

Teradyne, Inc. Summary of Benefits

Long-Term Disability Insurance

Group disability insurance offers income protection

Disability is often called the “forgotten risk,” as few employees think about how they would survive financially with no earned income. The impact of a disabling illness or injury, both financially and emotionally, is devastating.

While health insurance may cover most medical bills, daily living expenses such as rent or mortgage, car payments, and utilities continue. Disability insurance provides partial income replacement if you are unable to work due to a qualifying non-occupational illness or injury. An employee generally begins with what is considered a short-term disability for a period of 26 weeks, for non-California employees, or 52 weeks, for California employees. If the illness or injury extends beyond that period it becomes long-term disability.

| Eligibility | All regular Teradyne employees, excluding CA employees, working a minimum of 20 regularly scheduled hours per week. | | | | | | | | | | | | | | | | | | | | | |
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| Waiting Period | You are eligible on your date of hire. | | | | | | | | | | | | | | | | | | | | | |
| Benefit | <p>LTD coverage is employer-paid. If you become disabled (as defined in the plan) and remain disabled through the elimination period, the plan benefit pays 60% of your pre-disability earnings, less other deductible sources of income, such as Social Security and workers compensation (see your plan booklet for details). The maximum monthly benefit is \$20,000. Pre-disability earnings are calculated on a monthly basis, as described below.</p> <p>"Basic Monthly Earnings," with respect to employees who are in a bonus plan, means your monthly rate of earnings from Teradyne, Inc. in effect immediately prior to the date disability begins plus your target bonus in effect immediately prior to the date disability begins divided by 12. However, such earnings will not include commissions, overtime pay, shift differentials, profit sharing, or any other extra compensation.</p> <p>"Basic Monthly Earnings," with respect to employees who are not in a bonus plan, means your monthly rate of earnings from Teradyne, Inc. in effect immediately prior to the date Disability begins. However, such earnings will not include bonuses, commissions, overtime pay, shift differentials, profit sharing, or any other extra compensation.</p> | | | | | | | | | | | | | | | | | | | | | |
| Elimination Period | Benefits are payable after a period of 180 consecutive days of disability. | | | | | | | | | | | | | | | | | | | | | |
| Definition of Disability | You will be considered disabled if, during the elimination period and the next 24 months of disability, you are unable to perform the duties of your “own occupation” and thereafter, you are unable to perform the duties of “any occupation.” Refer to your certificate of coverage for definitions of “own occupation” and “any occupation.” | | | | | | | | | | | | | | | | | | | | | |
| Maximum Benefit Period | <table border="1"> <thead> <tr> <th>Age at Disability</th> <th>Maximum Benefit Period</th> </tr> </thead> <tbody> <tr> <td>Less than age 62-----</td> <td>to age 67</td> </tr> <tr> <td>62 -----</td> <td>60 months</td> </tr> <tr> <td>63 -----</td> <td>48 months</td> </tr> <tr> <td>64 -----</td> <td>42 months</td> </tr> <tr> <td>65 -----</td> <td>36 months</td> </tr> <tr> <td>66 -----</td> <td>30 months</td> </tr> <tr> <td>67 -----</td> <td>24 months</td> </tr> <tr> <td>68 -----</td> <td>18 months</td> </tr> <tr> <td>69 and over -----</td> <td>12 months</td> </tr> </tbody> </table> | Age at Disability | Maximum Benefit Period | Less than age 62----- | to age 67 | 62 ----- | 60 months | 63 ----- | 48 months | 64 ----- | 42 months | 65 ----- | 36 months | 66 ----- | 30 months | 67 ----- | 24 months | 68 ----- | 18 months | 69 and over ----- | 12 months | |
| Age at Disability | Maximum Benefit Period | | | | | | | | | | | | | | | | | | | | | |
| Less than age 62----- | to age 67 | | | | | | | | | | | | | | | | | | | | | |
| 62 ----- | 60 months | | | | | | | | | | | | | | | | | | | | | |
| 63 ----- | 48 months | | | | | | | | | | | | | | | | | | | | | |
| 64 ----- | 42 months | | | | | | | | | | | | | | | | | | | | | |
| 65 ----- | 36 months | | | | | | | | | | | | | | | | | | | | | |
| 66 ----- | 30 months | | | | | | | | | | | | | | | | | | | | | |
| 67 ----- | 24 months | | | | | | | | | | | | | | | | | | | | | |
| 68 ----- | 18 months | | | | | | | | | | | | | | | | | | | | | |
| 69 and over ----- | 12 months | | | | | | | | | | | | | | | | | | | | | |
| Successive Disability | If you become disabled for the same condition within six months following your prior disability, your benefits will continue under the same claim. | | | | | | | | | | | | | | | | | | | | | |

Survivor Benefit

A lump-sum payment, equal to three months of benefits paid, to an eligible survivor or estate if you are receiving a benefit and have been disabled for at least 180 days.

Please Note: Pre-existing condition exclusions may affect the payment of benefits. Please see your Human Resources Department or Benefits Department for additional information.