

Compensation:

Question Id#2748 published on 9/8/2007 1:20:20 PM

Q: For the purposes of calculating vesting in retiree medical benefits under TCP2, how are partial years of service treated? I will have 11.9 years of UCRP service at contract transition. Will I be vested at: 55% (years of service rounded down to 11) 60% (years of service rounded up to 12) 59.5% (exact years of service counted)

A: For the purpose of determining eligibility for retiree medical and dental coverage only whole years are used. If you have 11.9 years of service you would use the 11 year rule to determine the level LLNS will contribute towards your retiree medical and dental coverage.

Question Id#2747 published on 9/8/2007 1:18:30 PM

Q: I currently have 20+ years in UCRP. If I choose TCP2 and go inactive with UCRP, am I eligible for the employer paid contributions to retiree medical if I retire from LLNS in 6 years but wait longer (maybe an additional 5-10 years) to take the UCRP distribution?

A: No, you must activate your retiree medical when you retire from UCRP or LLNS in order to retain that benefit. You may suspend your retiree medical if you are covered elsewhere and then reactivate it when that coverage is lost.

Question Id#2741 published on 9/8/2007 1:08:23 PM

Q: If in the future, employer paid contributions to retiree medical discontinue, would retirees then be eligible for "access only" medical?

A: No one cannot predict the future of retiree medical and what would transpire if the employer-subsidy would go away. NNSA would have to approve whatever was recommended.

Question Id#2733 published on 9/8/2007 12:59:19 PM

Q: Does retiree medical benefits go on forever (provided they're available) or at some point will I be required to convert to Medicare?

A: As a retiree using LLNS retirement benefits, you will be required to sign up for Medicare parts A & B when eligible. If you are with an HMO then you will assign your Medicare parts A & B over to the HMO and still be covered at the same levels prior to age 65. If you are with a PPO/indemnity then Medicare will become your primary insurance and the PPO/indemnity will become your secondary insurance. The level of coverage from the PPO/indemnity will not change. If you do not enroll in Medicare part A & B when eligible then you will be de-enrolled from retiree coverage permanently.

Question Id#2732 published on 9/8/2007 12:56:42 PM

Q: If I go inactive vested with UC and accept the offer of employment with LLNS (TCP-2) and retire from UC on January 1, 2008 with eligibility for full employer paid medical benefits (20+ years) and continue to work for LLNS; can I collect retiree medical for myself and my spouse (who also works at LLNS) or will we have to pay for medical under LLNS as employees? In other words, would our employee paid contributions be based on my monthly UC annuity or my LLNS salary?

A: If you retire from UCRP while actively at work at LLNS, you will suspend your retiree medical insurance (providing you meet the eligibility requirements) and use your insurance as an employee. When you end your employment with LLNS then you will be able to begin using your retiree medical. Your employee paid contributions will be based on your annual LLNS salary.

Question Id#2719 published on 9/8/2007 9:44:49 AM

Q: Will the Retirement Medical for the Kaiser CA HMO remain the same? Will the hearing aide coverage be the same? Will the copay for doctor visits be the same? What, if any, are the differences?

A: Yes, Kaiser CA will remain a provider for retiree medical. All current coverages, co-pay, etc. will remain the same at transition.

Question Id#2711 published on 9/8/2007 9:27:25 AM

Q: I am 60 with 30 years of service in UC and plan to enter LLNS as a 'UC vested transferring employee'. What are the requirements to retire from LLNS with presumed lifetime medical benefits? If I can get such medical coverage from LLNS, I will be more likely to choose the lump sum cash out option from UC.

A: There are no guaranteed retiree benefits from any employer. Under the current TCP2 plan, if you take a monthly annuity, LLNS will pay 100% of their portion of the medical and dental premium. If you choose to take the lump sum cashout from UC then you will have access only medical and dental which means you pay the entire premium.

Question Id#608 published on 9/8/2007 8:49:33 AM

Q: I know that if you take a cash out from UC on retirement in the past you lose the medical. I was wondering if that is still true if you go inactive vested from UC and then take TCP2 and retire later with LLNS and get their medical. Then cash out my UC at a later date what happens to the medical I receive from LLNS.

A: Under TCP2, if you take the lump sum (cash out) only Access Only retirement medical is available. To qualify you must be 50 plus 10 yrs of service credit, or 5 yrs of credit and your age at retirement + service credit = 75.

Question Id#834 published on 9/7/2007 6:03:17 PM

Q: If I retire, transfer to LLNS in TCP1, but for the first several years my medical is covered by my wife's employer, will I be able to resume coverage for both of us when she retires? Similar question for TCP2, recognizing that it is access only. Would we both still have access?

A: If you retire and apply for a position with LLNS, you are only eligible for TCP2. That being said..if you commence your UC retirement you can then suspend your retiree health and welfare benefits while you are carried as a dependent on your wife's plans. When the coverage under your wife ends, you can then commence your retiree health and welfare benefits due to the loss of other coverage or during Open Enrollment.

Question Id#645 published on 9/7/2007 5:33:38 PM

Q: I've read the new benefits and retirement proposals. In the past, if I froze my retirement and left LLNL, I would have 120 days to begin receiving retirement benefits, or I would cease to be eligible for medical benefits. Your proposal (if I'm reading it correctly) appears to allow an employee with 20+ years of service to freeze that service (whether they stay at LLNS or go elsewhere) and still retain the full medical benefit when they retire in 5 or 10 years (Full medical being what the employees have). Is this true? I'm eligible to retire, but it is not in my best financial interest at 51 years old to do so now.

A: This is not the case, you have the same 120 day provision as under UC to retain your retiree health and welfare benefits.

Question Id#640 published on 9/7/2007 5:30:37 PM

Q: 1. For TCP1 Retirement Medical, is 20 years to include service before 10/01/07? 2. Retirement Medical under TCP1 and TCP2 – is service frozen only for TCP2? 3. Does that mean that in TCP1 service is retained plus it continues to accrue?

A: Yes, for participants of TCP1 the service credit acquired under UC will transfer and continue to accumulate under LLNS. UC service credit for TCP2 participants is frozen as of 9/30/07.

Question Id#3853 published on 9/7/2007 4:27:57 PM

Q: I am eligible for retiree medical benefits and for retirement. If I leave LLNS in a few years do I have to retire immediately to receive retiree medical benefits or can I wait 120 days as under the current UCRP?

A: You will continue to have 120 days post separation from LLNS to retire and activate your retirement medical.

Question Id#3846 published on 9/7/2007 11:43:54 AM

Q: I have 14 years of service. If I choose TCP-2, and work for 3 more years and retire at 50, I will get 70% (14 yrs x 5%) of my medical costs covered in retirement. Is this correct? If I choose TCP-1 and work for 3 more years and retire at 50, leaving with 17 years of service, what medical retirement percentage is covered? What if I leave the lab, but wait until I'm older to draw retirement, do I lose my medical retirement?

A: Under TCP2, if you take the monthly annuity when you retire your 14 yrs of frozen UC service credit provides you with 70% employer-subsidy retiree medical. If you take the lump sum, then you are only eligible for access-only retiree medical. Under TCP1 your 14 yrs of frozen UC service credit + your 3 yrs of LLNS credit would provide 75% employer-subsidy retirement medical. If you leave LLNS for any reason other than retirement you will forfeit your retiree medical. If you retire and activate your retiree medical, then you may suspend it when you receive coverage elsewhere. Later you can reactivate the retiree medical once that coverage is lost.

Question Id#3470 published on 9/7/2007 9:38:51 AM

Q: If I transfer into LLNS TCP2 as a fully vested (greater than 20 years' service) employee and retire from UC on Oct. 1, will my medical and dental be provided under UCRS terms while vision and life insurance (that are not part of UC retirement) will continue to be provided under TCP2?

A: Under TCP2, if you do not take a lump sum, you will be eligible for 100 percent employer subsidy of your retiree medical and dental. Vision and life insurance are separate, voluntary plans. Vision will be offered to you for a period of 18 months under COBRA. Prudential offers conversion of the life insurance plan from a group policy to an individual policy.

Question Id#676 published on 9/7/2007 9:35:36 AM

Q: For TCP1 under the retirement medical section, there is a line that indicates "Serviced-based (100 percent employer contribution cost paid after 20 years)." Does this 100 percent cost cover the entire premium or does it only include the lab's portion? Does the 100 percent cost cover the spouse?

A: The 100 percent covers the employer-subsidy of the medical plan costs; the retiree still pays his or her portion. Spouses that meet the eligibility requirements are able to participate in the LLNL-sponsored plans. The percent of graduated eligibility paid is based on the level of coverage chosen (employee only, employee + adult, employee + family).

Question Id#3685 published on 9/7/2007 9:31:00 AM

Q: Will the same multipliers still be in place? i.e. 1.1 percent at age 50, up to 2.5 percent at age 60? I have not seen a chart by LLNS of this.

A: Yes, the same multipliers will be in place.

Question Id#3812 published on 9/7/2007 9:20:51 AM

Q: Please answer these question even though they might have been asked differently by others. I have less than 5 years of service with UC. If I choose TCP1 and leave LLNS after I accrue 10 years service credit: 1) Would I qualify for pension and retiree medical when I turn 50? 2) Would my wife qualify for retiree medical also? 3) What would happen to retiree medical if I'm working somewhere and qualify for medical coverage there? 4) If we both died while our kids are less than 18 years, would they recieve pension or medical coverage? 5) If the kids would receive benefits, when would they stop? 6) How about the case when I die but my wife still works and is eligible for medical coverage at her employer?

A: Clarification has been added to answers 1 and 3: 1) Yes, if you have elected TCP1 and have at least five years of service for pension and 10 years for retiree benefits -- and you retire. If you leave for any other reason, you will forfeit your retirement medical. 2) Yes, if you are eligible, your spouse is an eligible dependent. 3) You can suspend the retiree benefits after retirement from LLNS and restart them upon loss of other coverage or with Open Enrollment. 4) This would be paid in accordance with the plan rules, and would be dependent on if the member was pre-retirement, eligible but not retired, or retired. 5) Children are no longer eligible for coverage under LLNS-sponsored plans when they cannot meet the following eligibility requirements: a.unmarried; b.living with you; c. supported by you or your spouse (50%+); d. claimed as a dependent by you or your spouse on your tax returns. 6)

Your wife could suspend the LLNS-sponsored retiree health and welfare plans and restart them with Open Enrollment or loss of other coverage.

Question Id#1042 published on 9/5/2007 8:22:17 PM

Q: How is the retiree medical plan for inactive vested employees calculated?

A: Please refer to pages 33, 35 - 37 for the years of service schedule in the employee briefing material that is posted on the LLNS website under the Benefits tab.

Question Id#1017 published on 9/5/2007 8:18:14 PM

Q: For the purposes of the TCP2 retiree medical plan for Inactive Vested Transferring Employees, how is UCRP Service Credit calculated for - Employees who have always been Full Time - Employees who are or who have at some time been part-time?

A: Your full time or part time status is not a factor.

Question Id#963 published on 9/5/2007 7:41:53 PM

Q: In your benefits presentation it was mentioned that a retiree medical plan would be offered for Inactive Vested Transferring Employees that freezes service credit as of September 30, 2007 towards the employer subsidy. Will this employer subsidy be honored at future time of retirement if employee separates from service (whether voluntarily or involuntarily) prior to reaching retirement?

A: If an employee leaves employment with LLNS for any reason other than retirement, retiree medical is forfeited. An employee of retirement age may retire and activate their retiree medical and then suspend it due to coverage elsewhere. Later they may reactivate it when this coverage is lost.

Question Id#935 published on 9/5/2007 7:37:26 PM

Q: It is to my disappointment that this benefits package is not clear. For people trying to make decisions the information is not clear enough with regards to pension, retirement benefits, and most of the information that was disclosed to us is too vague. For instance: What happens to the CAP money in the UC system? Does that get transferred to LLNS as well and then disbursed when the employee retires from TCP1? If I go inactive UC and go into TCP2 for LLNS, do I retain medical retirement benefits from UC at the time I do choose to retire from UC or do I lose the medical benefits? This is a critical piece of the picture in order for me to make a good-solid choice. For people on the cusp of retirement (able to retire, but not quite close enough to make it beneficial), the transition information does not make sense. Before I make any decision whether to go into TCP1 or TCP2 I would like a more clear picture of what my future will be with regards to this issue.

A: Please direct your questions regarding the CAP to UC. You might also want to peruse the FAQs on the LLNS website under the Benefits tab and the employee briefing materials for detailed information.

Question Id#913 published on 9/5/2007 7:35:27 PM

Q: For TCP2 Retirement Medical: Why no Medicare Part B or employer dental plan contribution?

A: TCP2 retirement medical does include dental. The medicare part B reimbursement is available under the "look back" provision.

Question Id#884 published on 9/5/2007 7:33:22 PM

Q: If I choose to take UC retirement, and still want to work for the new LLC, I will get my pension based on age and years of service, but what about the medical & dental benefits? Will I get the same plans offered and pay the same premium I am paying now to UC? And, because I came here before 1990, is it fully paid for by the UC or LLC?

A: If you hire on with LLNS after retirement, your retirement medical will be suspended while you are covered by LLNS' health and welfare plans. The same plans that are currently available will still be available at the time of transition. You must have 10 yrs of service or 5 yrs + your age at retirement = 75 to meet the pre-1990 hire provision where 100% of the employer-subsidy is paid.

Question Id#859 published on 9/5/2007 7:06:17 PM

Q: Please define the terms "access only" in reference to the retirement medical plan for TCP2, and the term "frozen service employer subsidy for inactive vested transferring employees".

A: "Access Only" allows the Retiree to participate in the LLNS group medical plan but pays the entire cost of the negotiated, group medical premium. The employee's UC service credit is "frozen" for the purpose of determining employer-subsidy retiree medical eligibility and level. In a simple example, if the employee has 20 yrs of frozen UC service credit, it could equate to 100% employer-subsidy.

Question Id#788 published on 9/5/2007 6:40:32 PM

Q: An employee with 30 years of uc service wants to know: Please spell out any DIFFERENCES there are, on the subject of retiree health care benefits (both during & after LLNS employment) under the following 3 scenarios. 1) retire completely from UC in Sept 07 and LLNS rehires me as a brand new employee on Oct 1, 2007 thus getting "UC" retiree health benefits. I suppose I'll be double covered (whatever that means) until I retire from LLNS, correct? 2) go inactive UC, automatically transfer into LLNS and retire from UC on Dec 1, 2007 (within 120 days) and stay employed by LLNS. Am I still "double covered? 3) go inactive UC, transfer into LLNS, and retire Dec 1, 2012. So on Dec 2, 2012 I am now totally retired from UC and/or LLNS in each of the 3 scenarios, Assuming UC & LLNS still have retiree health benefits, will my retiree health benefit be the same or different under these 3 scenarios?

A: In scenarios 1 and 2, your retiree medical would be suspended while you are covered by LLNS' active employee health and welfare plans (same for both TCP1 and TCP2). When you retired, your retiree medical will be reactivated. Under TCP2 your retiree medical will depend on whether you take the monthly annuity or a lump sum. With a lump sum you only have access-only retiree medical. With the monthly annuity, your frozen UC service credit as of 9/30/07 will be used to determine eligibility for employer-subsidy retiree medical (like TCP1).

Question Id#635 published on 9/5/2007 6:05:45 PM

Q: p, 39 states that there will be no employer contributions for retiree dental. This would imply that even inactive vested UC employees who go to TCP2 will lose their retire dental benefits. Is that correct?

A: No, retirement medical includes dental coverage.

Question Id#3743 published on 9/5/2007 4:22:05 PM

Q: I am fully vested, over 50 and planning on taking TCP1. If there is a layoff and it adversely affects me, will I have access to my retirement benefits? Or, because I am terminated, I am therefore ineligible for retirement benefits?

A: No, since you are over 50 you can retire and start your retirement medical. When or if you find work elsewhere and get health and welfare coverage there as an active employee, you may suspend your retiree medical and reactivate it later when you lose that coverage.

Question Id#3770 published on 9/5/2007 4:06:59 PM

Q: Just to clarify: For an active unvested employee selecting TCP2, do I receive 'access only' retiree medical benefits, or the same that is offered under TCP1. I have seen this question answered both ways in the Q&A's. Is access only if you choose a lump sum cash out, and/or if you are a new hire?

A: It depends on your years of service at the time of retirement and if you take the monthly annuity or lump sum.

Question Id#3795 published on 9/5/2007 3:54:09 PM

Q: If I choose TCP2, when I retire at 60 with 15 years vested, how much medical will be paid for me?

A: Under the "look back" provision for transferring employees in TCP2, you will have 75% of the employers portion of the premium paid for you. You will pay the remaining 25% and the employee portion in full. If you take the lump sum, then you will only be eligible for access-only retiree medical.

Question Id#3803 published on 9/5/2007 3:51:11 PM

Q: I hired on in May of 1986 and have 21 years of service. I'll likely choose TCP2 with no intention of taking a lump sum pension payout. 1. Assuming the proceeding; would I qualify for retirement medical if I leave LLNL before retirement age (say 2012 as an example) but don't draw upon my UCRP pension until say 2023? 2. Would retiree medical be different for me under TCP1 assuming the separation and activation presumptions from above?

A: 1. No, you must commence your retirement within 120 days of your separation (termination) from LLNS to remain eligible for retiree benefits. 2. If you choose not to commence your retirement within 120 days of your separation (termination) from LLNS, you will forfeit retiree medical benefits.

Question Id#3809 published on 9/5/2007 3:47:00 PM

Q: I attended the UCRP retirement briefing and was confused by a statement I thought that was made concerning remaining "inactive" longer than 120 days with UCRP, and if that occurred, not being able to qualify for further employee health and welfare from LLNS (through UCRP lookback). I understand retirement is required from both LLNS and UCRP to receive future health and welfare as a retiree. However, could you explain whether a transitioning employee with over 20y at LLNL would qualify for health, dental, and legal insurance upon retiring from LLNS, if they do not retire from UCRP until they retire from LLNS in the future (i.e., remain "inactive" in UCRP until that date, past 120 days, when they retire from LLNS). I realize that sick leave would not be applied to service years at UCRP after 120 days.

A: The 120 days is the timeline to commence your retirement at separation (termination) from LLNS. Transferring employees, who have elected TCP2, remain in active LLNS sponsored coverage until the time of separation (termination). At the time of separation (termination) from LLNS, the employee must then decide to commence retirement within 120 days to remain eligible for retiree benefits or wait beyond 120 days to commence retirement and forfeit retiree benefits. In your scenario, if the employee commenced UCRP pension within 120 days from separating/ terminating from LLNS, they would be eligible for retiree benefits. If the employee terminated from LLNS and waited to commence retirement benefits beyond 120 days from the termination date, they would forfeit retiree benefits.

Question Id#767 published on 9/5/2007 2:56:10 PM

Q: I have 30 years of service with UC. 1. If I go inactive with UC, take TCP 2, and later I retire from LLNS at 55, am I eligible for LLNS contribution to my medical if I don't retire from UC until I am 60? In other words, will I be covered between the ages of 55 and 60? 2. Also, if I cash out of UC at 60, does that mean LLNS will cut off my medical access?

A: Correction: 1) No. You have to enroll in retiree medical when you sever your employment with LLNS to be eligible for retiree medical. 2) No, by taking the lump sum under TCP2, access-only retiree medical is available.

Question Id#2683 published on 9/5/2007 2:35:12 PM

Q: I have >30 years service credit. Will go inactive and select TCP2. Plan to continue working at LLNS for two years then continue as inactive/UCRP for another year, then take LSC=lump-sum-cash from UCRP. Question1: Under this timeline, will I still have the option of "access only" retiree medical? Question2: If no, what are the restrictions or guidelines for allowing "access only" to retiree medical? Question3: If I have 30 years service credit, transfer to TCP2, will I always have 'access only' to retiree medical, regardless of any options I exercise with UCRP/Inactive? Question4: What are the actual 'full cost' (employer + employee) for retiree medical as a UCRP retiree today?

A: If we understand your statement correctly, it appears that you wish to work for LLNS for a couple of years, then leave but not retire from UCRP. Based on this assumption: If you leave LLNS without retiring you will forfeit your retiree medical. If you meet the retirement age requirement, you may retire and activate your retiree medical (access-only with a TCP2 lump sum), then suspend it when you receive coverage elsewhere. Later you can reactivate your retiree medical once the other coverage ends. For current retiree medical costs, please contact UC-LLNL.

Question Id#2655 published on 9/5/2007 1:39:53 PM

Q: This is reference to medical coverage. I have 33 years at the laboratory. I will be freezing my UCRP going inactive. If I accept the job offer from the new contractor from what I read and appear to understand I will have full medical coverage from the new contractor upon retirement. My question is being that I am now an employee at will with the ability to be let go at any time with or without reason what happens to my medical upon my retirement at age 60. I am now 54. Will the new contractor still have to cover my medical when I retire from UCRP? Also will I be vested in the new program as of my hire date or is there some waiting period?

A: Under TCP2 as an inactive vested transferring employee, your frozen UC service credit (33 yrs) is used to determine eligibility of employer subsidy retiree medical ("look back") at the time of retirement. You must take the monthly annuity to qualify. If you take the lump sum, then you are only eligible for access-only retiree medical. You will be immediately vested in TCP2.

Question Id#3386 published on 9/5/2007 9:54:04 AM

Q: I was told from an official on site that there is a mistake in the slides of the Original Proposal, the Approved Package and the Town Hall presentation. In the OP slides #29 and correspondingly slide # 39 indicate Medicare Part B reimbursment is available for TCP1 and not TCP2. Likewise with the AP slides #16 and #23. In addition the Town Hall slides # 34 and #35 also state the same. What I was told is that Medicare Part B reimbursment is also available under TCP2 and that these are all overlooked mistakes in the slides. Is this true?

A: We did some further research and while Medicare Part B reimbursement is not available under TCP2, "for new hires" should be added. Inactive vesting transferring employees who select TCP2 and take the monthly annuity will use their frozen UC service credit to determine eligibility for employer-subsidy retiree medical and any other benefits that they would be eligible for under UCRP (like TCP1), including Medicare Part B reimbursement. We hope this clarifies the issue for you.

Question Id#3814 published on 9/4/2007 9:41:49 PM

Q: I have elected TCP2. I have 19 years of UC service credit. Do I qualify for 100% UC medical contribution when I retire?

A: If you are an inactive vested transferring employee and take the monthly annuity at retirement, then your 19 years of frozen UC service credit would qualify you for 95% employer subsidy retiree medical. If you were hired pre-1990(grandfathered)then you would be eligible for 100% employer subsidy because you have over 10 yrs of UC service credit.

Question Id#2604 published on 9/4/2007 9:28:08 PM

Q: What are "access only" medical benefits?

A: Access Only allows the Retiree to participate in the LLNS group medical plan but pays the entire cost of the negotiated, group medical premium.

Question Id#2544 published on 9/4/2007 9:11:40 PM

Q: If I was hired before 1990 and go inactive and take TCP2 and leave LLNS before I turn 50 can I still get retiree medical? If so would I need to retire with UC first and start collecting a monthly pension check in order to then start the retiree medical benefit? And what is the minimum age at which I can get the retiree medical benefit?

A: You must be old enough to retire, 50 or older, in order to qualify for retiree medical. If you leave LLNS prior to the age of 50 then you will not be eligible for retiree medical in the future.

Question Id#2421 published on 9/4/2007 8:52:54 PM

Q: The question is in regards to TCP2, Retirement Medical, as described on pg 10 of the "LLNS total compensation design and strategy proposal to NNSA" (6/18/2007). Is the administration of the retirement medical through LLNS or will the retiree be referred back to the UCRP system?

A: LLNS will pick up administration of retirement medical and dental for current and future retirees.

Question Id#2398 published on 9/4/2007 8:40:16 PM

Q: I presently meet the 75 rule and am considering transferring as a vested Transferring Employee. I am considering taking the lump sum distribution from UCRP upon retirement. Two different answers with respect to LLNS' retirement medical have been given regarding these situations. One states that I will be eligible for access-only medical upon retirement from LLNS. The other states that should I meet the 75 rule I will be eligible for a minimum of 50% employer subsidy upon retirement from LLNS. Please clarify.

A: The situation presented is a bit confusing. If you plan to transition as a vested transferring employee, then you are only eligible for TCP1. However, you state that you want to take the lump sum . . . the lump sum is only available under TCP2. If you transition as an Inactive vested transferring employee you may take the lump sum under TCP2 and then access-only retiree medical is your only available option, regardless of rule 75.

Question Id#2395 published on 9/4/2007 8:26:11 PM

Q: The answers given to questions regarding the employee option to take the lump sum under UCRP upon retirement from UCRP and the retirement medical benefit upon retirement from LLNS are inconsistent and do not reflect the presentation of June 20th presentation. Most of the answers to questions state that if an Inactive Vested Employee takes the lump sum distribution from UCRP, he or she are limited to access-only medical plan upon retirement from LLNS. The June 20th presentation does not state this. In fact, the presentation on page 32 and other pages states that there would be an employer subsidy based on service credit transferred as of September 30, 2007. Also one answer given on this issue describes how the LLNS service credit is calculated, but I think not how the UCRP service credit is calculated, to determine the level of employer subsidy. Please provide additional clarity on this issue.

A: Under TCP2 as an inactive vested transferring employee, your frozen UC service credit is used to determine eligibility of employer subsidy retiree medical ("look back") at the time of retirement. You must take the monthly annuity to qualify. If you take the lump sum, then you are only eligible for access-only retiree medical.

Question Id#2392 published on 9/4/2007 8:16:12 PM

Q: If my retiree health eligibility date is 12/31/89 or earlier, one set of requirements applies. If this rule applies to me and a employee elects TCP2 and has 19 years of service (without a break in service) when they retire will they be eligible for 100% employer contributions to their medical or will the contributions be based upon my 19 years of employment as if they had a break in service?

A: If you are referring to the pre-1990 hire rule, you would qualify for 100% employer contribution because you have over 10 yrs of UCRP service credit. For those hired after 1990, under TCP2, if they are an inactive vested transferring employee their frozen UC service credit of 19 yrs will be used to determine eligibility for employer-subsidy and any other benefits they would be eligible for under UCRP including Medicare part B reimbursement -- 19 years = 95% employer subsidy. In both of these situations if a lump sum is taken vs the monthly annuity, then access-only retiree medical is available with no employer subsidy.

Question Id#2294 published on 9/4/2007 6:47:02 PM

Q: Clarification, please. In response to a question you said: "To be eligible for the LLNS retiree medical benefit, you will first have to become an employee of LLNS; otherwise, if you retire from UCRP, you will have the UCRP retiree medical benefit." I thought that administration of existing UCRS retirees, future UCRS retirees and future LLNS retirees (but prior status as IVTE) medical benefits was the responsibility of the new LLC, not UC. If there are differences among the medical benefits for these 3 (or more) categories of retirees w.r.t. medical benefits, what are they?

A: Hopefully you were able to attend one of the employee town halls and received an answer to your question. You may also wish to review the same material posted on the LLNS website under the Benefits tab. Because we are late in responding to you, please resubmit a more specific question if still in doubt.

Question Id#3133 published on 9/4/2007 4:54:28 PM

Q: I am over 50 with 30 years of service. If I accept employment with LLNS and go inactive with UCRP, will I have Medicare Part B reimbursement as available in TCP1 or will it not be available to me, as stated in TCP2, when I'm eligible for Medicare?

A: We have received updated information regarding Medicare Part B reimbursement: If you transition to LLNS as a UCRP inactive vested employee, TCP2 is your only option. Your UC service credit frozen on 9/30/07 will be used to determine employer subsidy eligibility for retiree medical. Basically, the "look back" not only determines your eligibility for employer-subsidy but also any other benefits that you would be eligible for under UCRP, including Medicare part B reimbursement. Based on your years of service, the Medicare Part B reimbursement will be available to you, unless you take a lump sum from UCRP. If you take a lump sum distribution from UCRP, you will only be eligible for access-only retirement medical.

Question Id#3265 published on 9/4/2007 12:33:22 PM

Q: I am 39 years old and vested with the lab for 8 years. If I freeze my UCRP, select TCP2, and continue working at the lab for several more years, am I correct in that my additional years with LLNS will not increase my retiree medical benefits? In other words, even if I work another 12 years and retire at 51, I am only eligible for access only benefits.

A: Clarification: Your frozen UC service credit (8 yrs) would be used to determine employer-subsidy eligibility if you took the monthly annuity (50% with 8 yrs if you met rule 75). If you take a lump sum, you would only be eligible for access-only medical regardless of your LLNS service. You can find more information in the employee benefits briefing material posted on the LLNS website under the Benefits tab.

Question Id#3203 published on 9/4/2007 12:05:45 PM

Q: My husband who no longer works at LLNL is a UCRP Inactive Vested employee with 16 years, hired in 1989 (pre-1990), and is not currently employed at LLNL nor receiving or accepting an offer at LLNS. Does he still qualify for 100% medical at his expected retirement age of 60?

A: Correction: The transition to LLNS does not impact his retiree medical benefits or coverage currently under UCRP. Please accept our apologies for misinterpreting your question.

Question Id#75 published on 9/4/2007 12:02:26 PM

Q: If I go inactive vested putting me under TCP2 retirement with 100% retirement medical (I have 30 years UC service credit) will I be offered a job by LLNS at my current salary? As an inactive vested employee will I be able to retire in place and still work for LLNS and how will this work with retirement medical benefits as I would still be employed by LLNS?

A: Updated Response (the previous response did not completely address your questions): If you are an active employee in good standing on 9/30/2007, you will be offered a job at your current salary. You may retire from UCRP while still working at LLNS. Your retiree medical will be suspended while an active employee at LLNS and then reactivated once you retired from LLNS.

Question Id#1268 published on 9/4/2007 11:57:42 AM

Q: I'm an LLNL employee with 30+ years of service credit in UCRP accrued at LLNL. If I were to transfer to LLNS under TCP2, would I be able to elect Inactive Vested status at the time of the contract transition and still receive full retirement medical benefits even if I were to wait 2 or 3 more years until I retire completely from LLNS and UCRP? According to current UC-LLNL rules, an employee loses all medical coverage if he/she waits longer than 120 days after service credit stops accruing to fully retire from UCRP and start receiving the first payment of his/her pension. But as I understand it, LANS employees with 20 years or more of service credit were given the option to waive this 120 day limit and receive full retirement medical benefits regardless of the time that elapses between the start of their inactive UCRP status and the start of their full retirement from LANS and UCRP. Will I and other transferring LLNL employees in a similar situation also be given this option, if we remain employed at LLNS during the entire period between going inactive and full retirement?

A: If you retire and accept employment with LLNS your retirement medical is suspended while with LLNS and

you join the active plan. Upon separation from LLNS your retirement medical is reactivated. Note: The 120 day rule was not waived at LANS.

Question Id#2547 published on 9/4/2007 11:47:47 AM

Q: My question is regarding retiree medical and employer subsidy. I am confused by the answers to various questions on this website. The answers seem to contradict themselves. I have 20 years of service at LLNL in UCRP. If I am an inactive vested member and transfer to LLNS and sign up for TCP2, does my decision how I choose to take my UC retirement at a future date, impact my access to retiree medical? For example, If I choose to take the lump sum from UCRP in 15 years, will that impact if I can have access to retiree medical and employer subsidy. At this future time I will meet the rule of 75 criteria.

A: New Information Added: Yes. If you take a monthly annuity from UCRP then your retiree medical (including Medicare Part B reimbursement) and dental eligibility and employer paid portion of the premiums are based on the rules under TCP1 using your UCRP service credit as of 9/30/07. If you take a lump sum cashout from UCRP then your retiree medical and dental is access only through TCP2.

Question Id#144 published on 9/4/2007 11:44:44 AM

Q: Please forgive me, I've not found a discussion of this point. Currently, I am eligible for 100% of the UCRP plans contribution to retirement medical benefits, yet I do not have 20 years of service nor will have at the date of transition. This is because I was hired before January 1, 1990. Will I still be eligible for 100% retirement medical after the transition?

A: New Response Regarding 1990 Rule: Under TCP2, if you were hired before 1990 you would be eligible for 100% employer contribution if you have at least 10 yrs of UCRP service credit or 5 yrs of UCRP service credit and retire at age 55 or later and your age at retirement + yrs of service = 75.

Question Id#2738 published on 9/4/2007 11:21:43 AM

Q: The proposal states that Medicare Part B reimbursement is available under TCP-1 but not TCP-2. Is Medicare Part B reimbursement available to UC retirees and/or inactive vested employees?

A: Clarification: Yes, if you take the monthly annuity with TCP2, then your frozen UC service credit would be used to determine eligibility for employer subsidy and whatever benefits you would be eligible for, including Medicare Part B reimbursement under UCRP.

Question Id#3141 published on 9/4/2007 11:12:24 AM

Q: Please clarify the TCP2 Medicare Part B issue. The presentation makes it seem that we will only have it if we choose TCP1.

A: Please see new information added at bottom of this response: The issue is with the "reimbursement" not the coverage. With TCP1 Medicare Part B reimbursement is available when you sign up for Medicare at age 65, because that lowers the premium of the overall health insurance costs. TCP2 does not reimburse for Medicare Part B because retirees are paying the full premium for their own insurance, via "access only". If you are an inactive vested transferring employee (TCP2) and you take the monthly annuity, your UC frozen service credit is used to determine eligibility for employer subsidy AND whatever benefits, including Medicare Part B premium reimbursement, you would be eligible for under UCRP.

Question Id#3712 published on 9/4/2007 11:09:42 AM

Q: I am 55 with 28 years of UC service. It is my intention to go Inactive Vested in TCP2 at transition. I intend then to retire from both LLNS and UC approximately five years from now. Will I receive Medicare Part B reimbursement as part of my TCP2 retirement program?

A: Clarification/Correction: Generally Medicare Part B reimbursement is not available under TCP2. However, if you are an inactive vested transferring employee and you take the monthly annuity, your UC frozen service credit is used to determine eligibility for employer subsidy AND whatever benefits, including Medicare Part B premium reimbursement, you would be eligible for under UCRP.

Question Id#3780 published on 8/30/2007 3:47:28 PM

Q: I have heard that LLNS will not pay medical coverage for people who retire from LLNS or UCRP, if they move out of state; as did UCRP. Several people have their retirements on hold until this question is answered. Please answer the question. We have less than 20 days.

A: Where a retiree lives has no bearing on eligibility for retiree medical.

Question Id#3745 published on 8/30/2007 9:30:27 AM

Q: In the LLNS presentation entitled "LLNS Benefit Package Briefing Rev080107", on viewgraph #35 entitled "TCP2 Retiree Health & Welfare" would you please provide a detailed explanation of exactly what is meant by "look back" in the bullet on that viewgraph that says in total, "Remember UCRP service credit is transferred and frozen as of September 30, 2007 for transitioning employees and "look back" to TCP1". I see that term "look back" tossed around a lot in the FAQs without me ever having been able to find where that phrase was clearly defined. Exactly what does "look back" mean with respect to TCP2 retiree benefits?

A: As an inactive vested transferring employee, your frozen UC service credit is used to determine eligibility for employer-subsidy retiree medical. The TCP2 package's retirement medical is "access-only", but LLNS will look back at your frozen service credit with UC and provide the level of employer-subsidy retirement medical that you are eligible for.

Question Id#3771 published on 8/29/2007 6:20:54 PM

Q: If I freeze my retirement in UCRP, choose TCP2, and in several years do a lump sum cashout on UC, will I still get the access-only medical offered in TCP2?

A: Yes.

Question Id#1186 published on 8/29/2007 2:25:59 PM

Q: There are 4 parts to my question: 1. If I choose to become UC inactive and choose TCP2, what percentage of my medical benefits will LLNS pay while I am working for them? 2. What percentage of my medical benefits will LLNS pay when I retire? 3. If I choose to roll my UC service into TCP1, what percentage of my medical benefits will LLNS pay while I am working for them? 4. What percentage of my medical benefits will LLNS pay when I retire?

A: 1 & 2. Percentage of medical benefits LLNS will pay in the future may change. This is true for TCP1 as well. Same as with other employers. We cannot guarantee that the percentage of employee share will remain the same. Currently, the LLNL employer/employee cost share is 86/14. Benchmark companies are generally closer to 80/20. 3 & 4. Information will be provided shortly; we are finalizing rates with the vendors so we cannot answer this specific question just yet.

Question Id#889 published on 8/28/2007 3:27:25 PM

Q: 1. If I choose to freeze my UC service and work for the new LLC, and decide to retire in five years, will I be able to get Lab retirement offered by UC and will I also be able to get "UC" medical and dental benefits? 2. Or would I lose the benefits if I don't retire within the 120 day window from Sept. 30? 3. And, if I am considered a Lab retiree, and work for the LLC, would I be in the TCP2 plan?

A: 1. You would be offered LLNS retirement and medical and dental benefits. 2. You can retire after five years with LLNS and be eligible for retirement medical per your UC service credit. 3. Yes. We are assuming you are receiving your pension benefits as a Lab retiree.

Question Id#1000 published on 8/28/2007 12:59:56 PM

Q: If I choose TCP2, will I keep my seniority rights? In addition, how long will it take to vest medical retirement in TCP2?

A: If you are a member of a collective bargaining agreement, you would maintain your seniority rights, per the agreement. If you select TCP2, your UCRP service credit is frozen as of Sept. 30, 2007 and does not continue to grow.

Question Id#3711 published on 8/28/2007 10:01:53 AM

Q: If I take a lump sum and leave the Lab at some future time and work elsewhere, will I have to take medical access right away or can I take it at a later date?

A: Under TCP2, if you are 50 or older, you may retire from UCRP and take a lump sum distribution. In order to pick up your retiree medical from LLNS at a later date, you must activate it when you retire. Once you have medical coverage elsewhere, you can suspend your retiree medical and then reactivate it at a later date.

Question Id#3710 published on 8/28/2007 9:25:24 AM

Q: I plan on going to TCP1, I am 52 years old with 7 yrs service. When I reach 10 years of service (that is, 7 yrs to now, plus 3 more years) in 2010 will I be eligible for 50% regarding RETIREMENT Medical, Dental, Vision, Legal benefits, with a graduation of 5% a year...?

A: Yes, under TCP1 with combined UC + LLNS service credit of 10 years, you would be eligible for 50% employer-subsidy retiree medical. The graduation of 5% increases with each additional year of service.

Question Id#3692 published on 8/27/2007 6:28:15 PM

Q: On p. 35 of the August briefing is the statement "required to take a monthly annuity from UCRP to be eligible for employer subsidy [for retiree medical benefits]". Other than general eligibility (50-10 or rule of 75) is this the only eligibility requirement for employer subsidy? For example, someone choosing TCP2 who meets the eligibility requirements could choose to retire from UC within months (or days) of the transition. Would such a person be eligible for the employer subsidy?

A: Under TCP2 as an inactive vested transferring employee, your frozen UC service credit is used to determine eligibility of employer subsidy retiree medical ("look back") at the time of retirement. You must take the monthly annuity to qualify. If you take the lump sum, then you are only eligible for access-only retiree medical.

Question Id#850 published on 8/27/2007 5:21:46 PM

Q: On slide 10: Inactive Vested TCP2, retires after 8 years do they have retirement medical?

A: 8 years = 50% employer subsidy for retiree medical if your age plus years of service > 75.

Question Id#890 published on 8/27/2007 5:15:02 PM

Q: When a LLNS employee retire under the LLNS retirement system would the employee be eligible to receive the same medical benefits as under the UC retirement system?

A: When the LLNS employee retires they would be eligible for LLNS retirement coverages.

Question Id#922 published on 8/27/2007 4:09:22 PM

Q: Lets say a person has 25 years of service with UC. They freeze their pension with UC and elect TCP2 then retire from UC within 120 days after transition to LLNS, but continue to work for LLNS. When this person eventually retires from LLNS do they still get their medical premium subsidized base on their 25 years of service with UC?

A: Yes. In this situation the employer would be eligible for 100% employee contribution.

Question Id#931 published on 8/27/2007 3:52:58 PM

Q: When determining eligibility for retirement medical benefits under TCP-2 (rule of 75) I understand your UCRS years of service are frozen as of 1 October and LLNS service is not considered. How about your age? As of 1 Oct I will have 20 yrs 11months of service and will be 54. If I am employed by LLNS beyond age 55 will I meet the rule of 75?

A: Age is the same as service for retiree medical under TCP2. If you select TCP2: Whatever age/service you have is frozen on 9/30/07. With 20 + years of service your retiree medical = 100% employer contribution.

Question Id#948 published on 8/27/2007 3:47:18 PM

Q: If I go as a inactive vested transferring employee, leave my sick leave with UC, retire from UC within 120 days, and continue to work for LLNS, LLC, will I still have the employer contribution to my medical when I

do retire from LLNS, LLC? Will there be any break in the employer medical contribution?

A: 1) Yes 2) No, however you will stay in the active employee plan until you retire from LLNS.

Question Id#994 published on 8/27/2007 3:45:44 PM

Q: Does LLNS provide retirement medical benefits to TCP2 employees who are on "inactive" status with UCRP?

A: Yes provided when you retire from LLNS you transition from the LLNS active plan to LLNS retiree medical plan.

Question Id#1010 published on 8/27/2007 3:42:42 PM

Q: Question is, if an employee chooses to continue to work for LLNS after transition as a 25+ years of UC service career employee over 55 year old , and decides to become an inactive vested transferring employee to LLNS under TCP2. If that person wants to retire at a later date past the UCRS 120 day grace period for benefits , what medical or other benefits would they receive upon retirement after a few years of working for LLNS?

A: To be eligible for retiree health the employee must retire from LLNS and transition to retire medical benefits at that time (e.g. out of the active employee medical plan into retiree medical plan).

Question Id#1026 published on 8/27/2007 3:29:11 PM

Q: I am a vested employee with 16.75 yrs. service at age 38. Is there a difference between TCP1 and TCP2 is regards to attaining 100% medical by 20 yrs. time in service?

A: If you select TCP2 your UCRP service is frozen as of 9/30/07 and does not continue to grow for purposes of retiree medical. With the example provided your service is 16.75 years so under TCP2 your employer subsidy for retiree health = 80%

Question Id#697 published on 8/27/2007 3:20:39 PM

Q: I have 8 years as UC employee. If I choose TCP1 and at some time in the future you decide to no longer pay retiree medical benefits, would I be allowed to get the access to group coverage rates with out you paying any of the costs.

A: If you choose TCP1 your age + years of service at the time of retirement is used to determine the employer subsidy for retiree medical. If you choose TCP2 your service credit is frozen as of 9/30/07 for purposes of determining the employer subsidy. Examples: TCP1 - 10 years of service + 10 years of LLNS service = 20 years = 100% employer subsidy. Under TCP2 you would have your 10 years UCRP service credit recognized = 50% employer subsidy.

Question Id#1046 published on 8/27/2007 3:13:25 PM

Q: If I freeze my UCRP and I meet the retirement medical eligibility for both UC (vested and age >50) and TCP2 (10 years in LLNS), can I choose which medical benefit to use in retirement?

A: The medical benefit is the same under TCP1 and TCP2. However for new hires TCP2 provides 'Access Only' retiree health.

Question Id#669 published on 8/27/2007 3:04:35 PM

Q: 5. Section E, Page 33. What does "portable except for retirement medical" mean?

A: You have to "retire" from LLNS in order to be eligible for retiree medical post employment. If you terminate/resign before you are retirement eligible your retiree medical coverages are forfeited, this would be the same with any other employer.

Question Id#1029 published on 8/27/2007 2:03:28 PM

Q: From the June 18 presentation: From p. 10 of handout, does TCP-1 and TCP-2 have the same serviced based retirement for medical?

A: Yes, however if you elect TCP2 your UCRP service credit is transferred and frozen on 9/30/07, and does not continue to accrue.

Question Id#751 published on 8/27/2007 1:58:22 PM

Q: I've been a full time employee at LLNL since Dec 1, 1980. If I elect to go inactive in UCRP, transfer to LLNS into plan TCP2, then retire within the grace period from UCRP, how will my medical benefits be covered while a LLNS employee, and then when I retire from LLNS (say after five more years of service) ? I would like to apply most of my 9+ months of sick leave as service credit under UCRP. Is this possible?

A: 1) Your retiree medical will be suspended and you will go into the active plan. Upon retirement with LLNS your retiree medical would be reinstated. 2) Yes, provided you retire within 120 days or your sick leave credit is lost.

Question Id#746 published on 8/27/2007 1:47:50 PM

Q: The following answer was given to question B216 in the LLNL Transition Website: "Yes, you may go inactive with UCRP and retire anytime in the future and receive a lump sum or monthly annuity. However, if you choose a lump sum, or if you retire from UC after more than 120 days, you will not be eligible for retiree medical." Is this still true or does this answer need to be revised? Is the 120 day clause still valid for retiree medical benefits?

A: Yes, the 120 days is still valid for retiree medical benefits.

Question Id#820 published on 8/27/2007 1:41:17 PM

Q: Here are questions on different scenarios that I am contemplating: TCP1- roll over 30+ years of UC service credit. 1) I realize PBGC is the default for LLNS (or next contractor) but does DOE have specific responsibility for maintaining this pension fund? 2) I plan on having spousal survivorship at 100%; is this a option and does it include full medical also for my spouse as it does for me (knowing that this is not guaranteed in the future)? 3) It states on most areas of comparison "will replicate" does this mean the length of the contract (7-20 years) and that on some areas it will consider UC changes; how long will TCP1 be compared to UC plans in the future? Scenario 2: Inactive vested (retire later and still work at LLNS) 1) If I freeze my UC retirement and come into LLNS as Inactive vested, will my medical benefits be the same as TCP1? 2) If I retire from UC as Inactive vested in LLNS; is this a viable options with no hidden problems; example..will this interfere with my retirement medical benefits? will this be looked upon by LLNS negatively on my job status?

A: Scenario 1 1) Please refer to the Solvency tab under the LLNS website under Q&A's. 2) Same provisions provided at LLNS as provided by UC today. 3) LLNS replicated the current UC plan. Going forward LLNS cannot guarantee that there will not be changes. However none are planned at this time. Scenario 2 1) With 30 plus years of UC service credit you would be eligible for retiree medical with 100% employer contribution. 2) You have the right to select TCP1 or TCP2 and there will be no negative impact to your job status regardless of what you select.

Question Id#781 published on 8/27/2007 1:09:34 PM

Q: Please provide an itemization of the retiree medical (and other benefits affected if any) plan for Inactive Vested Transferring Employees. There seem to be significant differences between the benefits planned for employees in this category when compared to TCP1 employees or to current LLNL retirees under LLNS

A: Retiree medical is the same in TCP1 as TCP2. Employer subsidy is the same in TCP1 or TCP2. However, if you elect TCP2 your service credit which is used to determine your employer subsidy is frozen on 9/30/07.

Question Id#795 published on 8/27/2007 1:08:22 PM

Q: Could you explain the detail of Employer Medical Contributions in TCP2 Retirement Medical and Dental Plan (on slide 39)? How much should the employer contribute? Should the retiree also contribute? What are the differences between the Retirement Medical in TCP1 and this one? Thanks.

A: Retiree medical is the same in TCP1 as TCP2. Employer subsidy is the same in TCP1 or TCP2. However, if you elect TCP2 your service credit which is used to determine your employer subsidy is frozen on 9/30/07.

Question Id#816 published on 8/27/2007 1:06:10 PM

Q: Please provide additional information or references on “access-only retirement medical plan for new hires.” Not sure exactly what this is.

A: Access only = retiree pays full cost but gets the benefit of a group negotiated rate.

Question Id#846 published on 8/27/2007 11:53:12 AM

Q: TCP1 includes medical benefits for retirement. I have two questions: 1) If you are vested in UC and choose to go inactive in UC, then transfer to TCP1, does your UC service credit count towards the medical benefits eligibility or do you start as a new employee and need to accrue 20 years of service with the new company to get the full employer subsidy for your health insurance during retirement? 2) If you separate from the lab when eligible for medical benefits but do not retire from the new company (you take another employment for example), do you get medical benefits during retirement?

A: 1) Your service credit transfers to LLNS, you do not start accruing again. 2) No. You have to 'retire' from LLNS, and activate your retire medical at the time you leave LLNS employment to get retiree medical.

Question Id#3676 published on 8/27/2007 8:25:32 AM

Q: I didn't sign up for pacificare this year because my husband's company pays for him to have it. If I retire Oct 2, can I get healthcare? I will be working for LLNS still. I won't need it until I quit working.

A: Not knowing your specific situation we are not sure exactly what you will be eligible for, but when you have a "qualifying event", i.e., loss of medical coverage, you may change or activate your medical insurance. You may need to activate retiree medical first, suspend it while an active employee, then reactivate it when you retire.

Question Id#1578 published on 8/25/2007 6:43:34 PM

Q: At transition assume an LLNL employee with over 20 years of UCRP service credit chooses to become inactive in UCRP (does not retire from UCRP) and accepts employment with LLNS with TCP2 benefits. Assume that at some future date (more than 120 days after the transition) the employee retires from UCRP with a pension (not a lump sum) and at the same time terminates employment with LLNS. What are the retiree medical benefits for this employee?

A: Based on the assumptions outlined in your question, this employee would receive 100% employer subsidy retirement medical.

Question Id#595 published on 8/25/2007 5:45:51 PM

Q: Inactive Vested Transferring Employee, 23 years UC service, going to TCP2. Seems like I WILL receive Retiree Medical Benefits, paid the same (thru the employer subsidy) as TCP1, correct? IF I later (say, in 2 years) retire from UC, take a lump sum, and continue working for LLNS for 15 years, would I LOSE this Retiree Medical benefit? IF so, why? as there were NO transferred UC funds ...

A: 1. Correct, as long as you take the monthly annuity and not a lump sum. 2. Yes, if you take a lump sum, then you are only eligible for access-only retiree medical. 3. TCP2 is based on current industry practice which typically does not include a defined benefit plan or retiree medical coverage.

Question Id#483 published on 8/25/2007 5:28:57 PM

Q: I'm not clear on the provision in TCP2 regarding retiree medical coverage. What does it mean, in practice, that the plan "freezes service credit toward the employer subsidy". Does it mean that if, for example, regardless of how many years I am with LLNS, my retiree medical benefit will be based on my current 10.5 years of service with UC?

A: This is correct. Under TCP2 if you take the monthly annuity at retirement, your 10.5 years of service frozen as of 9/30/07 would provide 50% employer subsidy retiree medical. If you take a lump sum, then you would only be eligible for access-only retiree medical.

Question Id#488 published on 8/25/2007 5:12:47 PM

Q: Under TCP2 am I obligated to retire from UCRP and LLNS simultaneously in order to secure my medical benefits in retirement? That is, can I retire from UCRP and at some later date retire from LLNS?

A: Yes, you can retire from UCRP and at a later date retire from LLNS.

Question Id#247 published on 8/25/2007 4:57:28 PM

Q: What are the details for the retiree medial plan for Inactive Vested Transferring employees?

A: If you transition to LLNS as an inactive vested employee and take the monthly annuity from UCRP at retirement, your frozen UC years of service will be used to determine eligibility for employer subsidy retiree medical. The schedule is: 0-4 yrs of UC service = 0% LLNS contribution; 5-9 yrs of UC service and you meet rule 75 which is your age at retirement + UC yrs equals 75 = 50% LLNS contribution; 10 yrs of UC service = 50% LLNS contribution; 11 to 20 yrs of UC service increases in 5% increments up to 100% (for example, 11 yrs = 55%, 16 yrs = 80%, 20 yrs = 100%). If you take a lump sum distribution from UCRP at retirement, you are only eligible for access-only retiree medical. Note: If you are pre-1990 hired, you are eligible for 100% employer subsidy if you have at least 10 yrs of UC service or at least 5 yrs of UC service and retire at age 55 or later and your age at retirement + yrs of service = 75.

Question Id#121 published on 8/25/2007 3:09:13 PM

Q: What obligation, and motivation, does LLNS have to maintain monetary retiree medical benefits? Please consider in your response that this monetary benefit is not offered to new employees.

A: We cannot promise a benefit will last forever. There are no plans to change this benefit. Any change would require NNSA approval.

Question Id#1188 published on 8/25/2007 2:21:37 PM

Q: On "access" to retiree medical care under TCP2: is access guaranteed at the same cost as any other group member without regard to "insurability"?

A: Yes, so long as the employee/retiree signs up for retiree medical within 31 days of retirement.

Question Id#3617 published on 8/25/2007 2:08:31 PM

Q: Inactive Vested Employees with more than 20 years service selecting TCP2 and taking a lump sum from UCRP are eligible for access only medical/dental benefits on separation from LLNS. In this case: 1. Will the premium for medical insurance access for such retirees be at the same rate charged active LLNS employees for the same level of coverage? 2. Is the medical insurance access for LLNS retirees guaranteed regardless of pre-existing medical conditions like diabetes? 3. Can the retiree be denied medical access after separating from LLNS assuming LLNS continues to offer medical insurance access to active employees?

A: 1. Yes, that's the benefit of access-only. You get the same premium rates and level of coverage, but the rates may be lower than if you bought medical insurance independently. 2. As long as you are already covered and don't change insurance inbetween, your coverage would continue. Otherwise you would need to provide evidence of insurability. 3. If your "separation" from LLNS is your retirement and not voluntary termination, then you should not be denied retiree medical coverage.

Question Id#1119 published on 8/25/2007 12:06:10 PM

Q: Do you actually believe the "access only" medical retirement plan for incoming tcp2 employees will help draw, retain, and motivate the workforce?

A: Yes, we anticipate it will. Given the entire compensation and benefits package as well as the rich history and culture here at the Lab we believe it is a reasonable package to offer future hires to consider employment. We also intend to continually evaluate our human capital management profile and discuss often with NNSA.

Question Id#1157 published on 8/24/2007 3:29:37 PM

Q: I expect to qualify for the 50% medical insurance upon retiring from LLNS, assuming I am hired by LLNS. What will the cost be to me for medical benefits and what will the \$ be that I would receive?

A: The cost of medical coverages in the future is unknown.

Question Id#1164 published on 8/24/2007 3:25:30 PM

Q: For those of us who have enough service to qualify for full retiree medical benefits now (i.e. over 20 years service), what additional requirements apply for both TCP packages? For example: 1. Do TCP1 employees still need to draw their pension within 90 days of termination in order to get medical benefits? 2. Do TCP2 employees just need to terminate? Or is there an age requirement or any other requirement before they can get their medical benefit? If so, what are they? If there are conditions which they fail to meet, do they lose their benefit, or are they just delayed until the conditions are met? 3. The above question can also be modified to new hires. When new hires terminate, will they always have the option of medical access through LLNS (so long as the contract is in place)?

A: 1. TCP1 - 120 days is the current UC policy and that remains the same with LLNS. 2. TCP2 - you would have to be retirement eligible to receive retiree medical upon separation from LLNS. 3. No, if you are not retirement eligible at separation, retirement medical is not activated now or later. 4. Same rules apply for new hires.

Question Id#358 published on 8/24/2007 11:48:50 AM

Q: Based on the briefing given on 6/21, could you clarify the following under the scenario of a current LLNL employee with 35 years of service that would elect inactive in UC, thus becoming part of TCP2: (1) Is it true that as a retiree the individual would be eligible for basically the same medical coverage (access and employer medical contributions) as under TCP1? (2) I interpret the presentation to indicate that the retiree would be eligible for access only dental. There would be no employer contributions? Is that correct, and if so, why is this individual being penalized for taking the inactive status option?

A: Please see new information added after "AND" below: 1. If you take the lump sum from TCP2, then you are only eligible for access-only medical. If you take the monthly annuity from TCP2, then your frozen years of UC service would be used to determine your eligibility for the employer subsidy ("Look back") AND whatever other benefits you would be eligible for, i.e., Medicare Part B reimbursement, as under TCP1. 2. The retiree medical plan includes dental.

Question Id#3387 published on 8/24/2007 11:38:17 AM

Q: If I have 20 years service with UC now, separate from UC on Sept 30, accept a position with LLNS under TCP2, take the lump sum retirement from UC within 120 days, and continue to work for LLNS under TCP2 for several more years, when I finally quit working will I get access-only medical benefits (because I took the lump sum) or will I get 100% employer-reimbursed medical benefits (because of my previous 20 years with UC)?

A: You would be eligible for "access-only" medical if you take the lump sum.

Question Id#283 published on 8/24/2007 9:09:06 AM

Q: Why is there not a retiree medical benefit under TCP2 plan or a flat salary raise to make up for the cost difference in the lack of retiree medical benefits?

A: TCP2 is based on current industry practice which typically does not include a defined benefit plan or retiree medical coverage.

Question Id#3619 published on 8/23/2007 7:22:13 PM

Q: At the transition date I will be 46 and have 11 years of service. If I choose to go with TCP2 my retirement medical is frozen at 55%. Will I lose the 55% if I separate from LLNS at 52 and choose not to draw on my UC pension until age 60?

A: Yes, under TCP2 you must also begin your monthly annuity or lose your retiree medical. At age 52 you would be eligible to retire. You may activate your retiree medical and later suspend it if you obtain medical coverage elsewhere -- from your spouse or another employer -- then reactivate it when/if you lose that coverage, but again,

you would still need to begin the monthly annuity.

Question Id#3571 published on 8/23/2007 6:45:20 PM

Q: I am 45 years old, with 20 years at LLNL. If I select TCP2 and work at LLNS until I am 50, can I retire from LLNS with paid medical benefits but not retire from UC until age 60?

A: Under TCP2 if you retire from LLNS at age 50 and activate your retiree medical -- 100% employer subsidy with 20 yrs of UC service credit -- you must also begin your monthly pension.

Question Id#3601 published on 8/23/2007 6:05:17 PM

Q: I'm 39 and have 18 years in with UC, my options are TCP1 or TCP2, can you explain to me my benefits if I choose TCP1 with the intent to gain the additional 2 yrs to establish full medical but then leave LLNS to go to work for another government contractor ie. NNSA, DOE, Bechtel, NTS etc.? Will I still have a retirement pension with LLNS to draw from when I'm of age (including medical), or what would happen to it? And if down the road I were to return to LLNS would my years of service pick up again? And finally, what if circumstances down the road brought me back to the UC?

A: Under TCP1 you would be a vested transferring employee so you would need to work at LLNS for 5 more years to gain 100% employer subsidy at retirement (see page 37 of the employee briefing material posted on the LLNS website for the schedule). If you leave LLNS before retirement age, you would forfeit your retiree medical but would pick up retiree medical from whatever other organization you were working for at the time of retirement. Since you are vested, your pension will be there whenever you retire and/or are ready to begin distributions regardless of who you are working for at that time. You will need to ask UC, NNSA, DOE, etc. if they would recognize your UC-LLNL or LLNS years of service.

Question Id#3605 published on 8/23/2007 5:05:05 PM

Q: In the formula for the 'rule of 75' for retiree medical subsidies (age of retirement + service = 75 years), what is the precise definition of "age of retirement" for TCP2? Under TCP1 one will be able to go inactive (stop working) and officially retire (draw benefits) at a later date. Can one do the same under TCP2, using the later official retirement date to calculate the 'rule of 75' for retiree health benefits purposes?

A: That should be age "at" retirement. So if you have 5 years of service you would need to retire at age 70 to equal 75.

Question Id#3606 published on 8/23/2007 5:02:10 PM

Q: Does one have to be working at LLNS physically until age 50 or higher to be eligible for retiree medical under TCP2?

A: Under TCP2 you need to be working at LLNS when you retire in order to be eligible for retiree medical. Your frozen UC service credit will be used to determine your eligibility for employer subsidy retiree medical, unless you take a lump sum payment.

Question Id#3626 published on 8/23/2007 9:29:56 AM

Q: Concerning the retiree health employer subsidy under TCP2: If an employee has 5-9 years service credit with UCRP, opts for TCP2 and takes the lump sum cashout, and continues to work for LLNS for 10 or more years, is the employee entitled to an employer subsidy of 50% or more based on the LLNS service credit or is the employee stuck with "access only" for all time?

A: If you take the lump sum from TCP2, then you are only eligible for access-only medical. If you take the monthly annuity from TCP2, then your frozen years of UC service, i.e, the 5-9 yrs, would be used to determine your eligibility for the employer subsidy ("Look back"). Please see pages 35 and 36 of the employee benefits briefing material posted on the LLNS website under Benefits for the details and schedule.

Question Id#161 published on 8/22/2007 7:29:33 PM

Q: I need to know a little more about the medical benefits for retirement purposes in order to make a good decision. If I roll over into TCP1 and then decide to retire within 5 years without having 20 years of service what would be the percent of medical paid by LLNS. Currently with UC I would have 65% of medical paid

by UC, which isn't great but it is better than nothing. The information in the document states 5%, but does it increase with each year of service. This information is crucial to my decision-making process. Also, is there someone at LLNS that I can speak with regarding this?

A: At retirement your total service credit (UCRP + LLNS) will determine the employer subsidy. Please refer to page 37 of the employee benefits briefing material posted on the LLNS website under the Benefits tab for the schedule.

Question Id#739 published on 8/21/2007 9:01:03 PM

Q: I have been continuously employed at LLNL since before January 1, 1990, and will retire under UCRP with a little over 18 years of service. Will I still receive 100% of the employer contribution to my medical and dental benefit that I would have received under UCRP?

A: Yes, as a pre-1990 hire you meet the 100% employer subsidy rule.

Question Id#1055 published on 8/21/2007 8:32:20 PM

Q: How long must an individual work within TCP2 to be eligible for continuing health care access when retiring?

A: If you transition to LLNS as an inactive vested employee and take the monthly annuity from UCRP at retirement, your frozen UC years of service will be used to determine eligibility for employer subsidy retiree medical. The schedule is: 0-4 yrs of UC service = 0% LLNS contribution; 5-9 yrs of UC service and you meet rule 75 which is your age at retirement + UC yrs equals 75 = 50% LLNS contribution; 10 yrs of UC service = 50% LLNS contribution; 11 to 20 yrs of UC service increases in 5% increments up to 100% (for example, 11 yrs = 55%, 16 yrs = 80%, 20 yrs = 100%). If you take a lump sum distribution from UCRP at retirement, you are only eligible for access-only retiree medical. Note: If you are pre-1990 hired, you are eligible for 100% employer subsidy if you have at least 10 yrs of UC service or at least 5 yrs of UC service and retire at age 55 or later and your age at retirement + yrs of service = 75.

Question Id#524 published on 8/21/2007 9:51:13 AM

Q: I have been at LLNL for seven years. If I chose the TCP2 and go inactive on my UCRP it appears that my retirement medical is fixed at 50 percent and will not grow. This is effectively no retirement medical benefit from LLNS since this is exactly what I would have if I went inactive with UCRP and collected from them at retirement. Is this correct?

A: Further clarification: Yes, your service of seven years will be frozen for retiree medical subsidy. Between 5-9 years of service credit you must also meet rule 75 to receive the 50% employer subsidy. Rule 75: your age at retirement + your frozen yrs equals 75.

Question Id#419 published on 8/20/2007 3:24:04 PM

Q: For TCP2, you state that you got permission to exclude retiree medical benefits from the BenVal. Is this exemption for the life of the LLNS contract and all renewals? Might this cost be added back into the calculation in 2 years when the BenVal is calculated again? Might this cost be added back in if or when LLNS renews its contract?

A: LLNS cannot forecast how long NNSA will allow for this exemption.

Question Id#540 published on 8/20/2007 1:14:56 PM

Q: If entering employment with LLNS, and choosing TCP2 and inactive UCRP (33 years service), what medical benefit will be provided at the actual future retirement date? (a) retires from UCRP on Oct. 15, 2007; keeps working for LLNS. (b) retires from both UCRP and LLNS on Oct. 15, 2009.

A: Your UCRP service credit will be transferred and frozen as is on Sept. 30, 2007. Employees will be required to take a monthly annuity from UCRP to be eligible for employer subsidy for retiree health. If you take a lump sum, you are eligible for access-only retiree health.

Question Id#773 published on 8/20/2007 11:03:13 AM

Q: Is the access-only retirement medical in TCP2 full coverage, Medicare supplemental, a choice of one of these or something else?

A: Under access only, retiree pays the full premium but you have access to group rates, negotiated costs, etc.

Question Id#761 published on 8/20/2007 9:57:25 AM

Q: Are years of UC service credit added to LLNS accrual for TCP2 in order to obtain the retirement medical benefit as outlined for 5-9 years of service (age + service credit >= 75), which entitles the TCP2 employee 50 percent employer paid benefit?

A: No. If you select TCP2, your service credit is frozen as of Sept. 30, 2007.

Question Id#756 published on 8/20/2007 9:55:04 AM

Q: There are a number of LLNL employees, including myself, who are confused about one point in the new benefits options. It relates to the Retirement Medical under TCP2 for Inactive Vested Transferring Employees. For example, let's assume one is 40 years of age with 10 years of service as of Sept. 30, 2007. If one went into TCP2 and worked another 10 years with the new organization (let's say to Oct.1, 2017), would one then have the full employer contributions to the medical plan, would one have 50 percent employer contributions to the medical plan, or would one have "access-only" to the medical plan?

A: If you select TCP2, your UCRP service credit is transferred and "frozen" as of Sept. 30, 2007 (10 years in this example) for retiree health and welfare. Ten years of service equals a 50 percent subsidy.

Question Id#665 published on 8/20/2007 9:52:09 AM

Q: Section C, Page 9. Does "a retiree medical plan for Inactive Vested Transferring Employees" include dental?

A: Yes.

Question Id#3574 published on 8/20/2007 9:19:53 AM

Q: If I "inactivate" my UC retirement on Sept. 30 or before; does my medical/dental/opt freeze with the retirement? When I activate it, do I have medical/dental/opt being activating as well? I have been LLNL for 17 1/2 years and am 68 yrs. old. TCP 1 or TCP2? I believe that I should take the TCP2. Does that mean that while I am with LLNS I would receive medical/dental/opt as long as I am working? I do know that it would stop from LLNS when I retire because I won't be vested. Thank you for your help, this could help me not to have to take time with the HR people.

A: While actively at work at LLNS your retiree medical and dental will be suspended and you will have health and welfare benefits as an active employee. When you retire from LLNS your retiree medical and dental will be activated at that time.

Question Id#3136 published on 8/17/2007 10:09:47 PM

Q: I have over 38 years of LLNL service and will be going inactive vested while continuing to work for LLNS. Let's suppose I leave LLNS several years from now and at the same time retire from UC. Is my retiree medical viewed as TCP1 or TCP2? I ask because on slide 35 of today's benefits presentation, there is mention of "look back" to TCP1. What does that mean? As a variation, suppose I retire from UC while continuing to work for LLNS. I presumably would not enroll in retiree medical since I would be getting medical through TCP2 of LLNS. Once I leave LLNS, I would then presumably switch to retiree medical. Is that viewed as TCP1 or TCP2, and does it matter?

A: While you will be choosing TCP2, upon retirement LLNS will use your frozen service credit with UC to determine your eligibility for retiree medical employer subsidy ("look back"). Since you will have well over 20 years of frozen service you would qualify for 100% employer subsidy unless you took a lump sum. If you take a lump sum at retirement, then you would only be eligible for access-only medical. In your 2nd scenario, your retiree medical would be suspended and you would be covered by the active employee medical plan -- same for TCP1 and TCP2. Upon retirement, your suspended retiree medical would be reactivated.

Question Id#3483 published on 8/17/2007 7:11:09 PM

Q: I have 5 years service with LLNL and planning to take lump sum cash out within 120 days of the transition, under UC retirement. If I elect TCP-2 how many more years do I have to work in order to be eligible for access only retiree medical?

A: By taking the lump sum under TCP2 you are automatically and only eligible for access-only retiree medical. Years of service does not play a role and you will be required to pay the full premium.

Question Id#1483 published on 8/16/2007 5:47:31 PM

Q: Will I, as a non-vested employee, be eligible for any retirement medical benefit under the TCP1 option? If so, will that benefit be based on my current service time or my service time when I retire?

A: A UCRP Transferring Unvested Employee electing TCP1 will carry over accrued service credit. At retirement your total service credit (UCRP + LLNS) will determine the employer subsidy. Please refer to page 37 of the employee benefits briefing material posted on the LLNS website under the Benefits tab for the schedule.

Question Id#1484 published on 8/16/2007 5:39:44 PM

Q: If I am eligible for retirement medical will that cover myself only or myself and my spouse?

A: Retiree medical coverage will cover the employee, any dependent eligible adult family member (i.e. spouse, registered domestic partner, dependent parent) and dependent eligible children meeting the dependent eligibility rules of the plan.

Question Id#2357 published on 8/16/2007 2:30:20 PM

Q: Under 'Retirement Medical', on the subject of a 20+ years of service IVTE in the TCP2 plan taking a lump sum payment from UCRP, there is confusion on whether they will receive benefits over and above 'access-only'. ONE of the answers seem to indicate YES, several of the others NO. I saw the added coverage as an incentive to stay with LLNS.

