compensation benefits, or did not work because of a trade dispute during his or her base period, he or she may be able to substitute wages paid

in prior quarters to make the claim valid or increase the benefit amount. If the claim is invalid because of extended unemployment during his or her base period, the employee may also be able to substitute wages paid in prior quarters to make the claim valid.

Under the provisions of the California Unemployment Insurance Code, the Employer or its authorized administrator will have the right to:

1. require supplemental forms from the employee's, or the employee's Family Member's, Physician or those authorized to certify disabilities as often as deemed necessary, and
2. require that the employee, or the employee's Family Member, be examined by a Physician chosen by the Employer. This may be done when and as often as may be reasonably required during the period payments may be due under this Plan.

VIII. APPEALS

An employee who is denied benefits under the terms of this Plan may appeal the denial. Appeals may be made in person or in writing at any office of the Employment Development Department within thirty (30) days from the date the notice of denial is mailed. Written appeals must be signed and must include the employee's name and Social Security Account Number, as well as the name of the Employer and the reason for filing the appeal.

VPDI appeals may be sent to any EDD office. However, VPFL appeals must be sent to:
Paid Family Leave
P.O. Box 99701
Sacramento, CA 95899-7017

Payment of Benefits Pending Appeal: As provided in CCR Section 2706-5, an employee may elect to continue to receive VPDI or VPFL benefits pending the outcome of a timely appeal to an administrative law judge when the VP had determined the employee initially eligible and subsequently found the employee to be ineligible.

IX. DEFINITIONS

- A. "Calendar Quarter" means a period of three (3) consecutive months commencing with the first day of January, April, July or October.
- B. "Care Provider" means the employee who is providing the required care or comfort.
- C. "Care Recipient" means the Family Member or Child who is receiving care or comfort for a Serious Health Condition or New Child Bonding.
- D. "Child" means a biological, adopted, or foster son or daughter, a stepson or stepdaughter, a legal ward, a son or daughter of a Domestic Partner, or the person to

whom the employee stands in loco parentis as defined in Section 3302 of the California Unemployment Insurance Code.

- E. “Disability Benefit Period” means a continuous period of unemployment and disability which:
 - 1. begins with the first day that a covered employee files a valid claim for benefits due to his or her disability; or, with respect to Paid Family Leave benefits;
 - 2. begins with the first day that a covered employee files a valid claim for Paid Family Leave to care for a seriously ill Family Member, or to bond with a minor Child during the first year after the birth or placement of the Child in connection with foster care or adoption.
- F. “Domestic Partner” has the same meaning as defined in Section 297 of the Family Code.
- G. “Earnings” means base annual salary, plus target annual sales commissions in effect on the date immediately preceding the commencement of the Disability Benefit Period. Earnings do not include differentials, overtime, incentive pay, or any other forms of additional compensation.
- H. “Employer” means Lam Research Corporation.
- I. “Family Member” means a Child, Grandchild, Grandparent, Parent, Parent-in-law, Sibling, Spouse, or Domestic Partner as defined in Section 3302 of the California Unemployment Insurance Code.
- J. “Grandchild” means the Child of the employee’s Child as defined in Section 3302 of the California Unemployment Insurance Code.
- K. “Grandparent” means the Parent of the employee’s Parent as defined in Section 3302 of the California Unemployment Insurance Code.
- L. “Hospital Confinement” means confinement for any twenty-four (24) hour period of time, or any part thereof, for which the employee is charged a full day’s rate for room and board, as a registered bed patient in a hospital.
- M. “New Child Bonding” means leave to bond with a minor Child within the first year of the Child’s birth or placement in connection with foster care or adoption.
- N. “Paid Family Leave” means unemployment compensation disability insurance paid to an employee who suffers a wage loss when he or she takes time off work to care for a seriously ill Family Member or bond with a new Child. Beginning January 1, 2021, the Senate Bill (SB) 1123, chaptered and signed into law by the Governor, will expand the scope of the Paid Family Leave (PFL) program to allow an employee to receive benefits for leave taken for a qualifying exigency related to the covered active duty of the

- employee's family member in the U.S. Armed Forces.
- O. "Parent" means a biological, foster, or adoptive Parent, a stepparent, a legal guardian, or other person who stood in loco parentis to the employee when the employee was a Child as defined in Section 3302 of the California Unemployment Insurance Code.
 - P. "Parent-in-law" means the Parent of a Spouse or Domestic Partner as defined in Section 3302 of the California Unemployment Insurance Code.
 - Q. "Physician" means any physician, surgeon, optometrist, dentist, podiatrist, osteopathic or chiropractic practitioner, or Psychologist, who is duly licensed and acting within the scope of his or her practice. For the purpose of disability related to normal pregnancy or childbirth, a midwife, nurse-midwife and a nurse practitioner, duly licensed under California law and acting within the scope of his or her practice, are Physicians. Physician assistants (PA) are authorized to certify to a disability after a physical examination has been conducted under the supervision of a Physician or surgeon. The definition of practitioner for SDI purposes, includes a P.A.
 - R. "Plan" means this plan which is a Voluntary Plan established pursuant to Part 2 of the California Unemployment Insurance Code relating to unemployment compensation disability benefits.
 - S. "Psychologist" means a Psychologist, licensed in the state of practice, with a doctorate degree in psychology who either has at least two (2) years clinical experience in a recognized health setting, or has met the standards of the National Register of the Health Service Providers in Psychology.
 - T. "Serious Health Condition" means an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential health care facility, or continuing treatment or continuing supervision by a Physician or licensed health care provider.
 - U. "Sibling" means a person related to another person by blood, adoption, or affinity through a common legal or biological Parent as defined in Section 3302 of the California Unemployment Insurance Code.
 - V. "Spouse" means a partner to a lawful marriage as defined in Section 3302 of the California Unemployment Insurance Code.
 - W. "State" means the State of California.
 - X. "State Disability Fund" means the fund established pursuant to Part 2 of the California Unemployment Insurance Code.
 - Y. "State Plan" means the benefits payable from the State Disability Fund pursuant to Part

2 of the California Unemployment Insurance Code.

Z. "Twelve-Month Period" means the 365 consecutive days that begin on the day the employee first establishes a valid claim for Paid Family Leave.

X. MISCELLANEOUS

The adoption and maintenance of the Plan will not be considered to be a contract between the Employer and any employee. Therefore, no provision of the Plan will give any employee the right to be retained in the employ of the Employer or to interfere with the right of the Employer to discharge any employee at any time, irrespective of the effect such discharge may have upon an employee as a participant or prospective participant under the Plan. In addition, no provision of the Plan will be considered to give the Employer the right to require any employee to remain in its employ, or to interfere with any employee's right to terminate his or her employment at any time.