A: An Inactive Vested Transferring Employee (IVTE) in the TCP2 plan taking a lump sum payment from UCRP will only be eligible for 'access-only' retiree benefits.

Question Id#2467 published on 8/16/2007 2:16:42 PM

Q: With the news that NNSA has accepted the alternative TCP2 benefits package that employees at Los Alamos has, does that mean employees who are not currently eligible for retirement can go inactive with UC and retire at a future date, possibly years from now and still get retiree medical?

A: If you become an Inactive Vested Transferring Employee and choose the TCP2 benefits package, when you decide to retire your UCRP service credit frozen on 9/30/07 will be used to determine eligibility for employer subsidy retiree medical, like TCP1 ("look back").

Question Id#2494 published on 8/16/2007 2:05:38 PM

Q: If I choose to work for someone other than LLNS, can I still freeze my pension with the University of California and obtain my employer-paid contribution for medical benefits based upon my service years frozen as of September 30th? Does "eligibility for retiree medical insurance" mean "access only" to the medical benefits?

A: If you choose to work for another employer other than LLNS after freezing your UCRP pension, you forfeit any rights to retiree medical and dental coverage unless that other employer is UC; then you need to speak to them regarding their break-in-service rules. Eligibility pertains to how an employee qualifies for retiree medical. Access only pertains to who is going to pay for those benefits. In the case of access only the retiree pays the full cost of the group premium with no employer subsidy.

Question Id#2504 published on 8/16/2007 2:03:08 PM

Q: If I accept employment with LLNS and retire from UC within the 120 day window and collect the monthly annuity, would I be eligible to collect medical retirement benefits from UC or LLNS? Would I really have double medical coverage (LLNS normal medical and LLNS retirement medical)? Would the LLNS retirement medical only kick in once I left LLNS even though I have started the Annuity? Could I opt out of

LLNS normal medical insurance and just use my LLNS retirement insurance?

A: While still actively at work at LLNS your retiree medical and dental will be suspended and you will have health and welfare benefits as an active employee. When you leave LLNS your retiree medical and dental will be activated at that time. Please also refer to the LLNS employee benefits briefing material recently posted on the LLNS website for more detailed information on health and welfare and retiree medical.

Question Id#2594 published on 8/16/2007 1:23:39 PM

Q: The answer to question no.1149 states that employees who receive a lump sum from UCRP will get medical access. Is this still true in light of the new proposal?

A: Yes, it did not change.

Question Id#2691 published on 8/16/2007 1:13:29 PM

Q: On page 23 of the approved benefits summary, it indicates TCP-2 retirees will not get an employer dental contribution. Is this only for new employees, or is it true for inactive vested transferring employees as well?

A: If you take TCP2 as an inactive vested transferring employee, look at the retiree medical/dental rules under TCP1 on page 16 for qualifications and what will be provided. Please also refer to the LLNS employee benefits briefing material posted on the LLNS website.

Question Id#2857 published on 8/16/2007 9:48:13 AM

Q: If a 50+ year old vested employee decides to choose inactive status in UCRP, rehires with LLNS under TCP2 and then chooses to retire from UC in say, five years, is it true such employees still qualify for and will receive employer subsidized retirement medical and dental? Is it true (as I've heard verbally) that the UC requirement that requires an employee to retire within 120 days of separation from UC service to qualify for employer subsidized medical/dental is being waived? If so, how and where is that documented? Assuming the medical/dental subsidized coverage is still available to an employee under the described circumstance, which company provides the employer paid part of the retirement medical/dental, LLNS or UC?

A: If you become an Inactive Vested Transferring Employee and continue to work for LLNS, when you stop working for LLNS and choose a monthly annuity from UCRP, your retiree medical/dental coverage eligibility is based on your frozen UCRP service credit as of 9/30/07. Your question dealing with your employment and/or benefits with UC cannot be answered by LLNS. We have directed your question to the LLNL Transition Website at <http://transition.llnl.gov>. Please monitor that site for a response.

Question Id#316 published on 8/15/2007 5:13:45 PM

Q: Re retirement medical under TCP2, what does the term "access-only" mean?

A: Access only means the employee pays the full cost of the plan, but can access the contract rate for the provider.

Question Id#20 published on 8/15/2007 5:12:48 PM

Q: What obligation, and motivation, does LLNS have to continue monetary retiree medical benefits after the contract transition? Please address in your reply the fact that this monetary benefit is not being offered to new hires.

A: This benefit would be part of the package approved by NNSA and consequently reimbursable under the contract. There would be no reason to not continue it. In fact to discontinue it would require NNSA approval.

Question Id#3507 published on 8/15/2007 4:14:34 PM

Q: Is the following statement true (The retiree medical benefit plan offered under TCP1 will include service-based eligibility requirements substantially equivalent to existing UC requirements for retiree medical benefits with the qualification that an eligible employee must have a minimum of 5 years continuous service under a DOE Contract(s) immediately prior to retirement in order to qualify for retiree medical benefit coverage.) I thought under the UC system you needed 10 years of service to qualify for the medical benefits for retirement. This makes a big difference in deciding what plan I want to go with if I have 5 years vested

and want the medical benefits under the new plan TCP1; and what would the medical benefit be a percentage of my medical insurance payment?

A: For retiree medical and dental under TCP1, the employer subsidy depends on your UC + LLNS years of service. On page 37 of the LLNS employee benefits briefing material posted on the LLNS website, it shows the employer subsidy schedule based on your UC credit as of 9/30/07 plus your LLNS service credit added on. For retiree medical and dental until TCP2, your frozen UC service credit is used to determine retiree medical employer subsidy eligibility, unless you take a lump sum. Pages 35 and 36 show the eligibility criteria based on your frozen UC service credit as of 9/30/07. If you take the lump sum, then you are only eligible for access-only retiree medical.

Question Id#271 published on 8/15/2007 3:16:24 PM

Q: The following question was posed today by a co-worker to the LLNL HR Benefits Office: "I understand that someone freezing their UCRP membership has 120 days thereafter in which to retire, or lose the medical benefit. I also understand that at LANL, this deadline was waived. Do you know whether that 120 deadline also will be waived for LLNL employees?" The response came back that: "It is my understanding that the same exception you describe that applied for LANL will also be given to our transferring inactive vested employees." It was further stated by LLNL HR that: "As long as you are employed by LLNS this would be granted." My concern is that this can be understood to mean an inactive UC vested employee who continues with LLNS opting for TCP2 will get the UC retiree medical benefits. My understanding from the LLNS presentation is that no one will get the UC medical benefits as a retiree. LLNS will provide all retiree medical benefits - including current UC Lab retirees, TCP1 and TCP2. The benefits vary based on which plan you select and your years of UC service when transitioning Oct. 1. Please verify what is correct.

A: The 120 day rule was not waived at LANL and will not be waived here. If you are inactive vested with UC, your frozen service credit as of 9/30/07 will be used to determine your eligibility for retirement medical, unless you take the lump sum. If you take the lump sum under TCP2, then you will only be eligible for access-only medical. You may also want to review pages 33 through 37 of the LLNS employee benefits briefing material posted on the LLNS website for information regarding the UC service credit and how it applies to the employer subsidy for retiree medical.

Question Id#549 published on 8/15/2007 10:37:01 AM

Q: Please define what is meant on Page 54 when it states: Retirement Medical - Access-only for new hires - A retiree medical plan for Inactive Vested Transferring Employees that freezes service credit as of September 30, 2007 towards the employer subsidy*

A: Access only means the retiree pays the full premium but has access to group rates, networks and negotiated discounts. TCP2 frozen service on Sept. 30, 2007 means the employee's service time is used to determine the employer subsidy credit, which is: 0-4 years service credit -- 0 percent LLNS subsidy 5-9 years -- your age at retirement + your frozen yrs equals 75 --- 50 percent subsidy 10-20 years -- subsidy increases by 5 percent per year to 100 percent at 20 years.

Question Id#499 published on 8/15/2007 9:47:38 AM

Q: On slide 10 of the 60-page benefits briefing, please provide further explanation of the statement "formula is 2.5% of high 3-year average pay reduced by Social Security offset, with Cost-of-Living Adjustments." What does that mean in language that is meaningful to those of us mid-career employees who don't happen to work in the Benefits Office?

A: If you are 60 at the time of your retirement from TCP1, the formula is 2.5 percent times for service credit equals a benefit percentage. That benefit percentage is multiplied times your three- year average minus \$133. For example: 2.5 percent times 20 years service credit = 50 percent Benefit percentage; 50 percent times (\$5,133 - \$133) = \$2,500 monthly annuity.

Question Id#3413 published on 8/14/2007 4:48:57 PM

Q: As of Sept 17, 2007, at 35 years of age I will have 6 years in with UCRP. From my understanding of medical retiree benefits, if I elect to go inactive vested UCRP into TCP2 and retire at age 56 (6 years service credit + 56 = 62) I will not meet the rule of 75 so I will be eligible for medical access only even though my total service will be 26 years (6 years UCRP and 20 LLNS). Some of my colleagues believe that the retiree medical benefits will include my service credit to LLNS after Sept 17, 2007, so that would be over 20 and thus 100% coverage. Please clarify this for us.

A: Your understanding is correct. No service time from LLNS is counted toward your retirement medical under TCP2. As an inactive vested transferring employee under TCP2 your 6 years of UCRP service is frozen. To be able to get 50% subsidy as seen on page 36 of the slide presentation, your age at retirement plus your frozen years of UC credit must equal 75.

Question Id#3221 published on 8/14/2007 2:33:44 PM

Q: Since I will be 60 on Feb 8, 2008, it is my current intent to accept the LLNS offer with TCP2, go inactive with UCRS and then retire from UC on the last possible day so that my sick leave is incorporated as part of my service credit with UCRS. I understand that I will thereby also retain the right to the UC Health Plan; however, my understanding is that while I am a LLNS employee, I will be required to use the LLNS Health Plan, not the UC Health Plan. After I retire from LLNS (around 2011), do I have an option to go with the UC Health Plan? Do I have any options to go with either UC or LLNS?

A: Your frozen service credit with UC as of 9/30/07 will be used to determine eligibility of retiree medical under TCP2 unless you take a lump sum. If you take a lump sum, then you are eligible for access-only retiree medical. Please refer to page 35 and 36 of the employee benefits briefing material posted on the LLNS website for more information.

Question Id#3226 published on 8/14/2007 1:55:49 PM

Q: I am a pre-1990 hire with 19 years of UCRP service credit and currently not enrolled in the Lab medical plan. If I choose the TCP1 option, can I enroll in a medical plan AFTER I retire and take advantage of the low group rates?

A: Access-only retiree medical is provided under TCP2. Since you were hired on before 1990, you are eligible for 100% employer subsidy under TCP1.

Question Id#3239 published on 8/14/2007 1:38:16 PM

Q: Earlier today I submitted the following question: Question regarding Retiree Health under TCP2: Please confirm my understanding of the following: Under TCP2 a hire prior to 1990 is entitled to a 100 percent employer-paid retiree healthcare and dental if the transitioning employee has at least ten (10) years of service credit. In my case I was hired in 1987 left the Lab to work for Stanislaus District Attorney's Office in 1997 and rehired in 1999. Does my original hire date come into play for the conditions stated above thereby entitling me to 100 percent employer paid retirement healthcare and dental care under TCP2. Please confirm/advise. I need the clarification before I can make a good decision on my benefit election. The reply I received was: The "Pre-1990 hire date" is based on an employee's most recent hiring date or in your case rehire date. Since your rehire date is 1999 you do not meet this rule. I have an additional two part question: 1) Is there an appeal process of this criteria for benefits contribution? 2) If not, what will be the level of employer paid retiree healthcare contribution be for 17+ years of services (Note: 17+ years includes the original hire period and the rehire period. I trust all periods of employment count for service credit for retirement health care.) Please advise by email or phone if easier (925) 424-5765. Thank you!

A: 1. There is no appeal process through LLNS. You may contact UC or LLNL benefits offices to check with them.
2. On page 36 of the employee benefits briefing material posted on the LLNS website and presented at the various town halls, the employer subsidy service credit is outlined: 0-4 yrs of UC credit = 0% LLNS contribution 5-9 yrs of UC credit, if meets rule 75 = 50% 10-20 yrs of UC credit increases in 5% increments from 50% to 100% at 20 yrs.

Question Id#3240 published on 8/14/2007 1:08:26 PM

Q: I have a question about a perceived contradiction on TCP2, Retiree Dental plans, Employer contributions: The Approved Benefits Package Summary presentation

(http://www.llnslc.com/file/ApprovedBenefitsPackageSummary_v2.pdf) states (slide 23): "Employer Dental Contributions: None" Yet, the LLNS Benefit Package Briefing Rev080107

(<http://www.llnslc.com/file/LLNSBenefitPackageBriefingRev080107.pdf>) states (slide 35): "Medical and dental have employer contributions if eligibility criteria met" Assuming I meet the eligibility requirements (I have 21 years on (10/1/07), which is correct?

A: The retiree medical eligibility criteria for employer subsidy follows on page 36 of the employee briefing material. In your case with 21 years of service credit you meet the 100% employer subsidy.

Question Id#413 published on 8/6/2007 6:00:41 PM

Q: Could you please clarify something for me from your LLNS Total Compensation Design and Strategy presentation? My question has to do with slide number 9. Section C - LLNS Benefit Design Policy Statement: 2b) "a retiree medical plan for Inactive Vested Transferring Employees that freezes UCRP service credit as of September 30, 2007 towards the employer subsidy*" I will have 20 years of UCRP service credit as of 8/1/07 and be 57 years old. I would like to "freeze" my UCRP assets and become an "Inactive Vested Transferring Employee". I would then work for LLNS and at age 60 I would retire and start collecting my retirement checks from UCRP. Your section 2b) above states I will then be eligible for the current LLNS employee subsidy toward TCP1 Retiree medical insurance. My question is in regards to the conflict between the above policy and the current UCRP policy of requiring that I must start collecting my monthly pension checks within 120 days of becoming vested inactive or retiring from UC or I will lose my medical benefits. Could you please clarify for me the conflict between UCRP and LLNS policies? Will I have the TCP1 Retiree medical insurance subsidy or won't I? Thank you in advance, Richard

A: The 120 day medical rule is not a UCRP rule but a UC Health & Welfare policy rule. As of 10/01/07 LLNS' rules will govern retiree medical and dental eligibility and costs. In the scenario you provided you will have the TCP1 retiree medical subsidy.

Question Id#3234 published on 8/6/2007 8:51:29 AM

Q: Question regarding Retiree Health under TCP2: Please confirm my understanding of the following: Under TCP2 a hire prior to 1990 is entitled to a 100 percent employer-paid retiree healthcare and dental if the transitioning employee has at least ten (10) years of service credit... In my case I was hired in 1987 left the Lab to work for Stanislaus District Attorney's Office in 1997 and rehired in 1999. Does my original hire date come into play for the conditions stated above thereby entitling me to 100 percent employer paid retirement healthcare and dental care under TCP2. Please confirm/advise. I need the clarification before I can make a good decision on my benefit election. Thank you! Maria 8/6/07

A: The "Pre-1990 hire date" is based on an employee's most recent hiring date or in your case rehire date. Since your rehire date is 1999 you do not meet this rule.

Question Id#293 published on 8/3/2007 5:04:01 PM

Q: Can you make more explicit the difference between TCP1 and TCP2 in terms of the value of the retiree medical benefit? This seems to be one of the major differences between the plans.

A: If you are a Vested Transferring Employee with 20 years or more of UCRP service credit, then there are no differences. Whether you choose TCP1 or TCP2, the TCP1 retiree medical and dental rules will apply at the time of retirement. If you have less than 20 years of UCRP service credit as of Sept. 30, 2007, then you can transfer your service credit to TCP1 and continue to add service credit at LLNS. The TCP1 service-based schedule for the employer contribution for retirement medical and dental is as follows: 0-4 years' service credit = 0% LLNS contribution; 5-9 years' service credit: If you meet the Rule of 75 (which means your age and service added together equal 75) = 50% LLNS contribution. If you do not meet the Rule of 75 = 0% LLNS contribution; 10 years' service credit = 50% LLNS contribution; 11 years' credit = 55% LLNS contribution; 12 years' credit = 60% LLNS contribution; 13 years' credit = 65% LLNS contribution; 14 years' credit = 70% LLNS contribution; 15

years' credit = 75% LLNS contribution ; 16 years' credit = 80% LLNS contribution ; 17 years' credit = 85% LLNS contribution; 18 years' credit = 90% LLNS contribution; 19 years' credit = 95% LLNS contribution; 20 years' credit = 100% LLNS contribution; and Over 20 years' credit = 100% LLNS contribution. The term "certain eligibilities" refers to years of service and the Rule of 75, as explained above. The rules above pertain to transferring employees who choose TCP2 but the eligibility is based on their UCRP service credit balance as of Sept. 30, 2007. If the employee has less than 20 years of service, there is no opportunity to increase the employer-paid portion of the retiree medical and dental benefit.

Question Id#3182 published on 8/3/2007 4:59:41 PM

Q: If my wife and I freeze UCRP and after October 2007, I take the lump sum and she takes the UCRP retirement and we are both under TCP2, when we retire in 3 years, can she add me as her spouse to her medical plan as I won't have one? Also, If I decide to work 2 years longer than her, will she be able to add me to her medical as her spouse at the time of my retirement? (We both have over 20 years service in UCRP)

A: Yes, when you retire and take the lump sum your spouse can add you to her retiree medical during Open Enrollment or mid-year as a "qualifying event", in that you have, in essence, lost your coverage.

Question Id#3165 published on 8/3/2007 3:14:01 PM

Q: If I roll over into TCP1 with 6.5 years of service credit and work for LLNS for another 9 years what percentage of my retiree medical will LLNS pay? Will it be 100% or 75%? Please advise.

A: Your combined UCRP + LLNS service credit as outlined above (15.5 years) would qualify you for 75% employer subsidy on the retiree medical.

Question Id#3157 published on 8/3/2007 3:13:05 PM

Q: The more I read and talk to co-workers, the more confused I get. I am a vested employee with 12-1/2 years of service credit. I am 48 years of age. I plan to continue working at least another 10 years. If I freeze my UCRP and opt for TCP2 is the combined service of UCRP added to the years of service credit with LLNS in determining my eligibility for subsidized medical coverage or would I be in the "access only" category?

A: Based on the conditions you described, your UCRP service credit (12-1/2 years) would be frozen as of Sept. 30, 2007 under TCP2 for retiree medical and dental employer contributions. Your 12-1/2 years service credit would qualify you for 60 percent employer subsidy. You may want to refer to page 36 of the LLNS employee benefits briefing material recently posted on the LLNS website for additional information.

Question Id#457 published on 8/2/2007 10:42:32 PM

Q: The note on page 7 of the benefits design and strategy briefing states that a transferring employee are those "...who do not retain credit for prior service..." This implies that an employee with 20 years service under UC would enter TCP1 with no recognition of those 20 years. If this person retires in 2008, they would receive no pension or medical coverage as they would have less than a year of service with LLNS. This can't be what is intended. Please clarify how years of service under UC would enter into retirement benefit calculations for TCP1.

A: A UCRP Transferring Vested Employee will carry over full service credit and accrued pension benefits on said service credit to the LLNS TCP1 Plan, leaving no service credit or accrued pension benefit with the UCRP Plan. Please also refer to the LLNS employee benefits briefing material recently posted to the LLNS website for more detailed and current information.

Question Id#432 published on 8/2/2007 10:30:09 PM

Q: If I choose to be an inactive UC transferring employee in TCP2 and am over 50 years old and have over 20 years of UC service, can I retire from LLNS anytime after 10/1/07 and get full retirement medical benefits?

A: Yes.

Question Id#423 published on 8/2/2007 10:25:28 PM

Q: Since "inactive vested" transferring employees will receive retiree medical under TCP1, it seems to follow that if the LLNS' contribution to retiree medical is greater than the rate for the plan chosen by a Medicare-eligible retiree, then the difference should be able to be used to pay for all or a portion of the Medicare Part B premium. Will this, in fact, be the case, or does this represent one more degradation of LLNL's benefits from that of Los Alamos?

A: What you are describing above is the Medicare Part B reimbursement which will be replicated under TCP1 by LLNS.

Question Id#400 published on 8/2/2007 10:15:33 PM

Q: Assume a 49 year old UC employee with 20 years service chooses UC inactive/vested and accepts the LLNS offer under TCP2, then retires from UC and LLNS one year later. Will that employee receive paid medical benefit in retirement?

A: Yes. LLNS will pay 100% of their portion of the premium for medical and dental coverage.

Question Id#354 published on 8/2/2007 9:23:49 PM

Q: What is the meaning of access-only retirement medical plan?

A: "Access only" medical benefits means a retiree can have access to the group medical plans but must pay the entire premium without any employer subsidy.

Question Id#91 published on 8/2/2007 7:25:37 PM

Q: I am an active non-vested post-doc (I have been employed in UC for less than 5 years). Do I have a choice to which benefit plan to choose? Or do I have to take TCP2? If I choose TCP2, am I eligible for medical coverage in retirement?

A: Yes, you have a choice of either TCP1 or TCP2. If you choose TCP2 you will be eligible for access only retiree medical coverage if you are at least age 50 with 10 years of service (a combination of UCRP and LLNS service credit) or with five years and meeting the "Rule of 75" (age + service).

Question Id#270 published on 7/14/2007 3:03:38 PM

Q: Yesterday's presentation states Retirement Medical employer contribution in TCP1 and TCP2 for everyone except new hires is service based - 100% for 20 years, 5% increments between 10-20 years. Right now UC's policy is 100% if you were hired before January 1, 1990. Why aren't you honoring that policy?

A: Please refer to slide 29, third bullet, under "Retirement Medical."

Question Id#909 published on 7/2/2007 11:32:39 AM

Q: In the 6/22/07 Newline. TPC1 states: "The plan also includes retiree medical with an employer subsidy (if certain eligibilities are met)." What are the "certain eligibilities" I have to meet?

A: In the benefit plans proposed to NNSA, the service-based schedule for the employer contribution for retirement medical is as follows: 0-4 years' service credit = 0% LLNS contribution; 5-9 years' service credit: If you meet the Rule of 75 (which means your age and service added together equal 75) = 50% LLNS contribution If you do not meet the Rule of 75 = 0% LLNS contribution; 10 years' service credit = 50% LLNS contribution; 11 years' credit = 55% LLNS contribution; 12 years' credit = 60% LLNS contribution; 13 years' credit = 65% LLNS contribution; 14 years' credit = 70% LLNS contribution; 15 years' credit = 75% LLNS contribution ; 16 years' credit = 80% LLNS contribution ; 17 years' credit = 85% LLNS contribution; 18 years' credit = 90% LLNS contribution; 19 years' credit = 95% LLNS contribution; 20 years' credit = 100% LLNS contribution; and Over 20 years' credit = 100% LLNS contribution. The term "certain eligibilities" refers to years of service and the Rule of 75, as explained above.

Question Id#1421 published on 6/30/2007 7:57:32 PM

Q: Section G, Estimated Cost for Retirement Plans - why does Retirement Medical show 0% in table? Should this have the same asterisk as all previous discussions on Inactive Vested employees?

A: The table reflects employer costs. For access only retiree medical, there is no employer cost.

Defined Contribution Plans:

Question Id#2753 published on 9/8/2007 1:28:43 PM

Q: At what point in time of this transition do we get to elect the percentage that we want taken out of our pay checks that is to be put into our 401k? Also, when do we get to elect who the 401k funds are to be invested with?

A: Please review the 401(k) plan summaries posted on the LLNS website. Soon there will be another announcement advising employees how to make their selections.

Question Id#2752 published on 9/8/2007 1:26:28 PM

Q: Will TCP2 employees who contribute 6% of their annualized salary to the new LLNS 401(k) by the end of the 2007 calendar year receive the full 6% LLNS matching contribution? If not, what will they receive? Also, what fraction of the LLNS non-matching, service-based contribution (e.g. "3.5% per year for 0-9 years of service") will be distributed to employees in calendar year 2007? Finally, when will the LLNS non-matching, service-based contributions be distributed in calendar year 2008?

A: Our apologies for this late reply. Hopefully you have already read the August 24th edition of Newsline and perused the FAQs and 401(k) plan summaries on the LLNS website for answers to your questions. Soon there will be another announcement of how employees will make their selections.

Question Id#2740 published on 9/8/2007 1:05:48 PM

Q: I'm over 50 years old. Am I correct in assuming that with TCP-2, I can contribute up to \$20,500 per year in member voluntary pre-tax contributions to my 401k in ADDITION to the employer paid matching and service based contributions; or can the total of all three contributions not exceed \$20,500 per year?

A: Your assumption is correct; LLNS' contribution to an employee's 401(k) plan will not count toward the \$15,500 IRS limit or the additional \$5,000 catch-up.

Question Id#3857 published on 9/7/2007 5:06:43 PM

Q: How often will LLNS matching funds be added to the 401k savings plan, once a year or every pay period?

A: Every pay period.

Question Id#3646 published on 9/7/2007 9:28:42 AM

Q: When LLNS makes a matching contribution to a TCP2 employee's 401K, is the LLNS contribution done with pre-tax dollars or after-tax dollars? In other words, will I be required to pay taxes on the LLNS portion of the 401K upon withdrawal?

A: Yes, you will pay taxes upon distribution for the LLNS contributions made to your 401(k). The match contributions do not apply toward the pre-tax contribution limits set by the IRS, but toward the aggregate contribution limits for the tax year.

Question Id#3647 published on 9/6/2007 10:46:58 AM

Q: Is there a maximum amount per paycheck that I can put into the 401(k) until I reach the \$20,500 year limit?

A: The maximum contribution to your 401(k) will be 70 percent of your gross paycheck amount.

Question Id#3782 published on 9/6/2007 9:48:04 AM

Q: Will full or partial rollovers of LLNS 401(k) monies be allowed into other retirement accounts (IRAs), or will it only be allowed after retiring/terminating from LLNS?

A: According to the IRS, rollovers from your 401(k) plan (partial or full) to another qualified retirement plan or traditional IRA may occur when you have a severance from employment, become disabled, die or you reach age 59 1/2, or incur a financial hardship. Please work with a professional tax adviser if you need more detailed information or visit www.irs.gov.

Question Id#3794 published on 9/6/2007 9:36:01 AM

Q: What are the limitations, if any, especially in the timing and frequency, on rolling-over 401(k) balances into another qualified plan (e.g., 403(b)? Could one rollover one's 401(k) balance on a monthly basis into his/her UC 403(b)? Are there any costs associated for such a rollover?

A: A rollover of your 401(k), into another qualified plan, can only take place upon your termination from LLNS. To clarify one point, the 403(b) is a retirement plan for University, civil government, and not-for-profit employees. LLNS cannot offer a 403(b) plan, as these criteria do not apply. Your contributions to your UC 403(b) will cease upon your separation from UC. At that time, you can choose what you would like to do with the balance of that account (rollover, distribution, etc.)

Question Id#3833 published on 9/5/2007 9:16:12 PM

Q: 1. How do I, and when can I, sign-up for the 401k program? 2. How and when will the 6% matching funds be made available? Will it start on October 1, 2007?

A: Later this month (September) employees will learn more about the options offered from Fidelity and how to make their selections. A Newsline article will make the announcement. Contributions will begin with the first pay period in October 2007.

Question Id#993 published on 9/5/2007 8:12:08 PM

Q: Why does LLNS contribute less to Livermore's 401(k) plan than LANS contributes to the Los Alamos plan.

A: Since the submittal of your question, the NNSA approved the same non-elective, service based employer contribution for LLNS and it did for LANS.

Question Id#3388 published on 9/5/2007 6:20:19 PM

Q: What is the deadline for submitting the percentage we wish to have deducted on the first biweekly paycheck in Oct. for 401(k)? Will we do this through Fidelity or through Payroll? Will we be able to specify where this money should be invested by then?

A: Later this month (September) employees will learn more about the options offered from Fidelity and how to make their selections. A Newsline article will make the announcement.

Question Id#612 published on 9/5/2007 5:55:49 PM

Q: Will employees transferring as "Inactive" into TCP2 be required to make Mandatory Member Contributions if re-instated in the future or will they be exempt?

A: There currently are no mandatory employee contributions in TCP2 nor are any forecasted in the near future; any changes would require NNSA approval.

Question Id#3827 published on 9/5/2007 3:22:14 PM

Q: When and how do I specify how much withholding from my paycheck is put into my 401k as an employee of LLNS?

A: Later this month (September) employees will learn more about the options offered from Fidelity and how to make their selections. A Newsline article will make the announcement.

Question Id#2688 published on 9/5/2007 2:39:17 PM

Q: In the finalized TCP-2 package, under Defined Contributions, will the service based contribution (e.g., Service based contribution: 3.5% per year for 0-9 years of service, 4.5% for 10 -19 years of service, 5.5% for 20+ years of service) and matching contribution (e.g., "Match 100% of pay on the first 6% of pay") remain independent of salary? Or how is LLNS planning to stay consistent with those statements when the maximum of the 401(k) is exceeded? For example, a 20+ year employee will receive a 5.5% service based contribution. If they contribute 6% with a 6% LLNS matching contribution, then those with salaries above \$117,143/year will receive lower defined contribution benefits. Beyond \$175k another allowance becomes applicable, but between those two amounts, the employee is realizing a reduced percentage Defined Contribution benefit package unless other means are made available to the employee.

A: The employer match and the employer service-based contributions do not count against the IRS 2007 annual limit of \$15,500.

Question Id#2663 published on 9/5/2007 1:45:35 PM

Q: When will we get the choices of mutual fund companies?

A: Hopefully you have seen the August 24th edition of Newline where the 401(k) plan options were announced. Please also refer to the plan summaries that are posted on the LLNS website under the Benefits tab for details.

Question Id#3817 published on 9/5/2007 12:38:59 PM

Q: At what point will I need to determine the amount taken out of my salary for contributions to the 401K under LLNS?

A: Some time this month (September) employees will learn more about the options offered from Fidelity and how to make their selections. A Newline article will make the announcement.

Question Id#2584 published on 9/4/2007 9:17:15 PM

Q: I understand that there will not be a 401k to put money into until January at the earliest. Is this true?

A: No, you may begin your 401(k) contributions with the first pay period in October 2007. Please review the August 24 edition of Newline for more information and the 401(k) plan options posted on the LLNS website under the Benefits tab.

Question Id#2415 published on 9/4/2007 8:50:28 PM

Q: If an employee is over 50 and contributes \$20,500 to a 403(b) during the first 9 months of 2007, is that employee prohibited from contributing to a 401(k) with LLNS TCP2 in 2007? In other words, should this employee contribute less to the 403(b) in order to make room for contributions to a 401(k), which would also be matched by LLNS under TCP2?

A: No, the employee may continue contributions but in after-tax funds and LLNS will continue to match. The total annual IRS limit is \$45,000 consisting of both employee and employer pre- and after-tax contributions.

Question Id#2334 published on 9/4/2007 6:52:10 PM

Q: I have an IRA that I built up prior to joining the Lab. If I go to TCP2 and start the 401K, can I roll that IRA into the new 401K?

A: The 401(k) will accept qualified rollovers.

Question Id#2333 published on 9/4/2007 6:50:09 PM

Q: This question concerns TCP2 and the 6% matching. If I contribute an amount such that the 6% would exceed the annual limit, will LLNS continue to provide the matching but on an after-tax basis?

A: Yes.

Question Id#2181 published on 9/4/2007 6:17:11 PM

Q: Will we be allowed to contribute after-tax deductions from our paycheck to our 401(k) under the new management? Will employer matching still apply to after-tax contributions? Can you please give an example of how one would contribute to both before- and after-tax under the 401(k), and show what the

contribution limits and the employer matching will be?

A: Yes, you can contribute after-tax deductions from your paycheck to your 401(k) with LLNS. The employer matching does apply to after-tax contributions. When you sign up for your 401(k) deductions you will make your choices of pre-tax and/or after-tax. The pre-tax limit for 2007 is \$15,500 for employee contributions. The total annual IRS limit for 2007 is \$45,000 (including both employer and employee pre-tax and after-tax contributions).

Question Id#2158 published on 9/4/2007 6:12:13 PM

Q: For calendar year 2007, will the 401k matching contribution be 6% of a years' pay or only 6% of the three months that is under the new contract?

A: For 2007, the 401(k) employer matching contributions will be 100% of up to the maximum 6% employee contribution per biweekly paycheck for October, November and December.

Question Id#2136 published on 9/4/2007 6:08:39 PM

Q: Will I have the same choice of Fidelity Funds to choose from?

A: Our apologies for a late response. Hopefully you have seen the August 24 edition of Newsline for the 401(k) options and the plan summaries posted on the LLNS website under the Benefits tab.

Question Id#1653 published on 9/4/2007 6:06:02 PM

Q: For the case of an LLNL employee who is vested in UCRP and chooses to become inactive in the UCRP at transition (does not retire from UCRP and also does not transfer UCRP investiture to TCP1) and joins LLNS with TCP2, when that employee retires some years after the transition, from where does the employee's pension come, UCRP or LLNS?

A: The pension will come from UCRP.

Question Id#1640 published on 9/4/2007 6:04:12 PM

Q: Will there be an option to "cash-out" of UCRP and roll the actuarial value of the funds we currently have there into our TCP2 401(k) (or other retirement savings account)?

A: LLNS' 401(k) will be able to accept rollovers from other companies' pension and defined contribution plans.

Question Id#3798 published on 9/4/2007 4:21:44 PM

Q: Under TCP2, will the service-based contribution of 3.5%, 4.5% or 5.5% be made by LLNS regardless of whether or not we choose to contribute to our 401K?

A: Yes.

Question Id#3802 published on 9/4/2007 4:07:09 PM

Q: If I accept a position with LLNS under TCP2 as a UC vested inactive employee then take my UCRP pension Oct. 1, and continue to work for LLNS for several more years (in TCP2), am I still eligible to contribute to the 401k plan on a pre-tax or after tax basis? And does LLNS still provide a 6% + service-based contribution match?

A: Yes to each of our questions.

Question Id#3014 published on 8/30/2007 8:20:27 PM

Q: Please define what the 402(g) limits are? For example if I've contributed up to the limit in both the 403(b) and 457(b) plans will I be able to contribute to the new 401(k) plan this calendar year?

A: The law, under IRC section 402(g), limits the amount that you can defer on a pre-tax basis each year. 2007 contributions to your 403(b) will be counted towards your annual IRS limit of \$15,500 (\$20,500 if age 50+) combined with any 401(k) contributions. After you have reached your limit, you may continue to contribute to your 401(k) in after-tax dollars.

Question Id#3785 published on 8/30/2007 4:27:07 PM

Q: For the 401k TCP2 plan, does the Employer match and the Service-based contribution count toward the \$15,500 limit for 2007?

A: Only the employee contributions count toward the IRS annual limit for pre-tax contributions (\$15,500 or \$20,500 if age 50 or older), combined 401(k) + 403(b). Both employee and employer contributions count toward the IRS annual limit on total contributions (\$45,000).

Question Id#3773 published on 8/30/2007 8:41:32 AM

Q: What is the meaning of "non-matching" in Employer non-matching contributions in the 401K plan, TCP2?

A: There are two employer-type contributions. One is 100% matching of the employee's up-to-6% contribution. The second is a service-based employer contribution that is made automatically on your behalf. The schedule is: 0-9 yrs of service = 3.5% 10-19 yrs of service = 4.5% 20 + yrs of service = 5.5%

Question Id#3717 published on 8/28/2007 8:46:55 PM

Q: Is it possible to roll over my 403b account currently with UC, out of Fidelity management, and into a IRA after I transition to LLNS, regardless of whether TCP1 or TCP2 is chosen?

A: Yes, if you have \$2,000 or more, you may roll over your 403(b) balance to an IRA; note that there are probably fees associated with IRAs. If you have less than \$2,000, you will need to make a decision on what to do with the balance by September 17, 2007. You will need to contact Fidelity to handle the distribution. For more information visit the www.netbenefits.com (Fidelity) website and review UC's briefing material from the employee town halls that are posted on the LLNS website under the Benefits tab.

Question Id#3721 published on 8/28/2007 8:28:39 PM

Q: Given TCP2, when will we be able to view the different 401K options offered under LLNS (and Fidelity)? Also, when will the signups for 401K be offered?

A: The 401(k) investment options were listed in the August 24 edition of Newsline and are posted on the LLNS website under the Benefits tab. Employees will be advised as soon as the mechanism is in place for 401(k) selections. Please watch the weekly Newsline publications as well as the LLNS website for updates.

Question Id#3740 published on 8/28/2007 6:57:56 PM

Q: How can any tax professional have any way of knowing if the new Fidelity 401K for LLNS has language in it that allows for the UC 403b/CAP/DC rollovers to be accessed penalty-free in the year a person turns 55 or older, and separates from LLNS? This information can only come from LLNS or Fidelity's reps because they are the only ones that have access to the new plan's rules. I'm told that it has to be an "Equivalent/Qualified" plan. How do I know if that is true? LLNS's Transition team recently put out a Fact Sheet publication on 403B/457 accounts dated 4/7/07. In it there is a question and answer (3rd from the bottom, on page 2) that closely addresses my situation. I need to verify that this fact sheet information is consistent with the language regarding the new LLNS 401K rollover and withdrawal rules.

A: LLNS' 401(k) plans are qualified plans and all 401(k) plans must follow IRS rules. Tax professionals should understand the IRS rules associated with age requirements and early withdrawal penalties for 401(k), 403(b) plans.

Question Id#3689 published on 8/28/2007 12:46:56 PM

Q: I have a question regarding the new LLNS 401K rollover rules. I am currently 53 and will be freezing my UCRP and going with TCP2 under LLNS. I plan on retiring in the year I turn 55 or later from LLNS. Will I be able to roll over all of my UC 403B, CAP accounts, and DC Plan into the new LLNS 401K in the year I retire from both LLNS and UC? In doing so, will I avoid early withdrawal penalties on all of the funds I roll into the new LLNS 401K as long as I retire from LLNS in the year I turn 55 or later? Does the new LLNS 401K plan include this language or not. I have been told by a Fidelity rep that the LLNS TCP2 401K has language in it that allows for this.

A: We suggest you talk with a professional tax consultant about the age 55 401(k) distribution rules to see if you meet the criteria. You may roll over your 403(b) and/or 457 funds into the 401(k) but please review UC's briefing material for specifics. Please ask UC about the CAP and again, refer to their employee briefing material that is posted on the LLNS Website under the Benefits tab. Page 4, "About Your CAP Balance" provides information.

Question Id#3066 published on 8/27/2007 9:46:13 AM

Q: The Town Hall briefing slides ("LLNS_Benefit_Package_Briefing.pdf"), page 20, in the description of the TCP1 Defined Benefit Plan, state "Investment allocation managed by company committee." I know that the UCRP plan was managed by a professional staff, and I could find out who they were and what they did. Who are the members of the LLNS committee with fiduciary responsibility for the TCP1 defined benefit plan and what are their qualifications? Furthermore, what determines the length of service of committee members, and how are new members appointed?

A: The Benefits & Investment Committee membership was published in the August 24 issue of Newline. The LLNS Board of Governors appoints the members of the BIC based on their qualifications and delegates the responsibility for administering the Company's plans. The BIC members serve at the pleasure of the board.

Question Id#3675 published on 8/27/2007 8:31:40 AM

Q: When will employees be able to select their 401k contribution levels and investments?

A: As soon as the mechanism is in place for employees to make their 401(k) selections, there will be an announcement. Take advantage of the time to read through each investment option's prospectus so you will be ready when the time comes. The investment plan options and guide links are available on the LLNS website under the Benefits tab.

Question Id#3678 published on 8/27/2007 8:18:50 AM

Q: Since the 401(k) plan to be offered to TCP1 and TCP2 employees will not be a safe harbor plan, will the employee contributions be limited? And how can we estimate what our contributions might be limited to be?

A: Employee contribution limitations are determined by the IRS. Please refer to pages 24 through 31 of the employee briefing material posted on the LLNS website under Benefits for details on both TCP1 and TCP2.

Question Id#1580 published on 8/25/2007 6:45:05 PM

Q: Specifically, if a UC Vested employee chooses to become inactive in the UCRP (does not retire from UCRP and also does not transfer UCRP investiture to TCP1), and accepts the employment offer from LLNS with TCP2 benefits, do their years of service at LLNL as of September 30, 2007 count as service credit in the calculation for employer non-matching service-based contributions towards the 401(k)?

A: Yes, and so will their added years of service with LLNS.

Question Id#537 published on 8/25/2007 5:16:04 PM

Q: What will be considered the "normal retirement age"? For UCRP, it is age 60.

A: Retirement age is 50, just like UC. Please refer to the FAQs under Defined Contributions regarding IRS age rules surrounding distribution of 401(k) funds.

Question Id#3660 published on 8/25/2007 2:22:06 PM

Q: 401(k) Plans must undergo what's called "non-discrimination testing." If a plan fails the non-discrimination test, it must either make contributions to lower income employees (regardless of whether the individual is contributing) or limit the amount higher-paid employees can contribute. Most companies opt to limit higher-paid employees' contributions as a means of passing the test. That said, there is an alternative -- there are now plans known as "Safe Harbor" 401(k) Plans. Basically, if such plans include certain design features, they are automatically deemed "non-discriminatory" and so don't have to go through non-discrimination testing and thus higher-paid employees' contributions won't be capped. Will the 401K plan to be offered by LLNS, either for TCP1 or TCP2, be a "Safe Harbor" plan?

A: No.

Question Id#1044 published on 8/25/2007 2:21:03 PM

Q: From p. 25 of handout: It appears that 401k investment options have yet to be negotiated and administrative costs may be higher. Is this true?

A: Administrative costs may or may not be higher. We should have that information shortly. The 401(k)

investment options were announced in the August 24 edition of Newline and posted on the LLNS website.

Question Id#1011 published on 8/25/2007 2:18:46 PM

Q: Regarding after-tax contributions to a 401(k). Is there ANY tax advantage to such contributions? I hope there is the same advantage as for a Roth IRA, but I suppose there is none.

A: It is always good to diversify your retirement income. Depending on what your retirement income will be and what the tax rate may be, this could be a reasonable approach. As a second point, it allows you to defer more money for retirement. You should consult with your financial advisor to determine if this option is best for you.

Question Id#3424 published on 8/25/2007 2:07:44 PM

Q: For tax year 2007, assume a 50 year old employee elects TCP2 and will have contributed \$15,500 into their UC 403(b) account through Sept 30, 2007. Of the remaining \$5,000 that the employee is entitled to contribute into their LLNS 401(k) account (per IRS catch-up rule), will LLNS match 6% of the employee's catch-up contribution between the period Oct-Dec 2007?

A: Yes.

Question Id#1023 published on 8/25/2007 1:50:16 PM

Q: Why upon retirement or termination under TCP2 are all 401(k) funds disbursed immediately (interpretation of slide 35), whereas under TCP1, members may elect distributions to begin any time after severance, subject to IRS requirements?

A: TCP1 is a defined benefits program in which you receive monthly payments when you elect to "enact" your retirement. TCP2 is a defined contribution 401(k) plan in which you decide how and where to invest your money; it is portable to go with you should you leave LLNS. IRS rules dictate when and how you can access your 401(k) without withdrawal penalties.

Question Id#3613 published on 8/23/2007 7:33:32 PM

Q: This question is regarding 403b/401k IRS limits. I am 50 years of age/TCP2. Does the employer contributions count toward my IRS maximum of 20.5K per year?

A: No. But they do count toward the \$45K annual IRS maximum.

Question Id#3639 published on 8/23/2007 2:50:41 PM

Q: Are the matching and service-based 401K contributions that LLNS will make to TCP2 employees on a pre- or post-tax basis?

A: The employer matching contribution is on both pre- and after-tax contributions made by the employee. The employer service-based contributions are determined by your years of service and applied to your eligible compensation -- pre or after tax is not an issue.

Question Id#1062 published on 8/22/2007 7:41:00 PM

Q: Note 1 on Page 7 of the LLNS Total Compensation Design and Strategy Proposal to NNSA applies to both UC vested and unvested transferring employees selecting TCP1 or TCP2. Please explain the meaning of the words "who do not retain credit for prior service" in this note. Does this mean that an inactive vested transferring UC employee who has been at LLNL for over 20 years and selects TCP2 would initially receive only a 1% per year serviced-based contribution to the DC Plan, rather than 2.75%?

A: First our apologies for getting back to you so late. Please see a response for your question below. Note (1), page 7, of the Total Compensation Package refers to two categories of employees: Unvested Transferring Employees and Vested Transferring Employees. An Unvested Transferring Employee will have their accrued service credit carried over to LLNS on 10/1/07 and will be eligible for either the TCP1 or the TCP2 Plan. If an Unvested Transferring Employee selects TCP1, their service credit will be recognized for purposes of the Defined Benefit Pension Plan and retiree medical. If an Unvested Transferring Employee selects TCP2, they will be eligible for 'access only' retiree medical coverage. If an Unvested Transferring Employee selects TCP2, their UCRP service credit will apply for purposes of calculating the service based contribution for the 401(k) Plan.

Question Id#874 published on 8/21/2007 9:51:18 PM

Q: 11. Please clarify the “cliff vesting” comment related to the TCP1 plan.

A: With a 3 year cliff vested schedule the employee must work for a company such as LLNS for 3 years before they are vested in the pension plan. If the employee leaves before the completion of the 3 years of employment, that employee will not be entitled to receive any benefits under the pension plan.

Question Id#1154 published on 8/21/2007 12:11:26 PM

Q: Why isn't there a provision in TCP1 for an employer matching contribution? I understand that LLNS contributes to the pension now and might not be able to do a 401k match for awhile but it's a mistake to not write it in the plan to reserve the right in the future.

A: The contract with NNSA required LLNS to replicate current UC LLNL benefits to the extent possible under ERISA to provide a substantially equivalent in the aggregate TCP1 benefits package. The TCP1 401(k) plan was created to provide employees the opportunity to save for retirement on a pre-tax basis.

Question Id#3481 published on 8/21/2007 12:10:09 PM

Q: Page 31 of the Benefits briefing mentions the \$225,000 IRS Compensation Limit. As I understand it, this applies to defined benefit plans only and would have no impact on how much LLNS and I could contribute to the 401(k) plan (but there is a different limit of \$45,000 that covers this.) Is this correct?

A: All three rules on page 31 apply to both TCP1 and TCP2 401(k) plans. The \$225,000 compensation unit means only \$225,000 can be "considered" as eligible compensation. So if you make \$300,000 a year, \$75,000 of your compensation would not be eligible for employee deferral or employer contribution.

Question Id#1220 published on 8/20/2007 4:51:36 PM

Q: Will LLNS offer employees the option of a Roth 401(k)?

A: LLNS is pursuing a Roth 401 (k) going forward. This option will not be available at transition on 10/1/07.

Question Id#800 published on 8/20/2007 4:43:03 PM

Q: Under Tier 2 for inactive vested transferring employees, the DC plan is 6% match PLUS service based contribution based upon years of service. Does this include UC service?

A: Yes.

Question Id#3559 published on 8/20/2007 3:18:12 PM

Q: If I select TCP2 and contribute 6% of my annual salary to the 401K, will LLNS match this in it's entirety? For example, if my annual salary is \$100,000 and I put \$6,000 into the 401K between Oct. 1 and Dec. 15, 2007, will LLNS also put \$6,000 into my 401K?

A: This is further clarification: To answer your first question, as long as you have not exceeded the IRS limit of \$15,500 (or \$20,500 if age 50 or older) with the additional \$6,000 for the year, then you can contribute \$6,000. The second part implies that you would like to cram an entire year's worth of contributions into a 3 month span, but you can only contribute on a per-payperiod basis. Whatever your salary is on a bi-weekly basis is the amount your 6% contribution is based on and LLNS will match 100% of that 6%.

Question Id#1060 published on 8/20/2007 2:33:40 PM

Q: Page 42 of the LLNS Total Compensation Design and Strategy Proposal to NNSA states, “TCP2 delivers defined contribution benefits based on matching of voluntary employee pre-tax savings.” Does this mean if an employee exceeds the combined 403(b)/401(k) pre-tax contribution limits before 10/1/07, LLNS will not match a 6% after-tax contribution to the LLNS 401(k) plan during 2007? If so, was that limitation also included in the LANS Defined Contribution Plan?

A: 1. No; LLNS will continue to match the after-tax contributions as long as you do not exceed the \$45,000 total annual limit. 2. The IRS determines the various contribution plans' limitations on an annual basis.

Question Id#1009 published on 8/20/2007 2:22:20 PM

Q: On p. 35 of LLNS Total Compensation Design and Strategy, regarding TCP2 PRE-TAX contributions, must the sum of voluntary, matching, and non-matching (service based) contributions be less than or equal to \$15,500 (or \$20,500 if over 50 years of age), or is the \$15,500 (\$20,500) limit applied only to the voluntary part whilst the matching and nonmatching contributions are beyond? OR, must everything beyond \$15,500 (\$20,500) be AFTER-TAX? Please clarify.

A: The IRS pre-tax limit is based on employee contribution only.

Question Id#996 published on 8/20/2007 2:20:57 PM

Q: Is there a cap on any future mandatory member contributions to the TCP1 defined benefit plan?

A: No.

Question Id#1181 published on 8/20/2007 1:54:38 PM

Q: In the 2007 Hewitt study referenced, what is the value assigned to the 457(b) plan under current LLNL benefits? What is the value assigned to the 403(b) plan under current LLNL benefits?

A: The Hewitt study is proprietary so we are unable to provide specific benefit value information.

Question Id#3581 published on 8/20/2007 1:33:40 PM

Q: I have 16 years of UCRP service. I'll turn 50 on January 20, 2008. Can I select inactive status & TCP-2 on Oct 1, 07 and then retire and take a lump sum distribution in January 08 (within 120 days from Oct.1)? Thank you

A: Yes, but to clarify, you need to accept the job offer and TCP2 no later than 9/17/07 not on 10/1/07. The 120 days will take you out to January 28, 2008. Also note that with a lump sum distribution you will only be eligible for access-only retirement medical.

Question Id#3577 published on 8/20/2007 9:58:49 AM

Q: Please explain the early distribution penalties for the LLNS TCP-1 / 401k plan as is done on page 54 of the UCRP retirement plan (Dec 2006) for the 403b plan. The same exceptions are also explained in IRS publications 575 and 560. How do these exceptions apply to the 401k plan? Will they continue to apply to the 403b and DCP plan if I leave them with UC? Or do I have to roll them over to the new 401k? The 457b does not have early withdrawal penalties and the UCRP document states that 403b/DCP rolled into the 457b will have early withdrawal penalties. Thanks.

A: It appears that you have already researched the penalties and exception via the IRS website. You may want to consult a professional tax consultant for individual help. LLNS cannot answer questions dealing with UC benefits, i.e., the 403(b) or 457 accounts. You have the option of rolling over your 403(b) funds into the 401(k) or not; it is not mandatory. Please contact UC directly to answer your questions on your 403 and/or 457 options.

Question Id#3220 published on 8/20/2007 9:50:45 AM

Q: When I am a LLNS employee, my understanding is that the employer will match contributions in my 401(k) up to 6% of my salary. I will also receive the 5.5% TCP2 benefit. This employer contribution plus my 6% contribution will exceed the \$45,000 limit. I assume there is some process for putting some of the 6% matching (and an equal contribution on my part) into some post tax account, so that the employee can enjoy the full benefit of the employer contributions. How is this effected?

A: Further clarification: The employer contribution is not counted in the pre-tax \$15,500 that comes from the 6% match (\$20,500 if age 50 or older). However, the employer contributions (match and service-based) do count toward the \$45,000 annual limit. You may use both pre- and/or after-tax dollars in the 6% matching plan.

Question Id#725 published on 8/20/2007 9:22:17 AM

Q: Why can't LLNS TCP2 package be similar to the majority of comparator companies and have both defined benefit and defined contribution plans? Why is TCP2 following the minority (5 of 15 comparator companies) having only a defined contribution plan?

A: LLNS employees have a TCP1 and TCP2 choice. TCP2 is only the defined contribution side of the choice

available.

Question Id#730 published on 8/20/2007 9:08:46 AM

Q: On slide 23 of the proposed benefits briefing, the final bullet indicates that the contribution limits for 2007 will be handled differently. Can you give specific details on what the contribution limits are? I currently contribute a monthly amount to my 403(b) account such that I will exactly hit the \$15.5k limit at the end of the year. If I also contribute \$15.5k to my 457(b) account in 2007, will that be considered over the contribution limit, even if all contributions are made before September 30, 2007? If so, what happens to the excess?

A: The 2007 pretax deferral limit is \$15,500 -- for the (401(k) plus 403(b). Please refer to the LLNS benefits slides posted at www.llnslc.com

Question Id#3474 published on 8/17/2007 9:39:01 PM

Q: Are we going to have an employer match for 2007 401(k) contributions (TCP-2 path)? Is it the annual match or it is going to be prorated.

A: The IRS pre-tax limit for 2007 for employee contributions is \$15,500 (\$20,500 if age 50 or older) and both your 403(b) and 401(k) combined contributions for 2007 are counted. Depending on how much more you can contribute in pre-tax dollars to the 401(k) will determine how much more LLNS will contribute of the 6% match on pre-tax dollars. If you reach the pre-tax limit for 2007 you may contribute after-tax dollars and LLNS will match that at the same 6% amount.

Question Id#465 published on 8/17/2007 4:38:05 PM

Q: When does the annual actuarial valuation occur each year? If employee contributions will be required, how soon after the annual actuarial valuation may that take affect?

A: LLNS is not able to answer this question at this time. The actuarial that will perform the valuation has not been contracted yet.

Question Id#542 published on 8/16/2007 2:24:44 PM

Q: TCP1 has a non-matching 401K. Can you describe the reasoning for this? Is it because additional benefits are offered in TCP1 which are not offered in TCP2?

A: TCP2 in essence is a defined contribution plan. The 401(k) is a retirement vehicle for employees who elect TCP2.

Question Id#544 published on 8/16/2007 2:23:14 PM

Q: Under TCP1 will contributions by employees be required as it will be for UCRP in the near future?

A: Employee contributions are not anticipated in the near future.

Question Id#679 published on 8/16/2007 11:24:29 AM

Q: For TCP1 defined benefit plan, there is a line that reads "May move to a 3-year cliff vesting and add full vesting at normal retirement age". I am vested in the UC retirement plan but does that mean I have to work another 3 years under this new LLC in order to be vested for TCP1?

A: The 3-year cliff vesting referred to for LLNS TCP1 requires the employee to complete three years of service before they are vested in the pension plan. If you are already vested and we go to the 3-year cliff vesting, then you are automatically vested. If you currently have 2 years of service, then after one year with LLNS you would be vested in the 3-year cliff vesting plan.

Question Id#569 published on 8/15/2007 1:49:47 PM

Q: Please explain the vesting provisions of TCP1. In the presentation package available from the LLNS website, page 15, the row for "vesting" states: "May move to 3-year cliff vesting and add full vesting at normal retirement age (ERISA requirement). IRS guidance regarding "hybrid" plan may require that vesting be changed to 3 years." What is "3-year cliff vesting"? What is "normal retirement age"? What is "hybrid plan"? Why is all this prefaced by the word "may" - indicating that the answer is not known?

A: With a 3 year cliff vested schedule the employee must work for a company such as LLNS for 3 years before they are vested in the pension plan. If the employee leaves before the completion of the 3 years of employment, that employee will not be entitled to receive any benefits under the pension plan.

Question Id#333 published on 8/15/2007 10:48:23 AM

Q: I am an employee with over 30 years of service at LLNL. If I choose to go inactive, leaving my pension with UC and hire into LLNL under LLNS, LLC management via the Tier 2 defined contribution plan as currently stated, will my service based contribution to a 401K be paid at 1 percent or 2.75 percent?

A: You would receive highest service credit rate, which effective Oct. 1, 2007 will be 5.5 percent.

Question Id#224 published on 8/15/2007 9:15:59 AM

Q: Please explain, with an example, the "possible windfall benefit" that ERISA requirements would provide to a lump sum benefit. The explanation given in the live discussion (concerning interest rates) was confusing at best.

A: UCRP uses a fixed interest rate in calculating its lump sum cashout factor. ERISA requires a two-month look-back to the PBGC interest rate. Simply put, the interest rate used to calculate lump sum cashouts under ERISA changes from month to month. The lower the interest rate, the higher the cashout and the higher the interest rate, the lower the cashout. With currently low interest rates the lump sum cashout calculation with TCP1 could be significantly higher and therefore become a windfall benefit. Significantly equivalent means not much lower and not much higher than current benefit values.

Question Id#146 published on 8/14/2007 5:10:27 PM

Q: I understand that the laws that govern an LLC are different than those for a university, and that the proposed benefit package cannot be identical. However, the package can be made more "substantially equivalent" by addressing equivalence in a more honest manor. For example: Since LLNS LLC is unable to offer a 475 plan, are you willing to pay the tax on after tax contributions to the 401K plan to make the package "substantially equivalent"?

A: We appreciate your comments, however tax assistance will not be provided. The LLNS offered plan has been approved by NNSA as 'substantially equivalent' in the aggregate.

Question Id#90 published on 8/14/2007 5:00:30 PM

Q: What do experts say should be the combined employee/employer amount put into a 401(k) each year? LLNL is in one of the most high cost of living areas in the USA.

A: Retirement planning is a personal decision and based on your personal situation. We suggest you consult a financial adviser to understand what is best for you, taking into consideration what LLNS provides.

Question Id#3390 published on 8/14/2007 1:17:10 PM

Q: Under TCP2 and the 401(k), what sort of options are available for beneficiaries? In simpler terms, what happens to the money in a TCP2 401(k) after the owner dies? I don't see this mentioned anywhere in the available information for TCP2.

A: You can name anyone to be your beneficiary. If married, spouse must consent if not named as beneficiary.

Question Id#3414 published on 8/10/2007 5:03:31 PM

Q: If I have 20 years of service with UC, accept a position with LLNS under TCP2, then take the lump sum from UC within 120 days, and continue to work for LLNS for several more years (in TCP2), will LLNS contribute the non-elective, service based amount of 5.5% based on my 20 years at UC?

A: Yes.

Question Id#3396 published on 8/10/2007 9:03:46 AM

Q: Under TCP2, employee contributions to the 401k are limited by the annual limits (\$15,500 or \$20,500). If my employee contributions place me at the limit, the employer contributions will result in a combined employee - employer contribution in excess of the limit. Will the amount of money above the limit that is

contributed to the 401k still be deposited on a pre-tax basis?

A: The employer contribution does not count towards the IRS pre-tax annual limit. Please also refer to the Defined Contribution and General Pension tabs under the Q&As on the LLNS website for additional information.

Question Id#3328 published on 8/8/2007 2:17:50 PM

Q: What if I come to work under the TCP1 package, but after a couple of years, I want to get into the TCP2 matching 401K program. Can I transfer into that program? If so, what penalty do I have to pay for not deciding on joining TCP2 on October 1, 2007?

A: The offering of TCP1 and TCP2 is a one-time-only selection. Whichever package you select by Sept 17, 2007 is the package you will remain in on October 1 and after.

Question Id#787 published on 8/6/2007 6:26:38 PM

Q: If I elect TCP1 and roll my retirement over to LLNS to continue my retirement with the same age and service factor as it was with UC can I also contribute to the LLNS 401(k) plan and will LLNS match my 401(k) contributions up to the max 6%?

A: No, there is no employer contribution to the TCP1 401(k) plan.

Question Id#2602 published on 8/3/2007 2:43:24 PM

Q: How will the contributions to the 401k be made by employees?

A: Contributions to the 401(k) will be made by either pre-tax or after-tax payroll deductions, as designated by the employee.

Question Id#449 published on 8/2/2007 10:35:05 PM

Q: You mention a \$45,000 after tax contribution for 2007. What about after 2007?

A: The limits are set by law each year. Employees will be notified when the 2008 limit is available.

Question Id#201 published on 8/2/2007 7:46:45 PM

Q: Do you have an option of keeping your DCP account with the UC system along with the CAP accounts? What other investment options does LLNS have for transferring the DCP account?

A: You are not required to move any of the defined contribution plans (DCP pre and after tax, 403(b), and 457(b)) or the CAP plan to LLNS. For further information on these and the CAP plan please contact UC directly.

Employees will be notified as soon as the new investment options under Fidelity are approved by the Benefits Committee.

Question Id#2008 published on 7/9/2007 7:27:24 PM

Q: [Z98] Will vested UC employees who freeze their UCRP retirement and start anew with LLNS vest right away in the new plan?

A: The LLNS TCP2 401(k) Defined Contribution Plan has immediate vesting.

Disability:

Question Id#3671 published on 8/27/2007 8:57:35 AM

Q: I joined LLNL in 1986, and have 21 years of service. I currently have Supplement Disability. If I go inactive under TCP2, and transfer to LLNS, will I be able to continue my Supplemental Disability benefit? What exactly will be covered by this? Are there or will there be other optional Long Term Disability benefits available?

A: Yes, your supplemental disability insurance will continue upon transition to LLNS. The supplemental insurance coverage and costs will be the same. Please refer to pages 5 through 18 of the employee briefing material for other details pertaining to your disability questions and other health & welfare benefits. The material is posted on the LLNS website under the Benefits tab.

Question Id#3307 published on 8/25/2007 2:26:40 PM

Q: Will employees be required to contribute towards California State Disability Insurance if they choose TCP2? If so, what percent?

A: All LLNS employees will be required by State law to pay California State Disability Insurance (SDI) regardless of choosing TCP1 or TCP2. Currently, 0.6% of pay up to a maximum of \$500. The State of California will announce the rate and maximum amount for 2008 in November.

Question Id#779 published on 8/25/2007 9:31:50 AM

Q: On TPC1 for regular disability insurance will it be covered through State Disability or will we still need to pay extra for our own coverage?

A: Under both TCP1 and TCP2 basic short term disability will be provided through CA State Disability Insurance (SDI), which will have a cost element to the employee. In addition, you may elect to enroll in the supplemental plan provided today.

Question Id#3196 published on 8/24/2007 12:06:08 PM

Q: What is the difference between disability benefits for TCP1 and TCP2?

A: The overall level of benefit coverage is the same for both TCP1 and TCP2.

Question Id#3640 published on 8/23/2007 2:43:36 PM

Q: This question was originally submitted 8/1, and has not yet been answered. The benefits briefing states that our disability plan will now include California State Disability Insurance. This insurance costs 0.6% of our salary (capping at \$83,389 in 2007), and will provide only \$882/week maximum benefit after a 7 day waiting period. I currently pay \$40/month (less than 0.3%) and will receive \$10,000/month in the event of a qualifying disability. Thus, I will pay double for 1/3 of the benefit. How is this "substantially equivalent"?

A: Please accept our apologies but we're waiting for answers ourselves on Disability. As soon as we receive the approved information to share, we will be responding to all Disability questions. Thank you for your patience.

Employee Groups:

Question Id#571 published on 8/25/2007 5:40:22 PM

Q: What are "safety members" and why are the pension formulas different for them?

A: Safety members are firefighters and paramedics. Under the current LLNL policies some of their benefits are different. LLNS intends to provide benefits substantially equivalent as provided by UC today.

Question Id#3489 published on 8/22/2007 7:32:07 PM

Q: Will "Indefinite Career" employees be considered at will? If not, what is LLNS' definition of "Indefinite Career" and do you plan on maintaining that employment status for the long term? Thank you.

A: Flex Term and Key Management positions are 'at will'. All other employment types are subject to the 'reasonable cause' standard stated in your offer letter. LLNS has no plans at this time to change the current LLNL employment types.

Question Id#3599 published on 8/21/2007 8:40:18 AM

Q: HR60. Flex-Term Appointments that end after January 1, 2008: will or will not be extended? Are they subject to funding too? The decision on whether to extend individual Flex-Term appointments that end after 1/1/08 will be made by the new contractor and the management team in place at that time. Flex-Term appointments were created to provide staffing flexibility. Our current policies state that a Flex-Term appointment may be terminated at any time. As with all staffing decisions, funding is a factor. The above is titled HR60 regarding flex term employees. Does this not state that on 1/1/08 a decision will be made regarding Flex-Term appointments or should it read that a decision will be made at the end of the appointment.

A: Each appointment decision will be made on a case-by-case basis at the end of the appointment, just as it currently is done. There will be no change due to the transition.

Question Id#1106 published on 8/20/2007 10:53:35 AM

Q: What will happen to people who are flex term once the contract changes hands?

A: Pursuant to Laboratory policy, Flexible Term employment with the Laboratory is an up-to-six years, at-will appointment that may be terminated, either by the employee or by the Laboratory with or without cause, at any time during the term of employment. If LLNS does not elect to end the flexible term employee's employment before the established end date, then employment will end automatically on the specified end date.

Question Id#297 published on 8/15/2007 4:47:35 PM

Q: Can you tell me what a "lab associate" is? The term is used in the viewgraph describing what sort of benefit we will qualify for depending on whether we are vested, inactive/active, retired transferring employees. Thank you

A: Please refer to the current LLNL policy for definition of 'Lab Associates'. LLNL intends no change at this time for such program.

Question Id#3237 published on 8/14/2007 1:46:20 PM

Q: Currently, returning retirees working as lab associates are limited by UC to 1000 hours of work during a rolling 12 month period. Those whose terms were automatically extended have been offered positions with LLNS. The question is, will they still be limited to 1000 hours per 12 month period, or how will the conditions of their term be defined?

A: LLNS does not plan to change the current management policy for Lab Associates.

Question Id#2785 published on 8/14/2007 1:26:52 PM

Q: If a Flex Term employee chooses the TCP1 plan, then according to the current LLNS hire letter the most they could participate in the plan is till the end of their appointment (generally 6 years). For many of us it will be much less than that. Of course they could reapply after being terminated, and if hired, then they would be put into the TCP2 plan. Explain how this is equitable when a career indefinite can continue to grow their TCP1 benefits but a FlexTerm will only benefit from TCP1 for a shorter period of time? I understand LLNS has chosen to keep the term "Flex term". Will LLNS new hires have the status of Flex

Term and will it be a contracted position similar to current Flex Terms? How does LLNS defend their position on the different hire packages sent out to career indefinite employs vs FlexT erm employees regarding FlexT erms having a predetermined termination date?

A: The Flex Term and Career Indefinite employment types are based on the position, not the employee. If new hires are accepting a flex term position then they will have a specified end date. LLNS does not intend to change the current LLNL management policy of Flex Terms.

Question Id#2759 published on 8/14/2007 1:25:15 PM

Q: I've been told that as a Lab Associate with a contract end date between Oct. 1 and Dec. 31, 2007, that the LLNS offer of employment will automatically extend my contract for one year (to end in 2008). Is that correct?

A: Your employment type plus duration effective 9/30/07 will be the same under LLNS. So for purposes of this scenario, your employment as a Lab Associate would terminate on Dec 31st.

Question Id#2466 published on 8/14/2007 11:38:01 AM

Q: Will flex term employees be offered indefinite career positions effective October 1? My conversion paperwork has been in process for almost nine months, and I'm still flex term.

A: Your job offer with LLNS is based on your employment status as of 9/30/07, as stated in your individual offer letter sent.

Question Id#1897 published on 8/14/2007 11:31:55 AM

Q: [Z40] Are there restrictions on former employees, not retirees, working as contractors?

A: More specific details would be needed to provide a complete answer for each individual asking such a question.

Question Id#1887 published on 8/14/2007 11:30:22 AM

Q: [Z33] Some of us are "visiting scientists" to the Lab and work on a non-paid voluntary basis. Will this be continued under LLNS?

A: LLNS has no plans to change the visiting scientists program at this time.

Question Id#2722 published on 8/14/2007 11:24:57 AM

Q: Why is the new entity continuing flexible term appointment status?

A: After due consideration during transition, LLNS does not plan to change the current LLNL Management policy on flex terms.

Question Id#2151 published on 8/14/2007 11:14:33 AM

Q: Have worked for the Lab for 16 years - 1 1/2 years ago went to 75% time. May want an option to go back to full time later. Want to know if there will be changes with LLNS - how will I be affected as a 75% employee?

A: The current employment type and status will be maintained with the LLNS offer of employment. Changes in status in the future will be handled on a case-by-case basis.

Question Id#2661 published on 8/14/2007 11:12:39 AM

Q: The offer letter for flex terms states that the original (LLNL/UC) flex term end date will be honored by LLNL/LLNS. For employment beyond that period (what used to be conversion to career status), will a rehire at the end of the flex-term be considered a "new hire" for benefits purposes, or more appropriately considered as a "continuing employee" in TCP1 or TCP2. This is important to know now, as we make TCP1/TCP2 choices. Please submit to both "LLNS Offer Letter" and "Benefits" categories.

A: If an employee's flex term employment is continued beyond the specified end date, they will not be considered "new hires" for benefits purposes.

Question Id#2667 published on 8/14/2007 11:12:00 AM

Q: In the hire packet that was recently sent out, there is the following statement regarding Flex Term employees: If LLNS does not elect to end your employment before its established end date, then employment will end automatically on the specified date. (Flex Term 6 year date) Does this imply that even though we are hired by LLNS, our termination date is at least the end of our 6 year contract? The lab purposely stopped converting Flex Terms to Career about one and a half years ago. So what options do Flex Term employees have if their contract date is up just after the transition? What incentive is there for them to hang around? My understanding about this transition was that employees would be "at will" employed. Can you compare how Career and Flex Term employees meet this "at will" employment

A: At the time of transition, flex terms will follow the same process when their specified end date is up as they do now. If their flex term employment is not continued, they have one month to find another position before layoff.

Question Id#2684 published on 8/14/2007 9:43:35 AM

Q: Will LLNS be converting any flex-term appointments into indefinite career appointments? If yes or no, can you please explain.

A: Any conversions from flex-term to indefinite career will be handled on a case-by-case basis by the management team for the location of said appointment.

Question Id#2897 published on 8/14/2007 9:38:13 AM

Q: What is LLNS' plan for the IAP work force?

A: The supplemental workforce does not receive an offer of employment letter from LLNS. According to LLNS contract requirements each individual IAP contract will be considered and renewed on a case-by-case basis as currently managed.

Question Id#620 published on 8/10/2007 11:52:27 AM

Q: What is meant by the term "Safety Member"? Is that limited to the Fire Department?

A: Safety members are firefighters and paramedics.

Question Id#394 published on 8/10/2007 11:50:17 AM

Q: 1. I decided to take a flex term appointment because I was told there will no longer be "appointments" and that all lab employees will become "at will" employment. Is this still true or will LLNS decide to keep "Regular" and "Limited" employment terms similar to LANL's? If there is such terms, what are the terms of the "Limited" employment? (For example, is it still a maximum of 6 years term employment?) 2. Will "SDI" tax apply to our paycheck? 3. If I chose TCP1 and then left LLNS (but not draw from retirement yet), will I still receive medical benefits when I decide to draw from my retirement at a later date, given that I meet the requirements to receive medical benefits? 4. How will TCP1 Pension Plan be funded by LLNS? Thank you.

A: 1. LLNS does not have any plans to change the current employment appointments. Flex terms will continue to have a 6 year specified end date. 2. Yes, all LLNS employees will be required to pay SDI and it will be deducted from employee's paychecks. 3. If you separate from LLNS, then retire at a later date you will not be eligible for retiree medical. 4. The initial funding of TCP1 will come from a transfer of funds from UCRP to cover the vested, accrued benefits for Lawrence Livermore National Laboratory (LLNL) employees who elect to participate in TCP1 as of October 1, 2007.

Question Id#1344 published on 8/9/2007 9:27:06 AM

Q: Will there be new classifications of employees? If so, what will they be? If not, how will LLNS accommodate market imbalances in salaries for some sub-classifications (e.g., engineer salaries in the Bay Area are different from science salaries, but both are currently put on the same salary curve)?

A: LLNS is not proposing any change to the LLNL job classifications at this time. LLNS also is not proposing any change to the LLNL pay structures at this time. LLNS will utilize national salary survey data and geographic differentials to study competitive salaries within the regional market and make determinations based on that study.

Question Id#3333 published on 8/8/2007 2:05:34 PM

Q: 1. Is there an equivalent to the Fixed Term Retiree position with LLNS?

A: Fixed Term Retirees as well as all other employment or assignment types will remain the same at the time of transition as they currently are now. LLNS has no current plans to change the employment or assignment types.

Question Id#3336 published on 8/8/2007 1:58:19 PM

Q: What is the definition of an “active employee” working for LLNS?

A: Please see the "Benefits Briefing Handout" recently posted on the LLNS website under the Benefits tab. The handout includes terms and definitions.

Question Id#1861 published on 7/27/2007 4:13:47 PM

Q: [Z11] Will current post-doc employees who convert to staff members after October 1 be considered “new hires” with LLNS or will they be considered “transitioned employees”?

A: Current post-doctoral employees who elect to transition to LLNS by the September 17 deadline will be considered “transferred” employees, not “new hires.”

Finance/Payroll:

Question Id#2373 published on 9/4/2007 7:51:01 PM

Q: I have a question regarding the LLNS payroll calendar for 2007. A few months back I heard that LLNL employees might receive an extra paycheck in tax year 2007 due to the new contractor's payroll schedule. Do you know if this will be the case? This information would be helpful for tax planning purposes, IRA contribution eligibility, etc.

A: Because of the prior payroll schedule established by UC for 2007, and changes required by California Labor laws after September 30, 2007, exempt employees will receive additional income in 2007. By moving to a bi-weekly pay schedule, exempt employees will receive pay for twelve months and three weeks rather than 13 months - which will somewhat mitigate tax consequences of a monthly payroll cycle. Employees are encouraged to discuss additional income and corresponding tax consequences with their tax advisors.

Question Id#2833 published on 8/28/2007 9:54:31 AM

Q: Will the overtime rules for hourly employees change because we will be private sector employees?

A: Yes. Information on new work rules and overtime for non-exempt employees will be communicated in Newsline, beginning Friday, Aug. 31.

Question Id#3694 published on 8/27/2007 6:11:05 PM

Q: When will we be able to adjust our contributions to the TCP1/TCP2 LLNS 401(K) plans? Will there be sufficient time for any changes to be effected in the first LLNS paycheck (10/19 I believe)?

A: As soon as the mechanism is in place for employees to make their 401(k) selections, details will be communicated to all employees. Yes, contributions will begin with the first paycheck in October 2007.

Question Id#2783 published on 8/27/2007 5:06:56 PM

Q: Pretax Transportation--will this program continue?

A: Yes, there will be no change to the current program.

Question Id#3658 published on 8/27/2007 9:43:51 AM

Q: Why are the 401k investment options so limited in comparison to what we have in 403b? Are there plans to work with Fidelity to enhance the list of funds available? Of the six funds I currently invest in (five are Fidelity managed) only two are included on the list available to us under LLNS.

A: The Benefits & Investment Committee (BIC) is delegated the responsibility to administer the 401(k) plans by the LLNS Board of Governors. The BIC has the fiduciary obligation to provide a broad range of appropriate investment options for the plan participants. The BIC chose Fidelity as plan trustee/custodian/record-keeper for a number of reasons, including high levels of service and low fees. Mercer Human Resources was engaged to review the array of funds that were available through the UC Plan and make recommendations for the LLNS plans. The BIC decided on the suite of funds that has been published. The BIC will routinely review fund objectives and performance to determine if changes and/or additions are warranted.

Question Id#3058 published on 8/27/2007 9:39:30 AM

Q: I don't understand why we are being forced into biweekly pay. Looks to me like we COULD be paid on the 26th of the month.

A: LLNS senior management was presented with the various options for paying exempt employees within California law along with the pros and cons of each option. Based on this information LLNS senior management chose the bi-weekly option for the balanced advantage for most employees.

Question Id#1287 published on 8/27/2007 8:31:19 AM

Q: Will a pre-tax account be available for van pools, buses, etc.?

A: There will be no change to the current program.

Question Id#3443 published on 8/25/2007 2:25:53 PM

Q: Exactly and specifically what are "the allowable costs of benefit plans" that NNSA is contractually obligated to reimburse the contractor?

A: Allowable costs for benefit plans are the cost of the benefit (e.g HMO payments to Kaiser, employer match and un-matched contributions to 401k Plans, etc.) and the cost of administering the benefit programs (e.g. benefit advisors, plan audits, trustees, processing charges, etc.).

Question Id#3327 published on 8/25/2007 2:25:05 PM

Q: NV-based employees who reside in Nevada receive a stipend to offset the high medical premium costs in Nevada. Will this stipend continue to be a part of our benefits with LLNS on Oct. 1?

A: Yes.

Question Id#3229 published on 8/25/2007 2:24:43 PM

Q: According to information published about the new biweekly schedule, it is stated that some of the deductions (health care, dependent care, etc.) will be prorated over 24 deductions. Yet there will be 26 paychecks in the year. Will these amounts be split up equally over the 26 paychecks or will there be 2 paychecks without these deductions?

A: There will be two paychecks without the deductions.

Question Id#3113 published on 8/25/2007 2:24:25 PM

Q: As a follow up to a question that I asked regarding LLNL travel cards (Visa). My LLNL Corporate Card expires on 09/2007. Is LLNS, LLC planning to have US Bank reissue cards which will be used beginning 10/1/07?

A: Yes.

Question Id#3074 published on 8/25/2007 2:23:48 PM

Q: There is a check (indicating same as current benefits) next to the disability insurance bullet in the benefits slides. However, if I am to understand the subsequent information about participating in the CA

SDI plan, this suggests we would be paying 0.6% of our salary for this coverage. By my calculations, this means the costs of our supplemental disability will be going up by several hundred percent! Am I missing something? Will there be an additional 0.6% salary adjustment to offset this cost that is being transferred to employees (for substantial equivalence)?

A: There will be no salary increase to cover the cost of the California SDI tax.

Question Id#2685 published on 8/25/2007 2:23:08 PM

Q: I understand that we are now "private" (vs "public") under LLNS, and that Social Security contributions will be collected under TCP2 (correct me if I am wrong). Beginning with paychecks after Oct 1, 2007, what are the deductions for Social Security & Medicare?

A: The employee portion of Social Security Tax is 6.2 percent up to a Maximum Wage Base of \$97,500 (maximum tax of \$6,045), and of Medicare is 1.45 percent with no limit Wage Base.

Question Id#2657 published on 8/25/2007 2:01:04 PM

Q: Does our tax withholding remain the same after Oct 1 and if we are currently doing paycheck direct deposit does that also remain in effect?

A: Federal and State tax rules will not change. New taxes include California State Disability Insurance tax for all employees and Social Security for those employees not subject to it in the past.

Question Id#2982 published on 8/25/2007 1:58:43 PM

Q: Under the proposed TCP2 plan, when will LLNS 401(k) contributions be deposited into employee accounts? Monthly, yearly?

A: Both employer matched and un-matched contributions will be "deposited" each pay period.

Question Id#3308 published on 8/25/2007 1:58:02 PM

Q: If we have contributed money to the 403(b) and wish to contribute money to the 401(k) will LLNS track the amount that was placed into the 403(b) before the transition so that the combined 403(b) and 401(k) employee contribution does not exceed the IRS limit of \$15,500?

A: We are working to program this feature into the Payroll system. However, employees can review their last pay advice from UC, calculate the amount necessary to reach the \$15,500 limit, and elect the proper employee contribution rate to reach the desired employee contribution level.

Question Id#3294 published on 8/25/2007 1:57:41 PM

Q: Since I will max out my 403(b) contribution (along with the 457) with the last paycheck in September, will LLNS stop taking out contributions in October and will it resume in January with the new year? If not how can I insure that this will stop so I can prevent an over contribution to the 401(k)?

A: We are working to program this feature into the Payroll system. However, employees can review their last pay advice from UC, calculate the amount necessary to reach the \$15,500 limit, and elect the proper employee contribution rate to reach the desired employee contribution level.

Question Id#3280 published on 8/25/2007 1:55:31 PM

Q: I have reviewed with interest the Exempt Employee Briefing on the topic of payroll and do not understand the logic used on page 7 that suggests that we will receive three weeks additional pay during 2007. I understand the legal issues that require moving away from monthly pay, however, was twice monthly (24 checks/year) even considered?

A: Yes. LLNS senior management was presented with the various options for paying exempt employees within California law along with the pros and cons of each option. Based on this information LLNS senior management chose the bi-weekly option.

Question Id#3641 published on 8/25/2007 1:53:50 PM

Q: It has been "the norm" for the past few years that our annual salary increases, which have been effective as of October 1, are not actually implemented for several weeks. This results in a paycheck in which we

receive a retroactive increase. I will assume that this will not change under LLNS management. For the purposes of the matching 401K contributions under TCP2, I understand that LLNS will match 6% of each pay check in which we contribute at least that much into our 401K pre- or post-tax account. When we receive that single, retroactive paycheck when raises are awarded, will LLNS only match 6% of that specific paycheck (which means we will personally have to make a huge contribution that one paycheck only), or will they go back and recalculate what 6% should have been for each prior pay check and match that re-calculated total (assuming we contributed that amount ourselves)?

A: LLNS will match up to 6% of qualified wages in each paycheck, which will include the retroactive amount you described. The retroactive portion of the contribution should not be huge because it is based only on the retroactive increase amounts. For example, if an employee has an annual salary of \$60,000, receives a 4% increase and it is applied 5 weeks late, the 6% employee contribution on the retroactive amount would be \$13.85 ($\$60,000 \times .04 \times 5/52 \times .06 = \13.85).

Question Id#3575 published on 8/25/2007 1:53:29 PM

Q: We've just received a document from our Resource Manager indicating preliminary planning rates for institutional charges for FY08. There is a new category labelled "Management Fee". Why isn't this a direct charge to NNSA rather than distributed to all lab accounts? After all it was NNSA that set the terms of the bidding including the management fee. Projects funded from sources other than NNSA (e.g. DOE's Office of Scien

A: The LLNS contract has two categories of work for earning fee with different rates; one for NNSA/DOE programs and another for WFO. Because of the multiple funding sources within each of these two categories, NNSA requires the cost of the fee to be allocated to all of the programs within the categories.

Question Id#1210 published on 8/15/2007 9:45:55 AM

Q: I have heard that LLNS will be required to pay us for the month of December during December rather than waiting until January 1st, as has always been done before. If this happens, we would be liable to an extra tax hit with no increase in pay. Is this true, and if so, what are you doing to offset this tax penalty?

A: Hopefully you have read the July 27 edition of Newslines that describes the new bi-weekly payroll schedule. You may also want to check out other Q&As under the Finance tab of the FAQs on the LLNS Website.

Question Id#2389 published on 8/15/2007 9:25:23 AM

Q: Will there be any change in policy regarding paid time off for court leave / jury duty?

A: There will not be a change in this policy.

Question Id#3378 published on 8/14/2007 5:23:07 PM

Q: I plan to take TCP1 so when and how do I sign up for an individual 401(k) plan so that I can continue to contribute pre-tax dollars? Thanks.

A: The lineup of investment options still need to be approved by the Benefit Investment Committee. Information will be provided on the LLNS website when available.

Question Id#895 published on 8/9/2007 9:26:12 AM

Q: As a Nevada LLNL employee, we have received "Inconvenience Pay" for our long distance commute to the Nevada Test Site. Is this benefit going to continue at current rates for LLNS employees in Nevada?

A: Yes.

Question Id#1057 published on 8/9/2007 9:24:48 AM

Q: During one of the LLNS presentations, there was a question about whether compensation earned during December 2007 for monthly paid employees will be taxable for 2007. (This is relevant as the UC paycheck for December 2006 is taxable during 2007, so we might have to pay taxes on 13 months salary for 2007.) In order to plan for our taxes and contributions to the pre-tax savings plan, what will be the date of the LLNS paycheck for compensation earned during December 2007?

A: Because of the prior payroll schedule established by UC for 2007, and changes required by California labor

laws after Sept. 30, 2007, exempt employees will receive additional income in 2007. By moving to a bi-weekly pay schedule, exempt employees will receive pay for 12 months and three weeks rather than 13 months, which will somewhat mitigate tax consequences of a monthly payroll cycle. Employees are encouraged to discuss additional income and corresponding tax consequences with their tax advisers.

Question Id#2483 published on 8/8/2007 5:22:14 PM

Q: I have heard that all 300 series monthly paid people at LLNL will be converted to 500 series technicians and placed in one of the five groups. At that time they will be converted from salary to bi-weekly employees. True or false. Please tell us the facts as to what is going on and why the change, no matter what it is. Does this mean that we are now going to a STEP system instead of a Merit system.

A: LLNS has no such contract transition plans to move or change 300 series to 500 series technicians. The July 27 edition of NewsLine describes the new biweekly payroll schedule.

Question Id#2426 published on 8/8/2007 5:12:19 PM

Q: When an employee earns \$97,500 the employer no longer deducts the FICA tax from their pay check. Many LLNL employees will exceed the \$97,500 earnings before the end of the year thus not be obligated to pay any more FICA tax in their last few paychecks. In October will our earnings reflect what we have earned at the Lab since January or will our annual earnings be based only on what we have earned from the new contractor thus requiring us to continue to pay FICA throughout the remainder of the year?

A: FICA will not restart for transferring employees. The IRS allows a predecessor / successor arrangement so that employee FICA deductions are not reset.

Question Id#2990 published on 7/30/2007 12:49:02 PM

Q: I have been issued a University of California Travel Credit Card (Visa) which expires on 9/30/07. Will LLNS, LLC be issuing credit cards for travel prior to on on 10/1/07? Thank you very much

A: LLNS plans to continue using the UC agreement for both the procurement and travel credit card. By continuing to use this agreement, employees will not be issued new cards and will be able to pay their balances on the same schedule as in the past.

Question Id#2476 published on 7/27/2007 2:16:55 PM

Q: Will FICA deductions start again from \$0 on October 1st given we will be getting two W-2s?

A: FICA will not restart for transferring employees. The IRS allows a predecessor / successor arrangement so that employee FICA deductions are not reset.

Question Id#2472 published on 7/27/2007 2:16:23 PM

Q: If improving efficiency is important, why are you switching monthly paid employees to bi-weekly? How is issuing 26 checks per year more efficient than issuing 12 checks per year?

A: California law does not allow LLNS to continue the same practices as UC. To continue paying monthly for exempt personnel, LLNS would have to make payment by the 26th of the month. This would require employees to estimate their time 10 days to two weeks in advance to process payroll within the prescribed time. Past experience indicates that estimating time for such long periods in advance causes the need for corrections because employees' plans change from what was estimated. As you know, correcting time charges causes rework and is inefficient. Because of the need to change pay practices and because bi-weekly payroll is an industry norm, LLNS decided to switch to bi-weekly payroll for all employees.

Question Id#1050 published on 7/27/2007 2:14:11 PM

Q: It appears a significant cost difference in payroll cost between TCP1 and TCP2 is projected. Are there going to be different payroll burdens to the programs based on the final employee choices?

A: No. Costs associated with both TCP1 and TCP2 will go into the Payroll Burden pool and be distributed through a single payroll Burden rate.

Question Id#997 published on 7/27/2007 2:13:42 PM

Q: Would it be possible for LLNL employees under TCP1 to be paid by UC, so that they would remain in UCRP?

A: No, the options being offered are for transferring employees to be employed by LLNS and to participate in the LLNS benefit programs. Employees can elect TCP2 and going inactive in UCRP if they desire to leave their pension with UCRP.

Foreign Nationals:

Question Id#3628 published on 8/23/2007 9:44:55 AM

Q: (Z400) What documents do I need to carry with me on travel outside the United States during and after transition?

A: In addition to the immigration documents you normally carry on travel (e.g., signed DS-2019, original H-1B approval notice, employment verification letter, pay stubs, passport), you will also need to carry a letter explaining the management transition to LLNS. Contact the Immigration Services Office (ISO) two weeks prior to your departure date to request an employment verification letter and transition letter.

Question Id#3629 published on 8/23/2007 9:44:22 AM

Q: (Z401) I am here as a student with F-1/Optional Practical Training (OPT), do I need to notify my university about the transition?

A: Yes, you should provide your sponsoring university with a letter explaining the management transition to LLNS. Please contact the Immigration Services Office for a transition letter. No other action is required by the employee in regard to OPT status and the transition to LLNS.

Question Id#3630 published on 8/23/2007 9:39:42 AM

Q: (Z402) I am currently working at LLNL with on-campus work authorization. Will I be able to continue in this status?

A: After October 1, 2007, on-campus work authorization will no longer be available and your status must be changed to curricular practical training. You should contact the Immigration Services Office (ISO) and request an employment letter for their university to switch from on-campus work authorization to Curricular Practical Training (CPT). Once you receive your letter, you should contact your International Scholar Advisor at your university to apply for CPT. It usually takes at least 2 weeks to receive the new document.

Question Id#3631 published on 8/23/2007 9:37:54 AM

Q: (Z403) My J-1 visa is sponsored by the University of California at Berkeley (UCB). Will this sponsorship change?

A: No. Your J-1 status will continue to be sponsored by UCB. No action is required by the employee in regard to J-1 status and the transition to LLNS.

Question Id#3632 published on 8/23/2007 9:37:11 AM

Q: (Z404) Will an amendment need to be filed for individuals with H-1B, TN, or O status?

A: No. LLNS has been established and documented as the successor management company of the LLNL. As such, it is not necessary to amend current H-1B, TN, or O visas. No action is required by the employee in regarding to H-1B, TN, or O visa status and the transition to LLNS.

Question Id#3633 published on 8/23/2007 9:36:50 AM

Q: (Z405) My permanent residence petition is sponsored by LLNL. Will my I-140 application need to be re-filed as a result of the transition?

A: After October 1, 2007, all I-140 applications will be filed with LLNS as the petitioner. Prior to October 1, 2007, I-140 applications were filed with premium processing when possible to avoid the need for re-filing following the transition to LLNS.

Question Id#3634 published on 8/23/2007 9:36:19 AM

Q: (Z406) What about tax treaty issues?

A: The transition may have implications for foreign nationals covered currently by a tax treaty. Access to the provisions of a tax treaty may change with the transition to a private entity. For tax treaty questions, please contact Kristina Littell at littell2@llnl.gov.

Question Id#239 published on 8/15/2007 4:14:46 PM

Q: Will the transition affect foreign employees immigration status and how (for example, J1 visas are currently processed through UC Berkeley)?

A: LLNS is currently working with LLNL to transfer the visa sponsorships for foreign nationals to LLNS. More information will be provided through your current management chain once available.

General Benefits:

Question Id#2710 published on 9/8/2007 9:46:05 AM

Q: Normal Retirement age is reasonably representative of typical retirement age for the industry in accordance with IRS regulations. When will we know what that age is? Is it currently 60?

A: The "normal" retirement age is 65.

Question Id#1095 published on 9/5/2007 8:35:14 PM

Q: Since TCP2 is market-based, will the BenVal comparison be run every year so that TCP2 benefits and retirement are adjusted downward every year, just as the market has been doing?

A: As directed by NNSA and as part of the approval of the benefits package, LLNS must change the BenVal cycle to begin in 2008 to correspond with LANS' cycle and if the BenVal is higher than 105%, LLNS will be required to put a plan in place to get closer to the 105%. Thereafter, as required by the RFP, LLNS will conduct a BenVal comparison every 2 years.

Question Id#985 published on 9/5/2007 8:05:14 PM

Q: A final-average-pay defined-benefit plan -- the dominant pension form for the decades following World War II -- provides a retirement benefit that is a function of the number of years an employee was at the company, his or her pay, and a multiplier. In a simplified example, a benefit might be defined as years of service times the average of the highest five years of pay times 1.75 percent. Thus, a worker with 30 years of service and a "high five" of \$50,000 would get an annual pension of \$26,250 ($\$50,000 \times 30 \times 0.0175$) Please correct me if I'm wrong but....my pension would be as follows based on slide 36/60 if I roll my years of service into the TCP2 and work another 10 years under the new company: my current stats: Birthdate 8-09-63 (Age 44 on OCT 1) Start date 2-1-91 (16.5 years UC service on OCT 1) Expected annual salary \$100K 26.5 (years service) X .0275 (LLNS service based cont) X \$100,000 = I will get \$72,875K or do I just use this formula: .0275 (LLNS service based cont) X \$100,000 = \$2,750? obviously I'm doing something wrong here... Is there any way to enter our data into a simple spreadsheet like the one on the UCOP at your service web page? QUESTION 2 Also I don't see a lot of information on domestic partner benefits will those be the same in all respects as UC Benefits? Question 3 What is Rule 75 Question 4 What is Slide 54/55 "alternative

Retirement Programs " and why are the service based contributions so much different than slide 36. I see that we had to reduce our benefit - if that was what NNSA proposed why is it not an option? Will a reduction in paid time or sick leave happen? Question 5 Employer matching contribution up to 6%.... this is on top of the Pension right? If I can contribute 15,500 + 45,000= 60,500 than, LLNs will match up to 6% or \$10K? Question 6 Under our current UC system we know what the cost is for each healthcare plan and how those differ, will the costs be the same under LLNS? Question 7 Capital Accumulation Provision " will not transfer under TCP1. What are we to do with them?

A: 1. Please see the formula on page 23 of the employee briefing material posted on the LLNS website under the Benefits tab for the formula (same as UC currently uses). Individual data is required to develop a credible calculator and employees have until 9/17/2007 to make their employment decision, therefore we cannot put a calculator on the web site until after that time. 2. Registered domestic partners will be covered the same as they are with UCRP. 3. Your age at retirement + service credit = 75 or more (used for determining retiree medical employer-subsidy). 4. The NNSA approved benefit plans include the higher percentages. 5. The employer matching contribution is in addition to the non-elective, service based employer contribution. The \$15,500 annual limit is on pre-tax dollars and does not include the employer match. The IRS total annual limit of \$45,000 includes both employee and employer contributions including after-tax dollars. 6. On October 1, 2007 your current health and welfare plans, coverage and costs will be the same as they currently are. 7. Please refer to your UC Decision Guide that was mailed out in July for detailed information regarding your CAP balance. CAP information begins on page 10.

Question Id#649 published on 9/5/2007 6:22:37 PM

Q: 1. What are the vesting rules under LLNS? 2. If I choose inactive vested status with UC, and accept a position with LLNS, what are my options regarding vacation and sick leave, if any? 3. If I choose inactive vested status with UC and accept a position with LLNS, will my benefits (i.e., medical, dental, etc.) be replicated?

A: 1. Vesting is the same for LLNS as under UC. 2. TCP2 - You may carry over 100% of your sick leave to LLNS or leave it with UC for conversion to service credit but you must retire within 120 days or lose it. You may cashout your vacation balance, roll it over into your 403(b) or 457 accounts or carry the entire balance over to LLNS. 3. Yes, the health and welfare programs are the same as they currently are, and for both TCP1 and TCP2.

Question Id#3816 published on 9/5/2007 12:46:39 PM

Q: Please detail the difference between current UC domestic partner policies and those of LLNS for both benefits (medical, dental, etc.) and retirement (UCRP, TPC1, TPC2) programs.

A: Registered domestic partners will be covered the same as they are with UCRP.

Question Id#2678 published on 9/5/2007 11:29:48 AM

Q: Is the basic death benefit (\$7,500) being replicated if we choose the TCP2 retirement option? It is listed as a benefit under TCP1 but I didn't see it listed as a benefit under TCP2.

A: The basic death benefit of \$7,500 will be available for all eligible LLNS employees.

Question Id#2522 published on 9/4/2007 9:03:41 PM

Q: If I take TCP1 and six months from now I want to switch to TCP2 can I make that change.

A: No, the offering of TCP1 and TCP2 is a one time only selection. What ever selection you make by 5pm Pacific Time on September 17, 2007 is the package that you will have going forward as of 10/1/07.

Question Id#2285 published on 9/4/2007 6:44:06 PM

Q: I'm told that for a person over 60 with over 25 years of service choosing TCP2 is a "slam dunk". Are there any scenarios where TCP1 is a better choice? Please give one or two illustrations.

A: The only person who can decide which is the best choice is you. Please look at all of the facts presented in the UC decision kit, the LLNS Total Compensation Design and Strategy packet and employee briefing material posted on the LLNS website under the Benefits tab.

Question Id#3793 published on 9/4/2007 5:44:27 PM

Q: Will the minimum retirement age be kept at 50 under TCP1?

A: Yes, LLNS' minimum retirement age is 50, just like UC's regardless of which compensation package you choose.

Question Id#5 published on 8/30/2007 5:00:18 PM

Q: At the manager benefits proposal preview, a statement was made that TCP1 is 96.1% equivalent to the current UC benefits package (TCP0?). Where exactly did we lose the 3.9%?

A: Please refer to slide 11, the fourth bullet, which states that the TCP1 benefits package is 99.6% equivalent to the current UC LLNL benefits package. The two sub-bullets explain the 0.4% difference.

Question Id#903 published on 8/28/2007 3:27:41 PM

Q: My understanding is that TCP2 should not exceed a BenVal Index of 105 percent. I have heard possibly that TCP2 can be realigned every two years. So, let's say I sign up for TCP2; in two years the BenVal Index states that TCP2 is at 112 percent. First, can TCP2 be realigned back to 105 percent every two years and if so is it possible that we would lose some benefits in the effort of reducing the BenVal from 112 to 105 percent?

A: Yes it is possible. LLNS will try to mitigate the impact as much as possible should that become the outcome of the BenVal. However, NNSA has agreed that LLNS can select a completely new comparator group for approval no later than Dec. 31, 2007.

Question Id#3433 published on 8/28/2007 1:15:51 PM

Q: Will the retirement medical and dental benefit for inactive vested transferring employees in TCP2 be subjected to BenVal analysis in the future? Is this benefit under TCP1 for inactive vested transferring employees and does it come under the term "substantially equivalent" and would follow any changes that UC makes?

A: The BenVal applies only to TCP2. As to your second question, it will, to the degree that medical and dental benefits may be changed under TCP2. Currently the benefits are the same for both TCP1 and TCP2.

Question Id#3704 published on 8/28/2007 9:00:05 AM

Q: I have 2.5 years of service. Is there any reason a non-vested employee would choose TCP2 other than wanting to leave the lab in the near future? Please clarify the retirement benefit options for non-vested employees. Specifically, what if any advantage is there to choosing TCP2 "access only?"

A: LLNS cannot advise why one employee vs another would choose TCP1 over TCP2. There are too many personal variables to consider. To answer your question about retirement, though, under TCP1 both your UC and LLNS service credit are taken into consideration when determining eligibility for employer-subsidy retiree medical. You would have to work 17.5 years to reach 100 percent employer subsidy. Under TCP2, your frozen UC service credit is used to determine eligibility for employer-subsidy retiree medical -- in your situation you would not qualify, unless at the time of retirement your age + 2.5 yrs (UC credit) = 75, then you would receive 50 percent employer subsidy. Please review the employee briefing slides from the August town halls that are posted on the LLNS website under the Benefits tab for detailed information on both packages, or consult a professional tax consultant for advice.

Question Id#3690 published on 8/27/2007 6:33:48 PM

Q: On page 39 of the August benefits briefing is the statement: "If this [approval of LLNS Benval cycle by 12/31/07 to correspond with LANS's cycle] does not occur, TCP2 package reverts to the originally proposed contract package from the May 2007 study." I have two questions: 1) can you summarize the differences between the originally proposed package and the current proposed one? 2) Can you post the presentation which described the originally proposed package on the LLNS web site so that we can compare the two?

A: 1. The only difference was in the 401(k) service-based employer contributions. Please see page 27 of the referenced material for approved percentages. 2. The June 18, 2007 Design and Strategy proposed package is still posted on the LLNS website under the Benefits tab.

Question Id#1012 published on 8/27/2007 12:35:10 PM

Q: IRC 415(b) imposes limits on the maximum retirement benefits that can be paid. UCRP ameliorates this limit via something called a 415(m) Restoration Plan. Similarly, the max salary on which a benefit is calculated is limited under IRC 401(a)(17). UCRP has a higher limit for those hired before July 1, 1994 (\$325K versus \$220K). For highly compensated individuals, these limits are an issue. Will TCP1 offer similar workarounds?

A: LLNS will comply with IRS requirements which currently are: 1) Section 415: \$45,000 total annual limit on contributions, employer + employee. 2) Pretax limit: \$15,500 combined 401(k) + 403(b) employee deferrals for 2007 (\$20,500 if age 50 or older). 3) IRS compensation limit is \$225,000. You may review all this on page 31 of the employee briefing material posted on the LLNS website under the Benefits tab.

Question Id#1016 published on 8/27/2007 12:31:16 PM

Q: My question is concerning 2 vested employee families transitioning to LLNS. 1) Are there additional restrictions to freezing or rolling over? 2) Will there be any compensation for using only one benefit package (will one or the other be paid for not using health care etc)? Will each have their individual retirement benefits? 3) Will survivor benefits be different?

A: 1. There are no additional restrictions for being a two-employee family household. 2. No. 3. Yes, you will maintain your individual retirement benefits. Survivor benefits will also continue.

Question Id#1051 published on 8/27/2007 12:28:09 PM

Q: Is it possible to provide us with a cafeteria style benefits plan to allow us to choose the offsets in TCP2 to total an individual plan that meets the appropriate relative benefit value index? (which should be at least comparable to LANL and LBNL, if not higher than LANL due to the cost of living in the Bay Area.)

A: No. LLNS does not plan to offer a cafeteria type plan at this time.

Question Id#1070 published on 8/27/2007 12:09:13 PM

Q: Legal Plan: Previously we were afforded a one time only enrollment option on this plan. Will it be opened to all current employees again when the contract is transferred? Or is it only continuing for employees already enrolled in it? I would like to enroll in it but am not currently.

A: Yes, the Legal plan is still available and there are currently no plans to change it under the new contract. ARAG continues as the provider and there will be no change in benefits.

Question Id#1199 published on 8/27/2007 11:52:30 AM

Q: Will there be a benefits calculator available to compare the final LLNS TCP1 and TCP2 packages, so that employees can make a better informed choice, before subscribing to one plan or the other?

A: Individual data is required to develop a credible calculator and employees have until 9/17/2007 to make their employment decision, therefore we cannot put a calculator on the web site until after that time.

Question Id#1128 published on 8/27/2007 11:50:07 AM

Q: Will you please provide a comparison of benefits offered for TCP2 (new employee) to that offered by Sandia National Laboratories? Since Sandia is one of the companies used in the BenVal calculations and they are among the most closely aligned with our mission space, I'd like to understand where LLNS stands relative to Sandia.

A: The BenVal conducted by Hewitt is proprietary. Hewitt data is not available to LLNS or employees. The summary report is, however, available and is posted on the LLNS website.

Question Id#1183 published on 8/27/2007 11:49:32 AM

Q: Where can one find a copy of the 2007 Hewitt study referenced in the compensation briefing?

A: The BenVal conducted by Hewitt is proprietary. Hewitt data is not available to LLNS or employees. The summary report is, however, available and is posted on the LLNS website.

Question Id#3667 published on 8/27/2007 9:30:24 AM

Q: I joined LLNL in 1986, and have 21 years of service. If I transition to LLNS under TCP2, going inactive with UC, when I retire from UC in 5 yrs. when I turn 60, I can take a lump sum cashout. If instead I transfer to LLNS under TCP1, when I retire in 10 yrs at 65, will I be able to take a lump sum cashout?

A: Lump sum is only available under TCP2.

Question Id#157 published on 8/25/2007 5:02:06 PM

Q: Will LLNS be able to reduce the benefit package, such as eliminate the medical retirement benefits under TCP1 after October 2008?

A: Yes in theory, however there is no intent to eliminate the medical retirement benefit. Any changes to the TCP1 benefits package requires NNSA's approval.

Question Id#2976 published on 8/25/2007 4:37:26 PM

Q: Earlier this year, HP announced it would freeze its defined benefit pension plan, to be effective Jan 1, 2008. Given that HP is an employee benefits value study comparator company, how do actions like these affect the future stability of TCP1?

A: The BenVal study does not affect TCP1.

Question Id#3561 published on 8/23/2007 8:08:46 PM

Q: If the TCP1 defined benefit (pension) is determined using the published (UCRP) age & service factors and COLA's, then how could the UCRP calculator (or a calculator provided by LLNS prior to Sept. 17, 2007, if they so chose) yield a different benefit than that which will be provided 'after the population choosing TCP1' is known?

A: As stated in the FAQs, individual data is required before a credible calculator can be developed. Examples will be posted on the LLNS Website very soon to help employees make their decisions.

Question Id#89 published on 8/22/2007 7:38:26 PM

Q: In order to understand the benefits package, I need an understanding of the differences. If an employee earns \$100K/yr, has a family of 4 and opted for Pacific Care, has 7 day disability waiting period, and contributes 100% to 403(b) in the University System, and works under each system for 20 years. What would the monthly salary and monthly retirement look like as a 1) Univeristy employee, under 2) TCP1 or 3) TCP2.

A: There are too many other variables to consider under each situation. We recommend that you contact a professional tax consultant or financial planner for advice regarding your individual circumstances.

Question Id#1053 published on 8/22/2007 9:32:28 AM

Q: What does "Nondiscrimination testing will be required" mean under employer non-matching contributions on page 35?

A: The Treasury and Internal Revenue Service require employers to perform nondiscrimination testing on ERISA Plans to prevent discrimination in favor of highly compensated employees. Therefore, LLNS will perform these tests on LLNS plans and make the proper filings with the IRS.

Question Id#1771 published on 8/20/2007 9:31:33 AM

Q: Page 33 of the proposal lists the following "Con" - Benefits "front-loaded." Can you explain what the term "front-loaded" means regarding Benefits?

A: The term "front-loaded" refers to the cost of benefits. LLNS will recognize UC service credit for the purpose of determining the service-based employer contribution to the 401(k). This makes the cost of the benefit plan much higher than if LLNS only recognized LLNS service for determining the service-based employer contribution to the 401(k).

Question Id#3195 published on 8/17/2007 10:02:19 PM

Q: Can I choose TCP1 now and switch to TCP2 later?

A: If, by later, you mean post October 1, 2007, no. The offering of TCP1 and TCP2 is a one-time-only selection. If, by later, you mean between now and September 17, 2007, yes, you may change your mind but whatever decisions you have made by 5pm PT on September 17, 2007 will be final.

Question Id#585 published on 8/17/2007 4:41:06 PM

Q: Referring to the presentation package, page 26, related to the 415(m) plan, please explain the difference between "not vested" (for UCRS), and "benefit promise will be enforceable under standard contract law." What, exactly is the promised benefit? Where is it written down that it is promised? Can this promise be reduced in the future? if so, when and under what circumstances? What is the significance of Employer Contributions being "unfunded"?

A: The "Benefit promise will be enforceable under standard contract law" means that whatever the vesting rule that is in place at the time will be followed. So if the rule is 5 years vesting, then an employee will need to have 5 years of service credit before they are vested (or can begin to make contributions).

Question Id#376 published on 8/17/2007 4:39:52 PM

Q: How will the loss of contributions to the 457 plan be compensated for? Since an equivalent plan is not available in the private sector, can other compensation such as increased vacation be substituted?

A: We appreciate your comment however, there are no plans to compensate for the loss of 457 contributions under the LLNS plan. TCP1 with benefits provided was determined by NNSA to be substantially equivalent in the aggregate.

Question Id#88 published on 8/16/2007 3:12:07 PM

Q: A few questions: For employees with less than 5 years of service who select TCP2, what happens to the years of service with UC? Do we get some transfer of assets into our 401K? Does the BenVal package account for bonuses and stock options that many companies offer employees, which we will not be receiving as LLNS employees? Will LLNS cover the same amount of premiums for medical and dental coverage as UC currently does?

A: Your service in UC can receive credit depending on your election. Believe your question was specifically answered at the Benefit Town Hall sessions. Please refer to the LLNS slides posted on the LLNS website.

Question Id#2541 published on 8/16/2007 1:41:09 PM

Q: An employee who is appointed 2/3rds with Livermore Lab and 1/3rd with UC is wondering if his situation has to change as instead of getting 100% UC retirement and benefits, he will get 67% LLNS and 33% UC? What does this mean for the LLNS side? Will he be eligible for full benefits at LLNS and how will his service credit be determined for retirement purposes?

A: Yes, your LLNS benefits will be based on your 67% assignment at LLNS. Your retirement at LLNS will be based on whether you choose TCP1 or TCP2. Only UC can answer how your 33% assignment will effect your UCRP and other benefits.

Question Id#2542 published on 8/16/2007 1:39:29 PM

Q: Can you please explain why we will NOT have access to a summar document to help decide our choice for TCP1 or TCP2 until after we have to select one of them? I surely hope EVERYTHING AVAILABLE associated with what we are selecting is disclosed before the deadline.

A: The Summary Plan Descriptions (SPDs) are currently under development. Details employees need to help make their benefits selections have been provided in the various presentations posted on the LLNS website under the Benefits tab. If you have more specific questions or require clarifications, please call the LLNS Hotline at 4-5567 or submit a specific question to the website.

Question Id#2699 published on 8/16/2007 12:48:05 PM

Q: I was hired in 1980 and I am 55 yrs old. I am thinking of freezing my UCRP effective 9/30/07, and working for LLNS for an additional 5 yrs. a) Can I start taking my monthly UCRP pension on October 2, 2007? b) Will I be a transferring employee? In TCP2? c) Will I get medical/dental/etc. benefits as a

transferring employee? d) Will I be retired from UC and in the UCRP? e) Will I receive retirement benefits (medical/dental/etc) while working? after I stop working for LLNS? f) Will the benefits be access only or paid for by LLNS? Thanks for the answers.

A: The answers to your questions are as follows: a) Taking a benefit from a former employer will not effect your status at LLNS. Check with UC if you qualify to retire as of 10/02/07. b) You choose whether or not to transfer and which benefit plan you would like to participate in. c) If you currently are eligible for health and welfare benefits and continue to work in the same position at the same number of hours then you are eligible for health and welfare benefits at LLNS. d) Please pose this question to UC. e) If you are eligible for retirement medical/dental benefits and employee medical/dental benefits at the same time, you will be asked to suspend your retiree medical/dental benefits until you are no longer an employee. f) In TCP2 which retiree medical and dental benefits you are qualified for is based on your frozen service credit as of 9/30/07. In your example you will be eligible for 100% of the employer portion of the medical and dental premium.

Question Id#2739 published on 8/16/2007 12:09:08 PM

Q: Will we have an idea of how many employees are choosing TCP-1 vs. TCP-2 during the offer acceptance period?

A: Selecting TCP1 vs TCP2 should be an individual decision based on your own personal circumstances. LLNS does not plan to publish the number of employees enrolled in TCP1 or TCP2 as we would not want to influence your individual decision.

Question Id#3501 published on 8/15/2007 4:38:19 PM

Q: I am a Flex Term employee. If I choose TCP1 as a LLNS employee and then later become a career indefinite employee, will I remain in the TCP1 plan? What if my Flex Term period expires and then I am re-hired by LLNS?

A: Your employment assignment type has nothing to do with your compensation package. If you select TCP1 by September 17, 2007, then you remain in TCP1 on October 1, 2007 and beyond even if/when your specified end date is extended.

Question Id#596 published on 8/15/2007 10:20:45 AM

Q: How often can TCP1 benefits (e.g., medical) and contribution levels (e.g. amount) be changed? Is there a limit on the maximum level of employee and LLNS contribution? How often can TCP2 401(k) matching contributions and medical benefits be changed?

A: Your questions were answered during the recent Benefits Town Hall presentations. However, medical benefits/premiums are reviewed on an annual basis. The matching contribution (service-based contribution) is: 0-9 years -- 3.5 percent 10-19 years -- 4.5 percent 20+ years -- 5.5 percent Information regarding 401 (k) contribution selections will be provided when available. Medical Benefit changes are generally done during the annual open enrollment.

Question Id#2579 published on 8/15/2007 9:18:04 AM

Q: I am enrolled in the Depcare pretax spending account program. Will this end October 1 or continue to December 31?

A: Yes, please refer to page 12 of the LLNS employee benefits briefing material posted on the LLNS website under Benefits.

Question Id#105 published on 8/14/2007 12:40:59 PM

Q: Will we be able to enroll additional eligible family members in the Legal Plan?

A: The Legal Plan will continue with LLNS the same as it was with UC.

Question Id#24 published on 8/14/2007 12:07:22 PM

Q: I currently have California Casualty Insurance on my vehicle. I was provided this service through LLNL and the payments are automatically deducted from my paycheck. Will this service still be provided?

A: Yes. Information was presented at the Benefit Town Hall sessions. Please refer to the slides posted on the

LLNS web site.

Question Id#58 published on 8/14/2007 12:04:35 PM

Q: If I elect TCP1, will I receive the dollar value calculated by the UC retirement benefits calculator when I retire from LLNS, if the scenario I entered into the benefits calculator is followed (i.e., age at retirement, number of years of credited service, highest average monthly pay, etc)?

A: No. The UC retirement benefits calculator has been developed based on UC benefits. There are some changes in the LLNS package which would impact the calculation if you only used the UC calculator.

Question Id#82 published on 8/14/2007 11:46:44 AM

Q: Slide 58 of the "LLNS Total Compensation Design and Strategy" indicates that for TCP1 one possible acceptable trade-off is to decrease paid time off. What exactly does this mean? Does it mean that less paid vacation time will be given to employees (say, by scrapping the tiered system currently in place), or...?

Please explain. A related question: what will be the paid time off policy under LLNS?

A: There is no plan to change the current LLNL vacation/sick leave schedule as presented at the LLNS Benefit Town Hall Sessions.

Question Id#3351 published on 8/8/2007 4:21:50 PM

Q: I was told by a benefits representative here that the BenVal analysis and potential resulting changes not only apply to TCP2 employee benefits but will also have the same changes applied to TCP1. Is this true?

A: No, according to our direction from the NNSA, the June 2008 and future BenVals only apply to TCP2.

Question Id#3313 published on 8/8/2007 11:07:17 AM

Q: When you read the following statement, "LANL pension plan includes annual cost of living adjustment," does this mean LANS is going to receive a 2 percent increase as we currently do with the UC system under TCP1? Why would offering a lump sum distribution under TCP1 produce a substantially greater package as it is one we already have?

A: LLNS cannot answer questions about the LANS pension plans as they are a separate company. Please note that there is no lump sum available under TCP1.

Question Id#51 published on 8/6/2007 5:32:30 PM

Q: One of the benefits of working for a UC-managed Lab was that we could transfer between employers such as LANL, LBNL, Livermore and even UC and remain in the same retirement system with years of service and benefits (somewhat) preserved. Will this be able to continue?

A: Pension plans are not portable from one company to another. If you choose to move your service credit from UC into LLNS' TCP1 it will not be possible to move it back to UC or LLNS at a later date.

Question Id#343 published on 8/6/2007 5:25:13 PM

Q: What is the BenVal of the current LANS package?

A: LANS is a separate company. LLNS does not have access to this information nor can they respond on another company's behalf.

Question Id#634 published on 8/6/2007 4:11:53 PM

Q: What is an "employer subsidy?"

A: When an employer pays all or part of a benefit, that employer is "subsidizing" the benefit.

Question Id#3095 published on 8/6/2007 8:51:42 AM

Q: When will a Benefits Percentages Chart (age vs. years of service) for TCP1 participants become available, or are the percentages exactly the same as UCRP?

A: The age factors for TCP1 are the same as UCRP's, so the referenced chart applies.

Question Id#3099 published on 8/6/2007 8:47:48 AM

Q: Will the Benefit Value affect the TCP1 future benefit? I am concerned about the possibility of changes in age and service factors that may affect my pension retirement.

A: The referenced BenVal study applies only to TCP2 according to our current direction from NNSA.

Question Id#3177 published on 8/3/2007 4:18:27 PM

Q: Please clarify the difference in disability coverage under TCP2. On slide 25 of the Benefits briefing, it says no UCRP disability benefit is offered in TCP2, but on slide 17 at least the supplemental disability package is checked as remaining the same. What coverage is being offered under TCP2 and will the rates be the same as in TCP1 for supplemental (if it exists)?

A: The supplemental disability level of coverage will be same for TCP1 and TCP2.

Question Id#2612 published on 8/3/2007 3:02:30 PM

Q: I am currently in the middle of getting a divorce. Under UCRP I will be allowed to have my ex-wife as a contingent beneficiary on my retirement. Will it be possible to do this under the retirement system of the new contractor?

A: Yes.

Question Id#2915 published on 8/3/2007 2:58:27 PM

Q: If one accepts employment with LLNS, will there be an opportunity to make changes to such things as life and disability insurance, tax withholding, etc. prior to the beginning of employment on Oct. 1?

A: Regarding tax withholding, whatever withholdings are in place on Sept. 30, 2007 will be in place on Oct. 1. You may change your state withholdings through LAPIS at any time. Regarding life and disability insurance changes, such benefit changes may be made during an open enrollment period.

Question Id#3180 published on 8/3/2007 8:51:12 AM

Q: Would the recalculation of the BenVal affect those who choose TCP1 in any way in the future? It would seem that all of TCP1's benefits (including medical) are supposed to track UC and therefore would not be impacted by BenVal analysis in the future. Is this true?

A: The BenVal only impacts TCP2.

Question Id#38 published on 8/2/2007 7:17:19 PM

Q: If I choose TCP-2 will I be forfeiting basic short term disability, accidental death and dismemberment and long term disability and life insurance that I currently have through UCRS?

A: If you choose TCP-2 you will not be forfeiting any health and welfare benefits as an employee. Please refer to the LLNS employee benefits briefing material recently posted on the LLNS website. The benefits you are asking about are discussed in more detail on pages 5 thru 18.

Question Id#945 published on 7/31/2007 10:06:46 PM

Q: Where do I find definitions of terms: Transferring Employees Inactive Vested Transferring Employees Active Vested Transferring Employees. etc?

A: Please refer to the "Benefits Briefing Handout" recently posted on the LLNS website for definition of terms.

Question Id#692 published on 7/31/2007 10:02:23 PM

Q: Will Flexible Spending accounts (for transportation, child care, and health) be available under the new contract?

A: Yes. The flexible spending accounts will roll over on October 1, 2007 and payroll deductions will continue. Please refer to page 12 of the LLNS employee benefits briefing material recently posted on the LLNS website for additional information.

Question Id#406 published on 7/31/2007 9:35:39 PM

Q: I am a vested transferring employee in the UCRP and I plan not to retain service credit and cease being a UCRP participant as of 10/1/2007. Do I have a choice in TCP1 or TCP2?

A: The answer depends on what happens to the UCRP service credit you have already earned. If you are planning on retiring from UC then you can choose TCP2 if you are going to move your UCRP service credit to LLNS then you can choose TCP1. Please also refer to the employee benefits briefing material recently posted on the LLNS website for more information.

Question Id#2858 published on 7/26/2007 8:34:13 AM

Q: Will we be required to contribute to California SDI with the new contractor?

A: Yes.

General Employment:

Question Id#3828 published on 9/5/2007 5:33:49 PM

Q: How will LLNS communicate or announce positions or job opportunities that are open and need to be filled?

A: LLNS will continue to use LLNL's open position policies currently in place.

Question Id#2470 published on 9/5/2007 10:57:07 AM

Q: I have several new postdocs that are supposed to start in August and September. They have already received a hire letter some time ago. Will they be sent a new offer letter from LLNS?

A: Yes. LLNL new hires are passed on to LLNS the week before the new hire's start date. Once LLNS receives the name of the new hire, the PADs and ADs are asked for that individual's mapping. When mapping is complete, a LLNS offer letter is generated for the new hire. If this does not happen, call the LLNS hotline, 4-5567.

Question Id#2413 published on 8/22/2007 7:50:14 PM

Q: Has the current Alternate Work Schedule (AWS) and "part-time" employment status been addressed with LLNS? If so, will it be continuing as an option to employees October 1st?

A: LLNS intends to continue the current AWS schedules. However as a new employer we have numerous actions that need to take place to comply with State law and other requirements. The details are being worked. More information will be provided as soon as it is available. LLNS has no plans at this time to change the current LLNL employment or assignment types.

Question Id#512 published on 8/21/2007 9:34:45 PM

Q: I am very interested in retiring from UCRP, drawing my annuity and benefits AND then immediately hiring on as a new employee. Could you please make a very explicit use case for this option by covering: - Is this a real option? - Will we be offered employment as long as 'in good standing?' - What would the actual dates be e.g. retire 9/30 and hire 10/1? - Since we would have medical and dental insurance as retirees, is there an opt-out option for new employees? - Would we be considered new hires or Lab Associates?

A: If you retire before Oct. 1 then you are no longer an employee and the "good standing" issue is moot. You must apply for a job as a new hire employee under TCP2 and there is no guarantee you will receive a job. Also there is no opt-out for such employees for any extra benefit.

Question Id#3491 published on 8/21/2007 12:10:29 PM

Q: Under "Employment Group" question #2641 states "LLNS has no plans to change the current employment types; flex terms and career indefinites will remain the same" Question #2684 states "The appointment type you are in with the University will be your INITIAL appointment type". INITIAL implies

you will be making changes. Please clarify. This appears to be contradicting. Thanks you.

A: As stated in question 2641 and many others, LLNS has no plans to change the current employment types. The future employment types of an individual employee may change, either at the discretion of management or by the employee, same as with UC today.

Question Id#3552 published on 8/20/2007 9:27:24 AM

Q: Is it true that the upper management will not be under the same system as all other employees? I have heard that they will still be under UCRP.

A: Current LLNL management is making the same employment choices like everyone else.

Question Id#3549 published on 8/17/2007 4:08:00 PM

Q: If a Flex Term employee chooses the TCP1 plan (their appointment ends June 2008), and then they applied for another job with LLNS in May 2008, and they get the job, would they be put into the TCP2 plan?

A: No, they would stay in TCP1.

Question Id#114 published on 8/15/2007 4:54:32 PM

Q: One of the great benefits of working for a U.C. managed Lab was that we could transfer between employers such as LANL, LBNL, Livermore and even U.C. and remain in the same retirement system with years of service and benefits (somewhat) preserved. Will this be able to continue?

A: No, however service credit will be recognized upon transfer or hire with LLNS.

Question Id#254 published on 8/15/2007 4:45:31 PM

Q: Beyond the Oct 1 transition, are there any incentives being thought of for prospective supplemental-labor contractor-to-LLNS 'new hire' transitioners? For example, might a valued 15-year LLNL supplemental-labor employee be offered their years of service credit toward vacation accrual etc in their LLNS hire package? The net cost savings to the LLNS (previously UC) of having the employee as direct rather than supplemental would of course more than offset any costs associated with such an incentive.

A: No.

Question Id#295 published on 8/15/2007 4:20:59 PM

Q: I know that Los Alamos guaranteed jobs to those who wanted to retire from UC and continue to work under their TCP2 (double dip). How is this proposed plan different/same?

A: Same choices; no difference.

Question Id#2627 published on 8/15/2007 4:04:57 PM

Q: Will everybody be an "at will" employee like flex terms after one year?

A: Flex terms and Key employees are "At Will", same as current LLNL policy.

Question Id#3510 published on 8/15/2007 3:57:19 PM

Q: If I am a LLNS employee who has selected TCP1 and then I leave LLNS but get rehired, would I be able to select TCP1?

A: No, the offering of TCP1 and TCP2 is a one time only selection. New employees will only be offered TCP2.

Question Id#2417 published on 8/15/2007 3:34:06 PM

Q: I have an academic appointment at UC Davis. When we are all fired, will this affect my connection with UC Davis?

A: LLNS is not 'firing' anyone but rather offering employment to all LLNL employees in good standing as of Sept. 30, 2007. Assuming you are providing services to LLNL via a MLA, LLNS intends to maintain this relationship. If you have further clarifying questions, please work through your current management chain.

Question Id#366 published on 8/15/2007 10:46:33 AM

Q: My plan is, go to inactive UCRP status, take a position with the new contractor under TCP2, and then retire from UC. I would like to work part time after the transition. Does LLNS, LLC have any rules or policies regarding part time employment?

A: LLNS will use part-time employees on an as-needed basis.

Question Id#296 published on 8/14/2007 11:15:34 AM

Q: Will we be able to go inactive and then retire from UC after transferring and still keep our job or will there be restrictions?

A: If you go inactive vested with UCRP and transfer to LLNS on October 1, you may retire from UC on October 2 or later and retain your LLNS job.

Question Id#2942 published on 8/10/2007 2:10:17 PM

Q: I have the following questions for Flexible Term Employees, if the Lab decides to offer the employee Career status near the end of their contract: 1. Is it the current plan to allow Flex Term contracts to expire without renewal or will there be the option to change employees to Career status? 2. Will the process change or can the employment be rolled over to career appointments without competing for the position? 3. Will any new offers of Career status after Oct 1 allow continuance in TCP1 (if the employee opts into that plan) or will the offer be like all new LLNS contracts and limit access to only TCP2?

A: If LLNS decides to offer a flex term employee a career indefinite position at any time, then your first two questions do not apply. But we will still address them. LLNS does not have any plans to change the current management policy of the flexible population. Flex term appointments may or may not be extended depending on LLNL's needs and budgets at the time. Also, flex terms may apply for open career indefinite positions and follow the process currently in place. In these situations, whatever compensation package was selected by Sept 17, 2007 (TCP1 or TCP2) remains in place with the transfer to a new assignment or continuation of the current one.

Question Id#2890 published on 8/10/2007 1:53:43 PM

Q: Does LLNS plan to re-hire flex-term employees after their termination date? Would they still be considered eligible for the TCP1 package if re-hired?

A: If a flex term's appointment is not continued beyond the specified end date and they are unable to find another position during the standard one month timeframe, LLNS would be happy to re-hire former employees in good standing and who meet the position's qualifications. After the transition, only TCP2 will be available for new employees.

Question Id#2837 published on 8/10/2007 1:32:45 PM

Q: I want to know if there will be any limitations for me as a "flex-term" employee as far as my long-term employment with LLNL and preservation of both my service years and my participation in TCP1 past the nominal end of my flex-term. I will have slightly less than five years of my term left at the time of transition. Under the old system, I was hired on with access to full retirement benefits with UC, and in the very likely event that my term was renewed or converted to career indefinite, I would not have had to worry about losing access or service life at the time of conversion. I would like to know if I will automatically be terminated at the end of my flex term and forced to re-apply like a new employee to LLNS. At the end of my term, will I still have the option of being renewed, or posting to another LLNL position without any loss of service life or benefit plan participation?

A: LLNS does not have plans to change the current management policy of the flexible population. The option to renew after your specified end date and/or apply for an open position remains the same as the processes currently in place. In either case, your employment would be continuous and you would not be viewed as a "new hire" for benefits purposes.

Question Id#2396 published on 8/10/2007 1:17:56 PM

Q: A U.C. vested employee decides to freeze their U.C. retirement and then retires between Oct 2, 2007 and the end of 2007. That employee also accepts an offer to work for LLNS. What would their employment status (in relation to a layoff) be in comparison to those who chose TCP1 or inactive vested status?

A: A UC vested employee who freezes their retirement and accepts a position with LLNS is the Inactive Vested Transferring status. The only option open to an Inactive Vested transfer is TCP2.

Question Id#2254 published on 8/10/2007 1:06:37 PM

Q: Can I request that I be mapped to a different directorate or department other than the one I am in now?

A: No, the LLNS AD's have mapped all employees to their new organizations so that correct offer letters are delivered to each employee. This does not preclude future discussions with your management about career development or assignment changes that would be mutually beneficial.

Question Id#3385 published on 8/9/2007 2:52:37 PM

Q: If one loses their job because of a funding issues and is forced to take a job that is out of their classification, does the employees pay move relative to the new positions pay scale? Having said that how many days does the employee have to find a new job before they are unemployed?

A: Any time an employee takes on a new assignment, compensation is one of the issues discussed during the offer and acceptance negotiation. The process will not change. LLNS would not force any employee to take a job.

Question Id#590 published on 8/7/2007 2:59:32 PM

Q: Will LLNS allow for employees to work less than 100 percent time like some of us can now, say 80 percent or 60 percent, as long as it is above 50 percent?

A: Yes. Your offer of employment is for the same status/work schedule that you have today. If changes are required in the future, you will be notified. No changes are anticipated at this time.

Question Id#486 published on 8/7/2007 2:58:05 PM

Q: What is it I will be rolling over to LLNS to be considered an "active" employee?

A: You will be considered an "active" employee for LLNS if you accept LLNS' offer of employment as an employee in good standing and begin work on Oct. 1. The choice of TCP1 or TCP2 does not determine your employment status, but you must elect between the two.

Question Id#2999 published on 8/7/2007 2:49:08 PM

Q: As a fixed-term retiree I am limited to less than 1,000 hours rolling per 12 months because of my UCRP retirement. Will that limit apply to LLNS employment after Oct. 1?

A: Yes, as stated in your offer letter, upon accepting employment with LLNS, your current appointment type (fixed-term retiree) will be your appointment type on Oct. 1. At this point, LLNS has no plans to change appointment type conditions.

Question Id#1227 published on 8/3/2007 6:15:44 PM

Q: What is the retirement age with the new company?

A: LLNS will not have a mandatory retirement age.

Question Id#2640 published on 8/3/2007 5:54:01 PM

Q: Because of the higher value of the TCP-1 package, employees in the TCP-1 system are going to cost LLNS more money than those under the TCP-2 plan. If LLNS were to run into financial trouble in the future, I would like to know what system is in place to protect the employees who elect to take the TCP-1 option, from being targeted if a reduction in workforce were to become necessary. I am concerned that if I elect the TCP-1 option, then if a reduction in workforce were to become necessary sometime in the future, than, as a more "costly" employee to LLNS, I would be more likely targeted.

A: Pension plan selections have no bearing on reduction in workforce decisions. Critical mission skills remain the core of Lab staffing.

Question Id#2851 published on 8/3/2007 2:55:31 PM

Q: In the LLNS offer letter there is mention of "reasonable cause" for termination that cannot be for arbitrary or discriminatory reasons. Does termination for "reasonable cause" include lack of programmatic

funding? In other words, if I am an employee in good standing and my program runs out of funding, can I be terminated?

A: Yes, employees could be terminated for reasonable cause if significant funding cuts occur and no other reasonable funding sources or job reassignments can be identified.

Question Id#2937 published on 8/2/2007 11:11:17 AM

Q: Why can I not retire from the University of California at the end of the working day on September 28, 2007 and still work for LLNS on October 1?

A: Your offer of LLNS employment is based on your being active and in good standing on September 30, 2007. If you are not in active status on 9/30/07, the LLNS offer is no longer valid. Please take this requirement into consideration when you make your retirement date selection.

Question Id#2474 published on 7/27/2007 2:39:05 PM

Q: If an employee submits their decision early regarding accepting employment, can they change their decision if it is before the deadline? Same question regarding vacation cashout decision.

A: Yes, you can change your offer decision as often as you like between now and 5:00 p.m. Pacific Time on September 17, 2007.

General Pension Questions:

Question Id#2750 published on 9/8/2007 1:21:47 PM

Q: I understand 3 year cliff vesting (I think). How does that affect employees transferring into TCP1? Do we have to be in the plan for 3 years before we can retire or are immediately vested if we already transfer more than 3 years?

A: If 3 year cliff vesting is used you would be immediately vested if you transferred 3 or more years of UCRP service credit to TCP1.

Question Id#2742 published on 9/8/2007 1:12:09 PM

Q: Page 2 of the revised benefits package states that TCP2 employer "match is 100% of pay on the first 6% of pay. On page 19 it states that it is "100% match on the first 6% of member voluntary pretax contribution." These two statements don't seem to be saying the same thing, which is correct? For example if my salary is \$100,000 and I contribute \$6000 to the 401K under TCP2, is the employer match going to be \$6000 or is it 6% of \$6000, meaning the employer match would be \$360?

A: Both statements are correct; LLNS will match 100% of the first 6% of pay, on a pre-tax contribution basis. In addition, LLNS will match the same amount on after-tax contributions.

Question Id#2718 published on 9/8/2007 9:32:40 AM

Q: Which of the compensation packages are personnel who transfer from organizations other than UC/LLNL to LLNS eligible for? If eligible for TCP1, are those employees only from organizations that have a defined-benefit program from which assets to cover their retirement can and will be transferred into TCP1? If not, where will the assets that need to go into TCP1 to cover their retirement come from so that the solvency of TCP1 is not adversely affected?

A: Only UC-LLNL employees will be able to transfer their service credit into TCP1.

Question Id#2717 published on 9/8/2007 9:30:39 AM

Q: On Page 4 of "Approved Benefits Package Summary V2", under the column Future LLNS TCP1 Defined

Benefit Plan, under Vesting it says "may move to 3-year cliff vesting and add full vesting at normal retirement age (ERISA requirements)." Can you please explain this in plain english using some example scenarios? Does normal retirement age mean 50 years? What is "cliff vesting"? My second question has been asked before. I'm asking as a reminder to see if there is an answer now. If I elect TCP2 and leave LLNS in a couple of years will I have access to LLNS group health plan (I pay the group cost). Or do I have to work for a certain period to get this access. Thanks.

A: Cliff vesting is an all or nothing vesting. So an example of 3 year cliff vesting is as follows: An employee transferring to TCP1 has only 1 year of service credit, works for 1 more year and then leaves LLNS. In total they have 2 years of service credit and are not vested in TCP1 at the time they leave. If that same person works for 2 years after the transition then leaves with a total of 3 years service credit, under 3 year cliff vesting they would be fully vested in TCP1 and eligible for a future benefit. Your eligibility for employer paid retiree medical/dental will be based on your UCRP frozen service credit as of 9/30/07. The rules are as follows: 0-4 years' service credit = 0% LLNS contribution; 5-9 years' service credit: If you meet the Rule of 75 (which means your age at retirement plus service added together equal 75) = 50% LLNS contribution If you do not meet the Rule of 75 = 0% LLNS contribution; 10 years' service credit = 50% LLNS contribution; 11 years' credit = 55% LLNS contribution; 12 years' credit = 60% LLNS contribution; 13 years' credit = 65% LLNS contribution; 14 years' credit = 70% LLNS contribution; 15 years' credit = 75% LLNS contribution ; 16 years' credit = 80% LLNS contribution ; 17 years' credit = 85% LLNS contribution; 18 years' credit = 90% LLNS contribution; 19 years' credit = 95% LLNS contribution; 20 years' credit = 100% LLNS contribution; and Over 20 years' credit = 100% LLNS contribution.

Question Id#2634 published on 9/8/2007 9:19:06 AM

Q: I am a "flex term" UC employee. The six-year term began December 2003 and terminates December 2009. I will be vested in the UCRP pension plan December 2008. October of 2007 I will transfer to LLNS under TCP1. Will vesting requirements under LLNS pension differ from UCRP?

A: The vesting requirements under LLNS currently remain the same as under UCRP.

Question Id#2266 published on 9/8/2007 8:56:54 AM

Q: Since UC is part of the new LLNS team why can't current employees of the UC retirement system keep their retirement with UC? Why do we have to freeze it?

A: The University of California is a member of the Limited Liability Company, along with several other members. LLNS is a company that operates separate and apart from the University of California. Employees who accept the LLNS offer of employment will become employees of a private sector entity, which is subject to different laws and regulations in the area of defined benefit and defined contribution plans. For these reasons, LLNS employees cannot participate in the UCRP.

Question Id#3849 published on 9/7/2007 4:40:22 PM

Q: I have two questions. 1) Am I correct in assuming that should I get laid-off and I'm too young to retire (under 50) that I'll still have access to my pension (vested in TCP1 or TCP2) when I choose to activate my retirement sometime after age 50? 2) If I'm laid-off but too young to retire (under 50) will I loose retirement medical when I, at a later date, activate my retirement after the age of 50 (assuming I would have qualifying years of service under TCP1 or TCP2 for 100% employer portion subsidy at time of lay-off.)?

A: 1. Yes, as long as you are vested your pension funds are yours for distribution whenever you are ready and/or meet the distribution requirements. 2. If an employee leaves LLNS for any reason other than retirement, they will forfeit their retirement medical.

Question Id#2905 published on 9/7/2007 3:02:01 PM

Q: I've heard that LANL employees who chose the pension alternative (like LLNS' TCP1 alternative) are now contributing over 10% of their salary to the pension plan. Is this true? If so, why did LANL's pension plan require such a sudden, drastic increase in employee contributions? Was the amount transferred by UC to LANL's pension fund fair and just? Are LLNL employees who accept LLNS' offer and choose TCP1 likely to see a similar, sudden, dramatic increase in employee contributions?

A: No, that is not true. LANL employees currently do not contribute to their TCP1 Pension Plan. No employer

contributions to the Defined Benefit plan are forecasted at this time.

Question Id#3848 published on 9/7/2007 12:00:33 PM

Q: I'm 48 years old with 21 years of service. If I go TCP1 and get laid off will I continue to accrue years of age for retirement benefit calculations until I begin to draw benefits?

A: Yes. The age caps at 60 years.

Question Id#3845 published on 9/7/2007 11:50:09 AM

Q: In light of George Miller's announcement of potential lay-offs, I would like to know the effects a layoff can have on an employees access to their pension and medical retirement if they are too young to retire at the time of lay-off. Presuming the employee has selected TCP2, has 20+ years of UC service but is under 50. What would happen to their pension access and medical retirement?

A: If an employee leaves LLNS for any reason other than retirement, then retirement medical is forfeited / lost regardless of the compensation package they select. Once vested, your pension and/or 401(k) plans and funds are yours. Pension plans are not portable but you may take your 401(k) plans with you.

Question Id#1203 published on 9/7/2007 9:32:56 AM

Q: In the early part of my career at LLNL, mandatory after-tax deductions were taken from my check for the UCRP pension fund. Approximately \$11,000 was deducted for this purpose. This is money that I paid taxes on but never actually received. I have always heard that this money would be returned to me tax-free, but I am worried about how this will be done now that we are about to undergo a management change. 1. Will my election of TCP1 or TCP2 have any effect on how and when this money is returned to me? 2. Will this money be returned in a lump sum or over a period of time? 3. If the money is to be returned over a certain period of time how long will that be?

A: Thank you for your patience in awaiting answers to your questions: 1. If you are a transferring employee to LLNS, your pension with UCRP remains intact until you are ready to retire regardless of selecting TCP1 or TCP2. 2 & 3. You will determine how and when you want your pension funds distributed. Under TCP2 you may take a lump sum or monthly annuity, but there are other issues to consider, like retiree medical. Please review all of the briefing material that is provided on the LLNS website under the Benefits tab for more information.

Question Id#3822 published on 9/6/2007 1:13:13 PM

Q: Original question: Is LLNS obligated to offer TCP1 benefits that are substantially equivalent to UCRP throughout the duration of the contract (at least seven years), or is it possible that NNSA and LLNS could mutually decide to reduce the benefits partway through the contract period? Your original answer: According to the contract, the contractor shall provide a total compensation package for transferring employees that is substantially equivalent to that provided by the predecessor contractor. Through the duration of the contract, LLNS is required by its contract to monitor any changes UC makes to its plans and evaluate whether to incorporate those changes. To follow up: I understand from your answer that LLNS is required to monitor any UC changes and evaluate them. My specific question: If UC does not make any changes, is LLNS allowed to change their plan anyway? Or is LLNS allowed to change their plan ONLY IF UC changes UCRP?

A: As noted, LLNS is required under the Contract with NNSA to consider changes to the UC benefit programs. LLNS reserves the right to make changes in its programs whether or not UC makes changes.

Question Id#3835 published on 9/6/2007 12:07:14 PM

Q: Does LLNS match 401K pre-tax and after tax contributions for people who choose TCP1 plan? Couple of your answers to questions suggest that LLNS match 6% of 401K after tax contributions for people in TCP1 plan. I didn't think this is true.

A: No, LLNS will only match under the Defined Contribution Plan (TCP2).

Question Id#3826 published on 9/6/2007 11:04:10 AM

Q: I have elected TCP2 and I am not vested in UCRP. On the confirmation form sent to employees it indicates that individuals must take a distribution/rollover of CAP balance. When is the deadline for this and where

does one obtain the form?

A: According to the Decision Guide sent out by UC in July for LLNL employees, the form is available from the LLNL Benefits office or Website. On page 10 of the guide is more information regarding your CAP decision. If you did not receive this guide in the mail, please contact UC's atyourservice.ucop.edu website.

Question Id#3820 published on 9/6/2007 9:43:16 AM

Q: When will we find out the official vesting period for TCP1 under LLNS? The benefits presentation dated July 12, 2007 states on page 4 that the vesting may move to 3-year cliff vesting. I'm trying to analyze the risks involved with TCP1 as a Flex Term employee with two years of service credit, and one year left to vest carries less risk for me than three years left to vest.

A: We don't know yet, but it will not be before Oct. 1, 2007.

Question Id#3686 published on 9/6/2007 9:28:51 AM

Q: One of the easiest ways for LLNS to ensure the viability of the TCP1 pension program would be to raise the normal retirement age beyond the 60 years that is the standard with UCRP. The qualifying statements relating to normal retirement age on page 7 of the benefits briefing certainly allow this change to be made. What is the "reasonably representative" typical retirement age for our industry?

A: At this time, LLNS will use the same age you are familiar with under UCRP.

Question Id#1049 published on 9/5/2007 8:27:34 PM

Q: Is the only option for distribution under TCP2 a lump sum?

A: No, you may also take the monthly annuity.

Question Id#1043 published on 9/5/2007 8:25:31 PM

Q: From the June 18 presentation: On page 24, if I choose TCP1, can my 401DC/403b/457 accounts remain with UC OR do I have to roll these account into LLNS managed accounts?

A: Depending on your balance (more or less than \$2,000 in each) you may or may not need to make distribution decisions for these accounts. Please refer to the UC briefing material that is posted on the LLNS website under the Benefits tab for more information.

Question Id#3801 published on 9/5/2007 3:52:40 PM

Q: I have 23 years of service and am age 49. If I choose TCP1, work 3 more years, and then quit, can I defer my monthly retirement pay until I am 60 years old? Will my "age factor" continue to go up just as it would with the current UCRP? Is there a limit in the number of years of being "inactive" in TCP1 that would prevent me from receiving my monthly retirement pay? I understand that I would not receive medical insurance because I would not be retiring, rather going "inactive" in TCP1.

A: You are correct, your age factor will continue to increase (just like UCRP) to the maximum of age 60. You can choose to wait to commence your pension, but you will forfeit retiree benefits (medical, dental, legal.)

Question Id#2660 published on 9/5/2007 1:43:12 PM

Q: I have been at the lab 20 years but have accrued approximately 16 years of service credit because I am currently working part time. My understanding has been that all my benefits are based on my full time salary and the adjustment to service credit accounts for my part time work. If I freeze my retirement with UC will my HAPC be based on my full time or part time salary?

A: The HAPC is based on the 36 highest consecutive months of salary, regardless of full time or part time status.

Question Id#3821 published on 9/5/2007 11:57:48 AM

Q: What is cliff vesting? Is it any different from the way vesting works under UCRP, which is, as I understand it, no benefits paid out for less than five years of service credit, and 100 percent of benefits after five years of service credit once you reach retirement age.

A: Correct. For example, at LLNS, with its hopes to move to a three-year cliff vested schedule, the employee must work for a company such as LLNS for three years before they are vested in the pension plan. If the employee leaves

before the completion of the three years of employment, that employee will not be entitled to receive any benefits under the pension plan.

Question Id#2587 published on 9/4/2007 9:20:29 PM

Q: What does 3 year cliff vesting mean?

A: With a 3 year cliff vested schedule the employee must work for a company such as LLNS for 3 years before they are vested in the pension plan. If the employee leaves before the completion of the 3 years of employment, that employee will not be entitled to receive any benefits under the pension plan.

Question Id#2512 published on 9/4/2007 9:01:19 PM

Q: IVTE, 49 years old, 23 years UC service, wants to take UC lump sum in the future. IF I could continue with UCRP, my lump sum would be >\$1M when I turn 65. NOW, because of the transition, it is LIMITED to \$800k. Why isn't the Retiree Medical payment offered to compensate me for the \$200k in lost benefits? Why am I being punished TWICE for wanting to take the UCRP Lump Sum?

A: In addition to your UCRP pension, under TCP2 you are receiving the 401(k) employer match plus the non-elective, service based employer contributions on top of your own employee contributions. When you take the lump sum, you are forfeiting your employer-subsidy retiree medical but will have the benefit of access-only negotiated group rates and coverage. We urge you to consult with a professional tax consultant or financial analyst to ensure that you are making the best selection for your circumstances.

Question Id#2387 published on 9/4/2007 8:02:49 PM

Q: What entity will be managing the TCP1 retirement plan? I realize it falls under LLNS but who will be the independent party that actually manages it?

A: Fidelity will continue to administer the pension plan under the guidance of the Benefits Investment Committee. Please review the August 24 edition of Newsline for more information.

Question Id#2358 published on 9/4/2007 7:10:22 PM

Q: Regarding an Inactive Vested previously Terminated employee who kept all resources within UCRP, when that employee decides to finally "retire" from the UCRP system (at age 60, for example), can they take all action with UCOP or will they need to take action through LLNS?

A: You will contact UCRP and make all of your retirement decisions with them.

Question Id#2354 published on 9/4/2007 7:05:59 PM

Q: <http://www.doeal.gov/InlCompetition/QuestionsAndResponses/CHRWhitePaper08072006.doc> Introduction: "The RFP includes provisions that will require the new contractor to consider amending Pension Plan One and other benefits for Transferring Employees to be consistent with any changes made by UC to the UCRP during the term of the new contract." This statement in the white paper is a clear indication to me that if UC starts with pension contributions so will LLNS. True or False

A: Should UC require employee contributions to the pension plan in the future, LLNS is contractually required to "consider " it but does not have to follow their lead. In addition, the NNSA must approve the change.

Question Id#2348 published on 9/4/2007 7:02:54 PM

Q: The pension T1 is subject to review every 2 years - correct?

A: If you are referring to the BevVal, that is generally subject to review every 2 years and only applies to TCP2. However, part of NNSA's conditions for the approved TCP2 package requires LLNS to run another BenVal in June 2008. Please refer to the July 12, 2007 NNSA approved Strategy & Design material posted on the LLNS website under the Benefits tab for details.

Question Id#2346 published on 9/4/2007 6:59:45 PM

Q: Does the % that LLNS is contributing to the 401K for employees based on years (20 yr. 2.75)included in the 6% match or is it in addition for T2?

A: The non-elective, service based employer contribution is separate and in addition to the matching contribution to

your 401(k).

Question Id#2342 published on 9/4/2007 6:57:04 PM

Q: My questions concern contributing to the 401k under TCP2. If I contribute the limit (\$20,500 - I'm over 50) to my 403b then - how much can I contribute in after-tax earnings to the 401k during the last 3 months of this year? - will LLNS match 6% of what I contribute regardless of whether it is pre-tax or after-tax earnings?

A: Your contribution to the 403(b) plus your pre-tax contribution to the 401(k) cannot exceed \$20,500 in 2007 in your case. If you max out in your contributions to your 403(b), then you can only contribute after-tax to your 401(k) on a per paycheck basis; LLNS will match up to the 6% limit on your after-tax contributions. The total annual contributions of pre- and after-tax (both employee and employer) is \$45,000.

Question Id#2281 published on 9/4/2007 6:41:42 PM

Q: Who will manage the TCP1 retirement plan for LLNS? Has it been determined yet?

A: Our apologies for this late response. Fidelity has been selected. Please review the August 24 edition of Newsline and the 401(k) plan option summaries posted on the LLNS website under the Benefits tab for more information.

Question Id#2280 published on 9/4/2007 6:39:21 PM

Q: Does the 401(k) retirement plan offer a means to withdraw funds during early retirement (e.g, retiring at 55) without an early withdrawal penalty? For example, the 403(b) plan allows for an annuity to be set up such that the early withdrawals are not penalized by the IRS.

A: Yes, but we urge you to consult with a professional tax consultant to ensure that you meet the IRS' age 55 distribution requirements without penalty before you decide.

Question Id#2263 published on 9/4/2007 6:27:48 PM

Q: What does the quote below mean in plain english? Can you please give an example (retire after 33 yrs service, age 60, avg salary \$100K/yr). How much will the retiree receive each month? "TCP1...The formula for the defined benefit pension plan is 2.5-3 percent of the high three-year average pay reduced by the Social Security offset, with cost-of-living adjustments."

A: We cannot provide an exact amount that you would receive monthly as there are too many other variables. The formula is the same as UC's current formula. Please refer to page 23 of the employee benefits briefing material posted on the LLNS website under the Benefits tab.

Question Id#3672 published on 8/31/2007 8:44:34 AM

Q: If we choose to go inactive with UC and take the TCP2 option, who will be paying our benefits when we actually do retire? UC or LLNS?

A: Your pension will be paid by the UCRP.

Question Id#1582 published on 8/30/2007 5:57:49 PM

Q: For the case of an LLNL employee who is vested in UCRP and chooses to become inactive in the UCRP at transition (does not retire from UCRP and also does not transfer UCRP investiture to TCP1) and joins LLNS with TCP2, when that employee retires, from where does the employee's pension come, UCRP or LLNS?

A: Anyone who selects inactive vested status with UCRP by September 17, 2007 will have their annuity or lump sum cash out provided by UC in the future.

Question Id#1480 published on 8/30/2007 5:48:33 PM

Q: Will there be any employer contributions to the Defined Benefit Plan? If so, what will the contribution be?

A: No employer contributions to the Defined Benefit plan are forecasted at this time.

Question Id#1475 published on 8/30/2007 5:39:38 PM

Q: I am concerned about the statement that Mandatory Member Contributions to the TCP1 plan may be required in the future. Unlike UCRP, where new members are continuously joining, all TCP1 members will join on Oct 1, 2007 and there will be no new members after that date. As the TCP1 members retire, there will

be increasing payments to retirees of the plan, yet fewer and fewer active employees making contributions to the plan. Without any set limit on mandatory member contributions, one could imagine the last few active members being required to fund all the thousands of members who have retired previously. In order for us to have confidence in TCP1, can LLNS specify some sort of limit on the amount of mandatory employee contributions, such as an absolute limit, or a limit which is tied to the UCRP mandatory member contribution which is in effect at the time?

A: First, mandatory employee contributions under TCP1 are not forecasted at this time. Should UC require employee contributions to the pension plan in the future, LLNS is contractually required to "consider" it but does not have to follow their lead. In addition, the NNSA must approve the change. There is no limit with UC, LLNS or the IRS to employee contributions to a pension plan.

Question Id#1460 published on 8/30/2007 5:36:25 PM

Q: Should LLNS require us to make contributions into the pension plan, would that amount be before or after tax?

A: Future potential LLNS recommendations for employee contributions, if any, cannot be predicted at this time. In addition, the NNSA must approve the change.

Question Id#1398 published on 8/30/2007 5:29:55 PM

Q: Section B, Slide 7: The note (1) does not make sense. What does "Transferring Employees" who transfer from employment with the UC to LLNS who do not retain credit for prior service and cease to be participants in UCRP mean? Please explain.

A: The term refers to all prior service credit and pension benefits transfer to LLNS on 10/1/07 leaving no prior service credit or pension benefits with UCRP.

Question Id#3783 published on 8/30/2007 3:14:57 PM

Q: Looking through UC websites, it seems that when UCRP restarts contributions from employees they need 16% of compensation. Further, they say that only a part of the contribution is made by employee. Should UCRP start contributions and LLNS also require contributions (upon NNSA approval), would employees shoulder entire cost?

A: Future potential LLNS recommendations for employee contributions, if any, cannot be predicted at this time. LLNS could recommend a different percentage than UCRP or none at all.

Question Id#655 published on 8/29/2007 4:19:52 PM

Q: Please define more completely "no investment risk for customer" and "Benefits front-loaded."

A: The term "front-loaded" refers to the cost of benefits. LLNS will recognize UC service credit for the purpose of determining the service-based employer contribution to the 401(k). This makes the cost of the benefit plan much higher than if LLNS only recognized LLNS service for determining the service-based employer contribution to the 401(k).

Question Id#1273 published on 8/29/2007 3:47:17 PM

Q: Is it true that the proposed pension plan under TCP1 contribution amount can increase to 16%? If this is the case, then it sounds like a very bad thing. This will hurt the pockets of many people and will be very hard on people that have 20-30 years of service left.

A: While there is no IRS cap on employee contributions that may be required by an employer, there currently is no forecasted requirement for TCP1. LLNS is required by contract to consider any changes that UC may make, but LLNS is not bound to replicate, and NNSA would have to approve any changes.

Question Id#3715 published on 8/28/2007 9:00:10 PM

Q: There are currently no required employee contributions to TCP1 (or TCP2). Given that there will likely be contributions required in the future (as there will be within UC): Is there a (ERISA, PPA or other) limit on the contribution an employee can be required to make to a defined benefit plan such as TCP1 either in dollar amount, as a percentage of salary or as a fraction of the combined employer/employee contribution to

maintain solvency?

A: Should UC require employee contributions to the pension plan in the future, LLNS is contractually required to "consider " it but does not have to follow their lead. In addition, the NNSA must approve the change. There is no limit with UC, LLNS or the IRS to employee contributions to a pension plan.

Question Id#3722 published on 8/28/2007 8:25:13 PM

Q: Does TCP1 provide a COLA to my pension benefit after I retire from LLNS? Is it the same as under UCRP?

A: An inactive cost-of-living adjustment (COLA) will be applied to your HAPC until you retire. In the final year of employment the COLA will be pro-rated based on the number of completed months of employment out of 12. The formula UCRP uses to calculate the COLA will be replicated in TCP1.

Question Id#3732 published on 8/28/2007 7:59:08 PM

Q: When do we have to make a decision about our current 457 (b) and UC DCP money? I assume we can roll them over to another plan.

A: According to UC's briefing material from the August town hall sessions (posted on the LLNS website under the Benefits tab), after August 31, 2007 the 457(b) plan will not accept contribution changes or new enrollments. Your distribution options vary depending on the balance (i.e., greater than \$2,000, less than \$2,000 or less than \$1,000). For more specific questions regarding the 457(b) and DC Plans please visit www.netbenefits.com (Fidelity) website or contact UC directly at 1-800-888-8267.

Question Id#3739 published on 8/28/2007 7:23:39 PM

Q: I plan on freezing my years of service with UC and going inactive vested into TCP-2. If I choose to leave my current 403b balance and UC DCP balance with UC, can I then roll the balance of BOTH into my roll-over IRA? What happens to my CAP money?

A: Yes, you may roll over your balance to an IRA; note that there may be fees associated with IRAs. If you elect inactive status with UCRP you can choose to take your CAP (i.e. roll over or distributions) or leave it with UC. For more information please refer to UC's briefing material posted on the LLNS website under the Benefits tab or visit www.netbenefits.com (Fidelity) for questions on DC Plan, 403(b), 457(b) and 403(b) loans.

Question Id#3693 published on 8/28/2007 3:19:41 PM

Q: Can we rollover our current LLNL 403b balance into our personal IRA at the transition?

A: If you have \$2,000 or more you may roll over your 403(b) balance to an IRA, but you will not be able to make any more contributions. IRAs may have fees associated with them as well, so we urge you to consult a professional tax consultant before you make your decisions. Please also refer to UC's employee briefing material posted on the LLNS website under the Benefits tab for more information.

Question Id#470 published on 8/28/2007 2:06:42 PM

Q: For TCP1 defined benefit plans' "pensionable Compensation", what are the lower ERISA limits?

A: The lower ERISA compensation cap amount is \$225,000. Please also refer to slide 31 of the employee benefits briefing material posted on the LLNS website under the Benefits tab. Thank you for your patience in awaiting a response.

Question Id#513 published on 8/28/2007 2:06:21 PM

Q: On slide 16 of the benefits briefing, under pensionable compensation it states that TCP1 will be capped at lower ERISA limits instead of UCRP's \$305,000. Will you please specify in dollars what the ERISA limit is?

A: The lower ERISA compensation cap amount is \$225,000. Please also refer to slide 31 of the employee benefits briefing material posted on the LLNS website under the Benefits tab. Thank you for your patience in awaiting a response.

Question Id#623 published on 8/28/2007 2:05:54 PM

Q: What will the HAPC limit be under ERISA for members?

A: The formula looks at the 36 highest consecutive months and takes an average of that 3 year span. LLNS will be

using the same calculation as used by UC today for HAPC limits.

Question Id#643 published on 8/28/2007 2:05:32 PM

Q: What is "Pensionable compensation?"

A: "Pensionable compensation" is compensation used to calculate your highest average earnings as it applies to the pension. It can include your base salary, sick pay, vacation pay and shift differential, but can exclude overtime and stipends. This will be further defined when the LLNS pension plan document is in place.

Question Id#1134 published on 8/28/2007 1:01:06 PM

Q: If I elect TCP1 but leave LLNS before I take retirement, will LLNS have an "inactive" status like UCRP so I can wait until I am 60 to take my retirement?

A: If, at the time you leave LLNS, you are retirement-age eligible, you can retire and activate your pension plan later. However, for retiree medical, you would need to retire and activate both your retiree medical and pension within 120 days and have continued coverage to be eligible for retiree health and welfare coverages.

Question Id#3714 published on 8/28/2007 11:24:30 AM

Q: Is there a (ERISA, PPA or other) limit on the contribution an employee can be required to make to a defined benefit plan such as TCP1 either in dollar amount, as a percentage of salary or as a fraction of the combined employer/employee contribution to maintain solvency?

A: There is no required employee contribution under TCP1 or TCP2.

Question Id#3688 published on 8/27/2007 3:10:15 PM

Q: Any chance of LLNS to make a last minute change that would allow TCP-1'r to lump sum when they retire, or to cash out their CAP before they retire? I would go TCP-2 if these two changes were made as would many more.

A: No, there will not be a lump sum under TCP1, just as there currently is not under UCRP. You will need to address your CAP questions with UC.

Question Id#3683 published on 8/27/2007 9:33:23 AM

Q: Under UCRS we can retire at age 50 with a %1.1 multiplier increasing by % .14 annually all the way up to age 60 with a %2.5 multiplier for years of service and the highest 3 consecutive years salary. I assume that all this will still be in place but I just want to make sure, can I rely on those multipliers still being the same with TCP1? Thanks

A: Yes, LLNS will use the same HAPC formula currently in place with UCRP.

Question Id#605 published on 8/25/2007 5:57:20 PM

Q: Under LLNL my shift differential (15%) is included in calculating my pension. Will this be the case with LLNS TCP1?

A: Differential pay is not used for calculating service but may be included in calculating your retirement benefit if defined as "eligible compensation" under the plan.

Question Id#328 published on 8/25/2007 5:09:20 PM

Q: In slide 7 of the briefing package, the upper left hand box (UC Unvested Transferring Employees) shows being able to go to either TCP-1 or TCP-2. It appears that an "active" member can go to TCP-1 while a member with "no UCRP benefits" goes to TCP-2. Would you please clarify what these mean? In particular, what are the options for an employee with 4.9, 4, 3, 2, and 1 years of service, and what about an employee with 1-2 months of service?

A: Hopefully you were able to attend the employee benefit briefings for clarification to your questions. The briefing material is posted on the LLNS website under the Benefits tab. Please also peruse the FAQs posted on the website. Thank you for your patience in awaiting a response.

Question Id#263 published on 8/25/2007 5:00:14 PM

Q: With regard to the compensation design and strategy, who manages the LLNS 401k funds? ING? Fidelity? some unknown?

A: Please see pages 2 and 3 of the August 24 edition of Newline for the announcement of the investment options. The information is also posted on the LLNS website. Fidelity has been selected as the administrator. Thank you for your patience.

Question Id#107 published on 8/25/2007 3:08:11 PM

Q: This is my real life situation. As of September 30th, 2007, I will have 16 years of service with UC, and I am 52 years old. If I retire under UC on October 2, 2007, at that point in time I will have an X amount of dollars of pension per month from UC, and I will have to pay 20% of EMPLOYER paid medical coverage plus the portion of EMPLOYEE paid as I am presently paying. What if I decide to FREEZE my pension with UC as of October 2, 2007, and go to work for LLNS for the next 2 years. Then after two years working for LLNS (this will be the year 2009), I then decide to retire under UC so in year 2009, will I be able to "go back in time" to my 16 years of service with UC and pay 20% of EMPLOYER paid medical coverage, plus the portion of EMPLOYEE paid, and have my medical coverage continued for the rest of my life?

A: If you are an inactive vested transferring employee on 10/1/07, your frozen UC service credit as of 9/30/07 will be used to determine your eligibility for employer subsidy retiree medical at the time of your retirement -- confirming 16 yrs = 80% for the "look back" and if you take the monthly annuity. You may also leave your sick leave balance with UC for conversion to service credit but if you do not retire within 120 days of separation from UC, then it will be lost.

Question Id#99 published on 8/25/2007 2:57:04 PM

Q: Under TCP2 matching funds are up to 6%. Is this 6% of 2007 annual salary or October thru December 2007 salary?

A: Please peruse the FAQs under Defined Contributions on the LLNS website. There are several other similar questions that should provide you with an answer plus additional information. Thank you for your patience in waiting for a reply.

Question Id#2875 published on 8/25/2007 2:15:30 PM

Q: On page 7 of the Approved Benefits Package Summary, in the "normal retirement" row, under the TCP1 heading, what does "Must substantiate that Normal Retirement Ages are 'reasonably representative of typical retirement age for the industry' in accordance with IRS final regulations" mean?

A: The statement advises employees that the Normal Retirement Age used in TCP1 must be in line with other companies that perform similar work. For example, if our industry typically sets their Normal Retirement Age at 75 and LLNS sets the Normal Retirement Age at 60, LLNS would be outside the norm.

Question Id#910 published on 8/24/2007 4:03:13 PM

Q: A: "Per RFP, LLNS must consider amending TCP1 benefit programs consistent with future UC changes" ... but B: "LLNS reserves the right to amend or terminate benefits at any time." Which takes precedence in the event of a conflict, A or B?

A: LLNS is contractually required to "consider " future UC changes but does not have to follow their lead. In addition, the NNSA must approve any change.

Question Id#3615 published on 8/24/2007 9:09:48 AM

Q: I heard some things about TCP1 that are not being widely advertised. If one leaves the Lab before age 50, either by layoff or voluntary separation, one forfeits any pension benefits even if vested. If one dies before retirement even after age 50, one forfeits any pension benefits; there are no survivor benefits. If one leaves the Lab after age 50, one must take retirement within 120 days or one forfeits any pension benefits.

A: All of your statements are absolutely FALSE, including the last one about LLNS. As long as you have vested, you qualify for the pension and that money is yours.

Question Id#771 published on 8/24/2007 9:07:31 AM

Q: Please explain note (3) on page 7 of the employee briefing package. Does this mean that employees who

retire from UCRP can elect TCP1 even though the graphic indicates that the only option is TCP2?

A: Note 3 deals specifically with Lab Associates. These are retired employees who have come back for generally a one year critical needs assignment. Since they are already retired, TCP1 is their only option.

Question Id#3533 published on 8/23/2007 8:40:37 PM

Q: If I elect TCP1 and later leave the lab and become inactive vested in TCP1 and plan to retire at a later date, will I receive a COLA applied to my HAPC for the time from when I left the lab until the time I retire-just like we currently have with UC? Or will my HAPC be frozen at the amount when I leave the lab?

A: An inactive cost-of-living adjustment (COLA) will be applied to your HAPC until you retire. In the final year of employment the COLA will be pro-rated based on the number of completed months of employment out of 12. The formula UCRP uses to calculate the COLA will be replicated in TCP1.

Question Id#3642 published on 8/23/2007 2:35:08 PM

Q: The LLNS benefit summary, says that the normal form of payment for TCP1 is an "annuity." Does this mean that LLNS will use an outside annuity provider? Or is this a term, for monthly payments for life, from TCP1?

A: It is the term used for monthly payments.

Question Id#3637 published on 8/23/2007 9:53:26 AM

Q: I have been employed at LLNL for a couple of months. My question is if I take TCP1 and leave LLNL (quit, layed off.etc) after four years of service, would I lose all I had in my retirement plan? Do I walk away with nothing?

A: Yes, the vesting period is five years for the TCP1 pension plan. Vesting for the 401(k) plans is immediate.

Question Id#242 published on 8/22/2007 7:44:49 PM

Q: Are there any differences in the TCP1 plan offered to LANS employees and the TCP1 plan offered to LLNS employees?

A: We do not know all of the LANS plan features nor do we have access as a separate LLC, therefore we cannot answer your question.

Question Id#184 published on 8/22/2007 7:42:40 PM

Q: Re: "Substantially equivalent to current UC LLNL benefits package"; Please define the aggregate makeup and why an aggregate is required.

A: Due to differences in the laws involving public vs private sector companies, we could not exactly duplicate each benefit. The RFP/contract with NNSA states as much, i.e., requiring a package that is substantially equivalent in the aggregate and LLNS met that requirement.

Question Id#1020 published on 8/22/2007 7:37:41 PM

Q: When the pros and cons for TCP2 are listed in the June 18 briefing, what is meant by - Benefits are "front loaded" - Investment and mortality risk for employees?

A: If you refer to, page 7 of the benefits briefing, of the Total Compensation Package refers to two categories of employees: Unvested Transferring Employees and Vested Transferring Employees. An Unvested Transferring Employee will have their accrued service credit carried over to LLNS on 10/1/07 and will be eligible for either the TCP1 or the TCP2 Plan. If an Unvested Transferring Employee selects TCP1, their service credit will be recognized for purposes of the Defined Benefit Pension Plan and retiree medical. If an Unvested Transferring Employee selects TCP2, they will be eligible for 'access only' retiree medical coverage. If an Unvested Transferring Employee selects TCP2, their UCRP service credit will apply for purposes of calculating the service based contribution for the 401(k) Plan.

Question Id#726 published on 8/22/2007 5:01:18 PM

Q: Could you provide an example of the matched (first 6%) plus unmatched (service-based) 401k contributions for TCP2? For example, if an employee makes \$100,000 per year and contributes \$15,500 to

their 401k, what are the LLNS contributions (first 6% and service based) assuming 0, 5, 10, 15, and 20 years of service?

A: An employee has a salary of \$100,000 per year. The company matches 6 percent (provided the employee also defers 6 percent). That equals \$6,000. Plus the employer service based contribution is: 0-9 years -- 3.5 percent or \$, 3,500 (assuming a \$100,000) salary. 10-19 years 4.5 percent or \$4,500 20= years -- 5.5 percent, or \$5,500. So in this example the employee's total contribution, (employer plus employee) would be \$9,500, \$10,500 or \$11,500 depending on service.

Question Id#947 published on 8/22/2007 4:13:48 PM

Q: On the TCP2 plan, is the maximum for the 401(k) just the employee pre-tax contribution or is it the sum of the employee pre-tax contribution plus the employer matching and non-matching contributions?

A: Both pre and post tax are eligible for employer match.

Question Id#1140 published on 8/22/2007 9:37:21 AM

Q: If an employee transfers to LLNS TCP1 and could have retired under UC at the time of the contract change and then is terminated at a later date, is his retirement in jeopardy?

A: Under TCP1: If the vested employee transfers and leaves LLNS for any reason other than retirement, their pension will be available to them when they become eligible for retirement. If an unvested employee leaves LLNS for any reason other than retirement and does not work long enough at LLNS to vest, then they will not qualify for the pension plan. If a LLNL employee retires from UC, reapplies for a position at LLNS, then only TCP2 is available. If a LLNL employee chooses to be inactive vested with UCRP, then only TCP2 is available.

Question Id#865 published on 8/21/2007 10:21:07 PM

Q: Is there a limit to employee contributions that can be required to the TCP1 retirement plan? What is it (dollar or percentage)?

A: First, mandatory employee contributions under TCP1 are not forecasted at this time. Should UC require employee contributions to the pension plan in the future, LLNS is contractually required to "consider " it but does not have to follow its lead. In addition, the NNSA must approve the change. There is no limit with UC, LLNS or the IRS to employee contributions to a pension plan.

Question Id#492 published on 8/21/2007 9:43:15 PM

Q: In the Pension Benefit calculation for Social Security Eligible it says 2.5% of highest 3-year average less \$133 per year of service ... offset. I am confused as to how this offset is determined and how to compute what the actual offset might be. Please explain.

A: This was presented at the Benefits Town Hall sessions and the calculation was provided on the slides, which are posted on the LLNS Website. Please refer to the calculations on page 23. Please also see question 499 on the FAQs under the Retirement Medical tab.

Question Id#1263 published on 8/21/2007 12:18:37 PM

Q: Will the TCP1 retirement fund include all existing (as of 10/1/07) LLNL retirees plus the current transferees?

A: No, prior retirees will be under UC's pension plan. They do not transition to the LLNS retirement plan.

Question Id#3212 published on 8/21/2007 12:07:31 PM

Q: Will LLNS TCP1 include a service credit buy back option for approved leaves in the future? If so, will the LLNS service credit buy back option be equivalent to the UCRP buy back option with regard to terms and cost?

A: 1. Yes 2. Yes

Question Id#1259 published on 8/21/2007 12:06:44 PM

Q: Could the TCP1 retirement fund reduce payments or force retirees to make contributions if the UCRP does not?

A: No. Only active employees would be required to provide employee contributions. Current retirees remain under UCRP actions with the exception of administration of retiree medical directed by the LLNS contract.

Question Id#3595 published on 8/21/2007 8:59:22 AM

Q: I question the logic of the agreement between NNSA and LLNS that a lump sum option would result in a benefit not substantially equivalent to the UCRP benefit. Since a lump sum is available under UCRP, and assuming that TCP1 will not be more generous than UCRP, how can this be? Are there fears that if they were allowed there would be a greater than normal number of cashouts in the future, or that the plan may be initially underfunded?

A: UCRP uses a fixed interest rate in calculating its lump sum cashout factor. ERISA requires a two-month look back to the PBGC interest rate. Simply put, the interest rate used to calculate lump sum cashouts under ERISA changes from month to month. The lower the interest rate the higher the cashout and the higher the interest rate the lower the cashout. With currently low interest rates, the lump sum cashout calculation with TCP1 could be significantly higher and therefore become a windfall benefit. Significantly equivalent means not much lower and not much higher than current benefit values.

Question Id#809 published on 8/20/2007 5:24:40 PM

Q: Regarding the TCP-2 matches. For the 401k match, is it a dollar for dollar match up to 6% of your salary? For the service-credit component is it 2.75% (hopefully 5.5%) of your salary? When are the matches credited to your accounts? (monthly, annually) If matched annually, on what month? If annually, and you retire, is the match prorated or do you lose that year's match?

A: Yes, dollar for dollar match up to 6% to IRS maximum limits. Matches and employer contributions are credited to your account every pay period.

Question Id#815 published on 8/20/2007 5:23:24 PM

Q: For those TCP2 employees with contributions to the 401(k) plan and receiving employer contributions (matching as well as the additional service-based), when they terminate from LLNS, do they need to be vested before receiving the employer portion of the 401(k) contribution? For example, can an employee who transfers to LLNS and works one year, receive the employer contribution to the 401(k) plan?

A: Employees are immediately vested on all employer contributions. To answer your specific question, yes.

Question Id#1277 published on 8/20/2007 5:19:03 PM

Q: Regarding 401K contributions for TCP2, there is a match section of the 401k and a service based contribution. 1) First are these two different things? In that you get the service based contribution no matter what you put into the plan and the match portion you will get as long as you contribute 6 percent of your salary into the 401K plan. 2) Let me know if the following example is correct: An employee makes 100k a year and has been working at the lab for three years. He decides to put 8.5 percent of his salary into the plan, his total contribution would be as follows: Employee Contribution: 8.5% Match Contribution: 6% Service Contribution: 1% Total 401K Contribution: 15.5% So, in summary the employee will max out his 401K at 15,500 per year, by contributing 8.5% a year.

A: 1) Yes 2) Match = 6% of eligible compensation plus employer service based contribution for three years of 3.5%. Total 401K contribution = 8.5%+6.0%+3.5% = 17.4% of eligible compensation

Question Id#1265 published on 8/20/2007 4:49:59 PM

Q: Will we be able to freeze our retirement under TCP1 the way that we can with UCRP?

A: Yes if you are vested

Question Id#1037 published on 8/20/2007 4:49:37 PM

Q: I'm an LLNL employee with 18.5 years of service and I'm considering the TCP-1 package. Is there an age and years of service chart available for the percentage of my salary I would receive once I retire? Right now as it stands I would have 33 years of service at age 60 and would receive 82.5 % of my salary.

A: Please refer to the UC website for the retirement age factor. LLNS TCP1 pension plan formula will be the same as

what is used by UCRP today.

Question Id#853 published on 8/20/2007 4:43:01 PM

Q: Should LLNS grow TCP2s 401(k) employer contribution over time, will a corresponding increase also be applied to TCP1 members -- either via the Defined Benefit Plan or employer contributions towards TCP1s 401(k) plan?

A: No there are no plans to do this.

Question Id#1264 published on 8/20/2007 2:58:02 PM

Q: Would freezing a UCRP account and joining TCP2 offer any protection from a poorly performing TCP1 retirement fund or would all the funds be grouped together under LLNS anyway?

A: The pension fund and TCP2 401(k) funds are managed separately. The pension is managed by a committee with fiduciary responsibility on the plan participants' behalf. The 401(k) funds are invested at your discretion.

Question Id#822 published on 8/20/2007 1:50:19 PM

Q: Under the TCP-1 plan it shows 2.5% times your highest 3 years average for retirement income. At age 53 I would have 30 years of service which would give me approx. 75% of my highest 3 years. Is there a minimum age I must be in order to retire?

A: The minimum retirement age is 50 (same as UC).

Question Id#398 published on 8/20/2007 11:31:25 AM

Q: Regarding slide 17. If I am understanding the information correctly my spouse would receive 50 percent of the annuity versus 100 percent. Is that correct?

A: No, the default is 50 percent; you may elect any of the other annuity options.

Question Id#2761 published on 8/20/2007 11:26:54 AM

Q: As a Lab Associate, will I be able to have a 401(k) with LLNS and will LLNS contribute to the 401(k) (up to 6% matching and a percentage based on service at the Lab)?

A: The policies for Lab Associates are being adopted by LLNS. Lab Associates currently are allowed to defer in the 403(b) plan, and receive no other retirement contributions, which LLNS is replicating. Lab associates are only eligible for TCP1, which does not have the employer match or service-based contributions.

Question Id#463 published on 8/20/2007 11:25:59 AM

Q: On page 7 Note 3 it states that Lab Associates will participate in the TCP1 401(k) plan. A Lab Associate has retired from the UC. LLNS is a separate legal entity. Other than LLNS providing medical benefits, how is this different from any other retiree from a different company working at LLNL? Should they not participate in TCP2 401(k)?

A: The policies for Lab Associates are being adopted by LLNS. Lab Associates currently are allowed to defer in the 403(b) plan, and receive no other retirement contributions, which LLNS is replicating.

Question Id#478 published on 8/20/2007 11:23:53 AM

Q: On page 18 for TCP1 Defined Benefit Plans - Normal retirement: This looks like there is the potential for the age factors to be changed. That is a dramatic change to the retirement benefit. What is the legal driver for changing the age factors? What controls will be in place to not adversely affect employees close to retirement?

A: At this time it is not anticipated that age factors will change unless statutorily required.

Question Id#1542 published on 8/20/2007 9:30:40 AM

Q: Will we be able to freeze our retirement under TCP1 the way that we can with UCRP?

A: Yes, the option to go on inactive status at LLNS, and then, at a later date, start collecting your monthly annuity, will be available under the Defined Benefit Pension Plan under TCP1.

Question Id#1495 published on 8/20/2007 9:29:53 AM

Q: Please clarify what is meant by "account balance will be paid upon retirement or termination" under the distributions section of the 401(k) of TCP2.

A: This means that the value of your LLNS 401(k) account is available to you upon retirement or termination.

Question Id#3485 published on 8/17/2007 9:32:55 PM

Q: What will be the rules for vesting in the TCP1 plan? I'm fully vested in UCRP now. Will I be fully vested on October 1 if I choose TCP1, or will I have to work for LLNS a certain amount of time to become vested? Please give full details about vesting in TCP1.

A: Since you are already vested in UCRP now, you will be fully vested under TCP1 as well.

Question Id#3486 published on 8/17/2007 9:27:49 PM

Q: If I choose TCP1, and if I retire within three years of October 1 2007, how will my HAPC be calculated? Will my salary under UC during the time before the contract change be used to calculate the HAPC for TCP1 under such a scenario?

A: The formula is the same used by UCRP now. Your HAPC will look at your salary under UC as well as at LLNS to find the 36 highest consecutive months.

Question Id#591 published on 8/17/2007 4:50:15 PM

Q: Please describe how the TCP1 funds (i.e. the money that provides the current benefits for retirees and will provide the defined benefits for future retirees) will be managed. Please provide specific answers to at least the following questions: 1. Who will be responsible for investing the funds? 2. How was that person selected (or how will that person be selected)? Who made (or will make) the decision on the selection of that person, and what criteria were (or will be) used? What organization will that person work for, and to whom will (s)he report? 3. What input will employees have in the selection of the responsible individual? 4. What authority will that person have? What actions is (s)he not authorized to take? Who must approve those actions? 5. Who is on the LLNS Benefits Committee? How were they selected? What authority does this committee have?

A: The answers to your questions are as follows: 1. The LLNS Benefits Investment Committee will be responsible for investing funds. 2. Information on the committee will be published shortly. 3. Authority is delegated by the committee by the LLNS Board of Governors. Again more information will be forthcoming.

Question Id#2963 published on 8/17/2007 4:33:46 PM

Q: I have money in the UCRP 403(b) as well as DCP. When I move into TCP1, can I keep my 403(b) in UCRP and transfer the DCP into TCP1 or does it have to be both accounts?

A: The only plan within LLNS that you can rollover money to is the 401(k). The 401(k) will accept rollovers from the Defined Contribution, 403(b) and/or the 457(b) plans.

Question Id#2961 published on 8/17/2007 4:33:15 PM

Q: Under TCP2, will the 401(k) investment monies be pre-tax or post-tax?

A: You have the choice of having your 401(k) contributions deducted from your paycheck on either a pre-tax and/or after-tax basis.

Question Id#2749 published on 8/17/2007 4:32:07 PM

Q: If I were to choose to leave my sick leave with UCRP, retire from UC after October 1, 2007 but before the 1/28/08 deadline to be able to use my sick leave service credit and collect UCRP retirement money, how would this affect my job status, benefits, and retirement later with LLNS?

A: There will be no impact on your job status and you would be eligible to sign up for TCP2 regarding benefits and retirements.

Question Id#3557 published on 8/17/2007 3:42:33 PM

Q: Are there limits to the amount of employee contribution that could possibly be required in the future for

the pension plan. For example, as an analogy, UC intends to require employee contributions to the pension (ex. 8%) at some time in the future. LLNS also has the ability to require employee contributions to the pension in the future if necessary. Is there a limit on the amount LLNS could require employees to contribute?

A: Should UC require employee contributions to the pension plan in the future, LLNS is contractually required to "consider" it but does not have to follow its lead. In addition, the NNSA must approve the change. There is no limit with UC, LLNS or the IRS to employee contributions to a pension plan.

Question Id#1481 published on 8/16/2007 5:50:47 PM

Q: Will I be making any contributions to the Defined Benefit Plan? If so, what will the contribution be? Will this be a pre-tax or after tax contribution?

A: Your question does not contain enough information for us to adequately respond. Please refer to the FAQs on the LLNS website under the Defined Contribution and General Pension tabs. If your question has not already been covered by the posted Q&As, please resubmit with more details or contact the LLNS hotline at 4-5567.

Question Id#1620 published on 8/16/2007 5:06:18 PM

Q: Please provide a more detailed explanation of why lump sum cashouts will not be allowed in the future under TCP1.

A: UCRP uses a fixed interest rate in calculating its lump sum cashout factor. ERISA requires a two month look back to the PBGC interest rate. Simply put, the interest rate used to calculate lump sum cashouts under ERISA changes from month to month. The lower the interest rate the higher the cashout and the higher the interest rate the lower the cashout. With currently low interest rates the lump sum cashout calculation with TCP1 could be significantly higher and therefore become a windfall benefit. Significantly equivalent means not much lower and not much higher than current benefit values.

Question Id#118 published on 8/16/2007 3:25:51 PM

Q: In the proposed LLNS benefit package for TCP2, for Employer Non-matching contributions, there is a "service-based contribution" with a different percentage for depending on years of service. What is that percentage applied to? For example for 20 years, it says 2.75%---2.75% of what?

A: Your service in UC can receive credit depending on your election. Believe your question was specifically answered at the Benefit Town Hall sessions. Please refer to the LLNS slides posted on the LLNS website.

Question Id#660 published on 8/16/2007 2:22:34 PM

Q: What is an "asset in kind" transfer, as referred to in page 48 of the benefits presentation? How can one do it? What is the impact?

A: This means the securities held by UC's Defined Benefits Plan will be valued and then will be transferred to the LLNS Defined Benefit Plan.

Question Id#2457 published on 8/16/2007 2:18:37 PM

Q: How will the "Match 100% ... on [the] first 6% of pay" be handled for those whose salary would cause the \$20,500 maximum IRS ontribution to be exceeded?

A: LLNS' contribution to an employee's 401(k) plan will not count toward the \$15,500 IRS limit (\$20,500 if 50 or older).

Question Id#715 published on 8/16/2007 2:17:10 PM

Q: Would you please explain to me how you can state that these two packages are both substantially equivalent when one is rated at 25 percent less than the other?

A: The current UCRP to a substantially equivalent TCP1 is valued at 130.7 percent. If you took TCP2 it currently is valued at 112 percent.

Question Id#2473 published on 8/16/2007 2:12:45 PM

Q: I am currently an indefinite career employee who works part-time (80%). Assuming I will be able to

continue at my 80% level, is there anything due to my part-time status that would limit my future TCP1 pension amount (other than the fact that I would acquire service credit at a rate of 80% of a full-time employee)? In a related question, I want to verify that my HAPC at the time of my retirement from TCP1 will be based on my full-time equivalent pay and not my 80% level take-home pay. Please confirm this for me. Thank you.

A: You are correct on both accounts. Your TCP1 monthly annuity calculation will only be limited by the fact you earn service credit at a reduced rate based on your reduced appointment. The HAPC used to calculate the TCP1 monthly annuity is the full-time equivalent.

Question Id#718 published on 8/16/2007 2:12:01 PM

Q: "Transferring Employees" are those employees who transfer from employment with UC to employment with the Contractor on Oct. 1 2007 who do not retain credit for prior service and cease to be participants in UCRP. UC Nonvested Transferring Employees electing TCP2 will not retain credit for prior service and will cease to be participants in UCRP. Doesn't this just basically say that any LLNL employee with less than five years of service is not eligible for any UC retirement benefits?

A: If the employee elects to transition with LLNS, recognized UCRP service credit will be added to your LLNS service. This information was communicated at the Benefits Town Halls and slides are available on the Website, www.llnslc.com

Question Id#2519 published on 8/16/2007 1:43:28 PM

Q: TCP2 - we will be allowed to contribute up to 6% of our pay to the limit of \$15,500, does LLNS then match that 6%, with a total of \$31,000 or is the total limit \$15,500? Does the TCP2 employer non matching contribution go toward that limit of \$15,500?

A: Here is an example of the employer match in TCP2. If you make \$10,000 per month and contribute 6% of your salary to the 401(k) on a pre-tax basis that equals \$600 per month. The employer match is 100% of the first 6% pre-tax contribution. In this scenario LLNS will place \$600 in your 401(k) account. The employer matching contribution and service based contribution do not count towards the IRS annual limit of \$15,500.

Question Id#2555 published on 8/16/2007 1:27:54 PM

Q: Regarding the 401(k) plan proposed for TCP2, will the matching funds be made concurrently with contributor deposits or annually? Also, has an investment manager (or firm) been identified to manage the contributions?

A: Hopefully by now you have read the July 27 edition of Newsline that describes the new bi-weekly payroll. Contributions to the 401(k) plans will be made on a per-paycheck basis. The lineup of investment options still needs to be approved by the Benefits Investment Committee. Employees will be notified as soon as a mechanism is in place to make your selections.

Question Id#2682 published on 8/16/2007 1:15:39 PM

Q: On page 26 of the "LLNS Total Compensation Design and Strategy" July 12, 2007, bullet # 1 refers to "actual Plan documents and relevant laws will govern at all times". Question: Where can I obtain a copy of the "actual Plan documents", specifically the actual plan document for TCP2?

A: The Summary Plan Descriptions (SPDs) are currently under development and won't be available until later in the year. The details employees need to help make benefit decisions are provided in the various presentation materials posted on the LLNS website under the Benefits tab.

Question Id#2696 published on 8/16/2007 1:08:42 PM

Q: If I am reading this presentation correctly, the age for retirement under LLNS is age 60. If you retire before age 60 you will have your expected retirement cut by "some percentage." Where are your actuarial tables so people can see how this is going to affect them.

A: The TCP1 defined benefit plan's formula will mirror the formula used for determining UCRP benefits. Therefore, age factors will be applied to ages 50 through 60.

Question Id#3497 published on 8/16/2007 1:00:14 PM

Q: Transition pages in LAPIS: Page one is acceptance - OK. Page two says "401(k) with no employer contribution." Why is that, with my 30+ years of service? Does that service time not carry over as it does with medical?

A: Since there is no employer contribution to the TCP1 pension plan, your question implies that you selected TCP1 and are transferring over to LLNS and not going inactive with UC (freezing your service credit). Your 30 years of UC service is carried over and will be applied to your retiree medical. With 30+ years of UC service, you will be eligible for 100 percent employer subsidy. Your UC service is also used to determine your sick leave accrual rate. Please call the LAPIS hotline if LAPIS does not do this for you.

Question Id#706 published on 8/16/2007 12:57:33 PM

Q: Reciprocity with public sector plans such as CalPERS will not be replicated according to the new proposal for total compensation. I came to work here at LLNL and left my last CalPERS employer in part because there was reciprocity. Although the IRS rules may be complicated, are they impossible? Can we retain reciprocity?

A: We are aware and working this issue with NNSA and the state. As soon as information is available we will be communicating with you. We appreciate your concern and plan to have more information soon.

Question Id#2708 published on 8/16/2007 12:27:29 PM

Q: Since we will be in the "outside world" as of 10/1/07, as our Congresswoman put it, can we be assured by LLNS that it will not dip into the pension funds in order to make the bottom line look good? I understand that some corporations and even small privately owned businesses have done that, so it is a concern.

A: Under ERISA law, LLNS would be prohibited from "dipping into the pension funds". The oversight Benefits Investment Committee in place would also prevent such behavior.

Question Id#2760 published on 8/16/2007 11:41:06 AM

Q: Will employees be given the option to switch from TCP1 to TCP2 after the transition occurs? Perhaps during an "open enrollment" period?

A: No, the offering of TCP1 or TCP2 is a one-time only election.

Question Id#3492 published on 8/15/2007 4:55:46 PM

Q: I would prefer to keep my 403(b) and 457(b) in their respective accounts to be continued to be managed as they are now. Are there any automated rollovers into the 401(k) accounts I need to be wary of or hidden in any of the elections being made?

A: No; you would have to notify UC if you wish to roll over your 403(b) or 457(b) funds.

Question Id#142 published on 8/15/2007 2:18:47 PM

Q: Under TCP2 non-elective employer contribution discussed on p10 and p35 of the viewgraph presentation, is the contribution based on an employee's annual gross compensation? If not, what is basis?

A: Eligible compensation is defined as base salary, overtime, etc. Please refer to the LLNS employee benefits briefing material posted on the LLNS website.

Question Id#592 published on 8/15/2007 10:15:11 AM

Q: I understand the deferred contribution limits for 2007 are as follows 401(k) – 15,500 403(b) – 15,500 457(b) – 15,500 For 2007 will we be able to defer \$46,500? In other words is the deferral for the 401(K) independent from the 403(b) or is it additive?

A: This question was answered at the Benefits Town Halls in the slide presentation, which is on the LLNS Website. As referenced in the slide presentation, the maximum pretax deferral for 2007 is \$15,500. This includes pretax deferrals from the 403(b) and the LLNS pretax 401(k) deferral for the remainder of the calendar year.

Question Id#291 published on 8/15/2007 9:07:56 AM

Q: I have more than 20 years of service with LLNL. If I retire inactive, am I correct in assuming that I am eligible for 100 percent employer contribution on the retired medical benefit? Does the 100 percent employer

contribution cover beneficiary coverage and are the medical plans available in this scenario the same as those for TCP1 retirees?

A: If you become an Inactive Vested Transferring Employee and choose the TCP2 benefits package, when you decide to retire you may elect TCP1 retiree medical/dental based on UCRP service credit frozen on Sept. 30, 2007. Your UCRP service credit will be used to determine the employer contribution toward medical and dental premiums. If by beneficiary coverage you mean surviving spouse or domestic partner, then, yes, LLNS will pay 100 percent of their portion of the medical and dental premiums.

Question Id#181 published on 8/14/2007 5:16:51 PM

Q: Are all pensions (present workers and present retirees) being moved from UC to LLNS? Does inactive status mean being with UC or LLNS? This was implied but not stated.

A: Employees who retire from UC on or before September 30, 2007 will have their pensions paid from UCRP. Anyone who selects inactive vested status with UC by September 17, 2007 will have their UC pension paid to them from UCRP in the future.

Question Id#151 published on 8/14/2007 4:23:36 PM

Q: Under TCP2 will an inactive vested employee with 20+ years of service with UC receive the 2.75% employer non-matching funds into the 401(k)?

A: The answer is yes, but the percentage is 5.5%.

Question Id#86 published on 8/14/2007 4:09:19 PM

Q: Is it possible to get a fairly simple comparison of TCP1, TCP2, and the TCP2 Alternative - irrespective of years or service, vesting, etc. (i.e. as if you are a new, non-vested employee)?

A: See the LLNS website for Town Hall Benefit slides for such examples.

Question Id#241 published on 8/14/2007 4:04:11 PM

Q: Outside of the percentage of employer contribution to the 401(k), are there any differences between the TCP2 plan offered to LANS employees and the TCP2 plan offered to LLNS employees?

A: Yes, they (LANS) have different medical plans, for example. Now there are no differences in percentage but do have access to different medical plans as contracted.

Question Id#81 published on 8/14/2007 3:52:26 PM

Q: For employees currently working at the lab who are unvested and "flex-term" (as opposed to full-term/career employees), are we eligible for both TCP1 and TCP2, or TCP2 only?

A: You are eligible for both TCP1 and TCP2 as you are in UCRP today and according to your LLNS offer letter elections.

Question Id#39 published on 8/14/2007 3:45:20 PM

Q: Since the TCP1 plan is to be substantially equivalent in the aggregate to the UCRP plan, does this mean that any future mandatory employee contributions to the TCP1 pension plan will also be substantially equivalent to the UCRP? For example, if UCRP decides to have UC employees contribute 2%, will LLNS TCP1 employees also only have to contribute 2% or can LLNS decide they want their employees to contribute 5% instead? How high can this mandatory contribution go?

A: Our contract states we must consider any changes made by UC.

Question Id#258 published on 8/14/2007 3:42:20 PM

Q: With regard to the compensation design and strategy, why is the 401(k) employer match up to 6% only for TPC2 and not for TPC1?

A: The employer match and service-based employer contributions available in TCP2 are provided in lieu of the defined benefit plan that is provided in TCP1.

Question Id#169 published on 8/14/2007 3:40:49 PM

Q: The purported explanation for why LANS was not held to the 105% berval standard is that the value of what other comapnies offered has changed since the LANS benefit package was implemented. Explain how this can happen in such a short time period? Were the same companies used? And since these companies provide different "total compensation" how can they be considered valid comparables?

A: Companies change their benefits on an annual basis.

Question Id#311 published on 8/14/2007 3:35:22 PM

Q: How and when will we know if the TCP1 will move to a 3-yr cliff vesting period?

A: We don't know when or if it will change. Employees will be notified if it does. It will not happen before 10/1/07.

Question Id#174 published on 8/14/2007 3:32:45 PM

Q: Does TCP1 have to fit into the 105% market model in two years time the same as TCP2 or is it exempt and will remain unchanged?

A: No. TCP1 is not included in the 105% market model, per contract requirement.

Question Id#742 published on 8/14/2007 2:23:55 PM

Q: Does the TCP1 defined benefit pension plan formula give the monthly retirement benefit? That is, if I multiply my high 3-year average pay by 2.5%, is that the amount I will receive monthly? Also, am I correct in interpreting this to mean there is no age or service factor involved?

A: The TCP1 defined benefit plan's formula will mirror the formula used for deteriming UCRP benefits. Therefore, age factors will be applied to ages 50 through 60.

Question Id#907 published on 8/14/2007 12:55:11 PM

Q: TCP1 pension plan is based on the formula 2.5% of hapc. Is 2.5% at age 60?

A: You are correct in stating the 2.5% is the age factor for 60 in TCP1. The age factors used in UCRP will be replicated in TCP1.

Question Id#842 published on 8/14/2007 12:54:06 PM

Q: Regarding the non-matching 401k proposed for TCP1, will LLNS force the employees to use one financial management company, such as Fidelity, or will the employee have the option to use our own financial management company, such as UBS? I would like to have the option to completely manage my 401k and not be limited to one company which may have higher fees and less funds available.

A: If you choose to participate, you have to use the provider chosen by the company.

Question Id#3454 published on 8/14/2007 12:30:57 PM

Q: Suppose I join LLNS and choose TCP1, then retire on October 1, 2008. To calculate my HAPC, you need to find the average monthly salary calculated over the highest 36 consecutive months. What I want to know is whether under LLNS, my salary history under UC is taken into account if I were to retire under LLNS?

A: Yes.

Question Id#408 published on 8/9/2007 4:42:32 AM

Q: Under UC you could retire and return to work up to 46%. Some people are planning to go inactive with UC and take TCP2 to get the job guarantee. Then they plan to retire after Oct 1 with UC and draw both their UC retirement and full time wages. Are there restrictions that prohibit this plan?

A: No, there are no restrictions. LLNS cannot prevent you from collecting a benefit you earned with another company.

Question Id#29 published on 8/9/2007 4:15:38 AM

Q: TCP2 is described as being "market driven". I take this to mean that if the benefits level offered by the market declines, LLNS may at its discretion also lower the benefits offered to LLNS employees so that while they (the benefit) are more attractive than what the market has, they are less attractive than what they once were. When the LLNS TCP2 benefits change based on market conditions, which benefits are likely to change? Just retirement? Or can health and welfare benefits (life insurance, medical, dental, etc.) for active

employees be adjusted (downgraded) as well?

A: When conducting a Benefit Evaluation (BenVal) the entire benefits package (health & welfare and retirement) is compared to other companies selected by the NNSA. Per NNSA our TCP2 plan will go through another BenVal June 2008 and then every two years thereafter.

Question Id#219 published on 8/7/2007 2:51:54 PM

Q: For TCP2 retirement: This question is about the BenVal calculation regarding the 401(k) percent matching contributions and the percent that LLNS puts into a 401(k) regardless of whether the employee contributes. Does your BenVal calculation assume that every employee contributes 6 percent (or more) to a 401(k) and that LLNS will be contributing 6 percent matching funds for everyone? Or do you use some lower percentage for the BenVal calculation (say, only 40 percent of employees contribute 6 percent or more to their 401(k))?

Thanks

A: The BenVal calculation takes into consideration the eligibility of the benefit plans provided to employees (e.g. health care, vacation, post retiree health, etc.) and calculates a value for the benefit the employee would receive regardless of whether the employee elects to participate in all benefits.

Question Id#469 published on 8/6/2007 6:05:04 PM

Q: I am under the impression that LLNL employees will receive three paychecks from LLNS, LLC during CY07 (Oct., Nov., & Dec.). Will transferring UCRP-inactive employees be able to deduct the maximum 401(k) allowance (\$15,500, \$20,500 over 50) from these three pay periods? If so, will matching funds be applied to the 6% (+ service-based contribution, if eligible)? Thank you.

A: Your 2007 contributions to the 403(b) plus your 2007 pre-tax contribution to the 401(k) cannot exceed \$15,500 unless you are 50 or older then you qualify for an additional \$5,000 catch-up provision for a total of \$20,500 in 2007.

Question Id#3155 published on 8/6/2007 8:52:22 AM

Q: Does the total contribution limit of \$45,000 include the vacation pay being transferred to the 457(b)?

A: The \$45,000 individual annual contribution limit includes both the employee and employer contributions. The pre-tax limit of \$15,500 for 2007 is a combination of your 403(b) and 401(k) employee contributions. Contributions to the 457(b) plan, including those from vacation payout, are not a factor.

Question Id#3173 published on 8/6/2007 8:50:10 AM

Q: What exactly changed between the original TCP2 package and the new TCP2 package?

A: The difference is the employer non-elective, service-based contribution percentages. This is the contribution that the employer makes regardless of any employee contributions. The increases are: 0 - 9 years = 3.5% (was 1% per year) 10-19 years = 4.5% (was 1.75% per year) 20 or more years = 5.5% (was 2.75% per year)

Question Id#3171 published on 8/3/2007 4:31:08 PM

Q: If I choose TCP1 and in a few years I leave the Lab before my retirement age, will I have any retirement benefit? For example, if I leave LLNS at age 45 with 10 years of service, will I get a monthly pension when I reach 50?

A: We have made an attempt to answer your question based on the following assumptions: 1. you are already vested with UCRP, and 2. your 10 years of service would be combined UCRP / LLNS. If our assumptions are correct, then you would receive a monthly pension payment when you retire but you will not be eligible for retiree medical.

Question Id#3169 published on 8/3/2007 4:25:31 PM

Q: In TCP2, if I contribute money to my 401(k) and I have reached the IRS limit by June 2008, I would stop contributing money for the remainder of the year. Will the 6% match be split over the entire year or will the full 6% match be deposited into my 401(k) by June 2008? What about the (currently) 3.5%.

A: The employee and employer match 401(k) contributions are all made on a per-pay-period basis, so once the limits are reached, the employee contributions will stop until the following year. You may continue contributing to the 401(k) on an after-tax basis and still receive the 6% match. Also, the employer non-elective contribution is made whether you contribute to the 401(k) or not.

Question Id#382 published on 8/3/2007 4:16:39 PM

Q: I have a question about TCP1. Under TCP1, if you have 6 years of service and are aged 45 and you leave the lab, what happens to your pension? Do you lose your pension since you left before you were 50 years old? Or do you receive your accrued pension once you retire later? Thanks.

A: Under TCP1, employees in an inactive vested status can retire after reaching age 50 with a monthly pension. You do not lose your pension even if you leave the Lab before reaching age 50.

Question Id#3161 published on 8/3/2007 3:11:10 PM

Q: I am not vested and will accept employment with LLNS. If I choose TCP2 and continue to work for LLNS, but may resign before the five years (including the years with UC) required for fully vested, can I collect "employer contribution" to my 401(k) for the duration of my employment with LLNS if I resign before I am fully vested?

A: Yes. In addition, since the Defined Contribution Plan - 401(k) is portable, you may take it with you should you resign.

Question Id#355 published on 8/2/2007 9:27:39 PM

Q: I have a handicapped adult son age 21 who will be unable to live independently. Under the UC plan the pension benefits will go to him after my husband and I die. Is this succession option available under TCP1 and how do the costs compare with the UC plan?

A: Under TCP1 you have the ability to name anyone as your contingent annuitant -- someone you designate to receive a monthly lifetime benefit after your death; in your case, your son. If you do not name your spouse (if applicable), then your spouse must give their consent.

Question Id#231 published on 8/2/2007 8:19:23 PM

Q: As an inactive transferring employee, if I leave the lab for any reason, can I get employer contribution to the retirement medical benefit while delaying my retirement from UCRP to 60 years of age to avoid the age penalty imposed on my pension?

A: No.

Question Id#3140 published on 8/2/2007 6:29:24 PM

Q: On page 22 of the Benefits Package Briefing it mentions under TCP1: Ability to name anyone as your contingent annuitant (a person you designate to receive a monthly lifetime benefit after your death)". Can this be one of my children?

A: Yes, naming one of your children or your registered domestic partner are excellent examples of naming a contingent annuitant other than your spouse (if applicable). If you don't name your spouse, they must give their consent.

Question Id#3075 published on 8/1/2007 8:59:24 AM

Q: If I have less than 10 years of service, and contribute 6% of my salary to the TCP2 401(k) plan between now and December 31, 2007, what will I actually receive in employer service-based and matching contributions? What if I have between 10 and 20 years of service? What if I have over 30 years of service?

A: Please refer to page 27 of the LLNS employee benefits briefing material recently posted on the LLNS website. That slide shows that if you have less than 10 yrs, the employer match would be 3.5% until you reach 10 yrs when the match increases to 4.5%. At 20 yrs or more, the match goes up to 5.5%.

Question Id#1860 published on 7/27/2007 4:12:04 PM

Q: [Z10] Will past Bechtel Nevada (BN) employees who currently work for UC be able to combine both their UC and BN pension into LLNS pension system?

A: The LLNS contract with NNSA has no provision that would permit this consideration. On January 9, 2006, Ambassador Linton Brooks, NNSA Administrator, advised as follows, "Thus far, NNSA has not addressed the question of portability of benefits from one site to another. Each of our sites operates under a separate contract with a

separate legal entity, thus making portability difficult. Further, we do not believe that a large fraction of our employees transfer among sites. Finally, the Department of Energy has approved pension provisions at the three weapons labs that are significantly more generous than those at other sites, further complicating the general question of portability. While we may address this issue in the future, there are no plans to do so at the present time."

Question Id#2349 published on 7/25/2007 1:54:15 PM

Q: Is the 401K subject to a Benefit Value every year? Could they increase the agreed upon 6% match?

A: The entire TCP2 benefit package will be evaluated June 2008 and ongoing every 2 years. Matching could be changed as a result of the evaluation.

Question Id#1999 published on 7/9/2007 7:25:29 PM

Q: [Z89] Explain how retirement payment or burden will be split between UC, LLNS and DOE funds.

A: UC is responsible for funding the UCRP; LLNS is responsible for funding the LLNS TCP1 Defined Benefit Pension Plan; funding from DOE/NNSA, should it be required, would be according to the contract provisions DOE/NNSA holds with UC or with LLNS.

Question Id#1538 published on 6/30/2007 8:10:08 PM

Q: Going forward, are the only sources of income for the retirement fund the return on its 10/1/07 investments?

A: Retirement fund will start up using transferred UCRP assets as workforce elects TCP1 followed by some investment-type activity now done under UCRP.

Question Id#1477 published on 6/30/2007 8:10:55 PM

Q: As a non-vested employee, will my balance in the UCRP be retained in the Defined Benefit Plan of TCP1?

A: In the benefit plans proposed to NNSA, your UCRP service credit will be recognized for the TCP1 Defined Benefit Pension Plan. Unlike a defined contribution plan, the funds in the Defined Benefit Pension Plan are not segregated by individual. An asset transfer will occur to initially fund the Defined Benefit Pension Plan on October 1, 2007.

Health & Welfare:

Question Id#2730 published on 9/8/2007 12:52:47 PM

Q: Are we going to be allowed to change insurances before we change to LLNS on October 1? If so, will this take effect on October 1?

A: Unless you have been notified that your current health and welfare provided will no longer be continued, your current benefits will automatically roll over on 10/1/07. If there is to be an Open Enrollment in the fall of 2007, those changes will take effect January 1, 2008.

Question Id#2729 published on 9/8/2007 12:50:22 PM

Q: If I do not elect to have medical coverage under LLNS 10/1, will I be able to sign up for medical coverage in the future? Will LLNS have annual open enrollment like UC currently has?

A: Whatever health & welfare benefits you currently have will automatically roll over on 10/1/07. You may enroll in available plans any time that you have a "qualifying event" (i.e., marriage, birth, adoption, etc.) or during annual open enrollments.

Question Id#2709 published on 9/8/2007 9:22:07 AM

Q: In the past (and now), when an employee and their spouse work at LLNL they were not allowed to cover

each other on their medical benefits (no "double" coverage). In talking to the health care providers/plans I was told that they allowed double coverage, but that the UC/LLNL was the one making the decision not to allow double coverage. Will this be allowed under the new contract?

A: LLNS will not allow double coverage of dependents.

Question Id#2689 published on 9/6/2007 9:37:28 AM

Q: Since HCRA was a benefit provided by UC and we were told that employment by UC will end on Sept. 30, 2007, do we get the option of adjusting our monthly deduction with LLNS if we choose TCP2?

A: No, your HCRA contribution will stay the same for 2007 unless you have a family status change qualifying you to make a change to your HCRA contributions. You will be able to make changes for 2008.

Question Id#1069 published on 9/5/2007 8:29:09 PM

Q: Life insurance: With the change in benefits will I have the opportunity to alter my coverage? Right now there has to be a life change for me to do that but does the benefits transfer allow me to do this without a life change.

A: Changes to your life insurance coverage will be possible during the next open enrollment, but not at transition.

Question Id#986 published on 9/5/2007 8:10:07 PM

Q: I have a question regarding the coordination of medical benefits with the new contractor. Currently, UC does not coordinate medical benefits when an employee has a spouse working at the same location. Only one person can carry medical benefits even as the institution assesses a burden rate for medical benefits for both employees. This accounting practice is questionable at best. Both employees should be able to elect family medical coverage during open enrollment. Is LLNS going to coordinate medical benefits when employees have spouses working for LLNS? If not, one of the married couple should be able to opt out of medical benefits and be compensated in lieu of the medical benefits. This should cover Medical, dental and optical.

A: LLNS policy replicates that of UC; dual coverage is not permitted. LLNS does not plan to offer a cafeteria type plan at this time.

Question Id#943 published on 9/5/2007 7:38:29 PM

Q: Will two related employees of the same company be able to have dual medical coverage?

A: LLNS policy replicates that of UC; dual coverage is not permitted.

Question Id#882 published on 9/5/2007 7:09:54 PM

Q: Once the contract changes on Oct 1 2007 will we be able to select a new health care plan or will we be automatically rolled into the plan we currently have? In either case will we still have open enrollment in November?

A: Your current health and welfare plans will roll over on October 1, 2007, unless you are notified by LLNL Benefits that your provider will not be continued. At that time, you will be asked to select a new provider. Open enrollment will likely occur in 2007, but a final decision is still pending.

Question Id#2676 published on 9/5/2007 2:01:57 PM

Q: Can you tell me if the tax deferred medical program is still going on with the new contract? If I chose TCP2, will I be able to put money aside on the medical visa to use? What about the money I have set aside from last year - starting January? This is \$250 per month. I still have a balance of money not used. Is this Medical Visa good until January?

A: Your Health Care Reimbursement Account (HCRA) will transfer from UC-LLNL to LLNS. You will be able to change your election for calendar year 2008 during Open Enrollment. The flexible spending accounts will continue as is and will roll over on October 1, 2007 with the same payroll deductions. Please refer to page 12 of the LLNS employee benefits briefing material posted on the LLNS website for additional information.

Question Id#2670 published on 9/5/2007 1:50:42 PM

Q: If I transfer all my accrued vacation as of Sept.30, 2007 to the new LLC and go to inactive UCRP status,

take a position with the new LLC under TCP-2; while working for the new LLC Q1: Will the new LLC take care of and make a contribution to my medical plan as the replication of the current UC H&W? If I retire from UC and take the lump sum within the 120-day period after Oct.1 of 2007 but continue working for the new LLC Q2: What will happen to my medical plan? Finally, if I quit from the new LLC within a year or two Q3: Can I cash out all my accrued vacation? or do I have to use them all?

A: Q1: The amount of retiree medical and dental premiums paid for by LLNS will be decided by your UCRP service credit balance as of 9/30/07. The service-based schedule for the employer contribution for retirement medical is as follows: 0-4 years' service credit = 0% LLNS contribution; 5-9 years' service credit: If you meet the Rule of 75 (which means your age and service added together equal 75) = 50% LLNS contribution If you do not meet the Rule of 75 = 0% LLNS contribution; 10 years' service credit = 50% LLNS contribution; 11 years' credit = 55% LLNS contribution; 12 years' credit = 60% LLNS contribution; 13 years' credit = 65% LLNS contribution; 14 years' credit = 70% LLNS contribution; 15 years' credit = 75% LLNS contribution ; 16 years' credit = 80% LLNS contribution ; 17 years' credit = 85% LLNS contribution; 18 years' credit = 90% LLNS contribution; 19 years' credit = 95% LLNS contribution; 20 years' credit = 100% LLNS contribution; and Over 20 years' credit = 100% LLNS contribution. The term "certain eligibilities" refers to years of service and the Rule of 75, as explained above. Q2L If you take a lump sum from UCRP then you are eligible for access only retiree benefits through TCP2. Q3: When you stop working for LLNS they will cashout your vacation balance as of the time of your separation.

Question Id#3823 published on 9/5/2007 11:50:40 AM

Q: I have 20+ years w/LLNL and have chosen to freeze my retirement with UC and accept employment with LLNS. My question is: Will my medical benefits while working (not after retirement) be subject to BenVal fluctuations in the future?

A: Yes, medical and dental benefits are subject to BenVal studies under TCP2.

Question Id#2551 published on 9/4/2007 9:14:37 PM

Q: A person is grandfathered under a UC policy that allows her to cover her mother under her medical as a dependent. Will this continue? This question has been asked in the past.

A: As long as your mother is currently enrolled as an adult dependent, she will continue to be covered.

Question Id#2534 published on 9/4/2007 9:08:35 PM

Q: IF I GO INACTIVE BUT DON'T RETIRE JUST WORK FOR THE NEW COMPANY, LLNS, I WILL NEED TO COVER MY MEDICAL UNDER UCRP TO STAY A MEMBER IN GOOD STANDING UNTIL I RETIRE SO THAT I WILL GET MEDICAL WHEN I DO RETIRE (bottom line I would pay for medical under UCRP & LLNS)? Correct?

A: As an inactive vested transferring employee, you will have medical coverage as an active LLNS employee. When you are ready to retire and meet the minimum age requirements, you may then activate your retiree medical. For more details concerning retiree medical under TCP1 vs TCP2, please peruse the FAQs (Retirement Medical category) on the LLNS website under the Q&A tab or review the employee briefing material that is posted under the Benefits tab.

Question Id#2477 published on 9/4/2007 8:55:46 PM

Q: Will health insurance deductibles start from \$0 on October 1st given individuals are changing employers?

A: Annual deductible amounts will carry forward from UC group insurance plans to LLNS group insurance plans. Annual deductibles will start over as of January 1, 2008.

Question Id#2386 published on 9/4/2007 8:00:32 PM

Q: Will children be covered medically up to age 23 if they are full time students?

A: There are no plans to change the current eligibility rules. Natural and adopted children are covered up to age 23 and do not need to be full-time students. However, they cannot be married.

Question Id#3766 published on 8/29/2007 6:25:03 PM

Q: Does LLNS plan to offer Legal services at the time of LLNS employment on October 1, 2007, or during open enrollment in November, 2007?

A: Both. If you are already enrolled in the Legal benefit your coverage will roll over on 10/1/07. If you are not and wish to enroll in the future, you may do so during Open Enrollment.

Question Id#3772 published on 8/29/2007 6:20:13 PM

Q: Is LLNS planning to offer Legal services at the time of employment as a LLNS employee October 1, 2007 or during open enrollment in November, 2007?

A: Both. If you are already enrolled in the Legal benefit your coverage will roll over on 10/1/07. If you are not and wish to enroll in the future, you may do so during Open Enrollment.

Question Id#863 published on 8/28/2007 1:10:29 PM

Q: Should we expect LLNL employees to face increases to the employee portion of health care contributions, as our population base as LLNS employees is significantly smaller than the UC population base? Can LLNS command the same discounts or purchase power as UC?

A: As with UC today, companies evaluate their plan coverages and negotiate rates with vendors on an annual basis. Based on plan experience and market trends, rates change and employers must decide how much the employee/employer contributes to the premium costs and coverages. LLNS is finalizing this analysis now. Rates will be shared as soon as available.

Question Id#1184 published on 8/28/2007 1:07:29 PM

Q: Will the LLNS package provide that all biological or adopted children are still eligible for benefits, specifically health insurance, up to the age of 23? This is consistent with our current UC benefits.

A: Yes. Dependent coverages continue with the LLNS benefits plans which were replicated from the UC plans.

Question Id#3707 published on 8/28/2007 9:40:28 AM

Q: I have heard that there may be a lapse in medical coverage at the time of transition. Employees may not have new medical insurance cards, and may in fact not be enrolled in new or continuing insurance plans. Please tell me how employee medical coverage will be transitioned, and how continuity will be assured for the vast majority of employees who currently are enrolled in one of the major insurance plans.

A: There will be no gap in medical coverage at the time of transition. Your current enrollment, coverage, dependent elections, etc. will all be rolled over on October 1, 2007. The group insurance number will change and employees will receive new medical cards from their providers October 1, 2007. Employees may request a temporary card if necessary from their provider's website in October. Individuals who are currently covered by one of the providers who will be discontinued will be reached individually to select a new provider.

Question Id#3709 published on 8/28/2007 9:32:26 AM

Q: Do we still have legal assistance and will the cost still be shared by the new LLNS? The reason I ask is some information regarding benefits in the new LLNS had everything listed except for legal assistance.

A: Yes, nothing changes for the voluntary Legal assistance program. Legal assistance was covered in the employee town halls in August. Please refer to pages 16, 34 and 35 of the employee briefing material posted on the LLNS website under the Benefits tab for more information.

Question Id#3702 published on 8/28/2007 9:05:20 AM

Q: I am 50 years old and an FTE for 7 years (so >5 yrs service) and I just want to make sure regarding my medical, dental, and legal coverage remains the same when accepting an offer from LLNS TCP1? That is, do I have the same coverage, same deductables, and same employee coverage?

A: Yes, your medical, dental, legal, etc. coverage, deductables that you currently have rolls over on 10/1/07 under both TCP1 and TCP2.

Question Id#3668 published on 8/27/2007 9:04:13 AM

Q: I joined LLNL in 1986, and have 21 years of service. If I transition to LLNS under TCP1 or TCP2, will there be a Long-Term Care benefit, and will I be eligible to sign up?

A: Yes. Please refer to page 15 of the employee briefing material for information on Long-term care. As soon as the new provider is selected, employees will be notified.

Question Id#3669 published on 8/27/2007 9:02:44 AM

Q: I joined LLNL in 1986, and have 21 years of service. How can I enroll in the Long-Term Care benefit through CalPERS before the Open Enrollment deadline of Aug. 31, 2007? Where are these Long Term Care benefits and costs described?

A: Please contact the LLNL Benefits office for this information.

Question Id#3673 published on 8/27/2007 8:52:16 AM

Q: If an employee leaves their service credit with UCRP and becomes inactive as of Sept 30th, accepts a position with LLNS prior to September 30, and then retires from UCRP within the 120 time frame, can they choose to not have health benefits with LLNS? If they can is the rate of pay higher?

A: When you retire within the 120 day time frame but continue to work as an active employee, your retiree medical will be suspended and you will have active employee medical. If you choose not to have health & welfare benefits, there is no compensation available at this time.

Question Id#1190 published on 8/27/2007 8:29:03 AM

Q: The Laboratory is a major employer in the Bay Area where the cost of living is much higher than other locations in the US. If the intent of the new LLC is to attract the best and brightest to work at the Lab then why would you offer them an access only medical plan. Is there any chance that TCP2 would be enhanced to provide at least partial medical coverage?

A: Under TCP2 you may be eligible for retiree employer subsidy based on your frozen UC years of service as of 9/30/07. Future hires will receive access only. Due to the double digit rise in health care costs, many employers are discontinuing retirement health and welfare coverages. With access only, employees can still receive the coverage at a group negotiated rate. LLNS will continually monitor its Human Capital Management, and engage the NNSA in discussions on any changing nature of our work force throughout the life of the contract.

Question Id#1584 published on 8/25/2007 6:49:42 PM

Q: I had the opportunity to listen to the town hall meeting that focused on the two proposed benefit packages, TPC1 and TPC2. In addition I have spoken with colleagues to help broaden my understanding of how these two plans compare to our current benefits. However, I don't feel I have enough information required to do so with confidence. The information we've been given states that the benefits will be comparable in the aggregate, but without specifics this does not provide enough information for me to make an informed decision. My question is this: Will the employers contribution to medical, dental and all other benefits be the same as we currently have with UC, and will it extend to our family as it currently does, or is "sameness" only in the choices we will have in choosing from different plans. If the contribution from LLNS will not be the same as the contribution from UC, then I would not agree that TCP1 and TCP2 are comparable.

A: Health and welfare are the same for TCP1 and TCP2 and unchanged from UC. Please review pages 5 through 18 of the employee benefits briefing material posted on the LLNS website under the Benefits tab.

Question Id#603 published on 8/25/2007 5:47:46 PM

Q: UC provides health benefits to an employee's over-age disabled child. Is this provided under TCP1 and for a UC vested, inactive employee in TCP2?

A: Health and welfare benefits are the same for TCP1 and TCP2. As long as your adult, disabled child is currently listed as a dependent their coverage will not change.

Question Id#371 published on 8/25/2007 5:19:06 PM

Q: For current vested employees, the decision to transfer or not transfer pension funds should not be a

determining factor in their cost of retirement benefits. The details of who pays for benefits for retirees (the LLC or employee), specifically for those who leave their pensions with UC and continue working is unclear. It appears that LLNS, LLC would only pay for dental and vision if pension funds were transferred to the LLC or employees who retire within 120 days under UC. Is this true?

A: The service-based schedule for Inactive Vested Transferring Employees eliminates the need for the person to retire from UCRP within 120 days in order to be eligible for medical and dental benefits. The employer subsidy service credit is: 0-4 years' service credit = 0% LLNS contribution; 5-9 years' service credit: If you meet the Rule of 75 (which means your age at retirement + service equal 75) = 50% LLNS contribution. If you do not meet the Rule of 75 = 0% LLNS contribution; 10 years' service credit = 50% LLNS contribution; 11 years' credit = 55% LLNS contribution; 12 years' credit = 60% LLNS contribution; 13 years' credit = 65% LLNS contribution; 14 years' credit = 70% LLNS contribution; 15 years' credit = 75% LLNS contribution; 16 years' credit = 80% LLNS contribution; 17 years' credit = 85% LLNS contribution; 18 years' credit = 90% LLNS contribution; 19 years' credit = 95% LLNS contribution; 20 years' credit = 100% LLNS contribution; and More than 20 years' credit = 100% LLNS contribution. The LLNS contribution covers LLNS portion of the premium. The retiree is still responsible for the employee portion of the premium. Vision is not part of a retiree's benefit package.

Question Id#1231 published on 8/25/2007 1:52:40 PM

Q: Will the LLESA networking groups and the fitness center classes be able to continue?

A: Yes, subject to LLESA signing an agreement with LLNS and with NNSA approval currently under construction. Some provisions may need to change given the new contract structure. We are working the issues and will post information when available.

Question Id#727 published on 8/25/2007 9:51:54 AM

Q: Regarding proposed benefits total compensation packages, I don't understand what happens to employer contributions to medical premiums if I choose to take TCP2. I believe I would have a 50 percent contribution from UCRP based on my current years of service accumulated. Do I still get this if I choose TCP2 given the current proposal?

A: Active employee health and welfare benefits is the same for TCP1 and TCP2. LLNS will continue the employer/employee cost share. For retiree medical, under TCP2, your frozen service credit with UC as of 9/30/07 will be used to determine eligibility of employer subsidy retiree medical under unless you take a lump sum. If you take a lump sum, then you are eligible for access-only retiree medical. Please refer to page 35 and 36 of the employee benefits briefing material posted on the LLNS website for more information.

Question Id#740 published on 8/25/2007 9:37:28 AM

Q: Concerning the maternity leave: As I am just starting my family, I am concerned about the maternity leave policy we currently have and if it will be the same in the new contract. I just recently found out that although I pay out-of-pocket for a seven-day waiting period when going on disability or maternity leave, I will be forced to exhaust my sick leave prior to dipping into disability pay. Why do we offer the seven-day waiting period that we pay out of pocket for if it does not take effect after seven days? Not to mention that currently SNL offers a month prior to your due date off at which they are paid 100% of their salary and we only get 2 weeks prior to our due date. If the comparison was made against Sandia why was this not offered to LLNL or LLNS? Being that we are trying to attract more women into the sciences & engineering fields would this not be a benefit to the bright young women that are coming out of college? Are we trying to persuade people not to have a family while in the same breath trying to promote a healthy work/life balance?

A: As we presented at the Benefits Town Halls, disability coverages will be provided through the California State Disability Insurance; this is different than what you have today. Additional details are being worked and will be communicated as soon as possible. Additional Note: You may also elect to enroll in the current supplemental plan which will be the same at 10/1/07.

Question Id#776 published on 8/25/2007 9:35:26 AM

Q: The briefing slide discussing retirement benefits available under TCP2 (Slide 39 I believe) indicates that

retirees under TCP2 (presumably including Inactive Vested) will receive no employer contribution for dental benefits, although provision was made for contributions to other medical benefits based on length of service. Why are dental benefit contributions being denied? Are other benefits awarded to TCP1 employees and current LLNL retirees being denied to Inactive Vested employees as well?

A: Dental is included in the coverages. We apologize for the error on the June 18, 2007 slides, page 39. The employee briefing slides are correct and are now posted on the LLNS website under the Benefits tab. Please run through these if you have not already done so. Thank you for your patience.

Question Id#830 published on 8/25/2007 9:30:09 AM

Q: As we all can see, the bottom line is money and how can this benefit package supply OUR needs. My question is; if my spouse, who is employed in the private sector, is offered a medical package which is substantially superior to the package offered by LLNS,LLC, is there an allowance for monetary reimbursement should an LLNS employee choose not to take the LLNS,LLC offered medical coverage?

A: No. LLNS does not plan to offer a cafeteria type plan at this time.

Question Id#1061 published on 8/25/2007 9:27:30 AM

Q: Will LLNS subsidize the cost to our medical plan no matter which plan we decide to take?

A: Yes, LLNS will continue to have an employer/employee cost share for medical plan coverages.

Question Id#833 published on 8/25/2007 9:13:25 AM

Q: Considering the 9 months period with UC, how will the HCRA be handled with the transition to LLNS?

A: * SHPS will continue to be the administrator. * You would continue to submit claims as usual. * Payout deductions will continue. * YTD claims will roll over on 10/1/07

Question Id#835 published on 8/25/2007 9:11:25 AM

Q: As an employee that is planning to freeze my retirement with the UC and drop into TCP2 will I have to pay the total pool cost of medical and dental benefits until I retire?

A: No. The employer, LLNS, will continue to pay a portion for the premium costs while you are an active employee. If you elect to have your service credit frozen on 9/30/07 and elect TCP2, and you take a lump sum payment with UC, you would be eligible for access only retiree coverage.

Question Id#856 published on 8/25/2007 9:08:44 AM

Q: A colleague just pointed out to me that under TCP2 there is no employer contribution to the dental plan. In the first town hall meeting, the statement was made that TCP1 would replicate the health and welfare (H+W) benefits of UCRP, and that TCP2 was identical. I don't consider the lack of an employer contribution to dental under TCP2 to be identical. Under TCP2, then, dental is access only. ^This should have been spelled out. Are there any other cases where 1) the employee cost of a H&W benefit is different under TCP1 and TCP2 or 2) where a benefit is provided in the access only sense under TCP1 and/or TCP2, as in the case of dental?

A: Dental coverage is the same under TCP1 and TCP2. For active employees it is fully paid for by LLNS.

Question Id#1237 published on 8/25/2007 8:56:48 AM

Q: What does access only medical mean?

A: Access only means the employee pays the full cost of the plan, but benefits from the contract negotiated group rate for the provider.

Question Id#1241 published on 8/25/2007 8:51:27 AM

Q: Will medical cover domestic partners?

A: Yes, registered domestic partners will be covered the same as they are with UCRP.

Question Id#887 published on 8/25/2007 8:46:15 AM

Q: I had previously asked a question regarding employer contributions to dental benefits under TCP2. I

now see that the statement I was concerned about applied to retiree benefits, not employees. Let me rephrase my question in a general form: Will there be differences between TCP1 and TCP2 in employee costs and/or employer contribution for any of the health and welfare benefits?

A: There are no differences between TCP1 and TCP2 health and welfare benefits.

Question Id#3558 published on 8/23/2007 8:09:17 PM

Q: I previously asked the questions: I am about to schedule a non-elective surgery based on a current diagnosis. The surgery will most likely not occur until after 10/1. I do plan on keeping the same health care provider (HealthNet) as before. Will my surgery be covered by my provider, or should I wait to reschedule until after 10/1? and received the answer Your medical coverage will remain the same at the time of transition as it currently is. I realize I wasn't precise enough about my concern: Right now, my group for HealthNet is the University of California group, 55229G. (I'm sure lab employees with other health insurance providers have equivalent "U. of C." groups.) As of 10/1, the group for my provider will change to some LLNS designation. In effect, my insurance will be changing in some sense even though the provider is remaining the same. At the very least, any doctors I see, etc., will have to get new health insurance information because the group will have changed, and, perhaps, my subscriber ID as well. How is this transition -- from one insurance group to another -- going to be handled? Is it going to be seamless -- in other words, I don't need to do anything -- or are there going to be complications that individual employees like myself will have to deal with. I assume this was part of LLNS's discussions with all the health insurance providers.

A: We are working with the vendors to ensure seamless coverage and as you pointed out the only change is a group number. Your surgery planned with your current provider should continue as planned -- there is no need to reschedule after 10/1/07.

Question Id#3648 published on 8/23/2007 7:00:58 PM

Q: If I am 43 years old with nine years of service with UCRP and I transferred into the TCP1 plan with the new company and for some reason there was a layoff in six years (and I was released) before I turned 50 years old, would I lose my health and welfare benefits?

A: If you leave LLNS for any reason other than retirement, yes, you would lose your health and welfare benefits.

Question Id#3582 published on 8/23/2007 6:34:05 PM

Q: I'm sorry my earlier question was incomplete. If I choose to participate in TCP2 as inactive vested and elect to keep my sick leave with UC, does this mean my sick leave balance on October 1, 2007 is zero balance and I won't be able schedule medical appointments until I accrue sick leave in November or thereafter?

A: Yes, your sick leave balance on October 1, 2007 would be zero, but your UC service credit would be used for the accrual rate. You may continue to schedule medical appointments but may need to take the time off without pay until you accrued sick leave.

Question Id#3645 published on 8/23/2007 3:07:10 PM

Q: I have not seen much on domestic partner benefits, will the current health care benefits (under UC) be carried over to the new company (LLNS)? If so are there deadlines or paperwork that needs to be filed?

A: Health benefits will be provided to Registered Domestic Partners under the same eligibility requirements as today. Please refer to the Health & Welfare FAQs on the LLNS Website and the employee briefing material under the Benefits tab. We have responded to many similar questions on this subject.

Question Id#3594 published on 8/21/2007 9:03:19 AM

Q: If an employee leaves their service credit with UCRP and becomes inactive as of Sept 30th, accepts a position with LLNS prior to September 30, and then retires from UCRP within the 120 time frame, can they choose to not have health benefits with LLNS? If they can is the rate of pay higher?

A: 1. Since you will have active employee medical under LLNS, your retiree medical with UCRP will be suspended. 2. No, LLNS has no plans to provide such compensation at this time.

Question Id#3553 published on 8/20/2007 9:26:09 AM

Q: My husband and I are both employed with LLNL. Under UC one of us can carry insurance for the whole family. We can't have both of us carry insurance and use the spouse's insurance as a secondary. Will that be the case with LLNS?

A: Yes.

Question Id#3488 published on 8/17/2007 9:22:21 PM

Q: I have 20.5 years of UCLLNL employment and am looking at Freezing my UC retirement and taking TCP2 with LLNS and then take the UC retirement sometime after 10/01/07. Do I have coverage for Medical/Dental/Vision as long as I work for LLNS under TCP2? Thank You

A: If you are asking about employee health & welfare benefits while working at LLNS, yes, those benefits will continue as they do today. Please review the employee briefing material posted on the LLNS website for details. If you are asking about retiree medical, your frozen UC service credit will be used to determine the retiree medical and dental employer subsidy eligibility level. With 20 years of service, you would be eligible for 100% employer subsidy, unless you take a lump sum. If you take a lump sum, then you would be eligible for access-only retiree medical. Vision care is separate.

Question Id#453 published on 8/17/2007 4:40:41 PM

Q: Will TCP1 employees who eventually retire within the new company, see annual incremental increases to their Medical Plans? I'm aware of retirees from California companies who have about half the medical benefit they started with in the mid-80s, as a result of inflation, no incremental package increases, and renegotiated medical coverages.

A: There will always be the possibility that medical costs will increase.

Question Id#487 published on 8/17/2007 4:38:44 PM

Q: Since you are unable to give an amount, will the current employee percentage cost of medical increase?

A: Cost of medical premiums will not increase on 10/1/07 but could increase in the future.

Question Id#119 published on 8/17/2007 4:36:59 PM

Q: If an employee with more than 20 years service chooses TCP2, will their medical, dental, and vision benefits be the same as if they choose TCP1, with the same employee cost? And when that employee retires, will their medical, dental, and vision benefits be the same and cost the employee the same as if they elected TCP1? What if the employee has 30 years of service, will it cost the same in TCP2 as if they had 20 years of service, for benefits while employed by LLNS and when they retire?

A: Health & welfare benefits and costs (i.e., medical, dental, vision, etc.) will be the same for both TCP1 and TCP2 -- please refer to pages 5 to 18 of the LLNS employee benefits briefing material posted on the LLNS website. If you are inactive vested in UCRP, your UC service credit is frozen as of 9/30/07 and TCP2 is your only option. Your frozen UC service credit will be used to determine your eligibility for retirement medical unless you take a lump sum. For 20 years, you will be eligible for 100% employer subsidy. If you take the lump sum, then you are only eligible for access-only retiree medical.

Question Id#2860 published on 8/17/2007 4:32:29 PM

Q: Does LLNL plan to retain the current salary range-based, tiered structure for employee contributions to the medical insurance?

A: Yes.

Question Id#656 published on 8/16/2007 2:07:30 PM

Q: If I retire before Oct. 1, 2007, and hire on with LLNS, which medical benefit would prevail? The retire medical/dental benefit program? Or the LLNS medical/dental program?

A: If you retire and do not transfer to LLNS on Oct. 1, and later hire with LLNS, your retiree medical benefits would be suspended while you are an active employee with LLNS. When you terminate with LLNS, your retiree medical is reinstated.

Question Id#666 published on 8/16/2007 1:16:42 PM

Q: Under current UC retiree health and welfare plans, I qualify for 100 percent of maximum employer contribution because I was hired pre-1990 (even though I do not have 20 years of service). Will this provision for pre-1990 hires be replicated in the planned LLNS TCP1 & TCP2 programs?

A: Yes it will.

Question Id#527 published on 8/16/2007 1:11:01 PM

Q: Who is the proposed insurance carrier for Short-Term Disability?

A: California State Disability Insurance. Information was presented at the Benefits Town Hall meetings and more information will be provided as it becomes available.

Question Id#690 published on 8/16/2007 12:55:27 PM

Q: Under the new contract, will Laboratory employees now contribute to SDI (State Disability Insurance), and therefore be eligible for California Paid Family Leave?

A: Yes. More information will be communicated when it is available.

Question Id#511 published on 8/15/2007 11:26:05 AM

Q: Who is the insurance carrier for the POS and PPO medical plans?

A: Blue Cross is the carrier for both POS and PPO; they also have a Core Plan. Please refer to page 9 of the LLNS employee benefits briefing material posted on the LLNS website for other providers

Question Id#342 published on 8/15/2007 10:39:23 AM

Q: It appears that under TCP1, employer contributions toward retiree dental plans are based on the same service-based criteria used to determine employer contributions toward retiree medical benefits. However, it appears there are no employer contributions for retirees under TCP2, regardless of whether they are new hires or inactive vested transferring employees. What is the rationale for denying dental benefits to inactive vested TCP2 retirees, but not medical benefits? Also, what is the BenVal impact of employer dental plan contributions?

A: If you freeze your retiree medical and elect TCP2, the medical and dental are covered the same as under TCP1, but your years of service will not increase for determining the company contribution.

Question Id#597 published on 8/15/2007 9:58:32 AM

Q: Both TCP1 and TCP2 plans state "A retiree medical plan for Inactive Vested Transferring Employees that freezes UCRP service credit as of Sept. 30, 2007 toward the employer subsidy*". I would appreciate clarification on what this means. Does that mean that both TCP1 and TCP2 IVTEs with 20+ years of service credit on Sept. 30, 2007 will get equal medical coverage on retirement? Is this coverage independent of what UC might offer (see second part of question below)? What is the time frame for UC providing input on whether there will be time waiver of the maximum time limit that inactive vested employees will have to start retirement and still retain medical benefits? It is my understanding that UC waived the time limit for LANS inactive transferring employees, which allowed them to retain medical benefits when they retire from LANS even if this is many years in the future. This is a key piece of information in choosing between TCP1 and TCP2.

A: If you have 20 years of service you will receive 100 percent employer subsidy in TCP1 or TCP2 unless you take a lump sum. The time limit (120 days) will not be waived.

Question Id#503 published on 8/15/2007 9:40:40 AM

Q: The LLNS plan calls for "substantially equivalent" health and welfare benefits for LLNL retirees. I'm concerned that currently, UC sets the medical insurance premiums based on a Medical Contribution Base (MCB) - which is tied to pay rate. How will LLNS create these tiers and will the retiree premium costs be based on these tiers or in one particular tier (as UC does now)?

A: Premiums will be reviewed annually. Consideration will be given to UC's plans, but the decision for premium

costs will be based on the experience rating of the LLNS participants and LLNS' ability to negotiate costs with the vendors.

Question Id#505 published on 8/15/2007 9:38:30 AM

Q: There was talk about offering medical plans on the basis that the plan providers decide whether to offer them. Is LLNS currently in negotiation with these companies? UC starts the bidding process fairly early on in the year. If LLNS has not started this process yet, what are the prospects that LLNS will get reasonable medical packages and rates?

A: Yes, LLNS currently is negotiating the plans with the vendors and fully anticipates being able to provide credible plans soon, with an effective date of Oct. 1, 2007.

Question Id#104 published on 8/14/2007 2:08:18 PM

Q: Will the new contract include the option to deposit tax free dollars in a Health Savings Account? What will happen to the unused balances in our account after 9/30/07?

A: Yes. This information was provided during Benefit Town Hall sessions. Please refer to the slides on the LLNS website.

Question Id#100 published on 8/14/2007 2:03:03 PM

Q: If I go inactive in UC with over 20 years of service credit, my understanding is that when I later leave LLNS employment I will retain my full current medical benefits. Will I have to activate UC retirement to get the medical benefits or could I remain inactive and still receive full medical benefits? Also, if I took a UC lump sum cashout, would this affect my medical benefits?

A: Yes, you must activate UCRP as a monthly annuity. If you took the lump sum, you would only be able to get 'access only' medical.

Question Id#78 published on 8/14/2007 1:45:10 PM

Q: I have 15 years of service with UCRP. If I choose to freeze my retirement and retire at a later date from the UCRP plan I am only eligible for 75% of medical. What about my other retirement benefits? Are they covered 100% or 75%? I am talking about Dental and Vision coverage, Life insurance, Legal services, etc.

A: Dental and Legal Services will be covered at 75%, Life and Vision are not provided.

Question Id#3276 published on 8/9/2007 9:56:33 AM

Q: If I elect to retire from UCRP where I have a service credit of about 14 years (70% medical benefit), and I elect to work 50% in the new organization, would my medical/dental benefits be fully covered? Is there a minimum percentage work time to get even partial medical coverage?

A: You will receive full medical/dental coverage even if you go to a 50% work schedule.

Question Id#896 published on 8/9/2007 6:07:39 AM

Q: Will Medical Benefits for TCP2 be based on years of service with UC and LLNS.

A: Medical benefits remain the same under both TCP1 and TCP2. Please refer to page 9 of the LLNS employee briefing material posted on the LLNS Website under the Benefits tab for a list of providers that will continue and those discontinued on 10/1 and/or at year-end.

Question Id#869 published on 8/9/2007 6:00:36 AM

Q: There is no mention of the vision plan. Is a vision plan going to be offered under TCP2 and will there be an employer contribution?

A: Vision care benefit coverages remain the same for both TCP1 and TCP2. Vision Service Plan remains the provider and will be fully paid by LLNS.

Question Id#3318 published on 8/8/2007 10:29:57 AM

Q: I have accepted employment with LLNS. Now, how do I choose my benefits package options such as enrolling in health care, dental, legal, etc.? I assumed that would be part of the acceptance process and it is

not.

A: LAPIS provides the options that are available to each person depending on their status (i.e., retiree or employee) and which compensation package they select. If you are a retiree, you will not see the same screens as a transferring employee. One of the items on both the TCP1 and TCP2 acceptance screen via LAPIS states: • I am eligible for the same health and welfare benefits under the same eligibility rules that I am in today. So by selecting TCP1 or TCP2, you have also taken care of your health and welfare items.

Question Id#3082 published on 8/6/2007 8:46:48 AM

Q: In the presentation that was given on July 31, 2007, one of the TCP2 slides indicated that there would be "no UCRP disability." Does that mean the supplemental disability, which is currently offered through Liberty Mutual (employee paid), is not being offered for those who choose TCP2?

A: The disability benefit under TCP2 is provided by the California State Disability Insurance (SDI), which is required under state law. The current supplemental (LTD) insurance remains in place as a voluntary plan. These two combined plans provide the total disability benefit under TCP2.

Question Id#3148 published on 8/3/2007 3:15:24 PM

Q: Thank you for all you have been doing. I have three questions: 1) If I'm currently enrolled in CalPers long-term care, will I have to change providers after Oct. 1, 2007? 2) I want to make sure I'm understanding the benefit correctly. If I freeze my UCRP with 33 years of service and accept the LLNS offer with TCP2, 100 percent of the employer contribution will be made for retiree medical once I separate. 3) Will LLNS TCP1 and 2 also include Social Security?

A: 1. No, you may remain with CalPERS for your long-term care. Open enrollment ends Aug. 31, 2007. 2. Correct, with 33 years of service credit you are eligible for 100 percent employer subsidy for retiree health. 3. If you are referring to the Social Security reimbursement, it only applies to TCP1. Please see previously posted Q&As under the Social Security tab on the LLNS website Q&A for additional information.

Question Id#391 published on 8/2/2007 10:12:27 PM

Q: Currently I am grandfathered into the program in UC benefits which allows me coverage for my mother, as my adult dependent, under my medical/dental/vision insurance. Will this change when the transition occurs? As I mentioned, I am grandfathered into it; UC doesn't offer this anymore. Will the transition discontinue my mother's qualification as my adult dependent to receive insurance through me through the lab?

A: Dependent coverage remains the same.

Question Id#282 published on 8/2/2007 9:08:29 PM

Q: Individuals' perspectives on health care carriers are often black and white. Will LLNS continue to provide the PPO option even though the enrollment may not be as high as the HMO enrollment? This will not only enable current and future employees to have a greater selection of health care plans to choose from, it will also ensure that a subset of employees will not have to leave due to a lack of health options?

A: Yes, the PPO option will continue. Please refer to page 9 of the LLNS employee benefits briefing material recently posted on the LLNS website for a complete listing of the continuing providers and those that will be discontinued at transition or year-end.

Question Id#244 published on 8/2/2007 8:31:06 PM

Q: Will the cost to employees for the health and welfare benefits be different for TCP1 vs. TCP2?

A: No, the health and welfare benefits are the same for both packages. For more information, please refer to the LLNS employee benefits briefing materials (pages 5 to 18) recently posted on the LLNS website.

Question Id#233 published on 8/2/2007 8:26:29 PM

Q: The proposed total compensation plans include several kinds of insurance coverage, but I can't find any mention of long term care insurance such as was available through CalPERS. Will a group coverage plan for long term care be available in the final package?

A: Long-term care through CalPERS will continue for current enrollments. The open enrollment for CalPERS ends August 31, 2007. A new provider will also be available October 1 and will operate the same as the current plan, i.e., on an individual basis. Enrollment for the new plan will occur sometime after October 1. Employees will be notified as soon as the new provider is known.

Question Id#232 published on 8/2/2007 8:20:15 PM

Q: Why is there no retiree dental coverage for employees who go inactive under UC, then retire under TCP2? Is there any chance this will change?

A: If you qualify for employer paid retiree medical coverage then you are also eligible for employer paid retiree dental coverage.

Question Id#227 published on 8/2/2007 8:17:47 PM

Q: Please verify that retirement health and welfare plans for TCP1 will provide PAID coverage for Eligible Adult Family Member (== spouse/Domestic partner?) and survivor, as opposed to "access only".

A: LLNS has no plans to change the eligibility requirements for the health and welfare benefits. The service-based schedule for the employer contribution for retirement medical and dental is as follows: 0-4 years' service credit = 0% LLNS contribution; 5-9 years' service credit: If you meet the Rule of 75 (which means your age and service added together equal 75) = 50% LLNS contribution If you do not meet the Rule of 75 = 0% LLNS contribution; 10 years' service credit = 50% LLNS contribution; 11 years' credit = 55% LLNS contribution; 12 years' credit = 60% LLNS contribution; 13 years' credit = 65% LLNS contribution; 14 years' credit = 70% LLNS contribution; 15 years' credit = 75% LLNS contribution ; 16 years' credit = 80% LLNS contribution ; 17 years' credit = 85% LLNS contribution; 18 years' credit = 90% LLNS contribution; 19 years' credit = 95% LLNS contribution; 20 years' credit = 100% LLNS contribution; and Over 20 years' credit = 100% LLNS contribution. The term "certain eligibilities" refers to years of service and the Rule of 75, as explained above.

Question Id#183 published on 8/2/2007 7:36:29 PM

Q: What is "time loss" (Time Loss and Health & Welfare Benefits) that is mentioned on the bar graphs for TCP1 and TCP2?

A: Time Loss refers to vacation and sick leave as well as short and long term disability programs. For more information, please refer to the LLNS employee benefits briefing material recently posted on the LLNS website.

Question Id#168 published on 8/2/2007 7:33:50 PM

Q: Our current health & welfare plans do not allow pre-existing health condition exclusions. ("When you enroll in any UC-sponsored medical, dental, or vision plan, you will not be excluded from enrollment based on your health, nor will your premium or level of benefits be based on any pre-existing health conditions. The same applies to your eligible family members.") Will the health and welfare plans LLNS provides access to have the same protection from pre-existing condition exclusions?

A: Title I of the Health Insurance Portability and Accountability Act (HIPAA) prohibits any group health plan from creating eligibility rules or assessing premiums for individuals in the plan based on health status, medical history, genetic information, or disability.

Question Id#80 published on 8/2/2007 7:23:55 PM

Q: Page 39 of the LLNS benefits viewgraphs states that there will be no employer dental contributions for TCP 2 retirees. I assume this applies to the TCP2 retirees with enough UC service to qualify for LLNS medical contributions under TCP2. UC eligible TCP1 retirees get dental coverage, Medicare Part B reimbursement, legal and AD&D. I assume from slide 39 that UC eligible TCP2 get none of this. Why the disparity?

A: Your assumption is not entirely correct. Inactive Vested Transferring Employees who subsequently retire from LLNS and UCRP simultaneously will be given the same retirement benefits as those given to TCP1 retirees, at the same level of cost.

Question Id#3102 published on 8/1/2007 5:47:52 PM

Q: Regarding medical benefits, I don't think I have heard that we will definitely continue to have the same health providers after October 1. Is this correct?

A: With the exception of three, you will have the same medical providers after October 1 as you have now. Additionally, two other options will be discontinued after 12/31/07. Participants enrolled in the plans that are being discontinued will be contacted so they may make another choice. Please refer to page 9 of the LLNS employee benefits briefing material recently posted on the LLNS website for the complete list.

Question Id#200 published on 7/31/2007 9:32:30 PM

Q: Under the UC system, dependents may remain on an employee's medical plan until 23 years of age. Will this be changed under TCP2?

A: Eligibility rules will not change for the health and welfare plans under TCP1 or TCP2. Please also refer to the employee benefits briefing material recently posted on the LLNS website for more information.

Question Id#2041 published on 7/31/2007 8:36:41 PM

Q: How will LLNS and NNSA assign authority and responsibilities to ensure that medical insurance plans for 2008 are contractually in place in time for Open Enrollment in November 2007? The University of California typically negotiates annual extensions with health insurers in the time period June through September, or starts months earlier if they want to rebid. LLNS will not take over authority for LLNL until October 1. LANS took over at LANL on June 1 2006 and they still had to delay Open Enrollment for 2007 for LANL retirees. Note: I submitted this question previously on May 25 to LLNL Transition. They may have forwarded this to you.

A: The question of Open Enrollment in the fall of 2007 will be decided soon and communicated to all employees. Current enrollments will remain in effect. Employees with a "qualifying event" (marriage, birth or adoption, divorce dependent loses eligibility) will be able to make changes. Please also refer to the employee benefits briefing material posted on the LLNS website.

Question Id#2249 published on 7/31/2007 8:09:24 PM

Q: Effective 10/01/07, what happens with our current flexible spending accounts.

A: Your current flexible spending accounts will roll over on October 1, 2007. Payroll deductions will continue and you will continue to submit claims as usual. Please also see page 12 of the employee briefing material posted on the LLNS website.

Question Id#2310 published on 7/31/2007 8:00:44 PM

Q: Will LLNL employees who transfer to LLNS be able to maintain a long-term care insurance policy purchased through Calpers?

A: There will be a new long-term provider as of October 1, 2007 but current CalPERS enrollment continues and ends August 31, 2007. LLNS will notify employees as soon as the new provider is selected. Please also refer to page 15 of employee benefits briefing material posted on the LLNS website.

Question Id#2664 published on 7/31/2007 7:39:34 PM

Q: This is the second time around for this question as I have not gotten a reply to the first one in over three weeks. I will try again. If I freeze my pension with UC and drop into TCP2 will I have to pay the pool cost (no company subsidy) for my medical until I retire from the UC?

A: As an active employee you will be covered by the employee health and welfare plans. Your employee contributions will be determined based on your LLNS annual salary.

Question Id#2778 published on 7/31/2007 6:46:24 PM

Q: I elect TCP-2 and take a lump sum cashout within 120 days of the transition, under the UC retirement. I understand I will receive no medical benefits from the UC retirement plans. Am I eligible for medical benefits under LLNS during the period I am actively employed by LLNS?

A: Yes, you are eligible for employee benefits. If you have 10 or more years of service combined between UCRP and LLNS at the time you leave LLNS, even though you took a lump sum cashout from UCRP you will be eligible

for access only retiree medical.

Question Id#3065 published on 7/31/2007 6:03:08 PM

Q: In this morning's joint UC/LLNS presentation it was disclosed that there will be a new provider for LTC (currently CalPERS) October 1, 2007. Who will this be? The recent 47% premium increase for my LTC policy and research suggest that CalPERS was in over its head and looking to get out of this business. Will the new provider honor currently covered employees? Who will the regulatory agency be for the new provider? CalPERS was not under department of corporations as I understand and the quality of their policy was inferior to others (e.g., State Farm).

A: A request for proposal for a new LTC provider has been issued. As soon as the new LTC provider has been selected employees will be notified. Please refer to page 15 of today's presentation material (located on the LLNS Website) for additional details.

Holiday/Vacation/Sick Leave:

Question Id#984 published on 9/5/2007 7:50:35 PM

Q: Currently, LLNL allows an employee to hold up to a maximum of 2 years of vacation time. Will LLNS have the same policy, or will it only allow a year with no carryover as with many other private sector companies?

A: There are currently no plans to change the vacation and/or sick leave accrual policies currently in place at LLNL.

Question Id#625 published on 9/5/2007 6:02:15 PM

Q: What are the accrual rates for vacation and sick leave under TCP1?

A: The vacation and sick leave accrual rates for both TCP1 and TCP2 will remain the same as the current LLNL policy.

Question Id#3697 published on 9/5/2007 4:32:56 PM

Q: I have accumulated almost a year of sick leave and had planned to apply that to my years of service when I retire. Will I be able to do that if I go to TCP1?

A: You will, as long as you commence your retirement within 120 days of termination from LLNS.

Question Id#3744 published on 8/30/2007 9:26:17 AM

Q: Currently under our employment with UC employees' rate of vacation credit accrual is based on years of service. For example I have 13 years of service and earn 12 hours of vacation each month. At 15 years of service my accrual rate would have increased to 14 hours a month. Will we have the same chance for future increases with LLNS?

A: Yes, the vacation and sick leave accrual rates will not change.

Question Id#817 published on 8/27/2007 12:51:37 PM

Q: Can an invested transferring employee transfer his or her vacation and sick leave as well as the accrued service credit? What is the difference between transferring active and inactive with respect to vacation and sick leave.

A: 1. Yes. 2) No difference with regard to vacation. With respect to sick leave, you may convert your sick leave balance to service credit if you retire within 120 days.

Question Id#1577 published on 8/25/2007 6:41:48 PM

Q: When I retire from LLNS can my unused vacation be paid to me in cash? If yes, what is the number of vacation hours that are equivalent to one month of pay?

A: When you retire your vacation time is paid to you. Vacation buyout is subject to 25% Federal and 6% State tax.

Question Id#1574 published on 8/25/2007 6:37:02 PM

Q: Will my total number of hours of accrued sick leave transfer from the UC to LLNS? In other words if I have 1000 hours of sick leave on September 30, 2007, will I have 1000 hours of sick leave available to use immediately on October 1, 2007?

A: Yes, unless you choose to leave them with UC for conversion to service credit under TCP2.

Question Id#3653 published on 8/25/2007 12:20:47 PM

Q: If I am an inactive vested, transferring employee and select TCP2, is there any way to cash out my sick leave? If so, will it be treated by the IRS as a lump sum distribution, and taxed with a penalty since I am under 59 yrs old?

A: There are no sick leave cashouts. Under TCP2 you may carry your sick leave balance over to LLNS or leave it with UC to be converted to service credit but it will be lost if you do not retire within 120 days of separation from UC. Vacation cashout is subject to a 25% Federal tax and 6% State tax.

Question Id#3603 published on 8/22/2007 9:45:45 AM

Q: Why is cashing out vacation the default for transition? I would think that this would place an immediate drain on LLNS' cash reserves.

A: The default on the LAPIS screen is cash-out if you do not make a selection. In addition, the vacation hours are a booked expense and already accounted for. Further it is unlikely that the majority of employees will cash out.

Question Id#1025 published on 8/22/2007 9:39:51 AM

Q: I have accumulated almost a year of sick leave and had planned to apply that to my years of service when I retire. On page 15 of the LLNS Total Compensation Package it implies that I will be able to do that if I go to TCP1. 1) Am I understanding this correctly? 2) Also, what happens to my remaining sick leave when I retire if I freeze my UC retirement and go to TCP2? Thank you, Stan

A: 1) Yes. 2) If you choose TCP2, remaining sick leave can either be transferred to LLNS, or be converted to service credit for UCRP if you retire within 120 days of separation.

Question Id#1139 published on 8/21/2007 5:33:28 PM

Q: What happens to sick leave balance when I retire under TCP1 and TCP2? Under TCP1, does it convert to service credit like UCRP? What happens in TCP2?

A: TCP1: Yes, sick leave balance can be converted to service credit and applied to the TCP1 pension plan, like UCRP. Sick leave balance at retirement under TCP2 will depend on what choice you make at 9/17/07. If you are vested and retirement eligible in UCRP you may choose to transfer your sick leave to LLNS or leave your sick leave with UCRP. If you leave it with UCRP and you opt to retire within 120 days, your sick leave balance is converted to service credit, otherwise it will be lost.

Question Id#691 published on 8/21/2007 3:32:04 PM

Q: What are the the number of holidays, sick leave accrual and vacation accrual under both plans? Are these open for future consideration under both plans? Is there any requirement that both plans offer the same vacation/holiday/sick leave benefits?

A: LLNS will have the same accrual rates for sick leave and vacation, and same number of holidays.

Question Id#1230 published on 8/21/2007 3:19:06 PM

Q: Will you be able to continue to build sick leave hours over multiple years. Or will you be limited to twelve days per year.

A: LLNS will have the same accrual rates and maximum limits as current policy at LLNL.

Question Id#806 published on 8/21/2007 3:11:36 PM

Q: I have two questions concerning vacation and sick leave under TCP2. The first question concerns what will happen to existing vacation and sick leave when I terminate from LLNS? Will there be a cashout option? The RFP states that inactive vested transferring employees "shall carry over length of service credit for calculation of retiree medical benefits, for calculation of the rates of accrual of vacation and sick leave..." I have not been able to find any information on the benefits presentation concerning accrual rates or policy for inactive vested transferring employees (or new employees). What will the new accrual policy be under LLNS for TCP2?

A: 1) No cash out option is available for sick leave. 2) Vacation and sick leave accrual will be the same at LLNS as at UC. 3) Service credit for purpose of employer subsidizing for retiree medical is: 0-4 years = 0% LLNS subsidized. 5-9 years = 50% if (age + UC service) >=75 years 10-20 years = 50% to 100% in 5% increments per year to max of 100% at 20 years.

Question Id#1024 published on 8/21/2007 9:08:39 AM

Q: Can I retain my UC vacation balance if I elect TCP2, and if so, can I cash it out upon retirement/separation from LLNS?

A: Yes, your vacation balance will transfer to LLNS and you will be paid out all accrued vacation upon retirement/separation from LLNS.

Question Id#937 published on 8/21/2007 9:05:15 AM

Q: Under TCP2, if I transfer my sick leave over to the LLNS, can I convert the sick leave to "years of service" and apply the credit to the medical coverage calculation, when I retire under the LLNS plan? If not, why not?

A: No. Under TCP2, you have selected the defined contribution plan (401K), not the defined benefit plan (pension). Under the 401K plan, you can not convert sick leave to years of service.

Question Id#956 published on 8/21/2007 8:59:16 AM

Q: I am a transferring employee who is considering cashing out my accrued vacation. However, if I cash out I would not have accrued quite enough vacation time in October and November to take the Christmas vacation I have planned. Is it reasonable to expect that LLNS policy will allow me to take a small amount of leave without pay?

A: Yes, with prior management approval.

Question Id#1027 published on 8/20/2007 4:59:18 PM

Q: I have 26.5 years with LLNL and getting 16 hrs./month of vacation. I will retire from the University but I will continue to work for LLNS. How many hrs/month vacation will I get?

A: Vacation and sick leave accrual rates will be the same at LLNS as at UC today.

Question Id#949 published on 8/20/2007 4:58:55 PM

Q: What will be the LLNS vacation and sick leave accrual rates?

A: Vacation and sick leave accrual rates will be the same at LLNS as at UC today.

Question Id#883 published on 8/20/2007 4:56:29 PM

Q: If I choose to take UC retirement, and still want to work for the new LLC, and roll over my vacation, at what rate will I accrue my vacation hours? Will I start new with the LLC, and therefore my hours will be considered as a new employee?

A: Vacation and sick leave accrual rates will be the same at LLNS as at UC today.

Question Id#1240 published on 8/20/2007 4:55:29 PM

Q: If we freeze our benefits and go into TCP-2, will our vacation start at 15 days a year or will we have the same accrual rates as we currently have?

A: Vacation and sick leave accrual rates will be the same at LLNS as at UC today.

Question Id#749 published on 8/20/2007 9:51:19 AM

Q: If we transfer all accrued vacation to LLNS, will the saved vacation time ever expire under the new system, as happens in some private companies? Will LLNS have the same 384 hour limit for 20+ year employees?

A: LLNS will have the same accrual rates and maximum limits as current policy at LLNL.

Question Id#662 published on 8/20/2007 9:46:23 AM

Q: Will unvested employees (less than five years of service time under UC) retain their years of service for vacation accrual, sick leave accrual?

A: Yes.

Question Id#3473 published on 8/17/2007 9:41:34 PM

Q: What happens to sick leave balances at time of retirement in TCP2? Is it cashed out?

A: Under TCP2 at retirement, any sick leave balance is lost; vacation balance is paid out.

Question Id#3528 published on 8/17/2007 3:29:16 PM

Q: The question is with respect to the scenario of a UC employee accepting the LLNS job offer under TCP2, and the disposition of his/her accumulated sick leave. It is my understanding that the TOTAL of accumulated sick leave must either stay with UCRP (for eventual service credit conversion) or the TOTAL of accumulated sick leave will be transferred to the employee's account in LLNS as an available sick leave balance. There is no FRACTIONAL transfer allowed. This arrangement will place an unnecessary burden upon aging employees who have been rendered effectively "disabled" by chronic conditions leading to periodic ill-health episodes that may require them taking a significant amount sick-leave in the final years of employment, but would be very unlikely to use all of the accumulated sick leave in their planned remaining years with the lab. This class of employee is normally otherwise productive when his/her medical condition is in remission. In this scenario, they are forced to either choose to leave all of their sick-leave behind with UCRP, and thus risk not having enough to cover immediate needs; or they are forced to transfer all of the sick leave to LLNS, and thus likely not use it all and have lost the benefit of converting any leftover ESL. There are 5 questions surrounding this: 1) Is it true that there actually no Fractional transfer of sick leave allowed? 2) If not, why not? This just seems like a relatively straightforward book-keeping issue that should be very easy to deal with. 3) Who was responsible for this all-our-nothing transfer decision? UC or LLNS? In other words, which organization made the apparently arbitrary decision to not allow fractional transfers? 4) Are LLNS/UC aware of the discriminatory burden that this arrangement will place upon employees who are effectively "disabled", by chronic conditions that force them to occasionally miss work, but who are otherwise productive members of the workforce? 5) Will LLNS/UC consider changing this policy to allow fractional transfer of sick leave?

A: That is correct.

Question Id#2736 published on 8/16/2007 12:12:05 PM

Q: If you choose the lump sum from UC and join LLNS, can you transfer your unused sick leave to TCP-2?

A: No.

Question Id#561 published on 8/15/2007 9:25:20 AM

Q: If I freeze my retirement with UC, will I be able to transfer my existing vacation over to LLNS and will I still accrue vacation at 16 hours per month?

A: Yes, you may transfer existing vacation to LLNS. The vacation accrual rates at LLNS will remain the same as those currently under UC.

Question Id#558 published on 8/15/2007 9:23:38 AM

Q: If I transfer to LLNS and transfer my accrued vacation, will LLNS buy back vacation time when I retire?

A: When you retire your vacation time is paid to you. You also can elect to leave your sick leave with UCRP, and if you retire in 120 days, your sick leave may be converted to service credit. There are many options available to you and we need more information on your situation to better focus on your answer.

Question Id#150 published on 8/14/2007 11:51:01 AM

Q: 1. If we sell our accrued vacation, do we need to let it accrue again before being able to use it? 2. Also, will vacation time roll over if not used during the year? 3. When will job openings start posting again? 5. Will there be raises in salary this year?

A: 1. Yes 2. Yes, to annual maximum per policy 3. Post 10/1/2007 with LLNS 4. Yes we expect an NNSA approved Compensation Increase Plan.

Question Id#420 published on 8/6/2007 6:02:40 PM

Q: For TCP2, you do not say anything about sick leave. Is sick leave part of the value of the BenVal? I assume it is. When TCP2 members retire/terminate, will they receive a cash out value for their unused sick leave? If the TCP2 employee does not receive a cash out value, then how can it be considered a benefit if they don't actually receive it (at least in its entirety)? If they do not receive a cash out value, then I believe a BenVal calculation without sick leave (both for LLNS and comparator companies) should be used.

A: Sick leave was not part of the BenVal. Sick leave cash out is not available to employees upon termination in TCP1 or TCP2.

Question Id#3186 published on 8/3/2007 9:21:06 AM

Q: What is the default selection of the vacation decision via LAPIS?

A: As you navigate through the LLNS employment offer acceptance screens in LAPIS, you will need to make a decision regarding your vacation balance. The choices are to cash it out or transfer it to LLNS. If you do not make a selection, the default is "cash out".

Question Id#132 published on 8/2/2007 7:27:56 PM

Q: Will paid time off (vacation and sick leave) depend upon whether an employee elects TCP1 or TCP2?

A: No.

Question Id#1864 published on 7/27/2007 4:17:04 PM

Q: [Z13] I have a vacation planned around the October 1 date and will be missing a few weeks during that time. Do I need to change my vacation plans?

A: LLNS will coordinate with employees who have vacation planned during the transition period. You do not need to change your vacation plans but you do need to decide whether you will accept the employment offer from LLNS no later than 5 pm Pacific time on September 17, 2007.

Question Id#2002 published on 7/9/2007 7:24:18 PM

Q: [Z92] If I choose inactive vested UC Retirement Plan (UCRP) status, will my accrued sick leave be converted to service credit?

A: A UCRP inactive vested transferring employee's sick leave can be carried over to LLNS or left with UC and is eligible for conversion to UCRP service credit but lost if employee does not retire within 120 days of separation. We recommend that you confirm all of your options under UC directly with UCRP.

Question Id#2024 published on 7/9/2007 7:24:54 PM

Q: [Z111] If I transfer to LLNS and carry over the 2,000 hours of sick leave, then retire in two years, will the sick leave accrued be included in my service credit?

A: Employees who elect TCP1, will carry over sick leave. Accrued sick leave can be used for service credit at time of retirement for TCP1. Employees who elect TCP2, and also elect to carry over sick leave to LLNS will have that sick leave available to use as sick leave. TCP2 retirement plan design does not recognize accrued sick leave for service at time of retirement.

Question Id#348 published on 6/30/2007 9:12:00 PM

Q: Please define what days will be paid holidays.

A: There are no plans to change sick leave, vacation, or holidays under the new contract.

HR Legal:

Question Id#2569 published on 7/20/2007 8:31:58 AM

Q: (Z203) How is "reasonable cause" different from the current Lab Policy?

A: Under the reasonable cause standard, an employment termination decision must be reasonable under the circumstances and cannot be made for arbitrary or discriminatory reasons. This standard is consistent with the current Lab practice for most employment types.

HR Policy:

Question Id#3091 published on 9/6/2007 10:44:31 AM

Q: In which benefits package would an employee be considered if he transitioned to TCP1 on Oct. 1, 2007, then terminated after October 1, 2007 and was subsequently rehired? Would that employee be treated as a new hire and join TCP2, or would his years of service be augmented to his existing TCP1 history as currently practiced by the UC contractor.

A: An employee who terminates and returns to LLNS will be offered TCP2 as will all new hires. However, the returning employee would not be treated as a new hire for purposes of service credit, applied to vacation, and service awards.

Question Id#3805 published on 9/6/2007 9:30:03 AM

Q: Can you please explain about leave for people following birth or adoption of a child. Specifically: what are the leave benefits for those with an upcoming birth or adopting a child? Will it be competitive with the other companies in the area?

A: The current leave policy for birth of a child or adoption will remain the same under LLNS. You can find a detailed explanation of these benefits in the HR Personnel Policies and Procedures Manual, Section G, Benefits. In simple terms, you can use accrued vacation for paid time after the birth or adoption of a child. A natural father or adoptive parent may use up to 80 hours of accrued sick leave at the time of birth or adoption for care of the child. An employee who is disabled from working because of pregnancy, child birth or related medical conditions may have a pregnancy disability leave of absence up to 4 months. This may consist of leave without pay or paid leave such as accrued sick leave or vacation. An employee may also be eligible for up to 12 workweeks of family and medical leave, up to a maximum of seven months combined pregnancy disability leave and family and medical leave during the leave year. Each individual's circumstances will effect which of these leaves apply.

Question Id#3355 published on 9/5/2007 9:22:49 PM

Q: I heard today that LLNS is going to require set working hours for "all" employees. They are either going to be 7am-3:45pm or 8am-4:45pm whereby we will be required to swipe our badges at the gate and at the

buildings that we work in, no exception, no more flex time such as 4-10s, 9-80's, etc. I want to know what the new working hours are going to be so that I can tell the bus company to change their schedule. When will all of us be officially informed.

A: Please peruse the FAQs under the HR Policy category on the LLNS website for information regarding the Alternate Work Schedule.

Question Id#2643 published on 9/5/2007 11:43:06 AM

Q: The benefit package is very important. In my opinion career development is another important element. I would like to know if LLNS will continue the current available UC sabbatical leave program?

A: UC policies will no longer apply to LLNS after Oct.1, however, employees will still be able to participate in The Professional Research or Teaching Leave (with pay), which is specifically in Appendix A of the new contract. More information about this leave is available in the Employee and Organization Development Division Website. Career employees may also take a personal leave without pay for up to 12 months with the approval of your manager and the Human Resources Manager.

Question Id#2244 published on 9/5/2007 11:36:17 AM

Q: I am currently a graduate student (MSEE) and the lab pays my tuition expenses and only offers up to six hours/week to attend class. At Sandia they offer a much better plan where you attend school full time as your work assignment. In return you agree to work for Sandia for the same amount of time they paid you to go to school, i.e. two years for the degree, two years post grad at Sandia. Will the education benefit remain as it is or will it change to something similar to what Sandia offers.

A: The Educational Assistance Program will continue to provide reimbursement for tuition and fees. Other aspects of the program are being reviewed with respect to costs that are allowed under the new contract. You will be notified of changes when this review is complete.

Question Id#2941 published on 9/5/2007 10:53:34 AM

Q: Appendix A of the current LLNL contract with NNSA states "Round-trip travel expenses for spouses of employees, whose permanent duty station is NTS, may be reimbursed in accordance with the University Travel Policy for attendance at a pre-retirement counseling meeting conducted at the Laboratory." It also states "Appendix A is an advance understanding on allowable personnel costs and related expenses under this contract." The new LLNS contract does not include similar language. Will LLNS initiate a contract change with NNSA to include similar language? If not, spousal travel will not be an allowable cost under the contract. This will affect all future NTS permanent party retirees under TCP-1, which would result in another instance of employee benefits not being "substantially equivalent".

A: You are correct that the new contract from NNSA does not include payment for spousal travel as an allowable cost. It is not included in Appendix A at this time, however the final version of Appendix A has not been approved. We will notify employees if this cost is approved.

Question Id#3748 published on 9/5/2007 10:50:27 AM

Q: In response to a question posted on March 22 to LLNL regarding educational assistance under the new contract, it was stated that "...according to the RFP, Appendix K, Paragraph 4.3, the new contractor must "Ensure transition of all human resource programs including...education and academic assistance and support..." However, it was announced this week that the educational assistance applications for graduate, undergraduate and certification programs will not be reviewed as planned on Sept. 6 for spring 2008 registration, that there are no funds to support this program, and that it is not clear what if any program will be available in the future. This announcement is extremely disappointing to those employees that view educational assistance as a valuable benefit, were prepared to start programs in the spring of next year, and now cannot. Can you please confirm if this benefit will be reinstated as of Oct. 1, how it will be "substantially comparable," if there is any chance that applications will be reviewed and approved before the end of the year, and if this benefit will continue to be offered to LLNS employees?

A: Your question is twofold. Regarding your first question - there was no announcement regarding the fact that academic plans will not be reviewed in September; and, you are correct that the academic plans to be reviewed

during the September 2007 quarterly review meeting will not occur on Sept. 6. Employees who submitted plans for the September review were individually contacted and informed. Regarding your second question - the educational benefit has not been withdrawn and will therefore continue after Oct. 1. As is the case in many areas across the Laboratory, the issue is not whether the program will exist, it is the level to which it will be funded. Therefore, to assure funds are available in FY08 to meet current tuition reimbursement commitments to employees with approved academic plans and ensure funds are available for future plan reviews, we are holding academic plan reviews pending budget information.

Question Id#2329 published on 9/5/2007 9:34:35 AM

Q: Will the rules for "engaging in outside employment" change under LLNS? Will employees be allowed to "engage in outside employment" under LLNS?

A: You still may request approval for outside employment, as described in the Personnel Policy and Procedure Manual, Section D.VI, "Outside Employment Policy." This policy is scheduled to be updated by Nov. 1 to reflect changes in the relationship between UC and LLNS as separate entities.

Question Id#2623 published on 9/5/2007 9:33:25 AM

Q: Regarding the "consulting" policy through LLNS. Previously I could submit the request for approval. How will LLNS handle this?

A: You still may request approval for providing outside consulting, as described in the Personnel Policy and Procedure Manual, Section D.VI, "Outside Employment Policy." This policy is scheduled to be updated by Nov. 1 to reflect changes in the relationship between UC and LLNS as separate entities.

Question Id#2540 published on 9/5/2007 9:31:29 AM

Q: Summer students - Will hospitality be allowed under LLNS? It is a limited number of events where hospitality is provided. Historically, LLNL has hosted some 400 to 500 summer students every summer. Considering the investment of the students salary, providing hospitality to a few events, which also helps toward assuring they have a rewarding summer experience, it has been felt that this is a good investment.

A: We assume that by "hospitality" you mean providing food or other refreshments. At this time, the new contract does not allow LLNS to be reimbursed for the cost of food at these events. Since this cost is "unallowable," such costs will be prioritized and charged to corporate expenses in the future. Each program will be evaluated and determinations made about continuation of each of these practices.

Question Id#3589 published on 9/5/2007 9:28:23 AM

Q: The LLNL Domestic Transfer Policy states that "employees who voluntarily (other than retirement) from laboratory service at the transfer location will not be eligible for relocation assistance." If a continuing employee takes the TCP1 option and subsequently separates and begins receiving pension benefits (say 12 months after the transition), this would seem to qualify as "retirement" under the policy, and he or she would then presumably be eligible for relocation benefits. However, if he or she takes the TCP2 option and separates (again 12 months after the transition), the result is unclear. Does this "separation" under TCP2 constitute "retirement" under this policy? What constitutes "retirement" from LLNL/LLNS under the Transfer Policy?

A: Retirement occurs when a person who meets age requirements separates from the company and chooses to start receiving retirement benefits. The situation is the same whether your retirement benefits come from the TCP1 or the TCP 2 retirement plans.

Question Id#3742 published on 9/5/2007 9:27:06 AM

Q: Will employees be able to receive leave without pay? What will the mechanism be? For absences of merely several days, what effect would leave without pay have on other benefits -- such as health benefits? Would such benefits continue without interruption and without additional cost to the employee? Would there be any difference for leave without pay of a week or two?

A: The current policy on Leaves Without Pay (Personnel Policies and procedures Manual, Section G VII Leave Without Pay) will remain the same. Assuming that you are not asking about Pregnancy Disability Leave, Family

Medical Leave or Disability Leave, a career employee may request leave without pay for personal reasons. You may request up to five days personal leave with approval from your department head/division leader. For a personal leave from six days to one year, you will also need approval from the Human Resources Manager. You will not accrue vacation or sick leave credit while on unpaid leave. Depending on the length of time of the leave, you may have to pay premiums for your health care benefits. Please contact the Benefits office for more specific information.

Question Id#3650 published on 9/5/2007 9:22:59 AM

Q: What is the policy and procedure for taking unpaid leave?

A: The current policy on Leaves Without Pay (Personnel Policies and Procedures Manual, Section G VII Leave Without Pay) will remain the same. Assuming that you are not asking about Pregnancy Disability Leave, Family Medical Leave or Disability Leave, a career employee may request leave without pay for personal reasons. You may request up to five days personal leave with approval from your department head/division leader. For a personal leave from six days to one year, you will also need approval from the Human Resources Manager. You will not accrue vacation or sick leave credit while on unpaid leave. Depending on the length of time of the leave, you may have to pay premiums for your health care benefits. Please contact the Benefits office for more specific information.

Question Id#2238 published on 9/5/2007 9:20:19 AM

Q: What will be the policy regarding EBAs (Employee Between Assignments) after Oct. 1?

A: The policy regarding Employees Between Assignments will remain the same.

Question Id#2140 published on 9/5/2007 9:19:14 AM

Q: If an employee near retirement age gets laid off, what happens, and are they paid with the present value? What protection is there from losing a job due to layoff or under funding? Are there laws to protect us?

A: A layoff may occur at some time in the future if there is lack of work or lack of funding. It is unfortunate, but impossible to predict if the NNSA budget for some programs might be cut due to changes in federal funding. If this were to happen, then LLNS would follow similar guidelines that are in current policies and the new contract for determining the order of layoff (based on necessary skills, knowledge and abilities) and providing staff with appropriate notice and severance, when applicable. Any such action would be under strict DOE/NNSA oversight direction. Retirement benefits would be protected under applicable laws.

Question Id#2111 published on 9/5/2007 9:16:09 AM

Q: Will adoption benefits be included in the new LLNS package?

A: By "adoption benefits," we assume that you mean the current ability to use sick leave (up to 80 hours of accrued sick leave) or family and medical leave (up to 12 work weeks) for an adoption. This will continue.

Question Id#3565 published on 8/30/2007 8:25:30 PM

Q: I see that the work schedule is going to change from what it is. May I suggest that we have the entire lab work from 7:00AM - 3:30 PM with 30 minutes for lunch. I have no desire to work a 10 hour work day no matter what the benefit is. Having a three day weekend is not worth the extra time I would have to spend on the job for the benefit of others. Eight hours of hard work is more than enough to get the job done. As far as I am concerned when I get up each morning at 4:00AM to be at work by 7:00 Am and then don't get home until 5:00 PM is already a full day. My vote is for a 7:00-3:30 day five days a week.

A: An article on the Alternate Work Schedule (AWS) currently enjoyed at the Lab, will be in the August 31 edition of Newline. If you are in an impacted work unit and have been notified of the briefing sessions, please listen to the presentations and vote your preference for your work area. In addition, please make your schedule needs known to your supervisor.

Question Id#3278 published on 8/29/2007 5:33:43 PM

Q: I currently work a 9/80 schedule. Will LLNS continue to offer the alternate work schedule (9/80s and 4/10s) and flexible schedule options?

A: LLNS' intention is to retain the alternate work schedules (AWS) currently in place at LLNL. Because you work a 9/80 schedule you should have received notification of the briefing sessions held this week. LLNS must comply with overtime laws applicable to all California private sector employers. An article in the upcoming edition of Newsline (8/31) will explain the process involved.

Question Id#3764 published on 8/29/2007 4:21:00 PM

Q: Z513 Will exempt employees currently on 9/80 or 4/10 schedules be allowed to continue working their previously approved alternative workweek schedules on October 1st?

A: Yes, exempt employees currently on an approved 9/80 or 4/10 schedule may continue working their approved schedule with their supervisor/manager's continued approval.

Question Id#3763 published on 8/29/2007 4:20:38 PM

Q: Z512 Will non-exempt employees currently working alternative 5/40 schedules (for example, working 9 hours per day, Mondays through Thursdays, and 4 hours on Fridays) be allowed to continue their previously approved schedules on October 1st?

A: No. Unfortunately there is no provision for non-exempt employees to work an alternative 5/40 schedule as of October 1st. Non-exempt employees currently on alternative 5/40 schedules must return to a regular 5/40 schedule on October 1st.

Question Id#3762 published on 8/29/2007 4:20:07 PM

Q: Z511 If my work unit approves an alternate workweek schedule, can I choose to work a regular 5/40 schedule?

A: Yes. The law allows LLNS to accommodate the needs of employees who cannot or will not work an alternative workweek schedule.

Question Id#3761 published on 8/29/2007 4:19:43 PM

Q: Z510 If an alternate workweek schedule is approved and implemented, do I lose my ability to earn overtime?

A: No, you would not lose your ability to earn overtime. On an alternative workweek schedule overtime is paid for work performed in any workday beyond the schedule established by the alternative workweek agreement, up to 12 hours a day and for all work performed beyond 40 hours per work week.

Question Id#3760 published on 8/29/2007 4:19:13 PM

Q: Z509 If an alternative workweek schedule is approved by my work unit, will my present alternate workweek schedule continue uninterrupted?

A: If the alternative workweek schedule is approved by your work unit, your present alternative workweek schedule will continue. You will be asked to sign an agreement defining the terms of the schedule; this agreement will be provided for your approval. The agreement must be signed and returned no later than October 1st

Question Id#3759 published on 8/29/2007 4:18:46 PM

Q: Z508 If the alternative workweek schedule is not approved by my work unit, can I continue to work an alternate workweek schedule as of October 1st?

A: If the alternative workweek schedule is not approved by your work unit, all non-exempt employees in that work unit may be required to return to a regular 5/40 workweek schedule on October 1st.

Question Id#3758 published on 8/29/2007 4:18:10 PM

Q: Z507 Does my vote in the alternative workweek schedule election really matter?

A: Yes! A two-thirds "yes" vote by a work unit is required for an alternative workweek schedule to become effective in that work unit. Ballots not cast in the election are counted as "no" votes.

Question Id#3757 published on 8/29/2007 4:17:36 PM

Q: Z506 Who is eligible to vote in the alternative workweek schedule election?

A: Only affected non-exempt employees in a work unit for whom an alternative workweek schedule is proposed may vote. Exempt or salaried employees do not earn overtime and are not affected by an alternative workweek schedule as it relates to pay. Therefore, they are not required to participate in an election before working an alternative schedule.

Question Id#3756 published on 8/29/2007 4:16:44 PM

Q: Z505: How is “work unit” defined?

A: For the purpose of this election, a work unit consists of non-exempt employees who have previously signed alternative workweek schedule agreements and who are currently working alternative workweek schedules.

Question Id#3755 published on 8/29/2007 4:16:12 PM

Q: Z504 Who is conducting the alternate workweek schedule election?

A: LLNS is conducting the alternate workweek schedule election in compliance with California law.

Question Id#3754 published on 8/29/2007 4:15:46 PM

Q: Z503 Why is a vote of the work unit required to implement an alternative workweek schedule?

A: The election process provides employees in the work unit the opportunity to approve or reject the proposed schedule. The voting process includes a written disclosure of the effects of the proposed schedule on the employee’s wages, hours, and benefits, so employees may make an informed decision.

Question Id#3753 published on 8/29/2007 4:15:11 PM

Q: Z502 How will the Laboratory’s current alternate work schedule policy and practices change under LLNS on October 1st?

A: LLNS, a limited liability corporation, must adhere to California laws governing wages and hours of work. Under these rules, an alternative workweek schedule, such as a 9/80 or 4/10 schedule, may be implemented following an affirmative vote of affected employees in a work unit. An approved alternative workweek schedule allows non-exempt employees to work more than 8 hours per day without requiring the payment of daily overtime for hours worked within the approved work schedule (i.e., 9/80 or 4/10). Hours worked in excess of 9 for the 9/80 work schedule or 10 for the 4/10 work schedule would be paid as overtime.

Question Id#3752 published on 8/29/2007 4:14:07 PM

Q: Z501 What is an “alternative workweek schedule” as defined by California law?

A: An alternative workweek schedule is defined as “any regularly scheduled workweek requiring an employee to work more than eight hours in a 24-hour period”. The Laboratory’s current 9/80 and 4/10 schedules are examples of alternative workweek schedules.

Question Id#653 published on 8/28/2007 12:54:20 PM

Q: Will LLNS employees still receive paid family leave of five days per year?

A: Assuming that you are not referring to the Family Medical Leave Act (FMLA), which has different criteria, you are probably asking about requesting leave with pay for emergencies. Currently, "any career employee may be granted up to five working days' leave with pay to cover unusual circumstances. Such leave is granted only when the employee does not have sick leave or vacation credits to cover the absence. The recommendation is made by the department head/division leader and processed for Director's approval by the Human Resources Manager." This practice will continue with LLNS.

Question Id#3325 published on 8/23/2007 6:05:29 PM

Q: What will the policy be concerning unpaid leave? In January 2008 I would like to take off 3 weeks, but I will not have sufficient vacation time accumulated by then - so I will have to take unpaid leave. Is this o.k. - or what? Many thanks for your HELP :-) Red

A: The policy for taking unpaid leave when you do not have enough accumulated vacation will remain the same. Department Heads/Division Leaders "may approve leave without pay for up to five working days. The Human Resources manager may approve all unpaid leaves (except family and medical leave) over 5 days and up to 12

months, with written recommendation of the Department Head/Division Leader. (HR Policy Section G, Benefits, VII. Leave without Pay)

Question Id#3054 published on 8/23/2007 6:04:31 PM

Q: For employees who cash out vacation but have vacation planned in FY08 with not enough new accrual, what are the guidelines from Management for leave without pay? Is this something that a line supervisor can approve or does the level of approval depend on the number of days?

A: The policy for taking time off when you do not have enough vacation time accrued will remain the same. The current policy states that Department Heads / Division Leaders "may approve leave without pay for up to 5 working days. The Human Resources manager may approve all unpaid leaves (except family and medical leave) over 5 days and up to 12 months, with written recommendation of the Department Head / Division Leader." (HR Policy, Section G Benefits, VII. Leave Without Pay)

Question Id#3409 published on 8/23/2007 2:07:14 PM

Q: We currently have a benefit for "catastrophic leave" that allows employees to donate vacation hours to an employee that has no leave time. This allowed the employee to continue to be paid during a medical crisis. Will this benefit continue under LLNS?

A: We do not have any plans to change the practice, but must write a LLNS policy from the basics in the UC program posted on the AHRD Benefits Website.

Question Id#3097 published on 8/23/2007 2:04:33 PM

Q: Current UC retirees are only permitted to work a limited number of hours a year (1,000). Does that rule still apply now that they will be working for LLNS? If so, does their new hours start Oct. 1, 2007 or Jan.1, 2008?

A: Retirees who are LLNS Lab Associates still will be required to work no more than 49 percent full time in any month, and should work less than 1,000 hours in a rolling 12-month period (HR Policy Section A, III.20.3 LLNL Associate -- Procedure).

Question Id#2967 published on 8/23/2007 2:01:50 PM

Q: Item 5 on the LLNS Offer Decision Form requires that employees agree to "adhere to the policies and procedures of LLNS as they may be amended by LLNS." Will there be a single, easy-to-find, web-accessible repository for all official policies and procedures so that employees can ensure that they locate and follow all of the latest revised requirements?

A: Currently policies at LLNL reside in different areas. Most are available electronically, but are accessed through different Websites. A centralized repository such as you described is in consideration and will be a future LLNL/LLNS management decision. Any change to current policies will be announced to the workforce as those changes are made.

Question Id#2523 published on 8/23/2007 1:59:16 PM

Q: I am currently a graduate student (MSEE) and the lab pays my tuition expenses and offers up to 6 hours a week to attend class. At Sandia they offer a much better plan where you attend school full time as your work assignment. In return you agree to work for Sandia for the same amount of time they paid you to go to school. i.e., two years for the degree, two years post-grad at Sandia. Will the education benefit remain as it is or will it change to something similar to what Sandia offers?

A: The Education Assistance Program is being reviewed in terms of the new contract with NNSA. Staff will be able to receive tuition reimbursement, with an approved academic plan. Payment for time in class is under review. A more definite answer should be available by Oct. 1.

Question Id#2966 published on 8/23/2007 1:56:00 PM

Q: Item 5 on the LLNS Offer Decision Form requires that employees agree to "adhere to the policies and procedures of LLNS as they may be amended by LLNS." When will these policies and procedures be finalized and published?

A: All written policies are being reviewed during the transition. Most policies will be approved and adopted on Oct. 1 with only minor changes (LLNL to LLNS, for example). Some will need more extensive updating, based on the complexity of the regulations involved and contract requirements for a private party. On Oct. 1, you will see policies with a "blue sheet" at the beginning. The blue sheet will describe changes to the policy. If the changes are complex, the blue sheet will identify a future date when the changes must be completed and approved. If LLNS makes a significant change effective Oct. 1, LLNS has and will continue to announce them as decisions are made.

Question Id#888 published on 8/21/2007 12:09:31 PM

Q: Will employee services such as UNCLE and LLESA still exist under the new contract? Thank you very much!

A: UNCLE - Yes. LLESA - Yes, will still exist. Going forward only some funding will be provided through NNSA. Details are still being worked out with NNSA.

Question Id#1034 published on 8/21/2007 12:08:39 PM

Q: What is the severance package offered by LLNS for involuntary layoffs, and how does it compare with the current LLNL / UC severance package? My understanding from colleagues at Los Alamos is that their severance package benefits were reduced for employees with many years seniority.

A: The current severance package is the same that is currently in place, which is 1 week of pay for each year of service, up to 26 weeks. However, LLNS has no plans to layoff people pending further budget decisions by the government.

Question Id#3597 published on 8/21/2007 8:46:00 AM

Q: Currently, when an assignment ends for an employee, they are moved to the EBA (employee's between assignments) list and required to spend their time finding a new job. In addition they receive assistance from their management in finding a new assignment. With the cost, both dollars and time, of investigations to secure Q and other clearances, it does not necessarily make sense to eliminate this type of effort. Will there be something equivalent with LLNS?

A: The current LLNL process will not be eliminated. LLNS does not plan to change the current flex term management policy.

Question Id#3484 published on 8/17/2007 7:08:43 PM

Q: I see in January 2007 someone asked if we will be able to continue with alternate work schedules once the contract changes October 1st. However, at that time there were no definitive answers. I understand it was initiated as a health benefit. Is there an update on whether we will be able to keep AWS?

A: LLNS views this as an HR Policy and we intend to continue the current AWS schedules. However, as a new employer we have numerous actions that need to take place to comply with State law and other requirements. The details are being worked. More information will be provided as soon as it is available.

Question Id#414 published on 8/17/2007 4:34:15 PM

Q: During my past and current employment as an LLNL retiree, under UCRS, I have had to limit my hours to less than 1000 in a rolling 12-month period. Will this limitation continue under the new contract?

Thanks, Brian

A: Yes; there is no plan to change the 1,000 hour LLNL policy.

Question Id#598 published on 8/15/2007 12:19:09 PM

Q: Will there be a sabbatical program similar to what is offered under the existing contract?

A: The sabbatical and other programs are currently being reviewed. Information on whether they will be continued will be provided when available.

Question Id#497 published on 8/15/2007 11:29:49 AM

Q: What will be the status of the Professional and Teaching leave program upon transition to LLNS management of LLNL.

A: LLNS is working to preserve the current status. More information will be made available when the details have been worked out.

Question Id#696 published on 8/15/2007 9:51:21 AM

Q: Will LLNS offer an Alternate Work Schedule such as 4x10s or 9x80?

A: LLNS intends to continue the current AWS schedules. However, as a new employer we have numerous actions that need to take place to comply with State law and other requirements. The details are being worked. More information will be provided as soon as it is available.

Question Id#857 published on 8/15/2007 9:50:01 AM

Q: Will the policies on part-time, AWS, or telecommuting change? We have several group members who are either part-time employees (monthly paid scientists who work reduced schedules for personal reasons) or who telecommute regularly (such as every other week) or on AWS.

A: LLNS intends to continue the current AWS schedules. However, as a new employer we have numerous actions that need to take place to comply with State law and other requirements. The details are being worked. More information will be provided as soon as it is available.

Question Id#1130 published on 8/15/2007 9:47:04 AM

Q: Please consider changing current policy that requires an academic plan to be filed in order to take a college-level class. It didn't used to be required and this requirement discourages many from periodically taking a technical, career-enhancing class.

A: Thank you for your suggestion. We have forwarded it to LLNS' AD for Strategic Human Capital Management.

Question Id#2526 published on 8/15/2007 9:19:44 AM

Q: I understand that as of October 1 LLNL will be obligated to comply with the overtime requirements of private industry requiring overtime to be paid for any work performed beyond 8 hours per day. This will obviously have an affect on how the AWS program is administered at LLNL. May I make a suggestion to take this opportunity to standardize a work schedule here at LLNL. Which ever it is 5/8's, 9/80's, or 4/10's. The way it is now with people working different schedules with different days off and different start times it makes it inefficient to try to accomplish things accept between Tuesday and Thursday between the hours of about 8:00 and 3:00. I have no real preference but I think a 9/80 schedule would be optimum with all of LLNL on the same schedule to maximize efficiency as well as saving operating costs on the off Friday. Just a suggestion , something to think about.

A: LLNS intends to continue the current AWS schedules. However as a new employer we have numerous actions that need to take place to comply with State law and other requirements. The details are being worked. More information will be provided as soon as it is available.

Question Id#1869 published on 7/27/2007 4:18:37 PM

Q: [Z17] Is the LLNS team looking at the entire issue of paid maternity leave and part-time work or working from home?

A: LLNS is reviewing all current UC-LLNL policies during the transition period.

Question Id#2577 published on 7/20/2007 8:35:20 AM

Q: (Z210) I am a member of the current SPOA Collective Bargaining Agreement. Does the LLNS Dispute Resolution Program apply to me?

A: No, any employment disputes you may have will be resolved pursuant to the terms of the SPOA/LLNS collective bargaining agreement.

Question Id#2570 published on 7/20/2007 8:32:19 AM

Q: (Z204) Where do I find out more about the Dispute Resolution Program?

A: Please refer to the LLNS website at www.llnslc.com for further information.

Inactive Vested Employees / Vested Employees:

Question Id#974 published on 9/5/2007 7:46:28 PM

Q: With 16 years of service at the age of 43, if I transfer as an inactive vested employee into TCP2 (freezing my retirement with UCRP), will I: A) Receive 80% of my retiree medical paid when I finally retire? B) Receive Cost Of Living Adjustments (COLAs) from the time of transfer to the time I finally retire?

A: A. Yes, as long as you take the monthly annuity instead of the lump sum. B. Yes.

Question Id#1216 published on 8/22/2007 5:50:44 PM

Q: I will be submitting a series of questions on behalf of the 800 Series personnel in Plant Engineering as many of them don't have computer access. This is the first of many. What requires an employee who selects inactive status with UC to be forced to be placed in the Tier 2 benefit package? How can this unfair requirement be changed so an employee who chooses inactive status with UC can be eligible for the Tier 1 package?

A: Thank you for your comment. LLNS benefits package provides options for the employee to choose from. We believe your question was answered by the recent benefits town hall meetings but if not, please let us know by way of this website or call the LLNS hotline at 4-LLNS.

Question Id#802 published on 8/21/2007 9:18:18 AM

Q: I will have vested 5 yrs. in the UCRP prior to 9/30/07. Which option should I choose, TCP1 or TCP2?

A: Selecting TCP1 vs. TCP2 should be an individual decision based on your own personal circumstances. Please refer to the benefits slides posted on <http://www.llnslc.com> and/or seek a financial advisor.

Question Id#885 published on 8/20/2007 5:57:53 PM

Q: On p. 9, it is stated that TCP2 will be provided for new hires, retiring UC employees and other LLNS partner company transferees. What about individuals who choose to go inactive in UCRP on the transition day but not retire, i.e., Inactive Vested Transferring Employees who would like to continue employment at LLNL?

A: TCP2 is the option for inactive vested transferring employees, as well as the ones you listed above.

Question Id#664 published on 8/20/2007 5:47:36 PM

Q: 2. Section C, Page 9. How does the term "Retiring UC employees" relate to the RFP's "UCRP Retiring Employees" and "Inactive Vested Transferring Employees?"

A: No answer has been published for this question.

Question Id#991 published on 8/20/2007 4:42:30 PM

Q: Can I go inactive vested with UC and accept a position with LLNS in TCP1? If I go inactive vested with UC, what are the terms for paid medical in retirement?

A: As an inactive vested transferring employee your only option is TCP2. Employer subsidy is 0-4 years = 0% LLNS subsidy 5-9 years = 50% subsidy if your age + years of service credit are great than or equal to 75. 10-20 years subsidy increases in 5% increments per year to a max of 100% at 20 years.

Question Id#1182 published on 8/20/2007 4:38:49 PM

Q: For TCP1 it states under Vesting that it may move to 3-year cliff vesting and add full vesting at normal retirement age. What does this mean exactly? When will we know what the IRS guidance mandates?

A: 3-year cliff vesting means you are 100% vested with 3 years of service, but 0 vested for up to 3 years of service.

Question Id#752 published on 8/20/2007 9:45:36 AM

Q: I understand that the retirement income benefit for a vested "inactive" employee who retires at a later time will be calculated based on age, years of service and HAPC. For each of these factors please state if the value used would be the value at the time of retirement or that on Sept. 30, 2007.

A: The retirement age factor is multiplied by years of service times the HAPC minus 133 (HAPC is the high average plan compensation, or the 36 highest consecutive months). Note that the retirement age factor is the same as that used at UC today and is available on the UC Website.

Question Id#722 published on 8/20/2007 9:41:33 AM

Q: If a UC Vested Transferring employee selects to go inactive, upon retirement would they receive their UC pension based on the years of service at Sept. 30, 2007 and age at retirement according to the UC contract? If so, is there a cost of living adjustment or other similar adjustment made to the highest three-year average pay during the inactive period?

A: Yes there will be a cost of living adjustment applied annually, same as with UC today.

Question Id#576 published on 8/15/2007 10:00:50 AM

Q: If employment with LLNS is accepted, as an inactive UCRP member (choosing TCP2), can that person declare retirement from UCRP and continue working full-time for LLNS indefinitely?

A: Yes, you may retire with UCRP and continue employment with LLNS after Oct, 1, 2007, assuming you remained an employee in good standing up to Sept. 30, 2007.

Question Id#404 published on 8/2/2007 10:17:57 PM

Q: What does UC Vested Transferring Employee: Active and Inactive mean? Explain what Active and Inactive means. Is this Freeze UC or No Freeze?

A: The "Benefits Briefing Handout" recently posted on the LLNS website provides a list of terms and definitions, including your query.

Question Id#71 published on 6/30/2007 8:56:18 AM

Q: Can anyone that is vested in UC regardless of current age pick the inactive vested option?

A: Yes.

Question Id#2016 published on 7/9/2007 7:28:09 PM

Q: [Z106] If employees elect inactive membership in UCRP and transfer to Total Compensation Plan 2 under LLNS, will a reciprocity agreement be offered between the two retirement plans/systems?

A: No.

Lab Question:

Question Id#3840 published on 9/6/2007 6:36:56 PM

Q: Will the UNCLE Credit Union remain on site?

A: Yes.

Question Id#2995 published on 8/13/2007 9:55:45 AM

Q: What will happen to the Fit-for-Business programs and other stress-management programs (EAP, etc.) offered for employees? How will ergonomics programs be incorporated into the new budget since the Environmental Protection Department will no longer exist?

A: The Environmental Protection Department will still exist, but now the new directorate will be called Environmental, Safety, Health & Quality (ESH&Q). Fit-for-Business, Healthy Heart and all other health programs will continue.

Question Id#3107 published on 8/2/2007 11:08:09 AM

Q: I assume that our email addresses will change from example: (name1@llnl.gov) to (name1@llns.???). I know this problem is too early to ask, but when will our email addresses be changed and will this just be a global change? Will all of our (llnl.gov) email be automatically redirected to our new email addresses?

A: There are no plans to change email addresses. We are still Lawrence Livermore National Lab, operated by LLNS, LLC effective October 1.

Question Id#2726 published on 8/2/2007 11:05:11 AM

Q: When the new LLNS Consortium is formed will a more user friendly email system be implemented e.g. MS Outlook which includes MS Office, meeting calendar, IE, and many other features.

A: As we committed in our proposal for the LLNL contract, LLNS will be continually looking for opportunities to improve business processes. IT investment opportunities will be evaluated and judged on a cost/benefit basis, all the while ensuring that our decisions facilitate the lab's mission, as well as consider cyber security issues. MS Outlook will be considered as a project under the new contract, but projects with higher priorities and/or a higher rate of return would be given consideration first.

Question Id#19 published on 7/31/2007 4:58:37 PM

Q: Will the vanpool program be carried over as is?

A: Yes, there are no changes planned for the vanpool program.

Question Id#1607 published on 7/31/2007 4:56:16 PM

Q: Will LLNS be phasing out all Macintosh computers at LLNL?

A: No changes are planned at this time.

Question Id#2309 published on 7/27/2007 7:25:10 PM

Q: What happened to the video of the Benefits Package presentation?

A: Videos from the benefit townhall and the PAD rollout meetings can all be found on the LLNL internal transition website, at transition.llnl.gov. Employees can view these meetings in their entirety from their desktop computer. If you don't have access to a computer, you may request a hardcopy (DVD) via Public Affairs at 424-4822.

Question Id#976 published on 7/27/2007 7:17:01 PM

Q: On the transition.llnl.gov web site, as well as the LLNSLLC.COM web site I am looking for evidence that the data contained thereon has passed through LLNL information management. Particularly the transition site, as it is housed on LLNL's yellow network. Is there an exemption by which that information does not need to be either reviewed or labelled.

A: Thank you for your question. The LLNS website is an external, publicly accessed site and therefore not subject to the LLNL internal guidelines involving review and release and URL codes. The internal transition site you mentioned is operated much like a daily newspaper. Because information is disseminated quickly, the formal URL and information management process would not be possible. However, all information on the transition site,

NewsOnLine and in NewsLine is heavily reviewed and goes through ADC approval, if necessary.

Question Id#723 published on 7/27/2007 7:15:29 PM

Q: Employees have inquired on whether or not the past town hall meetings can be viewed via the web? Is there a link to view past town halls?

A: Yes, thank you for asking. All townhalls (benefit and PAD rollouts) are available for viewing anytime via the LLNL internal transition web page. If you do not have access to a computer and would like a DVD copy, please contact Public Affairs at 424-4822.

Legal:

Question Id#3416 published on 8/25/2007 12:38:33 PM

Q: Will we receive the same share in patent licensing and royalties that we currently receive under UC?

A: LLNS will honor current royalty agreements with UC for those patents which are transferred. Going forward, LLNS is currently reviewing the patent royalty sharing policy implemented by UC in 1997. At this time, we anticipate that current sharing (35% of the net royalty income) will continue to be shared with inventors. LLNS will be benchmarking its policies against those of similar institutions and, in consultation with NNSA, may revise this policy in the future.

Question Id#1476 published on 8/13/2007 9:53:16 AM

Q: As an employee at LLNL, I receive a pay stub and check that is issued by UC. I understand that UC under contract 48 manages LLNL and the UCRP-LLNL portion as well as the remaining part of UCRP pension. Is my employer: A. DOE/NNSA/LLNL or B. University of California or C. ????. Thanks.

A: You have received an offer of employment from Lawrence Livermore National Security, LLC (LLNS). If you accept that offer, then LLNS will be your employer.

Question Id#313 published on 8/13/2007 9:52:05 AM

Q: What is "LLC?"

A: Lawrence Livermore National Security, LLC is a Limited Liability Company (LLC) organized under applicable laws.

LLNS Mgmt:

Question Id#3164 published on 9/6/2007 9:42:26 AM

Q: Since Bechtel is going to run the business side of LLNS, how is procurement and plant engineering/facilities going to be affected? Should we expect major changes in the way we do business and jobs that are normally performed by FTE's to be done by contractors?

A: LLNS is an integrated team of partners across the entire enterprise. Please reference the town hall presentation by the soon-to-be Principal Associate Director Frank Russo, in which he cited "evolutionary, no revolutionary change." LLNS has no plans at this time to replace FTEs as witnessed by the offer letters. Ideas on efficiency to place more dollars on program activity always will be welcomed.

Question Id#615 published on 9/6/2007 9:27:14 AM

Q: How are the new professionals going to feel working side by side other employees that are going to receive a pension and they will not?

A: Thank you for your comment. Each employee makes his or her own choice to accept employment, for individual reasons.

Question Id#3718 published on 9/5/2007 9:54:24 AM

Q: Is LLNS obligated to offer TCP1 benefits that are substantially equivalent to UCRP throughout the duration of the contract (at least seven years), or is it possible that NNSA and LLNS could mutually decide to reduce the benefits partway through the contract period?

A: According to the contract, the contractor shall provide a total compensation package for transferring employees that is substantially equivalent to that provided by the predecessor contractor. Through the duration of the contract, LLNS is required by its contract to monitor any changes UC makes to its plans and evaluate whether to incorporate those changes.

Question Id#3719 published on 8/28/2007 8:35:40 PM

Q: It would be of interest to lab employees to know the employers of the LLNS leadership team. I.e., will the LLNS "key personnel" as identified on the website be employees of LLNS or of their parent companies?

A: All key personnel will be employed by LLNS.

Question Id#240 published on 8/25/2007 4:52:48 PM

Q: 1. If sometime in the future LLNS loses the contract to manage LLNL, what will happen to the pensions of those who retire from LLNS? 2. If sometime in the future LLNS were to lose the contract to manage LLNL, would LLNS be dissolved? 3. If a workforce reduction were to become necessary, and a transferring, vested employee were to be laid off, what will happen to the pension money that LLNS receives from UCRP on behalf of that transferring employee? 4. In the event of a workforce reduction, would transferring, vested employees be more likely to be laid off due to their higher overhead costs to LLNS?

A: 1. If LLNS no longer has the contract, history of DOE sites tells you that the successor contractor assumes the program. 2. LLNS, LLC exists solely for the management and operations of the Livermore contract. 3. George Miller stated in his Town Hall on May 30th that he has no plans for layoffs or outsourcing, but to address your scenario the investment you have in the pension remains with the employee. 4. Again, there are no plans for layoffs, but critical mission skills are the core of lab hiring and not pension relationships.

Question Id#1131 published on 8/21/2007 8:58:17 AM

Q: Will LLNS or NNSA provide a white paper or report that details how this contract transition is leading to saving taxpayer dollars? I've heard a lot of fluff and seen impressive quantities of handwaving, but not really numbers. Is that an NNSA requirement to understand the success of forcing this contract change?

A: Thank you for your comment. The LLNS proposal to NNSA for the competition was scored as the "winner" based on the standards decided on the publicly available request for proposal (RFP).

Question Id#2130 published on 8/16/2007 4:41:26 PM

Q: I have heard that Bechtel's primary mission starting Oct 2nd, 2007 is to find a way to cut overhead cost at LLNL. It has been said that they're going to be integrating something known as salary realignment in

conjunction with out-sourcing. Please define what FTE positions are first on the hit list and explain the process. It's time to lay the cards on the table and tell the troops the truth.

A: Bechtel is part of the LLC and is an integrated member of the team. Bechtel has no such assigned "primary mission". As discussed in the town halls, the LLC will try to streamline processes to bring more resources to the mission. LLNS, LLC has no plans for layoffs or any "hit list" as you state.

Question Id#2172 published on 8/16/2007 4:40:13 PM

Q: The original roll-out of the new organizational structure (i.e. the equivalent of the former SMC) included an extensive org chart that was published on the web which included names. This org chart has since been removed from the web, and a nameless "dummed down" chart has replaced it. Why?

A: The chart was posted in error as an early "format" draft. The final organization charts with leadership named will be posted when offers of employment are accepted.

Question Id#2351 published on 8/16/2007 2:48:22 PM

Q: If LLNS someday decides that they no longer want anything to do with LLNL before the seven year contract is up, who do the people get their pay checks from since we no longer work for the UC, DOE or LLNS at that point in time? Is there anything in the RFP that can prevent LLNS from walking away on a moments notice? Please site this information and make it public.

A: LLNS has a contract with NNSA for 7 years with performance-based options to extend it further. The parent companies of LLNS, LLC have a long history of delivering on their contracts "as sold".

Question Id#2465 published on 8/16/2007 2:17:27 PM

Q: Is the LANL benefit package going to be made available for review?

A: LANL is a separate LLC and you can see their information on their respective web-site.

Question Id#2481 published on 8/16/2007 2:10:46 PM

Q: Why aren't all LLNL organizations receiving the same information at the same time? It appears that those orgs whose AD are part of the LLNS management team are getting timely info, while those who aren't are left to get info from the rumor mill.

A: LLNS "rolled out" each PAD organization about two plus weeks after the overall town hall about LLNS. This permitted scheduling within each organization on a non-interference basis according to the LLNL contract requirements. No decisions were finalized nor was anything asked of employees until the flow down of the information was complete.

Question Id#2716 published on 8/16/2007 12:21:44 PM

Q: Is LLNS going to publish the directorate/division organizational charts? It seems to be hit or miss to find them on the different directorate websites. For example, the Business Directorate org chart was presented at an all-hands, but you can only find it in the presentation.

A: Final organization charts with the leadership named will be posted when offers of employment by these individuals are accepted.

Question Id#2824 published on 8/16/2007 10:00:29 AM

Q: If in the event of a layoff in the future, would it be based on which retirement package you chose (?) or seniority?

A: George Miller stated in his May 30th Town Hall that he has no plans for layoffs or outsourcing. LLNS stands by that statement. Critical mission skills are what remains the core of lab hiring; pension relationships are not a factor.

Question Id#3384 published on 8/15/2007 1:38:34 PM

Q: I want to know what the definition of a "work unit" is, as described in the new and upcoming fixed work hour proposal that LLNS seems to want to employ due to state law. Also, if we are going to implement fixed hours that require everyone to work eight hours day, five days a week, will that be across the board and

apply to all people at all levels?

A: You are mixing several parts of state law and labor hour calculations from different categories. To be sure you have it right for your employment decision, you should contact Finance to review your entire labor hour calculation in person.

Question Id#506 published on 8/15/2007 9:35:08 AM

Q: I happened to visit LANL's website: <http://www.lanl.gov/worklife/benefits/retirees/> and it says that Hewitt Associates is the administrator of the retiree health and welfare benefits. Is this the same company that provided the Benefits Value assessments? If so, is there a conflict of interest or an issue of them possibly getting paid for administering LLNS' benefits plans? There was a question brought up in one of the meetings about whether other companies provide the benefits value assessments data and whether we could get those values from other companies, rather than the one chosen by NNSA. If they get the contract for administering the plans, it seems all too cozy.

A: We appreciate your comment. Yes it is the same company, but different and independent scopes of work. LLNS determined no conflict of interest exists after a very thorough competition process (with NNSA oversight.)

Question Id#3312 published on 8/8/2007 11:13:50 AM

Q: Is it the position of LLNS and NNSA that employees of LLNL are expected to select a compensation plan prior to Sept 17, 2007 based on summary information rather than a formalized contractual document?

A: The Summary Plan Descriptions (SPDs) are currently under development now that the negotiations and contracts are completed with the various providers. The SPDs will not be available until later in the year, therefore the details needed to help employees make a decision between TCP1 and TCP2 have been provided in the various materials posted on the LLNS website and presented at the employee benefit briefings. Employees may also post specific questions via the Q&A process or call the LLNS hotline at 4-5567.

Question Id#3179 published on 8/3/2007 2:39:40 PM

Q: Will the transition to LLNS management of the lab affect the access and/or clearance status of participating guests and/or retirees currently working on LLNL projects?

A: No, in fact we plan to send letters to those individuals in the near future ensuring they remain welcomed at the Lab.

Question Id#3079 published on 8/2/2007 11:15:33 AM

Q: How many people are being added to the Laboratory for LLNS?

A: LLNS is still in the process of evaluating where partner companies need to possibly bring in corporate resources. To date only the 21 key personnel named in the LLNS proposal have firm positions, many of whom are current incumbents. All future hires will be based on evaluated needs and available budget.

Question Id#122 published on 7/27/2007 7:14:10 PM

Q: Hi, probably the most intriguing question, that is left off of any of the initial PAD announcements, is where are they from? For example, Is Doesburg from LLNL or one of the new governing companies? the LLNL website news does not elucidate this information. I believe that it should be up front.

A: Biographies of all LLNS key personnel, including John Doesburg can be found on the external LLNS webpage.

Question Id#2582 published on 7/18/2007 3:44:57 PM

Q: Because of the higher value of the TCP-1 package, employees who opt for the TCP-1 package will be more costly to LLNS. What guarantee do employees that accept TCP-1 have that they will not be targeted in the event of any future reduction in workforce?

A: George Miller stated in his Town Hall on May 30th that he has no plans for layoffs or outsourcing. LLNS stands by that statement.

Question Id#588 published on 7/13/2007 3:44:55 PM

Q: Will LLNS better subsidize the LLNL Children's Center Daycare than what LLNL has been able to do

in the past? This wonderful daycare facility is very expensive and cost-prohibitive for many LLNL employees. Since LLNS is no longer bound by the non-profit status that LLNL was, it seems that it can affect this change to provide affordable daycare for its employees.

A: The DOE has advised LLNS that no contract dollars can be used to support the child care center. However, LLNS is working closely with LESA and the school board to get a parth forward on the child care center outside the BenVal and contract discussions. More to come.

Question Id#2486 published on 7/13/2007 12:46:30 PM

Q: Strong rumor going around. We are hearing that there is going to be a RIF of 10% of the work force before Oct 1st. Mostly contract labor, post doc's and term employee's. True or False and if so again what are the facts?

A: False. LLNS has no such plans. In addition, George Miller stated in his Town Hall on May 30th that he has no plans for layoffs or outsourcing.

Question Id#2286 published on 7/11/2007 2:14:03 PM

Q: I have been hearing that in the near future and probably within the seven year contract LLNS is going to adopt a two tier system in order to recruit scientists. This will be a system where all PhDs will be under the umbrella of UC with an entirely different benefits and pay package while "at will" employees will become supplemental labor as that being established with TCP-2. I also hear that salary evaluation and out sourcing are in the mill. Could you please tell me what trades are going to be the first ones hit by its implementation.

A: LLNS has had no such discussions nor plans. In addition, George Miller stated in his Town Hall on May 30th that he has no plans for layoffs or outsourcing.

Question Id#2015 published on 7/9/2007 7:26:52 PM

Q: [Z105] Will LLNS have a mandatory retirement age for employees?

A: No, LLNS will not have a mandatory retirement age.

LLNS Offer of Employment:

Question Id#3838 published on 9/6/2007 11:57:34 AM

Q: If I chose TCP1, would I be allowed to change over to TCP2 --- keeping my years of service for 401k, vacation, etc. --- *after* the contract change? I realize that my UCRP pension would irrevocably transfer to LLNS at the transition. I think this option might allow some employees to take TCP1 now and feel more comfortable with the decision.

A: No, the offering of TCP1 and TCP2 is a one time only selection.

Question Id#2620 published on 9/5/2007 1:02:54 PM

Q: Fixed Tem Retiree - Lab Associate. Previously we were told that if our term ended between Aug and Dec it would be renewed for 1 more year - will that be the same for LLNS? How do I respond to the offer letter and what options (TCP1 or TCP2?) for H&W and retirement?

A: Any retirees, fixed term and lab associates, with an appointment expiration date between August and 31 December 2007 will be extended for one year, less on day. Retirees, fixed term and lab associates, are only eligible for TCP1. The LAPIS self service system will default retirees to TCP1.

Question Id#663 published on 9/5/2007 11:15:30 AM

Q: What is the process for determining whether a "UC Retiring" employee will be hired by LLNS?

A: Once LLNS knows who has/has not accepted LLNS' offer of employment, positions will be reviewed. Based on staffing needs, retirees and non-retirees may wish to apply for positions that are posted.

Question Id#3813 published on 9/4/2007 9:36:25 PM

Q: I have one question about the selection of TCPs and acceptance of LLNS job offering. Could I accept the job offering first and then decide if I'll take TCP1 or TCP2 later before September 17? I have already accepted the LLNS job offering in the beginning of August through LAPIS. I did it again at the end of August (August 31). But, the website did not indicate if it has received my message. I'm making my final decision on the selection of TCPs and the retirement from UC. Do I have to finish all of the webpages of LAPIS at once before September 17?

A: You may not receive the proper Acceptance notification if you process your acceptance and selection of your compensation package separately. LLNS does not have access to LAPIS so we cannot confirm, but we are under the impression that you need to make all of your selections at once to effectively accept the offer and ensure that you have chosen the right package. You may want to call the LAPIS hotline for confirmation.

Question Id#3810 published on 9/4/2007 5:16:29 PM

Q: I never received a proper Job offer letter. I changed jobs in Engineering and work in a different division and job function. Is this important?

A: Please call the LLNS hotline immediately so we can track down your information and reprint the appropriate offer letter. The number is 4-LLNS (4-5567).

Question Id#782 published on 8/27/2007 12:49:06 PM

Q: If I choose to retire under the UC system, will I be guaranteed a job under TCP2 contract terms? Will I be able to draw a retirement benefit from UC while simultaneously earning a salary from LLNS (so called "double dipping")? What are the relevant dates (I must retire from UC by what date, and accept employment from LLNS under TCP2 by what date)? Thank you!

A: If you are inactive status in good standing on 9/30/07 you will transition to LLNS. If you retire or terminate prior to 9/30/07, you will not transition to LLNS. You may be considered for future employment by applying for a job via the LLNS posting / hire processes.

Question Id#3477 published on 8/21/2007 1:48:42 PM

Q: Will I receive the same share in patent and licensing royalties as I currently get under UC?

A: LLNS will honor current royalty agreements with UC for those patents which are transferred. Going forward, LLNS is currently reviewing the patent royalty sharing policy implemented by UC in 1997. At this time, we anticipate that current sharing (35% of the net royalty income) will continue to be shared with inventors. LLNS will be benchmarking its policies against those of similar institutions and, in consultation with NNSA, may revise this policy in the future.

Question Id#2863 published on 8/17/2007 4:52:11 PM

Q: Your offer letter states, "If LLNS does not elect to end your employment before its established end date, then employment will end automatically on the specified ending date." Nothing further is said, no offer of a possibility of an indefinite position or even mention of a continuing employment contract whatsoever. What I read, I won't be employed here at the end of six years. My term is up 9/1/08, will I have a job 9/2/08? So, do tell what comes next, go ahead, I'd like to hear the truth not just more beating around the bush.

A: LLNS cannot predict future decisions regarding any flex-term employment any more than UC-LLNL could. If your end date is not extended, then you are correct in your understanding that your employment would end September 2008. In the end as it is now continued flex term employment is your management team's decision based on the continued quality of your work, the mission need for your work, and the available budget.

Question Id#327 published on 8/15/2007 4:36:56 PM

Q: In the retirement briefings, I did not hear a specific statement that employees will be able to retire from UC with their benefits intact under the current contract and then be assured of being rehired by LLNS as a TCP-2 employee. That was the case at LANL. Is the same offer being made to LLNL employees?

A: The LLNS offer is contingent on your remaining in an active employment status with UC through 9/30/2007. If

you elect to retire from UC on or before 9/30/2007, you may apply for employment with LLNS, but there is no guarantee of employment.

Question Id#3447 published on 8/13/2007 4:46:52 PM

Q: I am going inactive w/UC and retiring on October 2nd. I will be leaving my 403B with my UC retirement. How do I sign up for the 401K under LLNS.

A: When you log into LAPIS and accept LLNS' offer of employment, the system will walk you through the necessary steps to select inactive vested and TCP2. Be sure to do this before 5pm PT 9/17/07.

Question Id#2777 published on 8/3/2007 2:56:54 PM

Q: I tried the online acceptance form on LAPIS but it looks like I have to both accept the job offer AND choose the benefits plan. I want to go ahead and accept the offer now but I'm not yet ready to choose which benefits package yet. I need to think a little longer. Can you set it up so that I don't have to do both at the same time?

A: Your decision to accept employment is tied to your benefits decision. You have until Sept. 17, 2007 to make your decision. And, should you make a decision before that time and change your mind, you have until 5 p.m. PDT Sept. 17, 2007 to change your selections.

Question Id#3151 published on 8/3/2007 2:12:48 PM

Q: I intend on going inactive with UCRP and working for LLNS (TCP2) for the foreseeable future. If I participate in a Retirement Election meeting with UC prior to September 30, with the stated intention to retire from UC after October 1, will I still be in Good Standing vis-a-vis my employment offer from LLNS?

A: Your intention to retire does not affect your "good standing" status. As long as you have not received a notice of intent to dismiss from UC-LLNL you are considered to be in "good standing". Your LLNS offer of employment remains valid as long as you remain an active employee on the UC Payroll, in good standing as of 9/30/07.

Question Id#2948 published on 8/2/2007 11:12:38 AM

Q: I have many coworkers whose lives are hanging in the balance because of the wording "If LLNS does not elect to end your employment before its established end date, then employment will end automatically on the specified ending date." in their offer letters. They are employees with term positions. Is there any good word I can relay like maybe this is going to be resolved. I can't believe LLNS wants to lose all of these good employees.

A: You are correct that LLNS does not want to lose any good employees. The statement in the offer letter reflects the same employment conditions that are in place currently with UC-LLNL for flex term employees. Their employment status and term of assignment has not changed.

Question Id#2943 published on 8/2/2007 11:04:46 AM

Q: I am a Vested employee with 24 years of service. I will be 50 at the end of October. If I choose to retire from the UC and take a monthly retirement check am I still guaranteed a job with LLNS? Is the offer letter still valid? Or must I reapply for my position?

A: LLNS' offer of employment is valid up until 5pm PT on September 17, 2007. If you accept and are an active employee in good standing with UC, your employment with LLNS begins October 1, 2007. If you retire (no longer active) from UC on or before September 30, 2007 you may apply for employment with LLNS to be considered for subsequent available positions.

Question Id#3045 published on 7/31/2007 2:35:23 PM

Q: George Miller was shown in a picture handing out thank you items for showing your LLNS acceptance letter. Can you tell me where to find this photo as well as location where this is being done, thank you

A: The photo is from the July 27 publication of Newslines. Employee welcome gifts will be handed out by members of the LLNS Transition team at both the West and Central Cafeterias on Tuesdays and Thursdays between 11am and 1pm. Please bring a copy of your LLNS offer acceptance form to receive your gifts.

Question Id#3016 published on 7/31/2007 10:09:52 AM

Q: When I looked at the LAPIS employment selection form it provided only accept or decline employment. How/ when are you able to select tier 1 or tier 2 or is everyone assumed to be tier 1?

A: When you accept the job offer and then press the Continue button, you then go into the TCP1 and TCP2 benefits selection screens.

Question Id#2940 published on 7/27/2007 6:30:01 PM

Q: I have not yet received my offer letter at home. Who should I contact about this?

A: Please contact the LLNS Hotline at 925-424-5567. Staff members are available to assist you.

Question Id#1853 published on 7/27/2007 4:03:16 PM

Q: [Z3] What is the LLNS position on re-hiring LLNL retirees, whether to complete a project or for use of "corporate knowledge"?

A: LLNS will consider applications from UC-LLNL retirees after October 1, 2007. At that time, LLNS will assess, on a case by case basis, whether other current employees have sufficient knowledge and skills to complete the work at hand. If additional expertise is needed, strong consideration will be given to rehiring retirees or hiring available employees of LLNS' parent organizations to fill critical vacancies.

Question Id#1217 published on 7/26/2007 8:28:50 PM

Q: What happens to an employee who chooses not to accept a job offer with the new company? Do they have any options to remain with UC?

A: Please refer to question 2571 under the LLNS Offer of Employment tab on the LLNS Website Q&A. The result is the same whether you do not accept or do not respond by 5pm PT on Sept 17, 2007.

Question Id#2229 published on 7/26/2007 8:12:02 PM

Q: Will the LLNS job offer in July contain any pay increase based upon the past years performance appraisal/ranking? If not, where will the pay increase be for the past year, if there is one?

A: Please refer to the questions answered under Compensation on the LLNS Website Q&A.

Question Id#2687 published on 7/20/2007 1:29:51 PM

Q: I am a 75% employee. My offer letter indicates my position but does not mention that I am part time. Is my offer for 75% or 100%?

A: Whatever your appointment is now will remain the same at transition.

Question Id#2578 published on 7/20/2007 8:35:39 AM

Q: (Z211) Where do I report to work on 10/1/07?

A: You will report to your same work location unless you are directed in advance to do otherwise.

Question Id#2575 published on 7/20/2007 8:34:33 AM

Q: (Z208) Can I have more time to decide?

A: Unfortunately that is not an option. LLNS assumes the Lab contract on October 1, 2007. LLNS staff will need two weeks to be prepared for the first payroll and to work with various vendors to ensure the benefits plans are operational as of October 1.

Question Id#2571 published on 7/20/2007 8:32:45 AM

Q: (Z205) What happens if I don't respond to the LLNS offer letter?

A: If you do not respond by the September 17 deadline, you will not have a job at the Lab as of October 1, 2007. The offer package mailed to your home includes a letter from the University of California notifying you of your upcoming separation from employment, effective September 30, 2007. If you wish to continue working at the Lab after September 30, you will need to accept the LLNS job offer before 5:00 p.m. Pacific Time on Monday, September 17, 2007.

Question Id#2568 published on 7/20/2007 8:29:11 AM

Q: (Z202) I think there is an error in my offer letter, whom should I call?

A: Call the LLNS hotline 4-LLNS (5567). We will not be able to provide an immediate answer but will work with your management chain to ensure the offer letter was correct and if not, notify you of the revised components.

Question Id#2567 published on 7/20/2007 8:28:50 AM

Q: (Z201) I don't know how to accept on line / can't use a computer. What should I do?

A: Trained personnel will be able to assist you at the following workstations, from July 31 through September 17: 1.Main Library, T4727 2.Human Resources, B571, R2239 3.Training Facility, T1879, R100 4.Payroll, B314 Lobby 5.Designated work stations at Site 300 and Plant Engineering 6.Benefits Office, B571, R1205, Benefits staff available to assist.

Question Id#2566 published on 7/20/2007 8:28:17 AM

Q: (Z200) Why doesn't my offer letter look like the one in Newslines, the Lab's newspaper?

A: Your offer letter will vary depending upon your employment type at the Lab. LLNS published the 'General Population' letter in Newslines which covers the majority of our employee population base.

Question Id#2601 published on 7/18/2007 9:38:36 AM

Q: The offer letter states we should make a choice by September 17, 2007. If we submit the on-line acceptance before September 17th (in August), can we change our choice before September 17th? Or are we locked into the first submission?

A: You can change your decision as often as you like between now and 5:00 pm Pacific Time on Sept 17, 2007. If you do not accept the LLNS offer of employment by Sept 17, 2007 or you decline the LLNS offer of employment, you will need to notify the appropriate person in your department to initiate the laboratory exit process activities.

Question Id#2530 published on 7/17/2007 3:55:37 PM

Q: Will there be such a thing as "Term" anymore? Will my offer letter have a term in it?

A: If you are referring to flexible term employment, yes, this employment type continues to exist. Flex term employees in good standing with a specified ending date beyond September 30, 2007 will receive an offer of employment. Your current specified ending date will not change due to the Oct 1, 2007 transition.

Question Id#790 published on 6/30/2007 8:55:36 AM

Q: Currently, the LLNL salary management process relies on comparisons with like industries to determine equitable (market) salary levels and ranges. It is a given that current LLNL salaries compare favorably with those of industry; i.e. are at market value. As such, is it reasonable to assume (no guarantee of course) that a market salary offered to a current employee in good standing under TCP2 will be closely equivalent to the current LLNL salary of the employee? Will both TCP1 and TCP2 salary amounts be noted with the offer of employment from LLNS? Thank you.

A: In the benefits plans proposed to NNSA, LLNS does not intend to include salary amounts in the offer letter. The offer for each employee will be at their current rate of pay, series, and level.

Military:

Question Id#2367 published on 9/4/2007 7:49:19 PM

Q: Currently under UCRP an employee can retire and hold off on taking the medical plan and use a military medical plan and elect to take the LLNL medical plan at some point in the future. Will this still be allowed under LLNS?

A: Yes, retirees eligible for medical will have the option to suspend their retiree coverage if they are covered by another active medical plan, and reactivate it when they lose that other coverage.

Question Id#273 published on 8/15/2007 4:16:58 PM

Q: I am a reservist in the US military. As such, it is vital that my employer support the military Guard and Reserve and allow us time to train, deploy, etc. In the briefing that was given to us, I see no mention of the benefits for Guard and Reserve military personnel - such as days allowed off for training, compensation, etc. The UC benefit package that supports the Guard and Reserves worked very well. Where do you mention such benefits, and how can we comment on them? Thank you.

A: LLNS has no intention to alter the current LLNL policy regarding military leave.

Question Id#1852 published on 7/27/2007 4:01:28 PM

Q: [Z2]How will LLNS handle the transition of employees who are currently mobilized as Reserves or National Guardsmen?

A: Employees on military leave will receive job offers and will transition to LLNS effective October 1, 2007.

Non-Vested Employees:

Question Id#3737 published on 9/7/2007 9:41:44 AM

Q: I know at five years I become vested. However, I am 60 year old with two years service. From several questions within the Q&As regarding age 60, it sounds as if I am vested at this point. Is this correct?

A: No, the vesting requirement still is five years.

Question Id#3687 published on 9/5/2007 5:35:04 PM

Q: As a recently hired employee, with zero service credit, will I be eligible for retiree healthcare under TCP1 (this is not clear when looking at the chart on page 37 of the presentation). Also, under TCP1, are there any limitations on receiving pension payments when eligible, i.e., can you still receive pension payments while earning another salary elsewhere?

A: Under TCP1, your frozen UC service credit as of 9/30/07 plus your LLNS service credit is used to determine eligibility for employer-subsidy retiree medical at the time of retirement. Currently at zero service credit, you would not qualify for employer-subsidy retiree medical and would have to pay 100% of the premium. For 50% subsidy, your age at retirement + service credit would need to equal 75 (rule 75). If you are age 50 and retire from UCRP, you may begin receiving your pension annuity whether you are working at LLNS or elsewhere.

Question Id#844 published on 8/27/2007 12:47:00 PM

Q: If I elect TCP1 and employee contributions are reinstated, what happens if I have to leave the lab before being vested in that new pension? Would I be able to get my contributions back or is this money "lost"?

A: If you are not vested when you leave employment with LLNS, your pension benefit is lost.

Question Id#778 published on 8/27/2007 12:45:42 PM

Q: I have a two part question. Currently I have 4.39 years of service credit, which does not seem to include my 2.5 month summer internship. Should my summer internship be included in this? If my summer internship is included, by Oct 1, 2007 I will be ~1 month shy of being vested. What will happen to my UCRP funds in this case?

A: First, you should contact UC and LLNL Benefits to confirm your years of service credit. If you transition to LLNS the service credit we receive from UC-LLNL will be carried over and you will continue to accrue service credit with LLNS for purposes of vesting.

Question Id#479 published on 8/25/2007 5:26:11 PM

Q: I would like to ask a couple of questions regarding the newly proposed LLNS benefit plans. It is not evident nor obvious to me for the following: 1.) Do UC Unvested Transferring Employees get to choose TCP1 as an option? 2.) If a UC Unvested Transferring Employee with 4 years of service with LLNL, and assuming this individual can choose TCP1, does the 4 years of service with LLNL transfer to the TCP1 Defined Benefit Plan? 3.) If a UC Unvested Transferring Employee with 4 years of service with LLNL chooses TCP2, does the 4 years of service with LLNL transfer for purposes of the Service Based Contribution? 4.) As a UC Unvested Transferring Employee with 4 years of service, what happens to the employee portion of the UCRP plan on October 1?

A: 1. Yes, unvested transferring employees may choose TCP1 or TCP2. 2. Yes. 3. Yes. 4. If you choose TCP2, you will not be vested in the UCRP plan.

Question Id#2880 published on 8/17/2007 4:32:51 PM

Q: Under the Q&A "Non-Vested Employees" section, I do not understand questions 2026 and 2027 regarding vesting at age 60. I have never seen or heard of this provision and did not see mention of it in the approved benefits plan. For purposes of pension and retirement medical, do I automatically become vested (no matter what my years' service are) at age 60?

A: If you visit the www.llnslc.com website and click on Approved Compensation Package Summary under the Benefits tab, page 4 states the possible vesting plan. The vesting only applies to TCP1 monthly annuity. In order to be eligible for TCP1 retiree medical you must have at least 5 years of service credit and your age + service = 75. Please see page 16 for the rest of the eligibility rules.

Question Id#495 published on 8/15/2007 10:52:14 AM

Q: I am an unvested active employee and will have 4.5 years in as of the end of this September. I will be 63 at that time and have contributed to Social Security for all of my adult life. 1) Am I eligible for TCP1? 2) What then would be the vesting period at LLNS? 3) How are the retirement benefits calculated? 4) Would I be eligible for any medical benefit when I vested?

A: 1. Yes. 2. The vesting period is the same as at UC today, but may change to three years in the future. 3. Please refer to the LLNS Benefits slides posted on the Website (entitled TCP1 Pension Plan Formula). 4. The retiree medical subsidy is: 0-4 years -- 0 percent LLNS contribution. 5-9 years -- if age plus years of service is greater than or equal to 75 -- 50 percent subsidy. 10-20 years -- subsidy increases by 5 percent increments per year to 100 percent at 20 years.

Retirees:

Question Id#2384 published on 9/4/2007 7:59:05 PM

Q: I am a retiree from LLNL under UCRP. I understand that medical and dental insurance for retirees will now be handled by LLNS and that these will be partially covered, as they have been under UC. 1) When and how will we learn whether there will be any changes in our coverage, carrier or costs for medical and dental insurance? 2) My costs for this insurance have been paid by deduction from my retirement check. How will that be done under LLNS? 3) I am no longer a California resident. Will LLNS ensure that there will be an affordable insurance option for me?

A: LLNS is currently working with an administrator for the retiree health and welfare plans. You will receive a letter from UC shortly regarding this effort. If you do not receive the letter by September 24, please call UC at 1-800-888-8267 to ensure they have your correct address or contact the LLNS hotline at 925-424-5567.

Question Id#3612 published on 8/27/2007 10:54:04 AM

Q: This forum might be the wrong place for this question, but here it is: I just spoke to a person in the UC benefits office regarding medical benefits for retirees under UCRP. The person I spoke to said that medical benefits for UCRP retirees are paid for out of UCRS, not by the individual campuses as we have been told for many months. A colleague of mine spoke to another individual there and received the same answer. Why is there this inconsistency in the messages we've been receiving regarding this?

A: Current UCRP retirees' medical benefits are paid by UC, not by UCRS, and then UC is reimbursed by the Department of Energy. Because the retirees' portion of the premium (if any) is taken from the monthly benefit check, many people mistakenly think the medical benefit is paid for out of UCRS. Beginning October 1, 2007, LLNS will provide retiree medical insurance.

Question Id#3509 published on 8/23/2007 9:07:17 PM

Q: I learned at a recent retiree's presentation that LLNS plans to continue the 1000 hour maximum for fixed term retirees. We were told in the past that this was a pension rule imposed by the IRS code. Since the pensions are no longer linked, will there be some latitude to extend beyond 1000 hours but less than full time? Also, do you intend to use the same 12 month rolling average process now in place? Thank you for your time.

A: LLNS does not plan to change the current LLNL policy for the 1,000 hours nor the same 12 month rolling average process already in place.

Question Id#1262 published on 8/21/2007 12:04:12 PM

Q: If TCP1 starts demanding employee contributions, would that affect retirees?

A: No. Only active employees would be required to provide employee contributions. Current retirees remain under UCRP actions with the exception of administration of retiree medical directed by the LLNS contract.

Question Id#1145 published on 8/20/2007 4:49:00 PM

Q: I am a retiree with retirement benefits paid through PERS and no social security association. Will there be any change to my monthly benefit either in amount or source?

A: As a UCRP retiree you will see no change in your retirement benefit payment as a result of LLNS. However, if you are a rehired retiree on LLNS payroll after 10/1/07, social security will be deducted from your current active payroll.

Question Id#3267 published on 8/14/2007 9:33:25 AM

Q: My wife is currently on 100% medical disability retirement (from LLNL) and had 10.2 years of service when she left the Lab. So far she has only received a letter telling about the presentations at LaQuinta/Srhine with no instructions on what she needs to do as a result of the Transition. I also work at LLNL and have 18.4 years (hired before 1990) of service. I'll be going into inactive vested UCRP + TCP2. Is there any paperwork that my wife needs to fill out and what plans/providers will she be with after Sept 30? Will her situation be the same as it is now? And is there anything that I need to do as part of my plan in regards to her coverage? Thank you.

A: The materials UC and LLNS presented at both the Retiree sessions at the La Quinta/Shrine location and the

employee benefits briefings are available on the LLNS website under the Benefits tab. An example of the information provided is on page 12 of UC's material, where it states that "Any UCRP member who is disabled will continue to receive disability payments through the UCRP."

Question Id#3452 published on 8/14/2007 8:36:11 AM

Q: On page 5 of "Update for Retirees" (Aug 7, 8, 14, 15) it says UC will (probably) not deduct medical premiums from pension check. Have you worked out how a UC retiree will pay his portion of medical?

A: LLNS will announce the decisions regarding the payment of retiree medical premiums, as soon as the details become available.

Question Id#3296 published on 8/8/2007 7:00:41 PM

Q: I am a 1993 retiree from LLNL living in Oregon, currently enrolled in Medicare Parts A and B with Part D for pharmacy. Our supplemental insurance is Blue Cross of California provided by UC. What will happen to our Blue Cross after Sept. 30, 2007? We have not received any literature about any action required. Since we both have continuing health actions and claims ongoing, any disruption will cause serious problems. It would be nice to know what to expect other than the general statement that coverage should be equivalent unless LLNS is too small a group for some to offer coverage.

A: The UC and LLNS Retiree briefing material is available on the LLNS Website under the Benefits tab. Your questions should be answered via the information on these slides, For example, on page 5 of the LLNS material, you will see that Blue Cross coverage will continue. Please feel free to call UC or LLNS directly on their hotlines or post specific questions to the Website Q&A. UC=800-888-8267; LLNS= 925-424-6954.

Question Id#3297 published on 8/8/2007 6:55:31 PM

Q: Having retired 6 years ago from LLNL and now live out of state, when will I receive my package on open enrollment and explanation of benefits?

A: The Retiree presentation material from UC and LLNS that covers these issues are available on the LLNS Website under the Benefits tab. If you have more specific questions, please submit your question to the Q&A process or contact the appropriate Hotline (LLNS = 925-464-5567; UC = 800-888-8267).

Question Id#3337 published on 8/8/2007 1:57:08 PM

Q: How does a Fixed Term Retiree avoid becoming a LLNS active employee, e.g., jeopardize the Fixed Term Retiree compensation status?

A: Your employment status will not change as a result of your accepting the LLNS offer of employment. The employment offer is for the same status as you currently are.

Question Id#3338 published on 8/8/2007 1:55:45 PM

Q: Does the 1000-hour limit for Fixed term retirees still apply per the same desk rule?

A: Yes, there are no current plans to change the policy for Fixed term retirees due to the transition.

Question Id#3339 published on 8/8/2007 1:54:44 PM

Q: Is there a special total compensation plan that Fixed Term Retirees sign up for since they are already retired or do they sign up for TC 1 or 2 (assuming that this will not affect their UCRP retirement) ?

A: There is no special compensation plan for retirees. When you sign up to accept the LLNS offer of employment via LAPIS, the system will provide only those options available to you based on your individual circumstance.

Question Id#3340 published on 8/8/2007 1:53:09 PM

Q: Will Fixed Term Retirees medical benefits be as an active employee or a retiree?

A: Retiree medical will be as a retiree.

Question Id#3341 published on 8/8/2007 1:52:16 PM

Q: Can Fixed Term Retirees carry over vacation hours? The sign up page implies that they can.

A: Yes your vacation balance will transfer over to LLNS.

Question Id#2462 published on 7/27/2007 7:34:12 PM

Q: Retiree has a Pharmacy Benefit with his retiree medical plan, High Option Blue Cross. He has a \$1050 co-pay. Once he reaches the \$1050 limit, he no longer has to pay for the medicine. What will happen October 1? Will he have to start the co-pay all over again?

A: Your question deals with your benefits with UC. Because LLNS cannot answer questions regarding your UC benefits, we have directed your question to the LLNL Transition website at <http://transition.llnl.gov>. Please monitor that site for a response.

Question Id#1995 published on 7/9/2007 7:26:03 PM

Q: [Z85] I am retired from UC-LLNL and receive my pension from UCRP. Who will administer my pension and retiree medical on October 1, 2007?

A: As a current retiree, your pension will continue to be administered through UCRP. Effective October 1, 2007, retiree medical and dental insurance will be provided through LLNS.

Question Id#1996 published on 7/9/2007 7:25:17 PM

Q: [Z86] I am a California Public Employees Retirement System (PERS) pensioner. What happens with my pension and health benefits as of October 1, 2007?

A: Your retirement checks will continue to be paid by PERS, but medical and dental insurance will be provided through LLNS.

Retirement Medical:

Question Id#2748 published on 9/8/2007 1:20:20 PM

Q: For the purposes of calculating vesting in retiree medical benefits under TCP2, how are partial years of service treated? I will have 11.9 years of UCRP service at contract transition. Will I be vested at: 55% (years of service rounded down to 11) 60% (years of service rounded up to 12) 59.5% (exact years of service counted)

A: For the purpose of determining eligibility for retiree medical and dental coverage only whole years are used. If you have 11.9 years of service you would use the 11 year rule to determine the level LLNS will contribute towards your retiree medical and dental coverage.

Question Id#2747 published on 9/8/2007 1:18:30 PM

Q: I currently have 20+ years in UCRP. If I choose TCP2 and go inactive with UCRP, am I eligible for the employer paid contributions to retiree medical if I retire from LLNS in 6 years but wait longer (maybe an additional 5-10 years) to take the UCRP distribution?

A: No, you must activate your retiree medical when you retire from UCRP or LLNS in order to retain that benefit. You may suspend your retiree medical if you are covered elsewhere and then reactivate it when that coverage is lost.

Question Id#2741 published on 9/8/2007 1:08:23 PM

Q: If in the future, employer paid contributions to retiree medical discontinue, would retirees then be eligible for "access only" medical?

A: No one cannot predict the future of retiree medical and what would transpire if the employer-subsidy would go away. NNSA would have to approve whatever was recommended.

Question Id#2733 published on 9/8/2007 12:59:19 PM

Q: Does retiree medical benefits go on forever (provided they're available) or at some point will I be

required to convert to Medicare?

A: As a retiree using LLNS retirement benefits, you will be required to sign up for Medicare parts A & B when eligible. If you are with an HMO then you will assign your Medicare parts A & B over to the HMO and still be covered at the same levels prior to age 65. If you are with a PPO/indemnity then Medicare will become your primary insurance and the PPO/indemnity will become your secondary insurance. The level of coverage from the PPO/indemnity will not change. If you do not enroll in Medicare part A & B when eligible then you will be de-enrolled from retiree coverage permanently.

Question Id#2732 published on 9/8/2007 12:56:42 PM

Q: If I go inactive vested with UC and accept the offer of employment with LLNS (TCP-2) and retire from UC on January 1, 2008 with eligibility for full employer paid medical benefits (20+ years) and continue to work for LLNS; can I collect retiree medical for myself and my spouse (who also works at LLNS) or will we have to pay for medical under LLNS as employees? In other words, would our employee paid contributions be based on my monthly UC annuity or my LLNS salary?

A: If you retire from UCRP while actively at work at LLNS, you will suspend your retiree medical insurance (providing you meet the eligibility requirements) and use your insurance as an employee. When you end your employment with LLNS then you will be able to begin using your retiree medical. Your employee paid contributions will be based on your annual LLNS salary.

Question Id#2719 published on 9/8/2007 9:44:49 AM

Q: Will the Retirement Medical for the Kaiser CA HMO remain the same? Will the hearing aide coverage be the same? Will the copay for doctor visits be the same? What, if any, are the differences?

A: Yes, Kaiser CA will remain a provider for retiree medical. All current coverages, co-pay, etc. will remain the same at transition.

Question Id#2711 published on 9/8/2007 9:27:25 AM

Q: I am 60 with 30 years of service in UC and plan to enter LLNS as a 'UC vested transferring employee'. What are the requirements to retire from LLNS with presumed lifetime medical benefits? If I can get such medical coverage from LLNS, I will be more likely to choose the lump sum cash out option from UC.

A: There are no guaranteed retiree benefits from any employer. Under the current TCP2 plan, if you take a monthly annuity, LLNS will pay 100% of their portion of the medical and dental premium. If you choose to take the lump sum cashout from UC then you will have access only medical and dental which means you pay the entire premium.

Question Id#608 published on 9/8/2007 8:49:33 AM

Q: I know that if you take a cash out from UC on retirement in the past you lose the medical. I was wondering if that is still true if you go inactive vested from UC and then take TCP2 and retire later with LLNS and get their medical. Then cash out my UC at a later date what happens to the medical I receive from LLNS.

A: Under TCP2, if you take the lump sum (cash out) only Access Only retirement medical is available. To qualify you must be 50 plus 10 yrs of service credit, or 5 yrs of credit and your age at retirement + service credit = 75.

Question Id#834 published on 9/7/2007 6:03:17 PM

Q: If I retire, transfer to LLNS in TCP1, but for the first several years my medical is covered by my wife's employer, will I be able to resume coverage for both of us when she retires? Similar question for TCP2, recognizing that it is access only. Would we both still have access?

A: If you retire and apply for a position with LLNS, you are only eligible for TCP2. That being said..if you commence your UC retirement you can then suspend your retiree health and welfare benefits while you are carried as a dependent on your wife's plans. When the coverage under your wife ends, you can then commence your retiree health and welfare benefits due to the loss of other coverage or during Open Enrollment.

Question Id#645 published on 9/7/2007 5:33:38 PM

Q: I've read the new benefits and retirement proposals. In the past, if I froze my retirement and left LLNL, I would have 120 days to begin receiving retirement benefits, or I would cease to be eligible for medical benefits. Your proposal (If I'm reading it correctly) appears to allow an employee with 20+ years of service to freeze that service (whether they stay at LLNS or go elsewhere) and still retain the full medical benefit when they retire in 5 or 10 years (Full medical being what the employees have). Is this true? I'm eligible to retire, but it is not in my best financial interest at 51 years old to do so now.

A: This is not the case, you have the same 120 day provision as under UC to retain your retiree health and welfare benefits.

Question Id#640 published on 9/7/2007 5:30:37 PM

Q: 1. For TCP1 Retirement Medical, is 20 years to include service before 10/01/07? 2. Retirement Medical under TCP1 and TCP2 – is service frozen only for TCP2? 3. Does that mean that in TCP1 service is retained plus it continues to accrue?

A: Yes, for participants of TCP1 the service credit acquired under UC will transfer and continue to accumulate under LLNS. UC service credit for TCP2 participants is frozen as of 9/30/07.

Question Id#3853 published on 9/7/2007 4:27:57 PM

Q: I am eligible for retiree medical benefits and for retirement. If I leave LLNS in a few years do I have to retire immediately to receive retiree medical benefits or can I wait 120 days as under the current UCRP?

A: You will continue to have 120 days post separation from LLNS to retire and activate your retirement medical.

Question Id#3846 published on 9/7/2007 11:43:54 AM

Q: I have 14 years of service. If I choose TCP-2, and work for 3 more years and retire at 50, I will get 70% (14 yrs x 5%) of my medical costs covered in retirement. Is this correct? If I choose TCP-1 and work for 3 more years and retire at 50, leaving with 17 years of service, what medical retirement percentage is covered? What if I leave the lab, but wait until I'm older to draw retirement, do I lose my medical retirement?

A: Under TCP2, if you take the monthly annuity when you retire your 14 yrs of frozen UC service credit provides you with 70% employer-subsidy retiree medical. If you take the lump sum, then you are only eligible for access-only retiree medical. Under TCP1 your 14 yrs of frozen UC service credit + your 3 yrs of LLNS credit would provide 75% employer-subsidy retirement medical. If you leave LLNS for any reason other than retirement you will forfeit your retiree medical. If you retire and activate your retiree medical, then you may suspend it when you receive coverage elsewhere. Later you can reactivate the retiree medical once that coverage is lost.

Question Id#3470 published on 9/7/2007 9:38:51 AM

Q: If I transfer into LLNS TCP2 as a fully vested (greater than 20 years' service) employee and retire from UC on Oct. 1, will my medical and dental be provided under UCRS terms while vision and life insurance (that are not part of UC retirement) will continue to be provided under TCP2?

A: Under TCP2, if you do not take a lump sum, you will be eligible for 100 percent employer subsidy of your retiree medical and dental. Vision and life insurance are separate, voluntary plans. Vision will be offered to you for a period of 18 months under COBRA. Prudential offers conversion of the life insurance plan from a group policy to an individual policy.

Question Id#676 published on 9/7/2007 9:35:36 AM

Q: For TCP1 under the retirement medical section, there is a line that indicates "Serviced-based (100 percent employer contribution cost paid after 20 years)." Does this 100 percent cost cover the entire premium or does it only include the lab's portion? Does the 100 percent cost cover the spouse?

A: The 100 percent covers the employer-subsidy of the medical plan costs; the retiree still pays his or her portion. Spouses that meet the eligibility requirements are able to participate in the LLNL-sponsored plans. The percent of graduated eligibility paid is based on the level of coverage chosen (employee only, employee + adult, employee + family).

Question Id#3685 published on 9/7/2007 9:31:00 AM

Q: Will the same multipliers still be in place? i.e. 1.1 percent at age 50, up to 2.5 percent at age 60? I have not seen a chart by LLNS of this.

A: Yes, the same multipliers will be in place.

Question Id#3812 published on 9/7/2007 9:20:51 AM

Q: Please answer these question even though they might have been asked differently by others. I have less than 5 years of service with UC. If I choose TCP1 and leave LLNS after I accrue 10 years service credit: 1) Would I qualify for pension and retiree medical when I turn 50? 2) Would my wife qualify for retiree medical also? 3) What would happen to retiree medical if I'm working somewhere and qualify for medical coverage there? 4) If we both died while our kids are less than 18 years, would they recieve pension or medical coverage? 5) If the kids would receive benefits, when would they stop? 6) How about the case when I die but my wife still works and is eligible for medical coverage at her employer?

A: Clarification has been added to answers 1 and 3: 1) Yes, if you have elected TCP1 and have at least five years of service for pension and 10 years for retiree benefits -- and you retire. If you leave for any other reason, you will forfeit your retirement medical. 2) Yes, if you are eligible, your spouse is an eligible dependent. 3) You can suspend the retiree benefits after retirement from LLNS and restart them upon loss of other coverage or with Open Enrollment. 4) This would be paid in accordance with the plan rules, and would be dependent on if the member was pre-retirement, eligible but not retired, or retired. 5) Children are no longer eligible for coverage under LLNS-sponsored plans when they cannot meet the following eligibility requirements: a.unmarried; b.living with you; c. supported by you or your spouse (50%+); d. claimed as a dependent by you or your spouse on your tax returns. 6) Your wife could suspend the LLNS-sponsored retiree health and welfare plans and restart them with Open Enrollment or loss of other coverage.

Question Id#1042 published on 9/5/2007 8:22:17 PM

Q: How is the retiree medical plan for inactive vested employees calculated?

A: Please refer to pages 33, 35 - 37 for the years of service schedule in the employee briefing material that is posted on the LLNS website under the Benefits tab.

Question Id#1017 published on 9/5/2007 8:18:14 PM

Q: For the purposes of the TCP2 retiree medical plan for Inactive Vested Transferring Employees, how is UCRP Service Credit calculated for - Employees who have always been Full Time - Employees who are or who have at some time been part-time?

A: Your full time or part time status is not a factor.

Question Id#963 published on 9/5/2007 7:41:53 PM

Q: In your benefits presentation it was mentioned that a retiree medical plan would be offered for Inactive Vested Transferring Employees that freezes service credit as of September 30, 2007 towards the employer subsidy. Will this employer subsidy be honored at future time of retirement if employee separates from service (whether voluntarily or involuntarily) prior to reaching retirement?

A: If an employee leaves employment with LLNS for any reason other than retirement, retiree medical is forfeited. An employee of retirement age may retire and activate their retiree medical and then suspend it due to coverage elsewhere. Later they may reactivate it when this coverage is lost.

Question Id#935 published on 9/5/2007 7:37:26 PM

Q: It is to my disappointment that this benefits package is not clear. For people trying to make decisions the information is not clear enough with regards to pension, retirement benefits, and most of the information that was disclosed to us is too vague. For instance: What happens to the CAP money in the UC system? Does that get transferred to LLNS as well and then disbursed when the employee retires from TCP1? If I go inactive UC and go into TCP2 for LLNS, do I retain medical retirement benefits from UC at the time I do choose to retire from UC or do I lose the medical benefits? This is a critical piece of the picture in order for me to make a good-solid choice. For people on the cusp of retirement (able to retire, but not quite close

enough to make it beneficial), the transition information does not make sense. Before I make any decision whether to go into TCP1 or TCP2 I would like a more clear picture of what my future will be with regards to this issue.

A: Please direct your questions regarding the CAP to UC. You might also want to peruse the FAQs on the LLNS website under the Benefits tab and the employee briefing materials for detailed information.

Question Id#913 published on 9/5/2007 7:35:27 PM

Q: For TCP2 Retirement Medical: Why no Medicare Part B or employer dental plan contribution?

A: TCP2 retirement medical does include dental. The medicare part B reimbursement is available under the "look back" provision.

Question Id#884 published on 9/5/2007 7:33:22 PM

Q: If I choose to take UC retirement, and still want to work for the new LLC, I will get my pension based on age and years of service, but what about the medical & dental benefits? Will I get the same plans offered and pay the same premium I am paying now to UC? And, because I came here before 1990, is it fully paid for by the UC or LLC?

A: If you hire on with LLNS after retirement, your retirement medical will be suspended while you are covered by LLNS' health and welfare plans. The same plans that are currently available will still be available at the time of transition. You must have 10 yrs of service or 5 yrs + your age at retirement = 75 to meet the pre-1990 hire provision where 100% of the employer-subsidy is paid.

Question Id#859 published on 9/5/2007 7:06:17 PM

Q: Please define the terms "access only" in reference to the retirement medical plan for TCP2, and the term "frozen service employer subsidy for inactive vested transferring employees".

A: "Access Only" allows the Retiree to participate in the LLNS group medical plan but pays the entire cost of the negotiated, group medical premium. The employee's UC service credit is "frozen" for the purpose of determining employer-subsidy retiree medical eligibility and level. In a simple example, if the employee has 20 yrs of frozen UC service credit, it could equate to 100% employer-subsidy.

Question Id#788 published on 9/5/2007 6:40:32 PM

Q: An employee with 30 years of uc service wants to know: Please spell out any DIFFERENCES there are, on the subject of retiree health care benefits (both during & after LLNS employment) under the following 3 scenarios. 1) retire completely from UC in Sept 07 and LLNS rehires me as a brand new employee on Oct 1, 2007 thus getting "UC" retiree health benefits. I suppose I'll be double covered (whatever that means) until I retire from LLNS, correct? 2) go inactive UC, automatically transfer into LLNS and retire from UC on Dec 1, 2007 (within 120 days) and stay employed by LLNS. Am I still "double covered? 3) go inactive UC, transfer into LLNS, and retire Dec 1, 2012. So on Dec 2, 2012 I am now totally retired from UC and/or LLNS in each of the 3 scenarios, Assuming UC & LLNS still have retiree health benefits, will my retiree health benefit be the same or different under these 3 scenarios?

A: In scenarios 1 and 2, your retiree medical would be suspended while you are covered by LLNS' active employee health and welfare plans (same for both TCP1 and TCP2). When you retired, your retiree medical will be reactivated. Under TCP2 your retiree medical will depend on whether you take the monthly annuity or a lump sum. With a lump sum you only have access-only retiree medical. With the monthly annuity, your frozen UC service credit as of 9/30/07 will be used to determine eligibility for employer-subsidy retiree medical (like TCP1).

Question Id#635 published on 9/5/2007 6:05:45 PM

Q: p, 39 states that there will be no employer contributions for retiree dental. This would imply that even inactive vested UC employees who go to TCP2 will lose their retire dental benefits. Is that correct?

A: No, retirement medical includes dental coverage.

Question Id#3743 published on 9/5/2007 4:22:05 PM

Q: I am fully vested, over 50 and planning on taking TCP1. If there is a layoff and it adversely affects me,

will I have access to my retirement benefits? Or, because I am terminated, I am therefore ineligible for retirement benefits?

A: No, since you are over 50 you can retire and start your retirement medical. When or if you find work elsewhere and get health and welfare coverage there as an active employee, you may suspend your retiree medical and reactivate it later when you lose that coverage.

Question Id#3770 published on 9/5/2007 4:06:59 PM

Q: Just to clarify: For an active unvested employee selecting TCP2, do I receive 'access only' retiree medical benefits, or the same that is offered under TCP1. I have seen this question answered both ways in the Q&A's. Is access only if you choose a lump sum cash out, and/or if you are a new hire?

A: It depends on your years of service at the time of retirement and if you take the monthly annuity or lump sum.

Question Id#3795 published on 9/5/2007 3:54:09 PM

Q: If I choose TCP2, when I retire at 60 with 15 years vested, how much medical will be paid for me?

A: Under the "look back" provision for transferring employees in TCP2, you will have 75% of the employers portion of the premium paid for you. You will pay the remaining 25% and the employee portion in full. If you take the lump sum, then you will only be eligible for access-only retiree medical.

Question Id#3803 published on 9/5/2007 3:51:11 PM

Q: I hired on in May of 1986 and have 21 years of service. I'll likely choose TCP2 with no intention of taking a lump sum pension payout. 1. Assuming the proceeding; would I qualify for retirement medical if I leave LLNL before retirement age (say 2012 as an example) but don't draw upon my UCRP pension until say 2023? 2. Would retiree medical be different for me under TCP1 assuming the separation and activation presumptions from above?

A: 1. No, you must commence your retirement within 120 days of your separation (termination) from LLNS to remain eligible for retiree benefits. 2. If you choose not to commence your retirement within 120 days of your separation (termination) from LLNS, you will forfeit retiree medical benefits.

Question Id#3809 published on 9/5/2007 3:47:00 PM

Q: I attended the UCRP retirement briefing and was confused by a statement I thought that was made concerning remaining "inactive" longer than 120 days with UCRP, and if that occurred, not being able to qualify for further employee health and welfare from LLNS (through UCRP lookback). I understand retirement is required from both LLNS and UCRP to receive future health and welfare as a retiree. However, could you explain whether a transitioning employee with over 20y at LLNL would qualify for health, dental, and legal insurance upon retiring from LLNS, if they do not retire from UCRP until they retire from LLNS in the future (i.e., remain "inactive" in UCRP until that date, past 120 days, when they retire from LLNS). I realize that sick leave would not be applied to service years at UCRP after 120 days.

A: The 120 days is the timeline to commence your retirement at separation (termination) from LLNS. Transferring employees, who have elected TCP2, remain in active LLNS sponsored coverage until the time of separation (termination). At the time of separation (termination) from LLNS, the employee must then decide to commence retirement within 120 days to remain eligible for retiree benefits or wait beyond 120 days to commence retirement and forfeit retiree benefits. In your scenario, if the employee commenced UCRP pension within 120 days from separating/ terminating from LLNS, they would be eligible for retiree benefits. If the employee terminated from LLNS and waited to commence retirement benefits beyond 120 days from the termination date, they would forfeit retiree benefits.

Question Id#767 published on 9/5/2007 2:56:10 PM

Q: I have 30 years of service with UC. 1. If I go inactive with UC, take TCP 2, and later I retire from LLNS at 55, am I eligible for LLNS contribution to my medical if I don't retire from UC until I am 60? In other words, will I be covered between the ages of 55 and 60? 2. Also, if I cash out of UC at 60, does that mean LLNS will cut off my medical access?

A: Correction: 1) No. You have to enroll in retiree medical when you sever your employment with LLNS to be

eligible for retiree medical. 2) No, by taking the lump sum under TCP2, access-only retiree medical is available.

Question Id#2683 published on 9/5/2007 2:35:12 PM

Q: I have >30 years service credit. Will go inactive and select TCP2. Plan to continue working at LLNS for two years then continue as inactive/UCRP for another year, then take LSC=lump-sum-cash from UCRP. Question1: Under this timeline, will I still have the option of "access only" retiree medical? Question2: If no, what are the restrictions or guidelines for allowing "access only" to retiree medical? Question3: If I have 30 years service credit, transfer to TCP2, will I always have 'access only' to retiree medical, regardless of any options I exercise with UCRP/Inactive? Question4: What are the actual 'full cost' (employer + employee) for retiree medical as a UCRP retiree today?

A: If we understand your statement correctly, it appears that you wish to work for LLNS for a couple of years, then leave but not retire from UCRP. Based on this assumption: If you leave LLNS without retiring you will forfeit your retiree medical. If you meet the retirement age requirement, you may retire and activate your retiree medical (access-only with a TCP2 lump sum), then suspend it when you receive coverage elsewhere. Later you can reactivate your retiree medical once the other coverage ends. For current retiree medical costs, please contact UC-LLNL.

Question Id#2655 published on 9/5/2007 1:39:53 PM

Q: This is reference to medical coverage. I have 33 years at the laboratory. I will be freezing my UCRP going inactive. If I accept the job offer from the new contractor from what I read and appear to understand I will have full medical coverage from the new contractor upon retirement. My question is being that I am now an employee at will with the ability to be let go at any time with or without reason what happens to my medical upon my retirement at age 60. I am now 54. Will the new contractor still have to cover my medical when I retire from UCRP? Also will I be vested in the new program as of my hire date or is there some waiting period?

A: Under TCP2 as an inactive vested transferring employee, your frozen UC service credit (33 yrs) is used to determine eligibility of employer subsidy retiree medical ("look back") at the time of retirement. You must take the monthly annuity to qualify. If you take the lump sum, then you are only eligible for access-only retiree medical. You will be immediately vested in TCP2.

Question Id#3386 published on 9/5/2007 9:54:04 AM

Q: I was told from an official on site that there is a mistake in the slides of the Original Proposal, the Approved Package and the Town Hall presentation. In the OP slides #29 and correspondingly slide # 39 indicate Medicare Part B reimbursement is available for TCP1 and not TCP2. Likewise with the AP slides #16 and #23. In addition the Town Hall slides # 34 and #35 also state the same. What I was told is that Medicare Part B reimbursement is also available under TCP2 and that these are all overlooked mistakes in the slides. Is this true?

A: We did some further research and while Medicare Part B reimbursement is not available under TCP2, "for new hires" should be added. Inactive vesting transferring employees who select TCP2 and take the monthly annuity will use their frozen UC service credit to determine eligibility for employer-subsidy retiree medical and any other benefits that they would be eligible for under UCRP (like TCP1), including Medicare Part B reimbursement. We hope this clarifies the issue for you.

Question Id#3814 published on 9/4/2007 9:41:49 PM

Q: I have elected TCP2. I have 19 years of UC service credit. Do I qualify for 100% UC medical contribution when I retire?

A: If you are an inactive vested transferring employee and take the monthly annuity at retirement, then your 19 years of frozen UC service credit would qualify you for 95% employer subsidy retiree medical. If you were hired pre-1990(grandfathered)then you would be eligible for 100% employer subsidy because you have over 10 yrs of UC service credit.

Question Id#2604 published on 9/4/2007 9:28:08 PM

Q: What are "access only" medical benefits?

A: Access Only allows the Retiree to participate in the LLNS group medical plan but pays the entire cost of the negotiated, group medical premium.

Question Id#2544 published on 9/4/2007 9:11:40 PM

Q: If I was hired before 1990 and go inactive and take TCP2 and leave LLNS before I turn 50 can I still get retiree medical? If so would I need to retire with UC first and start collecting a monthly pension check in order to then start the retiree medical benefit? And what is the minimum age at which I can get the retiree medical benefit?

A: You must be old enough to retire, 50 or older, in order to qualify for retiree medical. If you leave LLNS prior to the age of 50 then you will not be eligible for retiree medical in the future.

Question Id#2421 published on 9/4/2007 8:52:54 PM

Q: The question is in regards to TCP2, Retirement Medical, as described on pg 10 of the "LLNS total compensation design and strategy proposal to NNSA" (6/18/2007). Is the administration of the retirement medical through LLNS or will the retiree be referred back to the UCRP system?

A: LLNS will pick up administration of retirement medical and dental for current and future retirees.

Question Id#2398 published on 9/4/2007 8:40:16 PM

Q: I presently meet the 75 rule and am considering transferring as a vested Transferring Employee. I am considering taking the lump sum distribution from UCRP upon retirement. Two different answers with respect to LLNS' retirement medical have been given regarding these situations. One states that I will be eligible for access-only medical upon retirement from LLNS. The other states that should I meet the 75 rule I will be eligible for a minimum of 50% employer subsidy upon retirement from LLNS. Please clarify.

A: The situation presented is a bit confusing. If you plan to transition as a vested transferring employee, then you are only eligible for TCP1. However, you state that you want to take the lump sum . . . the lump sum is only available under TCP2. If you transition as an Inactive vested transferring employee you may take the lump sum under TCP2 and then access-only retiree medical is your only available option, regardless of rule 75.

Question Id#2395 published on 9/4/2007 8:26:11 PM

Q: The answers given to questions regarding the employee option to take the lump sum under UCRP upon retirement from UCRP and the retirement medical benefit upon retirement from LLNS are inconsistent and do not reflect the presentation of June 20th presentation. Most of the answers to questions state that if an Inactive Vested Employee takes the lump sum distribution from UCRP, he or she are limited to access-only medical plan upon retirement from LLNS. The June 20th presentation does not state this. In fact, the presentation on page 32 and other pages states that there would be an employer subsidy based on service credit transferred as of September 30, 2007. Also one answer given on this issue describes how the LLNS service credit is calculated, but I think not how the UCRP service credit is calculated, to determine the level of employer subsidy. Please provide additional clarity on this issue.

A: Under TCP2 as an inactive vested transferring employee, your frozen UC service credit is used to determine eligibility of employer subsidy retiree medical ("look back") at the time of retirement. You must take the monthly annuity to qualify. If you take the lump sum, then you are only eligible for access-only retiree medical.

Question Id#2392 published on 9/4/2007 8:16:12 PM

Q: If my retiree health eligibility date is 12/31/89 or earlier, one set of requirements applies. If this rule applies to me and a employee elects TCP2 and has 19 years of service (without a break in service) when they retire will they be eligible for 100% employer contributions to their medical or will the contributions be based upon my 19 years of employment as if they had a break in service?

A: If you are referring to the pre-1990 hire rule, you would qualify for 100% employer contribution because you have over 10 yrs of UCRP service credit. For those hired after 1990, under TCP2, if they are an inactive vested transferring employee their frozen UC service credit of 19 yrs will be used to determine eligibility for employer-subsidy and any other benefits they would be eligible for under UCRP including Medicare part B reimbursement --

19 years = 95% employer subsidy. In both of these situations if a lump sum is taken vs the monthly annuity, then access-only retiree medical is available with no employer subsidy.

Question Id#2294 published on 9/4/2007 6:47:02 PM

Q: Clarification, please. In response to a question you said: "To be eligible for the LLNS retiree medical benefit, you will first have to become an employee of LLNS; otherwise, if you retire from UCRP, you will have the UCRP retiree medical benefit." I thought that administration of existing UCRS retirees, future UCRS retirees and future LLNS retirees (but prior status as IVTE) medical benefits was the responsibility of the new LLC, not UC. If there are differences among the medical benefits for these 3 (or more) categories of retirees w.r.t. medical benefits, what are they?

A: Hopefully you were able to attend one of the employee town halls and received an answer to your question. You may also wish to review the same material posted on the LLNS website under the Benefits tab. Because we are late in responding to you, please resubmit a more specific question if still in doubt.

Question Id#3133 published on 9/4/2007 4:54:28 PM

Q: I am over 50 with 30 years of service. If I accept employment with LLNS and go inactive with UCRP, will I have Medicare Part B reimbursement as available in TCP1 or will it not be available to me, as stated in TCP2, when I'm eligible for Medicare?

A: We have received updated information regarding Medicare Part B reimbursement: If you transition to LLNS as a UCRP inactive vested employee, TCP2 is your only option. Your UC service credit frozen on 9/30/07 will be used to determine employer subsidy eligibility for retiree medical. Basically, the "look back" not only determines your eligibility for employer-subsidy but also any other benefits that you would be eligible for under UCRP, including Medicare part B reimbursement. Based on your years of service, the Medicare Part B reimbursement will be available to you, unless you take a lump sum from UCRP. If you take a lump sum distribution from UCRP, you will only be eligible for access-only retirement medical.

Question Id#3265 published on 9/4/2007 12:33:22 PM

Q: I am 39 years old and vested with the lab for 8 years. If I freeze my UCRP, select TCP2, and continue working at the lab for several more years, am I correct in that my additional years with LLNS will not increase my retiree medical benefits? In other words, even if I work another 12 years and retire at 51, I am only eligible for access only benefits.

A: Clarification: Your frozen UC service credit (8 yrs) would be used to determine employer-subsidy eligibility if you took the monthly annuity (50% with 8 yrs if you met rule 75). If you take a lump sum, you would only be eligible for access-only medical regardless of your LLNS service. You can find more information in the employee benefits briefing material posted on the LLNS website under the Benefits tab.

Question Id#3203 published on 9/4/2007 12:05:45 PM

Q: My husband who no longer works at LLNL is a UCRP Inactive Vested employee with 16 years, hired in 1989 (pre-1990), and is not currently employed at LLNL nor receiving or accepting an offer at LLNS. Does he still qualify for 100% medical at his expected retirement age of 60?

A: Correction: The transition to LLNS does not impact his retiree medical benefits or coverage currently under UCRP. Please accept our apologies for misinterpreting your question.

Question Id#75 published on 9/4/2007 12:02:26 PM

Q: If I go inactive vested putting me under TCP2 retirement with 100% retirement medical (I have 30 years UC service credit) will I be offered a job by LLNS at my current salary? As an inactive vested employee will I be able to retire in place and still work for LLNS and how will this work with retirement medical benefits as I would still be employed by LLNS?

A: Updated Response (the previous response did not completely address your questions): If you are an active employee in good standing on 9/30/2007, you will be offered a job at your current salary. You may retire from UCRP while still working at LLNS. Your retiree medical will be suspended while an active employee at LLNS and then reactivated once you retired from LLNS.

Question Id#1268 published on 9/4/2007 11:57:42 AM

Q: I'm an LLNL employee with 30+ years of service credit in UCRP accrued at LLNL. If I were to transfer to LLNS under TCP2, would I be able to elect Inactive Vested status at the time of the contract transition and still receive full retirement medical benefits even if I were to wait 2 or 3 more years until I retire completely from LLNS and UCRP? According to current UC-LLNL rules, an employee loses all medical coverage if he/she waits longer than 120 days after service credit stops accruing to fully retire from UCRP and start receiving the first payment of his/her pension. But as I understand it, LANS employees with 20 years or more of service credit were given the option to waive this 120 day limit and receive full retirement medical benefits regardless of the time that elapses between the start of their inactive UCRP status and the start of their full retirement from LANS and UCRP. Will I and other transferring LLNL employees in a similar situation also be given this option, if we remain employed at LLNS during the entire period between going inactive and full retirement?

A: If you retire and accept employment with LLNS your retirement medical is suspended while with LLNS and you join the active plan. Upon separation from LLNS your retirement medical is reactivated. Note: The 120 day rule was not waived at LANS.

Question Id#2547 published on 9/4/2007 11:47:47 AM

Q: My question is regarding retiree medical and employer subsidy. I am confused by the answers to various questions on this website. The answers seem to contradict themselves. I have 20 years of service at LLNL in UCRP. If I am an inactive vested member and transfer to LLNS and sign up for TCP2, does my decision how I choose to take my UC retirement at a future date, impact my access to retiree medical? For example, If I choose to take the lump sum from UCRP in 15 years, will that impact if I can have access to retiree medical and employer subsidy. At this future time I will meet the rule of 75 criteria.

A: New Information Added: Yes. If you take a monthly annuity from UCRP then your retiree medical (including Medicare Part B reimbursement) and dental eligibility and employer paid portion of the premiums are based on the rules under TCP1 using your UCRP service credit as of 9/30/07. If you take a lump sum cashout from UCRP then your retiree medical and dental is access only through TCP2.

Question Id#144 published on 9/4/2007 11:44:44 AM

Q: Please forgive me, I've not found a discussion of this point. Currently, I am eligible for 100% of the UCRP plans contribution to retirement medical benefits, yet I do not have 20 years of service nor will have at the date of transition. This is because I was hired before January 1, 1990. Will I still be eligible for 100% retirement medical after the transition?

A: New Response Regarding 1990 Rule: Under TCP2, if you were hired before 1990 you would be eligible for 100% employer contribution if you have at least 10 yrs of UCRP service credit or 5 yrs of UCRP service credit and retire at age 55 or later and your age at retirement + yrs of service = 75.

Question Id#2738 published on 9/4/2007 11:21:43 AM

Q: The proposal states that Medicare Part B reimbursement is available under TCP-1 but not TCP-2. Is Medicare Part B reimbursement available to UC retirees and/or inactive vested employees?

A: Clarification: Yes, if you take the monthly annuity with TCP2, then your frozen UC service credit would be used to determine eligibility for employer subsidy and whatever benefits you would be eligible for, including Medicare Part B reimbursement under UCRP.

Question Id#3141 published on 9/4/2007 11:12:24 AM

Q: Please clarify the TCP2 Medicare Part B issue. The presentation makes it seem that we will only have it if we choose TCP1.

A: Please see new information added at bottom of this response: The issue is with the "reimbursement" not the coverage. With TCP1 Medicare Part B reimbursement is available when you sign up for Medicare at age 65, because that lowers the premium of the overall health insurance costs. TCP2 does not reimburse for Medicare Part B because retirees are paying the full premium for their own insurance, via "access only". If you are an inactive

vested transferring employee (TCP2) and you take the monthly annuity, your UC frozen service credit is used to determine eligibility for employer subsidy AND whatever benefits, including Medicare Part B premium reimbursement, you would be eligible for under UCRP.

Question Id#3712 published on 9/4/2007 11:09:42 AM

Q: I am 55 with 28 years of UC service. It is my intention to go Inactive Vested in TCP2 at transition. I intend then to retire from both LLNS and UC approximately five years from now. Will I receive Medicare Part B reimbursement as part of my TCP2 retirement program?

A: Clarification/Correction: Generally Medicare Part B reimbursement is not available under TCP2. However, if you are an inactive vested transferring employee and you take the monthly annuity, your UC frozen service credit is used to determine eligibility for employer subsidy AND whatever benefits, including Medicare Part B premium reimbursement, you would be eligible for under UCRP.

Question Id#3780 published on 8/30/2007 3:47:28 PM

Q: I have heard that LLNS will not pay medical coverage for people who retire from LLNS or UCRP, if they move out of state; as did UCRP. Several people have their retirements on hold until this question is answered. Please answer the question. We have less than 20 days.

A: Where a retiree lives has no bearing on eligibility for retiree medical.

Question Id#3745 published on 8/30/2007 9:30:27 AM

Q: In the LLNS presentation entitled "LLNS Benefit Package Briefing Rev080107", on viewgraph #35 entitled "TCP2 Retiree Health & Welfare" would you please provide a detailed explanation of exactly what is meant by "look back" in the bullet on that viewgraph that says in total, "Remember UCRP service credit is transferred and frozen as of September 30, 2007 for transitioning employees and "look back" to TCP1". I see that term "look back" tossed around a lot in the FAQs without me ever having been able to find where that phrase was clearly defined. Exactly what does "look back" mean with respect to TCP2 retiree benefits?

A: As an inactive vested transferring employee, your frozen UC service credit is used to determine eligibility for employer-subsidy retiree medical. The TCP2 package's retirement medical is "access-only", but LLNS will look back at your frozen service credit with UC and provide the level of employer-subsidy retirement medical that you are eligible for.

Question Id#3771 published on 8/29/2007 6:20:54 PM

Q: If I freeze my retirement in UCRP, choose TCP2, and in several years do a lump sum cashout on UC, will I still get the access-only medical offered in TCP2?

A: Yes.

Question Id#1186 published on 8/29/2007 2:25:59 PM

Q: There are 4 parts to my question: 1. If I choose to become UC inactive and choose TCP2, what percentage of my medical benefits will LLNS pay while I am working for them? 2. What percentage of my medical benefits will LLNS pay when I retire? 3. If I choose to roll my UC service into TCP1, what percentage of my medical benefits will LLNS pay while I am working for them? 4. What percentage of my medical benefits will LLNS pay when I retire?

A: 1 & 2. Percentage of medical benefits LLNS will pay in the future may change. This is true for TCP1 as well. Same as with other employers. We cannot guarantee that the percentage of employee share will remain the same. Currently, the LLNL employer/employee cost share is 86/14. Benchmark companies are generally closer to 80/20. 3 & 4. Information will be provided shortly; we are finalizing rates with the vendors so we cannot answer this specific question just yet.

Question Id#889 published on 8/28/2007 3:27:25 PM

Q: 1. If I choose to freeze my UC service and work for the new LLC, and decide to retire in five years, will I be able to get Lab retirement offered by UC and will I also be able to get "UC" medical and dental benefits? 2. Or would I lose the benefits if I don't retire within the 120 day window from Sept. 30? 3. And, if I am

considered a Lab retiree, and work for the LLC, would I be in the TCP2 plan?

A: 1. You would be offered LLNS retirement and medical and dental benefits. 2. You can retire after five years with LLNS and be eligible for retirement medical per your UC service credit. 3. Yes. We are assuming you are receiving your pension benefits as a Lab retiree.

Question Id#1000 published on 8/28/2007 12:59:56 PM

Q: If I choose TCP2, will I keep my seniority rights? In addition, how long will it take to vest medical retirement in TCP2?

A: If you are a member of a collective bargaining agreement, you would maintain your seniority rights, per the agreement. If you select TCP2, your UCRP service credit is frozen as of Sept. 30, 2007 and does not continue to grow.

Question Id#3711 published on 8/28/2007 10:01:53 AM

Q: If I take a lump sum and leave the Lab at some future time and work elsewhere, will I have to take medical access right away or can I take it at a later date?

A: Under TCP2, if you are 50 or older, you may retire from UCRP and take a lump sum distribution. In order to pick up your retiree medical from LLNS at a later date, you must activate it when you retire. Once you have medical coverage elsewhere, you can suspend your retiree medical and then reactivate it at a later date.

Question Id#3710 published on 8/28/2007 9:25:24 AM

Q: I plan on going to TCP1, I am 52 years old with 7 yrs service. When I reach 10 years of service (that is, 7 yrs to now, plus 3 more years) in 2010 will I be eligible for 50% regarding RETIREMENT Medical, Dental, Vision, Legal benefits, with a graduation of 5% a year...?

A: Yes, under TCP1 with combined UC + LLNS service credit of 10 years, you would be eligible for 50% employer-subsidy retiree medical. The graduation of 5% increases with each additional year of service.

Question Id#3692 published on 8/27/2007 6:28:15 PM

Q: On p. 35 of the August briefing is the statement "required to take a monthly annuity from UCRP to be eligible for employer subsidy [for retiree medical benefits]". Other than general eligibility (50-10 or rule of 75) is this the only eligibility requirement for employer subsidy? For example, someone choosing TCP2 who meets the eligibility requirements could choose to retire from UC within months (or days) of the transition. Would such a person be eligible for the employer subsidy?

A: Under TCP2 as an inactive vested transferring employee, your frozen UC service credit is used to determine eligibility of employer subsidy retiree medical ("look back") at the time of retirement. You must take the monthly annuity to qualify. If you take the lump sum, then you are only eligible for access-only retiree medical.

Question Id#850 published on 8/27/2007 5:21:46 PM

Q: On slide 10: Inactive Vested TCP2, retires after 8 years do they have retirement medical?

A: 8 years = 50% employer subsidy for retiree medical if your age plus years of service > 75.

Question Id#890 published on 8/27/2007 5:15:02 PM

Q: When a LLNS employee retire under the LLNS retirement system would the employee be eligible to receive the same medical benefits as under the UC retirement system?

A: When the LLNS employee retires they would be eligible for LLNS retirement coverages.

Question Id#922 published on 8/27/2007 4:09:22 PM

Q: Lets say a person has 25 years of service with UC. They freeze their pension with UC and elect TCP2 then retire from UC within 120 days after transition to LLNS, but continue to work for LLNS. When this person eventually retires from LLNS do they still get their medical premium subsidized base on their 25 years of service with UC?

A: Yes. In this situation the employer would be eligible for 100% employee contribution.

Question Id#931 published on 8/27/2007 3:52:58 PM

Q: When determining eligibility for retirement medical benefits under TCP-2 (rule of 75) I understand your UCRS years of service are frozen as of 1 October and LLNS service is not considered. How about your age? As of 1 Oct I will have 20 yrs 11months of service and will be 54. If I am employed by LLNS beyond age 55 will I meet the rule of 75?

A: Age is the same as service for retiree medical under TCP2. If you select TCP2: Whatever age/service you have is frozen on 9/30/07. With 20 + years of service your retiree medical = 100% employer contribution.

Question Id#948 published on 8/27/2007 3:47:18 PM

Q: If I go as a inactive vested transferring employee, leave my sick leave with UC, retire from UC within 120 days, and continue to work for LLNS, LLC, will I still have the employer contribution to my medical when I do retire from LLNS, LLC? Will there be any break in the employer medical contribution?

A: 1) Yes 2) No, however you will stay in the active employee plan until you retire from LLNS.

Question Id#994 published on 8/27/2007 3:45:44 PM

Q: Does LLNS provide retirement medical benefits to TCP2 employees who are on "inactive" status with UCRP?

A: Yes provided when you retire from LLNS you transition from the LLNS active plan to LLNS retiree medical plan.

Question Id#1010 published on 8/27/2007 3:42:42 PM

Q: Question is, if an employee chooses to continue to work for LLNS after transition as a 25+ years of UC service career employee over 55 year old , and decides to become an inactive vested transferring employee to LLNS under TCP2. If that person wants to retire at a later date past the UCRS 120 day grace period for benefits , what medical or other benefits would they receive upon retirement after a few years of working for LLNS?

A: To be eligible for retiree health the employee must retire from LLNS and transition to retire medical benefits at that time (e.g. out of the active employee medical plan into retiree medical plan).

Question Id#1026 published on 8/27/2007 3:29:11 PM

Q: I am a vested employee with 16.75 yrs. service at age 38. Is there a difference between TCP1 and TCP2 is regards to attaining 100% medical by 20 yrs. time in service?

A: If you select TCP2 your UCRP service is frozen as of 9/30/07 and does not continue to grow for purposes of retiree medical. With the example provided your service is 16.75 years so under TCP2 your employer subsidy for retiree health = 80%

Question Id#697 published on 8/27/2007 3:20:39 PM

Q: I have 8 years as UC employee. If I choose TCP1 and at some time in the future you decide to no longer pay retiree medical benefits, would I be allowed to get the access to group coverage rates with out you paying any of the costs.

A: If you choose TCP1 your age + years of service at the time of retirement is used to determine the employer subsidy for retiree medical. If you choose TCP2 your service credit is frozen as of 9/30/07 for purposes of determining the employer subsidy. Examples: TCP1 - 10 years of service + 10 years of LLNS service = 20 years = 100% employer subsidy. Under TCP2 you would have your 10 years UCRP service credit recognized = 50% employer subsidy.

Question Id#1046 published on 8/27/2007 3:13:25 PM

Q: If I freeze my UCRP and I meet the retirement medical eligibility for both UC (vested and age >50) and TCP2 (10 years in LLNS), can I choose which medical benefit to use in retirement?

A: The medical benefit is the same under TCP1 and TCP2. However for new hires TCP2 provides 'Access Only' retiree health.

Question Id#669 published on 8/27/2007 3:04:35 PM

Q: 5. Section E, Page 33. What does "portable except for retirement medical" mean?

A: You have to "retire" from LLNS in order to be eligible for retiree medical post employment. If you terminate/resign before you are retirement eligible your retiree medical coverages are forfeited, this would be the same with any other employer.

Question Id#1029 published on 8/27/2007 2:03:28 PM

Q: From the June 18 presentation: From p. 10 of handout, does TCP-1 and TCP-2 have the same serviced based retirement for medical?

A: Yes, however if you elect TCP2 your UCRP service credit is transferred and frozen on 9/30/07, and does not continue to accrue.

Question Id#751 published on 8/27/2007 1:58:22 PM

Q: I've been a full time employee at LLNL since Dec 1, 1980. If I elect to go inactive in UCRP, transfer to LLNS into plan TCP2, then retire within the grace period from UCRP, how will my medical benefits be covered while a LLNS employee, and then when I retire from LLNS (say after five more years of service) ? I would like to apply most of my 9+ months of sick leave as service credit under UCRP. Is this possible?

A: 1) Your retiree medical will be suspended and you will go into the active plan. Upon retirement with LLNS your retiree medical would be reinstated. 2) Yes, provided you retire within 120 days or your sick leave credit is lost.

Question Id#746 published on 8/27/2007 1:47:50 PM

Q: The following answer was given to question B216 in the LLNL Transition Website: "Yes, you may go inactive with UCRP and retire anytime in the future and receive a lump sum or monthly annuity. However, if you choose a lump sum, or if you retire from UC after more than 120 days, you will not be eligible for retiree medical." Is this still true or does this answer need to be revised? Is the 120 day clause still valid for retiree medical benefits?

A: Yes, the 120 days is still valid for retiree medical benefits.

Question Id#820 published on 8/27/2007 1:41:17 PM

Q: Here are questions on different scenarios that I am contemplating: TCP1- roll over 30+ years of UC service credit. 1) I realize PBGC is the default for LLNS (or next contractor) but does DOE have specific responsibility for maintaining this pension fund? 2) I plan on having spousal survivorship at 100%; is this a option and does it include full medical also for my spouse as it does for me (knowing that this is not guaranteed in the future)? 3) It states on most areas of comparison "will replicate" does this mean the length of the contract (7-20 years) and that on some areas it will consider UC changes; how long will TCP1 be compared to UC plans in the future? Scenario 2: Inactive vested (retire later and still work at LLNS) 1) If I freeze my UC retirement and come into LLNS as Inactive vested, will my medical benefits be the same as TCP1? 2) If I retire from UC as Inactive vested in LLNS; is this a viable options with no hidden problems; example..will this interfere with my retirement medical benefits? will this be looked upon by LLNS negatively on my job status?

A: Scenario 1 1) Please refer to the Solvency tab under the LLNS website under Q&A's. 2) Same provisions provided at LLNS as provided by UC today. 3) LLNS replicated the current UC plan. Going forward LLNS cannot guarantee that there will not be changes. However none are planned at this time. Scenario 2 1) With 30 plus years of UC service credit you would be eligible for retiree medical with 100% employer contribution. 2) You have the right to select TCP1 or TCP2 and there will be no negative impact to your job status regardless of what you select.

Question Id#781 published on 8/27/2007 1:09:34 PM

Q: Please provide an itemization of the retiree medical (and other benefits affected if any) plan for Inactive Vested Transferring Employees. There seem to be significant differences between the benefits planned for employees in this category when compared to TCP1 employees or to current LLNL retirees under LLNS

A: Retiree medical is the same in TCP1 as TCP2. Employer subsidy is the same in TCP1 or TCP2. However, if

you elect TCP2 your service credit which is used to determine your employer subsidy is frozen on 9/30/07.

Question Id#795 published on 8/27/2007 1:08:22 PM

Q: Could you explain the detail of Employer Medical Contributions in TCP2 Retirement Medical and Dental Plan (on slide 39)? How much should the employer contribute? Should the retiree also contribute? What are the differences between the Retirement Medical in TCP1 and this one? Thanks.

A: Retiree medical is the same in TCP1 as TCP2. Employer subsidy is the same in TCP1 or TCP2. However, if you elect TCP2 your service credit which is used to determine your employer subsidy is frozen on 9/30/07.

Question Id#816 published on 8/27/2007 1:06:10 PM

Q: Please provide additional information or references on "access-only retirement medical plan for new hires." Not sure exactly what this is.

A: Access only = retiree pays full cost but gets the benefit of a group negotiated rate.

Question Id#846 published on 8/27/2007 11:53:12 AM

Q: TCP1 includes medical benefits for retirement. I have two questions: 1) If you are vested in UC and choose to go inactive in UC, then transfer to TCP1, does your UC service credit count towards the medical benefits eligibility or do you start as a new employee and need to accrue 20 years of service with the new company to get the full employer subsidy for your health insurance during retirement? 2) If you separate from the lab when eligible for medical benefits but do not retire from the new company (you take another employment for example), do you get medical benefits during retirement?

A: 1) Your service credit transfers to LLNS, you do not start accruing again. 2) No. You have to 'retire' from LLNS, and activate your retire medical at the time you leave LLNS employment to get retiree medical.

Question Id#3676 published on 8/27/2007 8:25:32 AM

Q: I didn't sign up for pacificare this year because my husband's company pays for him to have it. If I retire Oct 2, can I get healthcare? I will be working for LLNS still. I won't need it until I quit working.

A: Not knowing your specific situation we are not sure exactly what you will be eligible for, but when you have a "qualifying event", i.e., loss of medical coverage, you may change or activate your medical insurance. You may need to activate retiree medical first, suspend it while an active employee, then reactivate it when you retire.

Question Id#1578 published on 8/25/2007 6:43:34 PM

Q: At transition assume an LLNL employee with over 20 years of UCRP service credit chooses to become inactive in UCRP (does not retire from UCRP) and accepts employment with LLNS with TCP2 benefits. Assume that at some future date (more than 120 days after the transition) the employee retires from UCRP with a pension (not a lump sum) and at the same time terminates employment with LLNS. What are the retiree medical benefits for this employee?

A: Based on the assumptions outlined in your question, this employee would receive 100% employer subsidy retirement medical.

Question Id#595 published on 8/25/2007 5:45:51 PM

Q: Inactive Vested Transferring Employee, 23 years UC service, going to TCP2. Seems like I WILL receive Retiree Medical Benefits, paid the same (thru the employer subsidy) as TCP1, correct? IF I later (say, in 2 years) retire from UC, take a lump sum, and continue working for LLNS for 15 years, would I LOSE this Retiree Medical benefit? IF so, why? as there were NO transferred UC funds ...

A: 1. Correct, as long as you take the monthly annuity and not a lump sum. 2. Yes, if you take a lump sum, then you are only eligible for access-only retiree medical. 3. TCP2 is based on current industry practice which typically does not include a defined benefit plan or retiree medical coverage.

Question Id#483 published on 8/25/2007 5:28:57 PM

Q: I'm not clear on the provision in TCP2 regarding retiree medical coverage. What does it mean, in practice, that the plan "freezes service credit toward the employer subsidy". Does it mean that if, for

example, regardless of how many years I am with LLNS, my retiree medical benefit will be based on my current 10.5 years of service with UC?

A: This is correct. Under TCP2 if you take the monthly annuity at retirement, your 10.5 years of service frozen as of 9/30/07 would provide 50% employer subsidy retiree medical. If you take a lump sum, then you would only be eligible for access-only retiree medical.

Question Id#488 published on 8/25/2007 5:12:47 PM

Q: Under TCP2 am I obligated to retire from UCRP and LLNS simultaneously in order to secure my medical benefits in retirement? That is, can I retire from UCRP and at some later date retire from LLNS?

A: Yes, you can retire from UCRP and at a later date retire from LLNS.

Question Id#247 published on 8/25/2007 4:57:28 PM

Q: What are the details for the retiree medical plan for Inactive Vested Transferring employees?

A: If you transition to LLNS as an inactive vested employee and take the monthly annuity from UCRP at retirement, your frozen UC years of service will be used to determine eligibility for employer subsidy retiree medical. The schedule is: 0-4 yrs of UC service = 0% LLNS contribution; 5-9 yrs of UC service and you meet rule 75 which is your age at retirement + UC yrs equals 75 = 50% LLNS contribution; 10 yrs of UC service = 50% LLNS contribution; 11 to 20 yrs of UC service increases in 5% increments up to 100% (for example, 11 yrs = 55%, 16 yrs = 80%, 20 yrs = 100%). If you take a lump sum distribution from UCRP at retirement, you are only eligible for access-only retiree medical. Note: If you are pre-1990 hired, you are eligible for 100% employer subsidy if you have at least 10 yrs of UC service or at least 5 yrs of UC service and retire at age 55 or later and your age at retirement + yrs of service = 75.

Question Id#121 published on 8/25/2007 3:09:13 PM

Q: What obligation, and motivation, does LLNS have to maintain monetary retiree medical benefits?

Please consider in your response that this monetary benefit is not offered to new employees.

A: We cannot promise a benefit will last forever. There are no plans to change this benefit. Any change would require NNSA approval.

Question Id#1188 published on 8/25/2007 2:21:37 PM

Q: On "access" to retiree medical care under TCP2: is access guaranteed at the same cost as any other group member without regard to "insurability"?

A: Yes, so long as the employee/retiree signs up for retiree medical within 31 days of retirement.

Question Id#3617 published on 8/25/2007 2:08:31 PM

Q: Inactive Vested Employees with more than 20 years service selecting TCP2 and taking a lump sum from UCRP are eligible for access only medical/dental benefits on separation from LLNS. In this case: 1. Will the premium for medical insurance access for such retirees be at the same rate charged active LLNS employees for the same level of coverage? 2. Is the medical insurance access for LLNS retirees guaranteed regardless of pre-existing medical conditions like diabetes? 3. Can the retiree be denied medical access after separating from LLNS assuming LLNS continues to offer medical insurance access to active employees?

A: 1. Yes, that's the benefit of access-only. You get the same premium rates and level of coverage, but the rates may be lower than if you bought medical insurance independently. 2. As long as you are already covered and don't change insurance inbetween, your coverage would continue. Otherwise you would need to provide evidence of insurability. 3. If your "separation" from LLNS is your retirement and not voluntary termination, then you should not be denied retiree medical coverage.

Question Id#1119 published on 8/25/2007 12:06:10 PM

Q: Do you actually believe the "access only" medical retirement plan for incoming tcp2 employees will help draw, retain, and motivate the workforce?

A: Yes, we anticipate it will. Given the entire compensation and benefits package as well as the rich history and culture here at the Lab we believe it is a reasonable package to offer future hires to consider employment. We also

intend to continually evaluate our human capital management profile and discuss often with NNSA.

Question Id#1157 published on 8/24/2007 3:29:37 PM

Q: I expect to qualify for the 50% medical insurance upon retiring from LLNS, assuming I am hired by LLNS. What will the cost be to me for medical benefits and what will the \$ be that I would receive?

A: The cost of medical coverages in the future is unknown.

Question Id#1164 published on 8/24/2007 3:25:30 PM

Q: For those of us who have enough service to qualify for full retiree medical benefits now (i.e. over 20 years service), what additional requirements apply for both TCP packages? For example: 1. Do TCP1 employees still need to draw their pension within 90 days of termination in order to get medical benefits? 2. Do TCP2 employees just need to terminate? Or is there an age requirement or any other requirement before they can get their medical benefit? If so, what are they? If there are conditions which they fail to meet, do they lose their benefit, or are they just delayed until the conditions are met? 3. The above question can also be modified to new hires. When new hires terminate, will they always have the option of medical access through LLNS (so long as the contract is in place)?

A: 1. TCP1 - 120 days is the current UC policy and that remains the same with LLNS. 2. TCP2 - you would have to be retirement eligible to receive retiree medical upon separation from LLNS. 3. No, if you are not retirement eligible at separation, retirement medical is not activated now or later. 4. Same rules apply for new hires.

Question Id#358 published on 8/24/2007 11:48:50 AM

Q: Based on the briefing given on 6/21, could you clarify the following under the scenario of a current LLNL employee with 35 years of service that would elect inactive in UC, thus becoming part of TCP2: (1) Is it true that as a retiree the individual would be eligible for basically the same medical coverage (access and employer medical contributions) as under TCP1? (2) I interpret the presentation to indicate that the retiree would be eligible for access only dental. There would be no employer contributions? Is that correct, and if so, why is this individual being penalized for taking the inactive status option?

A: Please see new information added after "AND" below: 1. If you take the lump sum from TCP2, then you are only eligible for access-only medical. If you take the monthly annuity from TCP2, then your frozen years of UC service would be used to determine your eligibility for the employer subsidy ("Look back") AND whatever other benefits you would be eligible for, i.e., Medicare Part B reimbursement, as under TCP1. 2. The retiree medical plan includes dental.

Question Id#3387 published on 8/24/2007 11:38:17 AM

Q: If I have 20 years service with UC now, separate from UC on Sept 30, accept a position with LLNS under TCP2, take the lump sum retirement from UC within 120 days, and continue to work for LLNS under TCP2 for several more years, when I finally quit working will I get access-only medical benefits (because I took the lump sum) or will I get 100% employer-reimbursed medical benefits (because of my previous 20 years with UC)?

A: You would be eligible for "access-only" medical if you take the lump sum.

Question Id#283 published on 8/24/2007 9:09:06 AM

Q: Why is there not a retiree medical benefit under TCP2 plan or a flat salary raise to make up for the cost difference in the lack of retiree medical benefits?

A: TCP2 is based on current industry practice which typically does not include a defined benefit plan or retiree medical coverage.

Question Id#3619 published on 8/23/2007 7:22:13 PM

Q: At the transition date I will be 46 and have 11 years of service. If I choose to go with TCP2 my retirement medical is frozen at 55%. Will I lose the 55% if I separate from LLNS at 52 and choose not to draw on my UC pension until age 60?

A: Yes, under TCP2 you must also begin your monthly annuity or lose your retiree medical. At age 52 you would

be eligible to retire. You may activate your retiree medical and later suspend it if you obtain medical coverage elsewhere -- from your spouse or another employer -- then reactivate it when/if you lose that coverage, but again, you would still need to begin the monthly annuity.

Question Id#3571 published on 8/23/2007 6:45:20 PM

Q: I am 45 years old, with 20 years at LLNL. If I select TCP2 and work at LLNS until I am 50, can I retire from LLNS with paid medical benefits but not retire from UC until age 60?

A: Under TCP2 if you retire from LLNS at age 50 and activate your retiree medical -- 100% employer subsidy with 20 yrs of UC service credit -- you must also begin your monthly pension.

Question Id#3601 published on 8/23/2007 6:05:17 PM

Q: I'm 39 and have 18 years in with UC, my options are TCP1 or TCP2, can you explain to me my benefits if I choose TCP1 with the intent to gain the additional 2 yrs to establish full medical but then leave LLNS to go to work for another government contractor ie. NNSA, DOE, Bechtel, NTS etc.? Will I still have a retirement pension with LLNS to draw from when I'm of age (including medical), or what would happen to it? And if down the road I were to return to LLNS would my years of service pick up again? And finally, what if circumstances down the road brought me back to the UC?

A: Under TCP1 you would be a vested transferring employee so you would need to work at LLNS for 5 more years to gain 100% employer subsidy at retirement (see page 37 of the employee briefing material posted on the LLNS website for the schedule). If you leave LLNS before retirement age, you would forfeit your retiree medical but would pick up retiree medical from whatever other organization you were working for at the time of retirement. Since you are vested, your pension will be there whenever you retire and/or are ready to begin distributions regardless of who you are working for at that time. You will need to ask UC, NNSA, DOE, etc. if they would recognize your UC-LLNL or LLNS years of service.

Question Id#3605 published on 8/23/2007 5:05:05 PM

Q: In the formula for the 'rule of 75' for retiree medical subsidies (age of retirement + service = 75 years), what is the precise definition of "age of retirement" for TCP2? Under TCP1 one will be able to go inactive (stop working) and officially retire (draw benefits) at a later date. Can one do the same under TCP2, using the later official retirement date to calculate the 'rule of 75' for retiree health benefits purposes?

A: That should be age "at" retirement. So if you have 5 years of service you would need to retire at age 70 to equal 75.

Question Id#3606 published on 8/23/2007 5:02:10 PM

Q: Does one have to be working at LLNS physically until age 50 or higher to be eligible for retiree medical under TCP2?

A: Under TCP2 you need to be working at LLNS when you retire in order to be eligible for retiree medical. Your frozen UC service credit will be used to determine your eligibility for employer subsidy retiree medical, unless you take a lump sum payment.

Question Id#3626 published on 8/23/2007 9:29:56 AM

Q: Concerning the retiree health employer subsidy under TCP2: If an employee has 5-9 years service credit with UCRP, opts for TCP2 and takes the lump sum cashout, and continues to work for LLNS for 10 or more years, is the employee entitled to an employer subsidy of 50% or more based on the LLNS service credit or is the employee stuck with "access only" for all time?

A: If you take the lump sum from TCP2, then you are only eligible for access-only medical. If you take the monthly annuity from TCP2, then your frozen years of UC service, i.e, the 5-9 yrs, would be used to determine your eligibility for the employer subsidy ("Look back"). Please see pages 35 and 36 of the employee benefits briefing material posted on the LLNS website under Benefits for the details and schedule.

Question Id#161 published on 8/22/2007 7:29:33 PM

Q: I need to know a little more about the medical benefits for retirement purposes in order to make a good

decision. If I roll over into TCP1 and then decide to retire within 5 years without having 20 years of service what would be the percent of medical paid by LLNS. Currently with UC I would have 65% of medical paid by UC, which isn't great but it is better than nothing. The information in the document states 5%, but does it increase with each year of service. This information is crucial to my decision-making process. Also, is there someone at LLNS that I can speak with regarding this?

A: At retirement your total service credit (UCRP + LLNS) will determine the employer subsidy. Please refer to page 37 of the employee benefits briefing material posted on the LLNS website under the Benefits tab for the schedule.

Question Id#739 published on 8/21/2007 9:01:03 PM

Q: I have been continuously employed at LLNL since before January 1, 1990, and will retire under UCRP with a little over 18 years of service. Will I still receive 100% of the employer contribution to my medical and dental benefit that I would have received under UCRP?

A: Yes, as a pre-1990 hire you meet the 100% employer subsidy rule.

Question Id#1055 published on 8/21/2007 8:32:20 PM

Q: How long must an individual work within TCP2 to be eligible for continuing health care access when retiring?

A: If you transition to LLNS as an inactive vested employee and take the monthly annuity from UCRP at retirement, your frozen UC years of service will be used to determine eligibility for employer subsidy retiree medical. The schedule is: 0-4 yrs of UC service = 0% LLNS contribution; 5-9 yrs of UC service and you meet rule 75 which is your age at retirement + UC yrs equals 75 = 50% LLNS contribution; 10 yrs of UC service = 50% LLNS contribution; 11 to 20 yrs of UC service increases in 5% increments up to 100% (for example, 11 yrs = 55%, 16 yrs = 80%, 20 yrs = 100%). If you take a lump sum distribution from UCRP at retirement, you are only eligible for access-only retiree medical. Note: If you are pre-1990 hired, you are eligible for 100% employer subsidy if you have at least 10 yrs of UC service or at least 5 yrs of UC service and retire at age 55 or later and your age at retirement + yrs of service = 75.

Question Id#524 published on 8/21/2007 9:51:13 AM

Q: I have been at LLNL for seven years. If I chose the TCP2 and go inactive on my UCRP it appears that my retirement medical is fixed at 50 percent and will not grow. This is effectively no retirement medical benefit from LLNS since this is exactly what I would have if I went inactive with UCRP and collected from them at retirement. Is this correct?

A: Further clarification: Yes, your service of seven years will be frozen for retiree medical subsidy. Between 5-9 years of service credit you must also meet rule 75 to receive the 50% employer subsidy. Rule 75: your age at retirement + your frozen yrs equals 75.

Question Id#419 published on 8/20/2007 3:24:04 PM

Q: For TCP2, you state that you got permission to exclude retiree medical benefits from the BenVal. Is this exemption for the life of the LLNS contract and all renewals? Might this cost be added back into the calculation in 2 years when the BenVal is calculated again? Might this cost be added back in if or when LLNS renews its contract?

A: LLNS cannot forecast how long NNSA will allow for this exemption.

Question Id#540 published on 8/20/2007 1:14:56 PM

Q: If entering employment with LLNS, and choosing TCP2 and inactive UCRP (33 years service), what medical benefit will be provided at the actual future retirement date? (a) retires from UCRP on Oct. 15, 2007; keeps working for LLNS. (b) retires from both UCRP and LLNS on Oct. 15, 2009.

A: Your UCRP service credit will be transferred and frozen as is on Sept. 30, 2007. Employees will be required to take a monthly annuity from UCRP to be eligible for employer subsidy for retiree health. If you take a lump sum, you are eligible for access-only retiree health.

Question Id#773 published on 8/20/2007 11:03:13 AM

Q: Is the access-only retirement medical in TCP2 full coverage, Medicare supplemental, a choice of one of these or something else?

A: Under access only, retiree pays the full premium but you have access to group rates, negotiated costs, etc.

Question Id#761 published on 8/20/2007 9:57:25 AM

Q: Are years of UC service credit added to LLNS accrual for TCP2 in order to obtain the retirement medical benefit as outlined for 5-9 years of service (age + service credit >= 75), which entitles the TCP2 employee 50 percent employer paid benefit?

A: No. If you select TCP2, your service credit is frozen as of Sept. 30, 2007.

Question Id#756 published on 8/20/2007 9:55:04 AM

Q: There are a number of LLNL employees, including myself, who are confused about one point in the new benefits options. It relates to the Retirement Medical under TCP2 for Inactive Vested Transferring Employees. For example, let's assume one is 40 years of age with 10 years of service as of Sept. 30, 2007. If one went into TCP2 and worked another 10 years with the new organization (let's say to Oct.1, 2017), would one then have the full employer contributions to the medical plan, would one have 50 percent employer contributions to the medical plan, or would one have "access-only" to the medical plan?

A: If you select TCP2, your UCRP service credit is transferred and "frozen" as of Sept. 30, 2007 (10 years in this example) for retiree health and welfare. Ten years of service equals a 50 percent subsidy.

Question Id#665 published on 8/20/2007 9:52:09 AM

Q: Section C, Page 9. Does "a retiree medical plan for Inactive Vested Transferring Employees" include dental?

A: Yes.

Question Id#3574 published on 8/20/2007 9:19:53 AM

Q: If I "inactivate" my UC retirement on Sept. 30 or before; does my medical/dental/opt freeze with the retirement? When I activate it, do I have medical/dental/opt being activating as well? I have been LLNL for 17 1/2 years and am 68 yrs. old. TCP 1 or TCP2? I believe that I should take the TCP2. Does that mean that while I am with LLNS I would receive medical/dental/opt as long as I am working? I do know that it would stop from LLNS when I retire because I won't be vested. Thank you for your help, this could help me not to have to take time with the HR people.

A: While actively at work at LLNS your retiree medical and dental will be suspended and you will have health and welfare benefits as an active employee. When you retire from LLNS your retiree medical and dental will be activated at that time.

Question Id#3136 published on 8/17/2007 10:09:47 PM

Q: I have over 38 years of LLNL service and will be going inactive vested while continuing to work for LLNS. Let's suppose I leave LLNS several years from now and at the same time retire from UC. Is my retiree medical viewed as TCP1 or TCP2? I ask because on slide 35 of today's benefits presentation, there is mention of "look back" to TCP1. What does that mean? As a variation, suppose I retire from UC while continuing to work for LLNS. I presumably would not enroll in retiree medical since I would be getting medical through TCP2 of LLNS. Once I leave LLNS, I would then presumably switch to retiree medical. Is that viewed as TCP1 or TCP2, and does it matter?

A: While you will be choosing TCP2, upon retirement LLNS will use your frozen service credit with UC to determine your eligibility for retiree medical employer subsidy ("look back"). Since you will have well over 20 years of frozen service you would qualify for 100% employer subsidy unless you took a lump sum. If you take a lump sum at retirement, then you would only be eligible for access-only medical. In your 2nd scenario, your retiree medical would be suspended and you would be covered by the active employee medical plan -- same for TCP1 and TCP2. Upon retirement, your suspended retiree medical would be reactivated.

Question Id#3483 published on 8/17/2007 7:11:09 PM

Q: I have 5 years service with LLNL and planning to take lump sum cash out within 120 days of the transition, under UC retirement. If I elect TCP-2 how many more years do I have to work in order to be eligible for access only retiree medical?

A: By taking the lump sum under TCP2 you are automatically and only eligible for access-only retiree medical. Years of service does not play a role and you will be required to pay the full premium.

Question Id#1483 published on 8/16/2007 5:47:31 PM

Q: Will I, as a non-vested employee, be eligible for any retirement medical benefit under the TCP1 option? If so, will that benefit be based on my current service time or my service time when I retire?

A: A UCRP Transferring Unvested Employee electing TCP1 will carry over accrued service credit. At retirement your total service credit (UCRP + LLNS) will determine the employer subsidy. Please refer to page 37 of the employee benefits briefing material posted on the LLNS website under the Benefits tab for the schedule.

Question Id#1484 published on 8/16/2007 5:39:44 PM

Q: If I am eligible for retirement medical will that cover myself only or myself and my spouse?

A: Retiree medical coverage will cover the employee, any dependent eligible adult family member (i.e. spouse, registered domestic partner, dependent parent) and dependent eligible children meeting the dependent eligibility rules of the plan.

Question Id#2357 published on 8/16/2007 2:30:20 PM

Q: Under 'Retirement Medical', on the subject of a 20+ years of service IVTE in the TCP2 plan taking a lump sum payment from UCRP, there is confusion on whether they will receive benefits over and above 'access-only'. ONE of the answers seem to indicate YES, several of the others NO. I saw the added coverage as an incentive to stay with LLNS.

A: An Inactive Vested Transferring Employee (IVTE) in the TCP2 plan taking a lump sum payment from UCRP will only be eligible for 'access-only' retiree benefits.

Question Id#2467 published on 8/16/2007 2:16:42 PM

Q: With the news that NNSA has accepted the alternative TCP2 benefits package that employees at Los Alamos has, does that mean employees who are not currently eligible for retirement can go inactive with UC and retire at a future date, possibly years from now and still get retiree medical?

A: If you become an Inactive Vested Transferring Employee and choose the TCP2 benefits package, when you decide to retire your UCRP service credit frozen on 9/30/07 will be used to determine eligibility for employer subsidy retiree medical, like TCP1 ("look back").

Question Id#2494 published on 8/16/2007 2:05:38 PM

Q: If I choose to work for someone other than LLNS, can I still freeze my pension with the University of California and obtain my employer-paid contribution for medical benefits based upon my service years frozen as of September 30th? Does "eligibility for retiree medical insurance" mean "access only" to the medical benefits?

A: If you choose to work for another employer other than LLNS after freezing your UCRP pension, you forfeit any rights to retiree medical and dental coverage unless that other employer is UC; then you need to speak to them regarding their break-in-service rules. Eligibility pertains to how an employee qualifies for retiree medical. Access only pertains to who is going to pay for those benefits. In the case of access only the retiree pays the full cost of the group premium with no employer subsidy.

Question Id#2504 published on 8/16/2007 2:03:08 PM

Q: If I accept employment with LLNS and retire from UC within the 120 day window and collect the monthly annuity, would I be eligible to collect medical retirement benefits from UC or LLNS? Would I really have double medical coverage (LLNS normal medical and LLNS retirement medical)? Would the LLNS retirement medical only kick in once I left LLNS even though I have started the Annuity? Could I opt out of

LLNS normal medical insurance and just use my LLNS retirement insurance?

A: While still actively at work at LLNS your retiree medical and dental will be suspended and you will have health and welfare benefits as an active employee. When you leave LLNS your retiree medical and dental will be activated at that time. Please also refer to the LLNS employee benefits briefing material recently posted on the LLNS website for more detailed information on health and welfare and retiree medical.

Question Id#2594 published on 8/16/2007 1:23:39 PM

Q: The answer to question no.1149 states that employees who receive a lump sum from UCRP will get medical access. Is this still true in light of the new proposal?

A: Yes, it did not change.

Question Id#2691 published on 8/16/2007 1:13:29 PM

Q: On page 23 of the approved benefits summary, it indicates TCP-2 retirees will not get an employer dental contribution. Is this only for new employees, or is it true for inactive vested transferring employees as well?

A: If you take TCP2 as an inactive vested transferring employee, look at the retiree medical/dental rules under TCP1 on page 16 for qualifications and what will be provided. Please also refer to the LLNS employee benefits briefing material posted on the LLNS website.

Question Id#2857 published on 8/16/2007 9:48:13 AM

Q: If a 50+ year old vested employee decides to choose inactive status in UCRP, rehires with LLNS under TCP2 and then chooses to retire from UC in say, five years, is it true such employees still qualify for and will receive employer subsidized retirement medical and dental? Is it true (as I've heard verbally) that the UC requirement that requires an employee to retire within 120 days of separation from UC service to qualify for employer subsidized medical/dental is being waived? If so, how and where is that documented? Assuming the medical/dental subsidized coverage is still available to an employee under the described circumstance, which company provides the employer paid part of the retirement medical/dental, LLNS or UC?

A: If you become an Inactive Vested Transferring Employee and continue to work for LLNS, when you stop working for LLNS and choose a monthly annuity from UCRP, your retiree medical/dental coverage eligibility is based on your frozen UCRP service credit as of 9/30/07. Your question dealing with your employment and/or benefits with UC cannot be answered by LLNS. We have directed your question to the LLNL Transition Website at <http://transition.llnl.gov>. Please monitor that site for a response.

Question Id#316 published on 8/15/2007 5:13:45 PM

Q: Re retirement medical under TCP2, what does the term "access-only" mean?

A: Access only means the employee pays the full cost of the plan, but can access the contract rate for the provider.

Question Id#20 published on 8/15/2007 5:12:48 PM

Q: What obligation, and motivation, does LLNS have to continue monetary retiree medical benefits after the contract transition? Please address in your reply the fact that this monetary benefit is not being offered to new hires.

A: This benefit would be part of the package approved by NNSA and consequently reimbursable under the contract. There would be no reason to not continue it. In fact to discontinue it would require NNSA approval.

Question Id#3507 published on 8/15/2007 4:14:34 PM

Q: Is the following statement true (The retiree medical benefit plan offered under TCP1 will include service-based eligibility requirements substantially equivalent to existing UC requirements for retiree medical benefits with the qualification that an eligible employee must have a minimum of 5 years continuous service under a DOE Contract(s) immediately prior to retirement in order to qualify for retiree medical benefit coverage.) I thought under the UC system you needed 10 years of service to qualify for the medical benefits for retirement. This makes a big difference in deciding what plan I want to go with if I have 5 years vested

and want the medical benefits under the new plan TCP1; and what would the medical benefit be a percentage of my medical insurance payment?

A: For retiree medical and dental under TCP1, the employer subsidy depends on your UC + LLNS years of service. On page 37 of the LLNS employee benefits briefing material posted on the LLNS website, it shows the employer subsidy schedule based on your UC credit as of 9/30/07 plus your LLNS service credit added on. For retiree medical and dental until TCP2, your frozen UC service credit is used to determine retiree medical employer subsidy eligibility, unless you take a lump sum. Pages 35 and 36 show the eligibility criteria based on your frozen UC service credit as of 9/30/07. If you take the lump sum, then you are only eligible for access-only retiree medical.

Question Id#271 published on 8/15/2007 3:16:24 PM

Q: The following question was posed today by a co-worker to the LLNL HR Benefits Office: "I understand that someone freezing their UCRP membership has 120 days thereafter in which to retire, or lose the medical benefit. I also understand that at LANL, this deadline was waived. Do you know whether that 120 deadline also will be waived for LLNL employees?" The response came back that: "It is my understanding that the same exception you describe that applied for LANL will also be given to our transferring inactive vested employees." It was further stated by LLNL HR that: "As long as you are employed by LLNS this would be granted." My concern is that this can be understood to mean an inactive UC vested employee who continues with LLNS opting for TCP2 will get the UC retiree medical benefits. My understanding from the LLNS presentation is that no one will get the UC medical benefits as a retiree. LLNS will provide all retiree medical benefits - including current UC Lab retirees, TCP1 and TCP2. The benefits vary based on which plan you select and your years of UC service when transitioning Oct. 1. Please verify what is correct.

A: The 120 day rule was not waived at LANL and will not be waived here. If you are inactive vested with UC, your frozen service credit as of 9/30/07 will be used to determine your eligibility for retirement medical, unless you take the lump sum. If you take the lump sum under TCP2, then you will only be eligible for access-only medical. You may also want to review pages 33 through 37 of the LLNS employee benefits briefing material posted on the LLNS website for information regarding the UC service credit and how it applies to the employer subsidy for retiree medical.

Question Id#549 published on 8/15/2007 10:37:01 AM

Q: Please define what is meant on Page 54 when it states: Retirement Medical - Access-only for new hires - A retiree medical plan for Inactive Vested Transferring Employees that freezes service credit as of September 30, 2007 towards the employer subsidy*

A: Access only means the retiree pays the full premium but has access to group rates, networks and negotiated discounts. TCP2 frozen service on Sept. 30, 2007 means the employee's service time is used to determine the employer subsidy credit, which is: 0-4 years service credit -- 0 percent LLNS subsidy 5-9 years -- your age at retirement + your frozen yrs equals 75 --- 50 percent subsidy 10-20 years -- subsidy increases by 5 percent per year to 100 percent at 20 years.

Question Id#499 published on 8/15/2007 9:47:38 AM

Q: On slide 10 of the 60-page benefits briefing, please provide further explanation of the statement "formula is 2.5% of high 3-year average pay reduced by Social Security offset, with Cost-of-Living Adjustments." What does that mean in language that is meaningful to those of us mid-career employees who don't happen to work in the Benefits Office?

A: If you are 60 at the time of your retirement from TCP1, the formula is 2.5 percent times for service credit equals a benefit percentage. That benefit percentage is multiplied times your three- year average minus \$133. For example: 2.5 percent times 20 years service credit = 50 percent Benefit percentage; 50 percent times (\$5,133 - \$133) = \$2,500 monthly annuity.

Question Id#3413 published on 8/14/2007 4:48:57 PM

Q: As of Sept 17, 2007, at 35 years of age I will have 6 years in with UCRP. From my understanding of medical retiree benefits, if I elect to go inactive vested UCRP into TCP2 and retire at age 56 (6 years service

credit + 56 = 62) I will not meet the rule of 75 so I will be eligible for medical access only even though my total service will be 26 years (6 years UCRP and 20 LLNS). Some of my colleagues believe that the retiree medical benefits will include my service credit to LLNS after Sept 17, 2007, so that would be over 20 and thus 100% coverage. Please clarify this for us.

A: Your understanding is correct. No service time from LLNS is counted toward your retirement medical under TCP2. As an inactive vested transferring employee under TCP2 your 6 years of UCRP service is frozen. To be able to get 50% subsidy as seen on page 36 of the slide presentation, your age at retirement plus your frozen years of UC credit must equal 75.

Question Id#3221 published on 8/14/2007 2:33:44 PM

Q: Since I will be 60 on Feb 8, 2008, it is my current intent to accept the LLNS offer with TCP2, go inactive with UCRS and then retire from UC on the last possible day so that my sick leave is incorporated as part of my service credit with UCRS. I understand that I will thereby also retain the right to the UC Health Plan; however, my understanding is that while I am a LLNS employee, I will be required to use the LLNS Health Plan, not the UC Health Plan. After I retire from LLNS (around 2011), do I have an option to go with the UC Health Plan? Do I have any options to go with either UC or LLNS?

A: Your frozen service credit with UC as of 9/30/07 will be used to determine eligibility of retiree medical under TCP2 unless you take a lump sum. If you take a lump sum, then you are eligible for access-only retiree medical. Please refer to page 35 and 36 of the employee benefits briefing material posted on the LLNS website for more information.

Question Id#3226 published on 8/14/2007 1:55:49 PM

Q: I am a pre-1990 hire with 19 years of UCRP service credit and currently not enrolled in the Lab medical plan. If I choose the TCP1 option, can I enroll in a medical plan AFTER I retire and take advantage of the low group rates?

A: Access-only retiree medical is provided under TCP2. Since you were hired on before 1990, you are eligible for 100% employer subsidy under TCP1.

Question Id#3239 published on 8/14/2007 1:38:16 PM

Q: Earlier today I submitted the following question: Question regarding Retiree Health under TCP2: Please confirm my understanding of the following: Under TCP2 a hire prior to 1990 is entitled to a 100 percent employer-paid retiree healthcare and dental if the transitioning employee has at least ten (10) years of service credit. In my case I was hired in 1987 left the Lab to work for Stanislaus District Attorney's Office in 1997 and rehired in 1999. Does my original hire date come into play for the conditions stated above thereby entitling me to 100 percent employer paid retirement healthcare and dental care under TCP2. Please confirm/advise. I need the clarification before I can make a good decision on my benefit election. The reply I received was: The "Pre-1990 hire date" is based on an employee's most recent hiring date or in your case rehire date. Since your rehire date is 1999 you do not meet this rule. I have an additional two part question: 1) Is there an appeal process of this criteria for benefits contribution? 2) If not, what will be the level of employer paid retiree healthcare contribution be for 17+ years of services (Note: 17+ years includes the original hire period and the rehire period. I trust all periods of employment count for service credit for retirement health care.) Please advise by email or phone if easier (925) 424-5765. Thank you!

A: 1. There is no appeal process through LLNS. You may contact UC or LLNL benefits offices to check with them. 2. On page 36 of the employee benefits briefing material posted on the LLNS website and presented at the various town halls, the employer subsidy service credit is outlined: 0-4 yrs of UC credit = 0% LLNS contribution 5-9 yrs of UC credit, if meets rule 75 = 50% 10-20 yrs of UC credit increases in 5% increments from 50% to 100% at 20 yrs.

Question Id#3240 published on 8/14/2007 1:08:26 PM

Q: I have a question about a perceived contradiction on TCP2, Retiree Dental plans, Employer contributions: The Approved Benefits Package Summary presentation (http://www.llnslc.com/file/ApprovedBenefitsPackageSummary_v2.pdf) states (slide 23): "Employer

Dental Contributions: None" Yet, the LLNS Benefit Package Briefing Rev080107

(<http://www.llnslc.com/file/LLNSBenefitPackageBriefingRev080107.pdf>) states (slide 35): "Medical and dental have employer contributions if eligibility criteria met" Assuming I meet the eligibility requirements (I have 21 years on (10/1/07), which is correct?

A: The retiree medical eligibility criteria for employer subsidy follows on page 36 of the employee briefing material. In your case with 21 years of service credit you meet the 100% employer subsidy.

Question Id#413 published on 8/6/2007 6:00:41 PM

Q: Could you please clarify something for me from your LLNS Total Compensation Design and Strategy presentation? My question has to do with slide number 9. Section C - LLNS Benefit Design Policy Statement: 2b) "a retiree medical plan for Inactive Vested Transferring Employees that freezes UCRP service credit as of September 30, 2007 towards the employer subsidy*" I will have 20 years of UCRP service credit as of 8/1/07 and be 57 years old. I would like to "freeze" my UCRP assets and become an "Inactive Vested Transferring Employee". I would then work for LLNS and at age 60 I would retire and start collecting my retirement checks from UCRP. Your section 2b) above states I will then be eligible for the current LLNS employee subsidy toward TCP1 Retiree medical insurance. My question is in regards to the conflict between the above policy and the current UCRP policy of requiring that I must start collecting my monthly pension checks within 120 days of becoming vested inactive or retiring from UC or I will lose my medical benefits. Could you please clarify for me the conflict between UCRP and LLNS policies? Will I have the TCP1 Retiree medical insurance subsidy or won't I? Thank you in advance, Richard

A: The 120 day medical rule is not a UCRP rule but a UC Health & Welfare policy rule. As of 10/01/07 LLNS' rules will govern retiree medical and dental eligibility and costs. In the scenario you provided you will have the TCP1 retiree medical subsidy.

Question Id#3234 published on 8/6/2007 8:51:29 AM

Q: Question regarding Retiree Health under TCP2: Please confirm my understanding of the following: Under TCP2 a hire prior to 1990 is entitled to a 100 percent employer-paid retiree healthcare and dental if the transitioning employee has at least ten (10) years of service credit... In my case I was hired in 1987 left the Lab to work for Stanislaus District Attorney's Office in 1997 and rehired in 1999. Does my original hire date come into play for the conditions stated above thereby entitling me to 100 percent employer paid retirement healthcare and dental care under TCP2. Please confirm/advise. I need the clarification before I can make a good decision on my benefit election. Thank you! Maria 8/6/07

A: The "Pre-1990 hire date" is based on an employee's most recent hiring date or in your case rehire date. Since your rehire date is 1999 you do not meet this rule.

Question Id#293 published on 8/3/2007 5:04:01 PM

Q: Can you make more explicit the difference between TCP1 and TCP2 in terms of the value of the retiree medical benefit? This seems to be one of the major differences between the plans.

A: If you are a Vested Transferring Employee with 20 years or more of UCRP service credit, then there are no differences. Whether you choose TCP1 or TCP2, the TCP1 retiree medical and dental rules will apply at the time of retirement. If you have less than 20 years of UCRP service credit as of Sept. 30, 2007, then you can transfer your service credit to TCP1 and continue to add service credit at LLNS. The TCP1 service-based schedule for the employer contribution for retirement medical and dental is as follows: 0-4 years' service credit = 0% LLNS contribution; 5-9 years' service credit: If you meet the Rule of 75 (which means your age and service added together equal 75) = 50% LLNS contribution. If you do not meet the Rule of 75 = 0% LLNS contribution; 10 years' service credit = 50% LLNS contribution; 11 years' credit = 55% LLNS contribution; 12 years' credit = 60% LLNS contribution; 13 years' credit = 65% LLNS contribution; 14 years' credit = 70% LLNS contribution; 15 years' credit = 75% LLNS contribution ; 16 years' credit = 80% LLNS contribution ; 17 years' credit = 85% LLNS contribution; 18 years' credit = 90% LLNS contribution; 19 years' credit = 95% LLNS contribution; 20 years' credit = 100% LLNS contribution; and Over 20 years' credit = 100% LLNS contribution. The term "certain eligibilities" refers to years of service and the Rule of 75, as explained above. The rules above pertain to transferring employees who choose TCP2 but the eligibility is based on their UCRP service credit balance as of

Sept. 30, 2007. If the employee has less than 20 years of service, there is no opportunity to increase the employer-paid portion of the retiree medical and dental benefit.

Question Id#3182 published on 8/3/2007 4:59:41 PM

Q: If my wife and I freeze UCRP and after October 2007, I take the lump sum and she takes the UCRP retirement and we are both under TCP2, when we retire in 3 years, can she add me as her spouse to her medical plan as I won't have one? Also, If I decide to work 2 years longer than her, will she be able to add me to her medical as her spouse at the time of my retirement? (We both have over 20 years service in UCRP)

A: Yes, when you retire and take the lump sum your spouse can add you to her retiree medical during Open Enrollment or mid-year as a "qualifying event", in that you have, in essence, lost your coverage.

Question Id#3165 published on 8/3/2007 3:14:01 PM

Q: If I roll over into TCP1 with 6.5 years of service credit and work for LLNS for another 9 years what percentage of my retiree medical will LLNS pay? Will it be 100% or 75%? Please advise.

A: Your combined UCRP + LLNS service credit as outlined above (15.5 years) would qualify you for 75% employer subsidy on the retiree medical.

Question Id#3157 published on 8/3/2007 3:13:05 PM

Q: The more I read and talk to co-workers, the more confused I get. I am a vested employee with 12-1/2 years of service credit. I am 48 years of age. I plan to continue working at least another 10 years. If I freeze my UCRP and opt for TCP2 is the combined service of UCRP added to the years of service credit with LLNS in determining my eligibility for subsidized medical coverage or would I be in the "access only" category?

A: Based on the conditions you described, your UCRP service credit (12-1/2 years) would be frozen as of Sept. 30, 2007 under TCP2 for retiree medical and dental employer contributions. Your 12-1/2 years service credit would qualify you for 60 percent employer subsidy. You may want to refer to page 36 of the LLNS employee benefits briefing material recently posted on the LLNS website for additional information.

Question Id#457 published on 8/2/2007 10:42:32 PM

Q: The note on page 7 of the benefits design and strategy briefing states that a transferring employee are those "...who do not retain credit for prior service..." This implies that an employee with 20 years service under UC would enter TCP1 with no recognition of those 20 years. If this person retires in 2008, they would receive no pension or medical coverage as they would have less than a year of service with LLNS. This can't be what is intended. Please clarify how years of service under UC would enter into retirement benefit calculations for TCP1.

A: A UCRP Transferring Vested Employee will carry over full service credit and accrued pension benefits on said service credit to the LLNS TCP1 Plan, leaving no service credit or accrued pension benefit with the UCRP Plan. Please also refer to the LLNS employee benefits briefing material recently posted to the LLNS website for more detailed and current information.

Question Id#432 published on 8/2/2007 10:30:09 PM

Q: If I choose to be an inactive UC transferring employee in TCP2 and am over 50 years old and have over 20 years of UC service, can I retire from LLNS anytime after 10/1/07 and get full retirement medical benefits?

A: Yes.

Question Id#423 published on 8/2/2007 10:25:28 PM

Q: Since "inactive vested" transferring employees will receive retiree medical under TCP1, it seems to follow that if the LLNS' contribution to retiree medical is greater than the rate for the plan chosen by a Medicare-eligible retiree, then the difference should be able to be used to pay for all or a portion of the Medicare Part B premium. Will this, in fact, be the case, or does this represent one more degradation of

LLNL's benefits from that of Los Alamos?

A: What you are describing above is the Medicare Part B reimbursement which will be replicated under TCP1 by LLNS.

Question Id#400 published on 8/2/2007 10:15:33 PM

Q: Assume a 49 year old UC employee with 20 years service chooses UC inactive/vested and accepts the LLNS offer under TCP2, then retires from UC and LLNS one year later. Will that employee receive paid medical benefit in retirement?

A: Yes. LLNS will pay 100% of their portion of the premium for medical and dental coverage.

Question Id#354 published on 8/2/2007 9:23:49 PM

Q: What is the meaning of access-only retirement medical plan?

A: "Access only" medical benefits means a retiree can have access to the group medical plans but must pay the entire premium without any employer subsidy.

Question Id#91 published on 8/2/2007 7:25:37 PM

Q: I am an active non-vested post-doc (I have been employed in UC for less than 5 years). Do I have a choice to which benefit plan to choose? Or do I have to take TCP2? If I choose TCP2, am I eligible for medical coverage in retirement?

A: Yes, you have a choice of either TCP1 or TCP2. If you choose TCP2 you will be eligible for access only retiree medical coverage if you are at least age 50 with 10 years of service (a combination of UCRP and LLNS service credit) or with five years and meeting the "Rule of 75" (age + service).

Question Id#270 published on 7/14/2007 3:03:38 PM

Q: Yesterday's presentation states Retirement Medical employer contribution in TCP1 and TCP2 for everyone except new hires is service based - 100% for 20 years, 5% increments between 10-20 years. Right now UC's policy is 100% if you were hired before January 1, 1990. Why aren't you honoring that policy?

A: Please refer to slide 29, third bullet, under "Retirement Medical."

Question Id#909 published on 7/2/2007 11:32:39 AM

Q: In the 6/22/07 Newline. TPC1 states: "The plan also includes retiree medical with an employer subsidy (if certain eligibilities are met)." What are the "certain eligibilities" I have to meet?

A: In the benefit plans proposed to NNSA, the service-based schedule for the employer contribution for retirement medical is as follows: 0-4 years' service credit = 0% LLNS contribution; 5-9 years' service credit: If you meet the Rule of 75 (which means your age and service added together equal 75) = 50% LLNS contribution If you do not meet the Rule of 75 = 0% LLNS contribution; 10 years' service credit = 50% LLNS contribution; 11 years' credit = 55% LLNS contribution; 12 years' credit = 60% LLNS contribution; 13 years' credit = 65% LLNS contribution; 14 years' credit = 70% LLNS contribution; 15 years' credit = 75% LLNS contribution ; 16 years' credit = 80% LLNS contribution ; 17 years' credit = 85% LLNS contribution; 18 years' credit = 90% LLNS contribution; 19 years' credit = 95% LLNS contribution; 20 years' credit = 100% LLNS contribution; and Over 20 years' credit = 100% LLNS contribution. The term "certain eligibilities" refers to years of service and the Rule of 75, as explained above.

Question Id#1421 published on 6/30/2007 7:57:32 PM

Q: Section G, Estimated Cost for Retirement Plans - why does Retirement Medical show 0% in table? Should this have the same asterisk as all previous discussions on Inactive Vested employees?

A: The table reflects employer costs. For access only retiree medical, there is no employer cost.

Question Id#1006 published on 9/5/2007 8:17:02 PM

Q: Since I am a UCRS only employee with LLNL and only plan to work for LLNS for 5 to 6 years before retiring I will not have 40 quarters with Social Security. If I choose to work after retirement and accrue the additional quarters to become "fully insured" will my retirement be adjusted? My understanding is that the UCRS only pension plan is not adjusted if a retiree does become "fully insured" after retiring from UCRS.

A: If, at a later date under TCP1, you become eligible to participate in Social Security, your pension payment may be reduced accordingly.

Question Id#1005 published on 9/5/2007 8:14:55 PM

Q: Since I am a UCRS only employee with LLNL and only plan to work for LLNS for 5 to 6 years before retiring I will not have 40 quarters with Social Security. The LLNS TCP1 plan does say "Social Security taxes paid by an employee may be refunded in the future for those who demonstrate that they do not attain "fully insured" status," but there is no detail as to how these taxes will be refunded. Is there a defined plan for refunding these taxes or will there be one developed in a reasonable amount of time?

A: When the administration process has been set up to manage the Social Security reimbursement under TCP1, all employees will be notified.

Question Id#2631 published on 9/5/2007 1:28:33 PM

Q: I have 33+ years in the UC System but I am not coordinated with Social Security (SS). When I accept the position with LLNS, am I required to pay into SS and if so, what happens to that contribution since I am not eligible to collect SS when I retire?

A: All LLNS employees must pay into Social Security. Please be aware that under TCP1, there is the Social Security reimbursement but SS ineligibility must be substantiated before any reimbursement, without interest, would be made. You may also want to peruse the Social Security FAQs on the LLNS website for other information.

Question Id#3811 published on 9/4/2007 5:14:38 PM

Q: I am a retiree (receiving Social Security benefits) who has returned as a lab associate. Currently, FICA is not deducted from my salary. Starting 10/1/07 FICA will be deducted, as stipulated by federal law. After taxes, my net pay is now about 67% of my gross pay. After 10/1 my net pay will be about $(67 - 5)\% = 62\%$ of my gross pay. In effect I will receive a pay cut of approximately 8%. (The Safe Harbor deduction is not an issue because it goes directly into my 403b, not to Social Security.) (According to information I received via the Social Security 800 number, the new FICA deduction will have no effect on -- will not increase -- my Social Security benefits.) Has any consideration been given to correcting this inequity?

A: Yes, under TCP1, you will be eligible to receive Social Security reimbursement. Please peruse the other Q&As under the Social Security category in the FAQs on the LLNS website for additional information.

Question Id#3659 published on 8/28/2007 12:57:41 PM

Q: In your answer to question #3644 you stated: " If, at a later date under TCP1, you become eligible to participate in Social Security, your pension payment may be reduced accordingly." Can you be more specific regarding "your pension payment may be reduced accordingly?" Are you saying that the TCP1 pension may be reduced? By how much?

A: The pension payment would be reduced by \$133 per month.

Question Id#3508 published on 8/23/2007 9:09:10 PM

Q: I have been without Social Security for over 37 years. Before 1975 Social Security was an option. We were told back then if we choose to join we would have to back pay those years. Back then my pay scale was so small and I started a family, I just could not afford to buy back the time. Under the new LLNS (Private enterprise) Social Security payments will be required. The US congress several years back deemed our UCRP plan was so good that we no longer need to maintain our beneficiary status. In other words I am no longer my wife's beneficiary. Which by the way the average citizen under the Social Security enjoys. Now I am being penalized with no compensation under the TCP-2 plan. Which by the way anyone with over 30

years under UCRP would benefit from TCP-1. I received a letter today indicating only TCP-1 will be eligible for the "Reimbursement of Social Security Contributions". Do understand all this to be correct ?

A: Yes, that is correct.

Question Id#3512 published on 8/23/2007 9:06:19 PM

Q: I received a letter requiring that all employees pay into SS. Please explain why I should have to pay when I will not be reimbursed when I retire on TCP2 - not having enough quarters paid into the system.

A: By law, private sector companies must require their employees to pay into Social Security.

Question Id#3517 published on 8/23/2007 8:54:27 PM

Q: I am a UCRP retiree working as a fixed term. When I retired, I was not coordinated with Social Security and therefore I am not currently eligible. I do not expect to ever become eligible for Social Security. What happens to my FICA contributions?

A: All LLNS employees must pay into Social Security. Please be aware that under TCP1, there is the Social Security reimbursement but SS ineligibility must be substantiated before any reimbursement, without interest, would be made. You may also want to peruse the Social Security FAQs on the LLNS website for other information.

Question Id#3521 published on 8/23/2007 8:52:14 PM

Q: I am currently a fixed term employee and get paid hourly for the time I work. When I responded yes to my offer letter, the response I got back indicated that I could put money into a 401(k) but there would be no matching funds from LLNS. That hardly sounds like TCP2. What I really want to know is whether I have to pay money into social security, and if I do, what the impact on my social security benefits will be. I am age 70 and get monthly social security benefits, and my wife gets the spousal supplement. It makes no sense for me to pay into social security, and may indeed be illegal for me to do so without jeopardizing my current social security benefits.

A: As a fixed term retiree you are only eligible for TCP1 which is why you received the response you got from LAPIS. TCP1 has no employer contributions. All LLNS employees must pay into Social Security. There is nothing illegal about you paying into Social Security while receiving Social Security benefits. Please be aware that under TCP1, there is the Social Security reimbursement but SS ineligibility must be substantiated before any reimbursement, without interest, would be made. You may also want to peruse the Social Security FAQs on the LLNS website for other information.

Question Id#3562 published on 8/23/2007 7:56:41 PM

Q: Will my FICA salary accumulation for 2007 reset on 10/1/2007? In other words, 1) if I'm at my maximum FICA income before 10/1/2007 and therefore not paying FICA before then, will I continue to not pay FICA for the remainder of 2007? 2) if I'm not at my maximum before 10/1, but expect to reach it before 12/31/07, transition aside and based on my salary alone, can I still expect to reach it?

A: FICA will not restart for transferring employees. The IRS allows a predecessor / successor arrangement so that employee FICA deductions are not reset.

Question Id#3156 published on 8/23/2007 6:28:12 PM

Q: I'm UCRP without Social Security. On the answers about reimbursement of Social Security (see question 2734), does it apply for both TCP1 and TCP2 or only to TCP1?

A: Social Security reimbursement applies to TCP1 only, but SS ineligibility must be substantiated before any reimbursement, without interest, would be made.

Question Id#3550 published on 8/23/2007 6:27:26 PM

Q: I received a letter from Jan Tulk on a requirement to pay Social Security. It was directed to employees not currently paying into Social Security and said they will be able to get reimbursement of SS contributions, with evidence, at the time of their retirement. Well, I'm already a retired, non-eligible Social Security person, and work indeterminately here as a returned retiree. What will be the process for me to get

reimbursement of SS contributions, when they are withheld by LLNS?

A: Please note that Social Security reimbursement (with caveats described in the referenced letter) is only available under TCP1. When the administration process has been set up to manage the Social Security reimbursement under TCP1, all employees will be notified.

Question Id#3583 published on 8/23/2007 6:26:17 PM

Q: I opted out of SS 34 years ago when I started Lab employment. I show no quarters for SS and I am choosing TCP2. Will I be compensated for anytime served working for LLNS when I retire say 5 years from now, either towards years and or age?

A: You must work 40 quarters (10 years) to become eligible for SS benefits. If you have been paying into the Safe Harbor under UC, those deductions will stop and the SS deductions will begin. SS reimbursement is only available under TCP1 and you would have to provide evidence of ineligibility for reimbursement. You may want to peruse the Social Security FAQs posted on the LLNS website for additional information.

Question Id#3644 published on 8/23/2007 2:59:09 PM

Q: If a person works and pays into Social Security for a sufficient amount of time to become eligible for a SS benefit and is eligible for a pension for which no social security deductions were made, their social security benefit is subject to the Windfall Elimination Provision (WEP). This reduces the amount of their SS benefit. If they choose to transition into TCP1 where they will be paying into SS, is the TCP1 pension considered to be a pension in which SS deductions are made and therefore no WEP applies? If the WEP does apply, will they be eligible for the SS reimbursement from LLNS?

A: If, at a later date under TCP1, you become eligible to participate in Social Security, your pension payment may be reduced accordingly.

Question Id#3593 published on 8/22/2007 9:41:01 AM

Q: I am a retiree (receiving Social Security benefits) who has returned as a Lab associate. I have just been notified that starting Oct. 1, FICA will be deducted from my pay, which is not currently the case. Is it true that this policy will apply to Lab associates? If so, will the "Safe Harbor" deduction continue or end?

A: The Social Security deductions replace the Safe Harbor deductions. Safe Harbor deductions will end.

Question Id#3591 published on 8/21/2007 9:22:46 AM

Q: Currently I do not contribute to Social Security or to Medicare. Will I have to contribute when LLNS takes over on October 1, 2007?

A: Yes, all LLNS employees must pay into the Social Security plan and for those working in California will also pay CA State Disability Insurance (SDI) by law.

Question Id#3475 published on 8/17/2007 7:38:27 PM

Q: I have been a member of UCRP without Social Security for 30 years. I have always understood that I would not draw benefits from Social Security or Medicare. Now that I will have to pay into Social Security and Medicare, is there any reimbursement for those payments other than TCP1? I have heard there is a way to get a reimbursement without having to select TCP1. If this is true can you point me to the information? How will my paying Social Security affect my UCRP retirement now and in the future? Will my UCRP retirement benefit be reduced after I have retired and then become eligible for SS in the future? If so why was UCRP without SS offered to us?

A: Unfortunately, only TCP1 provides for both Medicare Part B and Social Security reimbursement. TCP2 does not. If, at a later date under TCP1, you become eligible to participate in Social Security, your pension payment may be reduced accordingly. As a private sector company, LLNS must require that employees contribute to SS. TCP1 is intended to be substantially equivalent to what is currently being provided by UC. The reimbursement of SS contributions was included in TCP1 to make SS provisions equivalent to what is being provided under UC. TCP2 is required to be market-based, but no commitment was made that TCP2 would be substantially equivalent to provisions under UC.

Question Id#1507 published on 8/17/2007 6:01:25 PM

Q: Social Security requires 40 quarters or 10 years before you become vested, I have worked 33 years at the Lab and was planning on retiring in 5 years. I will be required to pay into SS and not be vested to draw SS, this will be several hundred dollars a month. During the Q&A session during the town hall meeting it was mentioned that a SS refund may be available if you cannot draw SS when you retire, where is this documented?

A: The SS reimbursement is under TCP1 only. Details are described in the FAQs on the LLNS website under the Social Security tab.

Question Id#2597 published on 8/16/2007 1:22:50 PM

Q: As a fixed-term retiree, UC takes 15% of gross pay into a fund called "Safe Harbor." Will that continue with LLNS?

A: No. Paying Safe Harbor under UC was in lieu of paying into Social Security. At LLNS all employees must pay into Social Security.

Question Id#3503 published on 8/16/2007 1:04:25 PM

Q: I am not contributing to Social Security at this time. If I freeze my UC service or retire from UC and at a later date get enough quarters with SS, does my UC pension change? Would it affect the death benefit for my survivor?

A: If you work enough quarters (40 quarters or 10 years) to later become eligible for Social Security benefits, your pension payment may be reduced accordingly and the SS death benefits for your survivor will apply.

Question Id#427 published on 8/2/2007 10:28:13 PM

Q: I just turned 50 and have 26.5 years of service. I have been enrolled only in UCRS the entire time - not paying social security. I do not even have enough credits to be eligible to collect social security. I need to understand what considerations have been made for a person in my situation who had planned to retire with UC. I cannot afford to retire now - I could not live on what I'd be receiving. If I freeze with UC - when I retire will I be retiring with UC? Will I still receive full medical in my situation? I do not want to have to work another 10 years just to become eligible w/LLNS to even receive benefits and then have to pay the entire contribution on the medical etc. Please help.

A: If you freeze with UC then you will retire from UC in the future. This makes you an inactive vested transferring employee and you will be in TCP2. Your retirement medical and dental benefits will be based on the amount of UCRP service credit frozen as of 9/30/07. In your case you will be eligible to receive medical and dental benefits when you stop working for LLNS and then retire from UCRP, and LLNS will pay 100% of their portion of the premium.

Solvency of TCP1 Pension:

Question Id#1684 published on 8/25/2007 7:40:15 PM

Q: Since no new hires may enter TCP1, how does LLNS prevent the early retirees from draining the fund before the later retirees can retire?

A: We suggest you read Barbara Peterson's excellent column in the August 24 edition of Newsline. We believe her column covers the issues that the LLNL employees are most concerned with. Thank you for your patience in awaiting a response.

Question Id#2581 published on 8/25/2007 7:36:18 PM

Q: If LLNS were to declare bankruptcy sometime in the future, what specifically would happen to the TCP-1 retirement plan?

A: We suggest you read Barbara Peterson's excellent column in the August 24 edition of Newsline. We believe her column covers the issues that the LLNL employees are most concerned with. Thank you for your patience in awaiting a response.

Question Id#3184 published on 8/25/2007 3:54:09 PM

Q: Will TCP1 pension fund insured by the Pension Benefit Guarantee Corporation (PBGC)?

A: We suggest you read Barbara Peterson's excellent column in the August 24 edition of Newsline. We believe her column covers the issues that the LLNL employees are most concerned with. Thank you for your patience in awaiting a response.

Question Id#3440 published on 8/25/2007 3:47:52 PM

Q: What happens to TCP-1 if NNSA and DOE are dissolved by the next or any future administration. This is critical since we have already had one President of the United States that wanted to do this.

A: We suggest you read Barbara Peterson's excellent column in the August 24 edition of Newsline. We believe her column covers the issues that the LLNL employees are most concerned with.

Question Id#3163 published on 8/21/2007 12:16:50 PM

Q: Taken from the DOE NNSA White Paper "NNSA is unaware of any instance in which DOE or NNSA contractor employee benefit plans have required PBGC intervention to ensure that plan participants received their vested plan benefits." What other Labs or entities have been under the DOE NNSA? When and where?

A: In addition to the current NNSA entities (LLNL, SNL, LANL, Pantex Plant, NTS, Y-12, and Kansas City Plant), the following entities, as well as others, were in the past under NNSA or its predecessor organizations: Rocky Flats (Denver, CO), Mound Plant (Miamisburg, OH), Pinellas Plant (Pinellas FL), Grand Junction (Grand Junction, CO), Inhalation Toxicology Research Institute (Albuquerque, NM). At none of these or any other DOE or NNSA facilities have DOE or NNSA contractor employee benefit plans ever required PBGC intervention in order to protect the security of vested plan benefits.

Question Id#2956 published on 8/21/2007 12:15:48 PM

Q: In an earlier question that you answered regarding the solvency of TCP1, it was stated in part: "NNSA is contractually obligated to reimburse the pension costs under the contract. NNSA's contract with LLNS also requires that at the end of the LLNS contract, the responsibility for the pension plan be transferred to the entity which is awarded the follow-on contract with NNSA or, if there is no such entity, the contract be extended with LLNS so the payment of the costs of continuing the benefits can be made by NNSA. NNSA thus has an ongoing obligation to reimburse the allowable TCP1 pension plan costs in the future." I have two questions; 1) Can you refer me/us to a document that details specifically NNSA contractual obligation regarding TCP1 within the context you stated? 2) As used in your answer, please define "allowable TCP1 pension plan cost".

A: See the LLNS contract at H-35(f) and H-35(g) copied below. (f) Contract Expiration or Termination With a Follow-on Management and Operating Contract If the Contract expires, or is terminated and an award is made to a follow-on management and operating contractor, as a part of the transition to another entity and in accordance with Contracting Officer direction and applicable law the Contractor shall transfer sponsorship of site-specific pension

and other benefit plans covering employees at the Laboratory to the follow-on management and operating contractor. (g) Contract Expiration or Termination Without a Follow-on Management and Operating Contract If this Contract expires or terminates without a follow-on management and operating contract, notwithstanding any other obligations and requirements concerning expiration or termination under any other clause of this Contract, including but not limited to the Contract's Section I Clause entitled "Termination," the following actions shall occur: (1) The Contractor shall continue as plan sponsor of all existing pension and welfare benefit plans covering site personnel, with continuing responsibility for management and administration of the plans, as directed by the Contracting Officer in his/her sole discretion. (2) The Contract may be extended as appropriate for purposes deemed necessary by the Contracting Officer for benefit continuation. (3) Pension plan contributions, plan asset management and administration costs, PRB costs and other applicable costs will continue to be allowable and fully reimbursable consistent with the terms of this Contract and in accordance with the applicable law and otherwise as acceptable to the Contracting Officer. (4) The Contracting Officer shall provide written direction regarding the provision of post-contract pension and other benefits as he/she deems necessary.

Question Id#2721 published on 8/16/2007 12:16:25 PM

Q: Many employees, including myself, are very concerned about the long-term solvency of the TCP1 pension plan. An important factor in determining the cost of maintaining solvency is who can join the plan and under what conditions. Will employees from LLNS partner organizations such as Bechtel and Washington Group be eligible to join TCP1 as UC employees are? If so, will they be transferring in assets to support the plan? Will any employees transferring in from any organizations after Oct. 1, including UC, be allowed to join TCP1? If so, what assets will they be transferring in?

A: Only UC-LLNL employees will be able to transfer their service credit into TCP1. After October 1, 2007, only TCP2 will be offered for new employees.

Question Id#362 published on 8/15/2007 10:44:55 AM

Q: I understand there was a shortfall in the transfer of UC assets to the Los Alamos retirement fund for the employees defined benefit. I also understand that it hasn't been clearly stated who made up the difference. If there is a similar shortfall here at Livermore who will make up the difference?

A: We do not anticipate a shortfall for Livermore. We understand that there was no shortfall at Los Alamos either.

Question Id#3162 published on 8/6/2007 8:54:33 AM

Q: Is the TCP1 LLNS DB retirement program going to be covered by the Pension Benefit Guaranty Corporation, which was established by ERISA?

A: Yes.

Question Id#2712 published on 7/31/2007 4:59:47 PM

Q: I have been told that when UC transfers approximately \$1.3B from UCRP to UC-LLNS pension plan that UC is responsible for any shortfalls. I do not believe this is true. I was always under the impression that UC-LLNS and UC-LANS are stand-alone retirement plans totally divorced from UCRP and that each contractor is responsible for taking care of their own pension plan. If there are any short falls NNSA will take care of this.

A: This is a response directly from NNSA: NNSA will have ongoing obligations to provide its share of pension plan funds to both the UCRP and to the LLNS pension plan under TCP1. For those LLNL employees who retire under UCRP, NNSA will have a contractual arrangement with UC to provide pension plan funding to UCRP for LLNL retirees. For LLNL employees who accept employment with LLNS and choose TCP1, the LLNS contract requires that funding for the pension plan be provided by NNSA.

Question Id#2819 published on 7/31/2007 4:59:11 PM

Q: In discussing the stability of the pension plan under TCP1, it has been mentioned in the answers to other FAQs that if the pension fund runs short, LLNS is required to make up the short-fall and then NNSA will reimburse LLNS for the allowable costs of those reimbursements. NNSA was formed by Congress only 7 or 8 years ago, and under some controversy, so NNSA itself may not be a long-lasting organization. If NNSA is

ever dissolved in some future year, is there language between NNSA and DOE that says DOE will then continue to reimburse LLNS for any pension short-falls?

A: This is a response directly from NNSA: NNSA is a part of the Department of Energy. Contractual obligations of the Department, including those of NNSA, are and will remain contractual obligations of the federal government and subject to the provisions of the Anti-Deficiency Act. We are unaware of any case in which contractor employees have not received promised benefits because of the Department's failure to reimburse the contractor for benefit costs.

Survivor Benefits:

Question Id#622 published on 9/8/2007 8:47:31 AM

Q: Is "survivor" dental coverage provided under TCP1?

A: If your survivors are eligible dependents, yes.

Question Id#3472 published on 9/6/2007 11:33:55 AM

Q: Please define the Survivor and Beneficiary Benefits for TCP1 and TCP2?

A: Please refer to the Approved Compensation Package Summary posted on the LLNS website under the Benefits tab for detailed information. You also may wish to refer to the Survivor and Beneficiary Handbook provided by the University of California.

Question Id#3723 published on 9/6/2007 11:32:59 AM

Q: What are the options for survivor continuance of the pension under TCP1? By this I mean the available percentages and the amount of benefit reduction associated with each option.

A: Please refer to the Approved Compensation Package Summary posted on the LLNS website under the Benefits tab for detailed information. You also may wish to refer to the Survivor and Beneficiary Handbook provided by the University of California.

Question Id#3815 published on 9/6/2007 10:55:58 AM

Q: I am a 54-year-old vested career employee with 24 years of service. I plan to retire in four to five years. What are the survivor benefits of the retirement medical coverages for both TCP1 and TCP2? In other words, will my wife have any medical coverage upon my death after retiring from LLNS (TCP1) or UCRP (TCP2)?

A: Yes, the surviving spouse of a retiree under TCP1 would continue in the retiree health and welfare plans. The same benefit would apply under the TCP2 "look back" provision for TCP2 retirees.

Question Id#3138 published on 9/6/2007 10:38:17 AM

Q: Under TCP1 Forms for retirement, I don't understand what is meant by the "normal" form of benefit for a married participant will be a 50 percent joint.

A: The optional forms are the amount your chosen beneficiary receives for life, if you die before your contingent annuitant (beneficiary) does. You will make all of these choices at the time of your retirement, and "normal" form of payment is 50 percent.

Question Id#3681 published on 9/6/2007 10:34:09 AM

Q: For a vested inactive (30 years UC, age 50+) employee who chooses TCP2 and is retirement-eligible but dies before retirement, what are the pre-retirement survivor pension benefits, and what are the pre-retirement survivor medical benefits?

A: The inactive vested employee has his/her UCRP benefit, and will have the UCRP benefits and their TCP2 401(k) plan. The LLNS defined contribution 401(k) plan benefits are paid according to the beneficiary designated

by the employee. To be eligible for medical, dental or legal survivor benefits the surviving family member must have been enrolled in the medical, dental, and or legal benefit program on the date of death of the deceased employee.

Question Id#3590 published on 9/6/2007 10:28:51 AM

Q: I'm slightly confused by the language describing the forms of payment for TCP1 (p. 6 of the July 12 briefing) because it doesn't match up with the descriptions for UCRP payment options: 1) Does "50% joint and survivor annuity with spouse" mean -- a somewhat reduced annuity while the retiree lives -- 50% of this for his/her spouse after his/her death 2) Do "100%, 66 2/3% or 50% joint and contingent annuities" mean -- again, a somewhat reduced annuity while the retiree lives -- 100%, etc., for the chosen beneficiary after death 3) Same question for 75% joint and survivor option 4) Will the reductions in the annuity for any of the above be comparable to UCRP?

A: 1) Because the plan is paying a benefit over the lifetimes of two people, the amount is somewhat reduced. 2) The optional forms are the amount your chosen beneficiary receives for life, if you die before your contingent annuitant (beneficiary) does. You will make all of these choices at the time of your retirement. 3) The reductions will be replicated from the current UCRP plan in a separate ERISA plan.

Question Id#3643 published on 9/6/2007 9:50:04 AM

Q: The normal payment form for TCP1 is a life annuity with 50 percent annuity going to a surviving spouse, correct? 2. What is the 75 percent joint & survivor option for TCP1, and how would it effect the lifetime annuity?

A: 1) Yes. 2) The 75 percent is just one of several annuity payment options that you may select at the time of your retirement. Please refer to the Generic Web Retirement Estimate posted on the LLNS website under the Benefits tab for more detailed information.

Question Id#587 published on 9/6/2007 9:46:41 AM

Q: Referring to the presentation package, page 27, please provide a comparison of the survivor benefits under UCRP and TCP1. How is the benefit calculated under TCP1? Can it ever be less than the benefit under UCRP? If so, when and under what conditions?

A: The benefit will be calculated the same way as UC currently calculates. The benefit is being replicated under separate plans such that benefits will be the same where current law and regulations will allow.

Question Id#1632 published on 9/6/2007 9:25:08 AM

Q: More detailed information is required for retirement benefits with respect to "share of basic retirement income for survivor continuance." Page 17 lists some percentages (100%, 66 2/3% or 50% joint & contingent annuities with any chosen beneficiary (including domestic partner), but much more detailed information is required to again fully evaluate this very important benefit. Please provide this information.

A: Under ERISA, LLNS cannot pay the retirement survivor benefit through a pension plan. Instead, it will be paid by a separate plan, the LLNS Defined Benefit Pension Survivor Income Plan. The payment methods under this plan include (1) single life annuity, and (2) a 100%, 75%, 66 2/3, or 50% joint and contingent annuity. Under a single life annuity, you will receive a monthly benefit for the rest of your lifetime, no benefit payments are made after your death. Under 100%, 75%, 66 2/3, or 50% Joint + Contingent annuity, you receive a monthly benefit for the rest of your life. If you die before your contingent annuitant does, your contingent annuitant will receive 50%, 75%, 66 2/3 (or) 100% of your annuity benefit for life. You may name any natural person as your contingent annuitant. However if you are married and you want to name any beneficiary other than your spouse, you must have your spouse's written consent, by a plan representative or Notary. Because the plan is paying a benefit over the lifetimes of two people, the initial monthly benefit is smaller than it would be if it were paid as a single annuity.

Survivor Benefits:

Question Id#2751 published on 9/8/2007 1:23:32 PM

Q: I have 3yrs with UC. If I roll my UC service credit over to TCP1 and get laid off before 5yr vesting do I lose the years of service?

A: If you are not vested in TCP1 at the time you leave LLNS (for whatever reason) then you have not earned a future benefit from TCP1.

Question Id#2737 published on 9/8/2007 1:03:02 PM

Q: If you are an inactive vested employee transferring to TCP-2 will your years of service count toward the LLNS service based contribution to the 401K? If yes, then should you later retire or select the lump sum from UC and continue working for LLNS, would your years of service be reset to zero?

A: Your UCRP service credit will be combined with your LLNS service to determine the service based contribution to the 401(k). Your retirement status with UC will not effect this.

Question Id#2731 published on 9/8/2007 12:54:17 PM

Q: I have 20 years of service at LLNL. If I go inactive with my UC service, and join TCP2, will I be a new employee or will I have 20 years of service credit?

A: You will have 20 years of service.

Question Id#632 published on 9/8/2007 8:48:12 AM

Q: p.7. What classification of employees can retain service credit? Under what circumstances?

A: Employees who elect TCP1 will retain their service credit as transferring employees for vesting purposes of their pension.

Question Id#630 published on 9/7/2007 5:21:43 PM

Q: What is the definition of "retain service credit?"

A: Employees who elect TCP1 will retain the service credit earned under UC and build credit with continued employment under LLNS.

Question Id#3730 published on 9/7/2007 11:57:36 AM

Q: I'm currently working with UC and the LLNL Benefits Office regarding a discrepancy in my service credit. I'm told it takes 30-60 days for corrections. If the issue is not resolved prior to Oct. 1, will LLNS recognize the eventual resolution (adding approximately one year to my service credit) or will LLNS only accept whatever is in place on Oct. 1?

A: LLNS will honor substantiated corrections for years of service credit post Oct. 1, 2007, provided the corrections come from UC.

Question Id#981 published on 9/5/2007 7:49:08 PM

Q: How does service credit transfer into TCP2?

A: Please refer to pages 19 and 33 in the employee benefits briefing material posted on the LLNS website under the Benefits tab for the chart that lays out how service credit applies for both TCP1 and TCP2.

Question Id#636 published on 9/5/2007 6:06:20 PM

Q: p. 10. Under TCP2, would a transferring employee (vested inactive) with 20+ years of service retain that service for purposes of the Defined Contribution Plan?

A: Yes.

Question Id#3700 published on 8/27/2007 5:46:02 PM

Q: If for example, I will have 9.90 service years by Sept. 30 and I choose to roll my years of services to LLNS, will on Oct. 1 my years of service with LLNS be 9.90, or will it be rolled up or down for some reason?

A: On October 1, 2007 you will have 9.9 years of service credit.

Question Id#325 published on 8/25/2007 5:07:24 PM

Q: On page 7 of the LLNS Total Compensation Design and Strategy Proposal to NNSA it outlines three situations in which an employee may make decisions about their future with the new company. I would fall under "Transferring Employees." In that note it states that on Oct. 1 I would go from being a UC employee and would not retain credit for prior service and would cease to be in UCRP. Does this mean that I would lose my nearly seven years toward a retirement benefit, including the current 10 year minimum for limited medical benefits?

A: No. As an inactive vested transferring employee your years of service with UC would be frozen and used at the time of retirement to determine eligibility for employer subsidy retiree medical. It is also used for accrual rates. Please review the employee briefing material from the town halls that are posted on the LLNS website for details.

Question Id#299 published on 8/25/2007 5:01:17 PM

Q: I have approximately five years of UCRP Service Credit and have reciprocity with CALPERS with 21 years of service for the State of California. My Adjusted Start Date is Oct. 1, 1977. 1. Under TCP1 at what rate will I accrue vacation? Is it my current rate, which is 16 hours per month, which is for employees with 20+ years of service? Or at a lower rate based on combined Service Credit from UCRP and LLNS? 2. Under TCP2 at what rate will I accrue vacation? 3. If I retire in 10 years, under TCP1 what service credit will be used to determine my eligibility for retirement medical benefits? Fifteen years based on the total of my UCRP Service Credit plus my Service Credit under LLNS? Or 36 years based on my combined Service Credit under CALPERS, UCRP and LLNS? 4. Under TCP2 what service credit will be used to determine retirement medical benefits? Five years based on my current UCRP Service Credit? Or 26 years based on my combined Service Credit under UCRP and CALPERS? 5. Under TCP2 what service credit will be used to determine the service match for the 401(k) plan? Five years based on my UCRP Service Credit? Or 30 years based on my Adjusted Start Date?

A: The answers to your questions are as follows: 1. Your accrual rate will remain the same. 2. There are no differences in vacation accrual rates between TCP1 and TCP2. 3. The combination of the UCRP service credit transferred to LLNS TCP1 and service credit earned under TCP1. There is no reciprocity agreement between LLNS and CalPers at this time. 4. Only your UCRP service credit balance as of Sept. 30, 2007 will determine future TCP2 retiree medical and dental benefits. 5. Under TCP2 your employer service based contribution will be determined by your UCRP service credit balance plus years of service worked at LLNS.

Question Id#699 published on 8/22/2007 7:29:44 PM

Q: I have 28 years service, but I am barely 50 by Oct. 1. I am looking at going UCRP inactive and signing with TCP2, but I am concerned about my years of service being used to calculate my benefits and vacation accruals. Do I basically start as a year 0 employee? Do my 28 years of service count?

A: Your frozen UC service years will be used to determine eligibility for the retiree medical ("look back"), unless you take a lump sum under TCP2. Your years of service under TCP2 will also be used for vacation accrual, sick leave accrual, and employer service based contributions.

Question Id#745 published on 8/22/2007 7:03:02 PM

Q: I am an active UC employee (age 60) with two years of service credit so I am considered an Unvested Transferring Employee. Will LLNS accept the transfer of my prior two years of service credit in determining vacation accrual time and also retirement eligibility in the TCP1 Defined Benefit Plan? Based on my current age and service credit, will I become eligible for normal retirement per the TCP1 plan by working an additional three years?

A: Note (1), page 7, of the Total Compensation Package refers to two categories of employees: Unvested Transferring Employees and Vested Transferring Employees. An Unvested Transferring Employee will have their accrued service credit carried over to LLNS on 10/1/07 and will be eligible for either the TCP1 or the TCP2 Plan. If an Unvested Transferring Employee selects TCP1, their service credit will be recognized for purposes of the Defined Benefit Pension Plan and retiree medical. If an Unvested Transferring Employee selects TCP2, they will

be eligible for 'access only' retiree medical coverage. If an Unvested Transferring Employee selects TCP2, their UCRP service credit will apply for purposes of calculating the service based contribution for the 401(k) Plan. LLNS will accept your two years of service credit toward vacation accrual and retiree medical, as a Transferring Unvested Employee electing TCP1. At retirement your total service credit (UCRP + LLNS) will determine the employer subsidy. Please refer to page 37 of the employee benefits briefing material posted on the LLNS website under the Benefits tab for the schedule.

Question Id#831 published on 8/22/2007 6:48:53 PM

Q: On page 7, Section B of the Total Compensation Packages, Notes (1) seems to be contradictory. Employees "...who do not retain credit for prior service..." would have to have frozen their service with UCRP. So, how could they, "...cease to be participants in UCRP..."?

A: Note (1), page 7, of the Total Compensation Package refers to two categories of employees: Unvested Transferring Employees and Vested Transferring Employees. An Unvested Transferring Employee will have their accrued service credit carried over to LLNS on 10/1/07 and will be eligible for either the TCP1 or the TCP2 Plan. If an Unvested Transferring Employee selects TCP1, their service credit will be recognized for purposes of the Defined Benefit Pension Plan and retiree medical. If an Unvested Transferring Employee selects TCP2, they will be eligible for 'access only' retiree medical coverage. If an Unvested Transferring Employee selects TCP2, their UCRP service credit will apply for purposes of calculating the service based contribution for the 401(k) Plan.

Question Id#1028 published on 8/22/2007 5:13:04 PM

Q: Will LLNL employees retain their years of service if they retire from LLNL and are hired by LLNS for the purpose of determining the LLNS 401(k) match?

A: Yes assuming the retire date and the hire date are close aligned, e.g. the employee as a transitioning employee on 10/1/07.

Question Id#584 published on 8/22/2007 4:37:22 PM

Q: I have been at LLNL for seven years. If I take TCP2 and freeze my UCRP, does that mean my 401(k) contributions start at 1.0 and stay there for 10 years, or do I get the seven-year credit and it goes up to 1.75 in three years?

A: Your service with UCRP is recognized upon transfer to LLNS. What you are deciding is the non-elective, service-based contribution percentages. The increases are: 0 - 9 years = 3.5% (was 1% per year) 10-19 years = 4.5% (was 1.75% per year) 20 or more years = 5.5% (was 2.75% per year)

Question Id#507 published on 8/21/2007 9:41:58 PM

Q: How will years of service be counted for people who elect inactive UCRP status and TCP2 for the purpose of determining eligibility for medical benefits?

A: Years of service with UCRP will be recognized when you transition to LLNS. Please refer to pages 5 through 18 of the employee briefing material under the Benefits tab posted on the LLNS website for details

Question Id#1018 published on 8/21/2007 5:41:47 PM

Q: For the purposes of the TCP2 Service based contribution to the 401(k), how are Years of Service calculated for - employees who have always been full time - employees who are or who have at some time been part-time - are UC Years of Service combined with LLNS Years of Service? Please give an example. Thanks.

A: 1) Same as with UC today. 2) Same as with UC today. 3) Yes.

Question Id#1013 published on 8/21/2007 3:50:17 PM

Q: Concerning time of service for unvested transferring employees. Ref Page 7 of the presentation, note 2 states that TCP2 transferring employees will not retain credit for prior service. Does this mean under TCP2 that my five year service date will be sometime in 2012? The question applies to TCP1 as well.

A: The service credit you have with UC will be recognized by LLNS. Upon transfer to LLNS, your LLNS credit will be added to your UC credit. Example: 5 years UC service + 5 years LLNS service = 10 years total service.

Question Id#868 published on 8/21/2007 3:43:43 PM

Q: If an employee chooses to go inactive at UC and signs up for TCP2, is it possible to still accumulate service years to receive retiree medical benefits when he retires from LLNS? For example, the employee currently has 6 years of service, goes inactive with UC and works 4 years under TCP2 and then retires. With 10 years working at LLNL, can he still receive 50% of retirement medical benefits?

A: While a UCRP Inactive Vested Transferring Employee can only select TCP2, their UCRP service credit frozen on September 30, 2007 will be used to determine eligibility for employer subsidy retiree medical. In your case, 6 years would be used to determine the employer contributions for retiree medical and dental premiums. If you take a lump sum distribution from UCRP, your UCRP service credit will count toward eligibility for TCP2 access-only retirement medical. With less than 5 years of LLNS service in your scenario, your age at retirement + LLNS service credit must equal 75 or more to receive the 50% LLNS contribution to the employer cost of retirement medical.

Question Id#1002 published on 8/21/2007 3:24:11 PM

Q: Regarding years of service for the non-matching 401k contributions, is this based on total of UCRP years and years under TCP2, or just the years of service to LLNS? Thanks.

A: The employer based contribution is based on UCRP years of service plus LLNS service.

Question Id#651 published on 8/21/2007 9:56:54 AM

Q: Under TCP2 will UC service credit that will be frozen as of Sept. 30, 2007 be applied to LLNS service credit accrued and applied to the retirement medical benefit requirements of age plus service credit greater than 75 for employees with five to nine years of service?

A: Correction: No, your frozen UC service years will not be combined with LLNS service credit for retiree medical under TCP2. Only your UC service years frozen as of 9/30/07 will be used to determine your eligibility for employer subsidy including rule 75.

Question Id#1285 published on 8/21/2007 9:26:22 AM

Q: Please indicate the exact retirement factors for age and years of service.

A: Please refer to the UC website where the retirement factors are posted. LLNS will use the same factor.

Question Id#1056 published on 8/20/2007 5:03:15 PM

Q: Note 1 on Page 7 of the LLNS Total Compensation Design and Strategy Proposal to NNSA applies to both UC vested and unvested transferring employees selecting TCP1 or TCP2. Please explain the meaning of the words "who do not retain credit for prior service" in this note. Does this mean that all transferring UC employees will initially accrue vacation at the same rate as a LLNS new hire employee?

A: Vacation and sick leave accrual rates will be the same at LLNS as at UC today.

Question Id#827 published on 8/20/2007 4:58:32 PM

Q: I have 24 years of service with the UC system. If I go under the TCP2 plan will I start as a 20 plus years of service to receive 2.75% for service contribution? Or do I start as year one for 1%?

A: Yes you will start with 20+ years of service, and receive an employer based contribution level of 5.5%.

Question Id#836 published on 8/20/2007 4:56:43 PM

Q: As of July 18, 2007, I would have completed the second year of a six-year flex-term appointment with LLNL. My understanding is that I will be eligible for TCP1 with LLNS, is that correct? Secondly, I am unclear if I will receive credit for the 2 years prior service with LLNL as far as TCP1 vesting is concerned. Please clarify.

A: Yes. LLNS will recognize the service date provided by UC at the time of transition on 10/1/07.

Question Id#668 published on 8/20/2007 4:55:16 PM

Q: The service credit factor for employer medical subsidy did not apply to UC employees hired prior to

1990. Are employees hired in 1987-1989 newly subject to this requirement?

A: Pre-1990 hires receive 100% employer contributions if they have: 1) At least 10 years of UCRP service credit. 2) At least 5 years of UCRP service credit and retire at age 55 or later.

Question Id#757 published on 8/20/2007 11:18:23 AM

Q: I will have slightly more than one year of service with LLNL on Oct 1, 2007. Will I have to start over from zero accruing service time with LLNS, or will I be credited as having one year (for the purpose of retirement benefit level eligibility)?

A: Your service credit with UC will be transferred to LLNS. Vacation and sick leave accrual rate will be the same at LLNS as at UC today.

Question Id#713 published on 8/20/2007 11:17:18 AM

Q: I am an employee with less than five years Lab and UC employment credit (i.e. unvested). May I elect TCP1? Will I be given credit (will my years of service transfer over) for the years I do have?

A: Yes you may select TCP1 and yes you will be given service credit for the years you have.

Question Id#693 published on 8/20/2007 11:16:12 AM

Q: Suppose I have 20 years' UC service, 15 years' LLNL service. If I take the option of inactive UC retirement and enter LLNS under TCP2, how many years of service will I have for the purpose of computing vacation accrual and the LLNS service-based contribution to a 401k plan?

A: Your UC-determined plus LLNL years of service would be recognized. For example, five years of service credit at UC plus five years of service with LLNS equals 10 years' total service.

Question Id#701 published on 8/20/2007 10:00:36 AM

Q: If an employee accepts UC retirement or UC inactive and accepts LLNS TCP2, will they retain: 1. Their years of service for vacation calculation; 2. Vested interest in paid retirement medical; 3. Their years of service for retirement medical calculation; 4. Carry over of vacation and sick leave balance.

A: 1) Yes 2) Please re-submit the 'vested interest' question, please clarify. 3) Yes 4) Yes

Question Id#536 published on 8/20/2007 9:13:59 AM

Q: As a UC unvested or vested transferring employee to TCP1, the benefits proposal states that credit for prior service is not retained as of Oct. 1, 2007. That does not seem right at all. All the years of service and loyalty does not get accounted for under LLNS for vacation and sick accruals and contributions toward the retiree medical plan? All would be lost and we would be considered brand new employees? I heard that Los Alamos employees were able to transfer their years of service.

A: UC service credit will be recognized for vacation and sick leave accrual. There will be no change in the accrual rate from UC to LLNS.

Question Id#3090 published on 8/17/2007 10:17:27 PM

Q: Can I buy UC time in order to be vested by Sept. 30, 2007? My hire date is Oct. 1, 2001. However, my papers show I have only 4.02 years vested. Is this due to the fact that I needed to be out on Medical Leave three times over the past two years?

A: You need to contact both the UC and LLNL benefits offices to understand the reasoning behind your years of service credit and to make sure they are in agreement. Because you are unvested and not retiring, you do not have the option of using your sick leave balance toward your UCRP service credit.

Question Id#3532 published on 8/17/2007 2:58:36 PM

Q: Will 10+ years service credit transfer for a non vested LLNL employe to LLNS TCP2 plan ?

A: If you have 10+ years of service credit, then you are already vested. You vest at 5 years of service.

Question Id#1485 published on 8/16/2007 5:38:24 PM

Q: I am a vested UC-LLNL employee. If I go inactive in UC and choose the TCP-2 option, will my years of

service for UC-LLNL count toward the service-based 401(k) employer contribution?

A: Yes, an Inactive Vested Transferring Employee will have accrued service credit carried over to the TCP2 Plan and count towards the non-elective, service based 401(k) employer contribution.

Question Id#1491 published on 8/16/2007 5:35:58 PM

Q: As a currently non-vested employee, will I receive credit for my current years of service if selecting TCP2?

A: An unvested transferring employee's accrued service credit will be carried over under TCP2.

Question Id#2452 published on 8/16/2007 2:22:01 PM

Q: I have 4 years, 10 months of service at the time of transition. The way I read it, I am the same as a new hire in terms of retirement medical under TCP2 as my service credit will be frozen as of Sept.30 and I will under 5 years. Is that correct?

A: If you are an Unvested Transferring Employee choosing TCP2 as your benefit program you will only be eligible for access only retiree medical in the future.

Question Id#2489 published on 8/16/2007 2:09:36 PM

Q: Is it true that for all of those who go into TCP1 that they forfeit all years of service accumulated with the UC, but for those who go TCP2 will retain all UC years of service that can be applied toward retirement at any UC campus?

A: If an employee chooses TCP1 then they are choosing to transfer their UCRP service credit to LLNS. They will no longer have UCRP service credit. If a person choosing TCP1 decides to take a position at UC at a later date they cannot transfer the service credit back to UCRP. An employee choosing TCP2 has chosen to leave their service credit with UCRP.

Question Id#2695 published on 8/16/2007 1:10:01 PM

Q: Please inform me about "rule 75" in the service requirements section. Thank you

A: The only rule of 75 is in regards to retiree health insurance. If your age + UCRP service credit = 75, as of 9/30/07, then you are eligible for LLNS to pay 50% on the employer portion of the medical premiums. Age and UCRP service must be in whole years.

Question Id#131 published on 8/15/2007 2:17:13 PM

Q: Before coming to LLNL, I worked for Washington Group International for about 15 years. In addition to this, I worked for about 7 years for B&W (Part of BWXT). Will I be able to get credit for these services? Thank you in advance for taking the time and responding to my question.

A: If you are a transitioning LLNL/LLNS employee, your UCRP service credit will be recognized at the time of transition. Service earned at previous employers will not be recognized if it is not recognized at present by UC.

Question Id#134 published on 8/15/2007 2:15:55 PM

Q: I worked for Bechtel Nevada for 5+ years before transitioning to LLNL in August 06. Will Bechtel and UC be able to bridge my time?

A: If you are a transitioning LLNL/LLNS employee, your UCRP service credit will be recognized at the time of transition. Service earned at previous employers will not be recognized if it is not recognized at present by UC.

Question Id#594 published on 8/15/2007 10:23:35 AM

Q: TCP2 401(k) plan service-based contribution: is UC service counted? I have 23 years; would I get an additional 2.75 percent (3.25 percent? 5.5 percent? What are those figures all about?) or only get 1 percent (or 1.25 percent, 3.5 percent...) for the first nine years?

A: Yes UC service is counted and added to your LLNS service. 0-9 years = 3.5 percent 10-19 years = 4.5 percent 20+ years = 5.5 percent

Question Id#579 published on 8/15/2007 10:01:34 AM

Q: I am an unvested LLNL employee with four years of service. If I transfer over to the LLNS under benefit package TCP1, will my four years of service credit transfer over and continue to accrue adding to my retirement years of service credit with LLNS?

A: Yes.

Question Id#489 published on 8/15/2007 9:51:52 AM

Q: I have worked at the lab for three years. What will happen to my years of service if I select TCP2?

A: Your service recognized by UC will be recognized by LLNS.

Question Id#644 published on 8/15/2007 9:42:48 AM

Q: Will LLNL employees retain their years of service if they retire from LLNL and are hired by LLNS: 1) for the purpose of determining accrued vacation? 2) for the purpose of determining accrued sick leave? 3) for the purpose of determining the dollars or percentage of medical and dental paid by LLNS?

A: If you retire before Oct. 1, 2007 and rehire with LLNS you would have no service credit toward any of the benefits listed in your question.

Question Id#3395 published on 8/10/2007 9:06:31 AM

Q: According to what a co-worker heard at a LLNS information meeting, rumor is that the employee's years of service would be rolled back to their last full year. For example, someone working for 9 years and 8 months would roll back and transition over with 9 years of service. This concerns me, as I was hired on October 3, 2005. - just a few days shy of 2 years of service when we transition. According to what I've heard, I would transfer in with only 1 year of service, rather than 2. Can you clarify this?

A: Your service credit is carried over in full on October 1, 2007.

Question Id#1040 published on 8/9/2007 6:21:14 AM

Q: Does service based contribution in LLNS start at zero for employees freezing in UC or is it the total years of service at LLNL?

A: UC service credit carries over to LLNS for the service based contribution.

Question Id#923 published on 8/9/2007 6:12:43 AM

Q: I have worked at LLNL for 10 years which means I'm a UC vested transferring employee. If I freeze with UC and choose TCP2 will I transfer to LLNS with 10 years of service or will I be reset to 0 years? Is this the only way for me to get into TCP2?

A: A UCRP inactive vested Transferring Employee's UC service will be carried over to TCP2 for TCP2 benefits.

Question Id#858 published on 8/9/2007 5:21:45 AM

Q: I have personal concerns as an unvested UC employee. At the time of transition, I will have about 2 years of service credit. The presentation that was given to us explicitly stated, "UC Nonvested Transferring Employees electing TCP2 will not retain credit for prior service and will cease to be participants in UCRP." Am I to believe that my 2 years of service will be thrown in the trash and that I will be considered a new employee to the lab? Also, what's to become of the funds that were set aside for my retirement in those 2 years?

A: If you are a Nonvested Transferring Employee who chooses TCP2, your UCRP service credit will be recognized by LLNS for the service based contribution on the 401(k).

Question Id#3309 published on 8/8/2007 11:31:18 AM

Q: If LLNS decides to use length of service as a factor in its layoff policy, will UCRP service credit be counted toward years of service for both TCP1 and TCP2 employees?

A: Accrued UCRP service credit is counted for both TCP1 and TCP2. Please review the "Benefits Briefing Handout" from the employee benefits briefings that is posted on the LLNS website under Benefits for details. The slides from the employee briefings also contain years of service credit details that you will also find helpful.

Question Id#461 published on 8/6/2007 6:04:14 PM

Q: Do I understand correctly that as a non-vested transferring employee I will not retain credit for years of service either with TCP1 or TCP2?

A: In TCP1 your UC service credit will be transferred to LLNS and used for pension calculations. In TCP2 your UC service credit will be used for determining your employer non-matching contributions as of 10/01/07.

Question Id#156 published on 8/6/2007 5:34:33 PM

Q: Under TCP2 "Years of service" is not defined (e.g. in the calculation of non-matched LLNS contributions to 401(k)'s). Does the figure represent years of service with LLNS as a new hire summed with years with UCRP or just years with the new company?

A: For all Transferring Employees, years of service is the combined UC Service Credit and LLNS service credit.

Question Id#204 published on 8/3/2007 5:08:25 PM

Q: As an inactive transferring employee, I will have 12.8 years of service credit with UCRP on Sept. 30, 2007. Will my employer contribution for retirement medical be based on 12 or 13 years of service credit? Since the freezing of UCRP service credit is forced upon us by the transition, isn't it fair that the employer contribution should be at least prorated to the fraction of the years of service to avoid narrow misses such as my case?

A: To determine the amount of retiree medical and dental premium paid for by LLNS, whole years are used. Given your scenario, LLNL would pay 60 percent (based on 12 whole years) of the medical and dental premiums at retirement.

Question Id#256 published on 8/3/2007 5:06:07 PM

Q: With regard to the compensation design and strategy, if I am already vested with UC, would I need to start over to be considered vested in LLNS?

A: No, unless you retire from UC on or before Sept. 30, 2007 and then wish to be hired by LLNS.

Question Id#364 published on 8/3/2007 5:01:37 PM

Q: Will sick leave transferred from UC into LLNS in either TCP1 or TCP2 be converted into service credit at the time of retirement with LLNS? In my case I do not intend to retire in the coming year.

A: TCP1 is a defined benefit plan. The benefit to the employee is a formula using an age factor, service credit and Highest Average Plan Compensation. In this plan, sick leave can be converted to service credit. TCP2 is a defined contribution plan. The benefit from TCP2 is dependent on your contributions to the plan, the company match and the service based company contribution.

Question Id#435 published on 8/2/2007 10:31:37 PM

Q: Please explain the retirement medical eligibility for TCP-2 as stated on page 39 of the presentation. Does the 10 years of service include time under the UC contract? What is the "rule of 75"?

A: The ten years of service does include UCRP service credit. The "rule of 75" is when your age plus your service add up to 75. For example if at age 68 you have 7 years of service with LLNS you would meet the "rule of 75."

Question Id#194 published on 8/2/2007 7:42:23 PM

Q: Regarding the TCP2 401(k) contributions, i.e. service-based 401(k) contributions made by LLNS, do the years of service include UC years of service while an LLNL employee? I don't see that specified in the Employee briefing given on June 22, 2007. I do have in my notes, though, that the years of service used in calculating the service-based contribution do include UC service.

A: Yes, the years of service include your UC service credit balance as of 9/30/07.

Question Id#1858 published on 7/27/2007 4:08:02 PM

Q: [Z8] Is there a possibility that subcontractors of LLNL who have come aboard as regular LLNL employees can have their previous service time counted towards LLNS service time?

A: For employees hired by LLNS, previous service as a LLNL subcontractor will not be recognized. For

employees who transfer from UC-LLNL, LLNS will only recognize service previously recognized by UC-LLNL.

Question Id#2001 published on 7/9/2007 7:25:40 PM

Q: [Z91] The UC system benefits those [who] joined the Lab at an older age, but those of us who started at a younger age are somewhat "stuck" until we reach retirement age. (Example: I have been here 20+ years but can't retire because I'm only 45.) Some of us don't care to stay around that long. Will there be a change to reflect "years of service" similar to state or county employees?

A: There are no plans to change years of service in the retirement calculation.

Question Id#2017 published on 7/9/2007 7:27:58 PM

Q: [Z107] Under the current UCRP pension program there is a graduated eligibility requirement for employer paid contributions towards medical and/or dental plans monthly premiums. Will this provision continue under LLNS and will LLNS recognize previous service credit (years of service) accrued at Livermore (under UC) towards their contribution?

A: For employees who transfer to LLNS under TCP1, LLNS will replicate UCRP eligibility requirements.

Question Id#1524 published on 6/30/2007 7:57:59 PM

Q: On page 10 "Retirement Plans" of the Employee briefing the TCP2 Defined Contribution Plan is discussed. What is the definition of "service based". Is it based on total years of service at LLNL or is it the UCRP retirement service factor plus years of service with LLNS at LLNL. Please explain what the third bullet means by giving an example.

A: In the benefit plans proposed to NNSA, for purposes of TCP2, the definition of "service based" is UCRP service credit plus years of service at LLNS.
