Full-Time Employees

Apple Benefits Book

Effective January 2019

Welcome

In the book and on HRWeb

Information about Apple's employee programs and benefits is available in this book as well as on the HRWeb section of AppleWeb, where you can find this book in its entirety. You can view the book online and print out any specific pages you wish.

You can also find recent changes or updates to your benefits plans on HRWeb. Subject-specific HRWeb pages are always the most up-to-date.

Apple offers a wide variety of valuable benefits for you and your family. From health care to educational assistance, our benefits are highly competitive.

Apple has a lot to offer, but the value you get from your benefits depends on you. That is where this Benefits Book comes in. It includes detailed information that can help you better use the plans. It not only describes your benefits, but also covers your rights and responsibilities as an employee of Apple covered by the plans.

The HR HelpLine Can Help

Take time to review the information in this Benefits Book with your family and others who need to know about your benefits. We hope this book answers most of your questions. If you need additional information or assistance, contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

Benefits Book Versions

This version of the book is for full-time employees. There is a separate Benefits Book on HRWeb for part-time employees.

References to Apple also include its designated affiliates.

About the Benefits Book

This book is intended to be the summary plan description (SPD) required by law for the benefits subject to the Employee Retirement Income Security Act (ERISA).

Your Apple benefits programs fall into seven major categories. The structure of this book reflects those categories, with corresponding sections in the book:

- Health care
- Flexible Spending Accounts
- Life and accident insurance
- Disability coverage
- Time away from Apple
- Financial programs
- Additional services and programs

Additional Important Information

This Benefits Book also includes other sections that have important information:

- Participating in Apple's Benefits
- When Benefits End
- General Information
- Contacts
- Glossary

Changes to Benefits

In any given year and during the course of your employment, changes to Apple's benefits programs can range from minor administrative revisions to larger strategic revisions. Apple will notify you, when appropriate, of any changes that may occur after this book is published.

Because of laws, government regulations, and the wide variety of possible exceptions to the situations described in this book, the information presented here is a summary of the most important provisions and most common situations associated with your benefits. While this book highlights the main features of Apple's benefits programs for eligible full-time employees as of January 1, 2019, it is not a comprehensive description. In case of any omission or conflict between this Benefits Book and the official plan documents, contracts, or policies, the applicable plan documents, contracts, or policies will govern.

You are welcome to read the more detailed legal plan documents, contracts, and policies that govern your benefits programs, where applicable.

For instructions on how to get these documents, contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

Employee Retirement Income Security Act (ERISA)

As noted earlier, with respect to the benefits described in this Benefits Book that are subject to ERISA (as explained in the *General Information* section), this book is intended to be the summary plan description (SPD) for such benefits, and for some benefits described in this book, may also act as the official Plan Document. This SPD does not replace the official documents (where applicable) that legally govern the operations of the plans. The applicable plan documents are the controlling documents that set forth all terms and provisions of the plans. In any cases of conflict, the official documents (where applicable) will be used to determine when, what, and to whom benefits will be paid.

Copies of the plan documents can be obtained by contacting the HR HelpLine. For information about your legal rights under the Employee Retirement Income Security Act of 1974 (ERISA), see "Statement of ERISA Rights" on page 322 in the *General Information* section.

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Contact Information

The following table lists contact information for the organizations that administer and/or underwrite the benefits plans that Apple provides. These organizations are usually your best resource for questions about the benefits the plans provide. For questions about eligibility and participation, or for general questions about Apple benefits, contact the HR HelpLine.

Plan	Vendor/Plan number, if applicable	Phone	Website and email, if applicable
Accidental Death & Dismemberment Insurance	Minnesota Life Insurance Company Group #70103	866-293-6047 Monday–Friday, 5:00 a.m. to 4:00 p.m. Pacific time	www.minnesotalife.com
Apple 401(k) Plan	Empower Retirement	844-277-4401 (US only) 303-737-7246 (outside the US) 800-830-9017 (TDD) Monday—Friday, 5:00 a.m. to 7:00 p.m. Pacific time	www.myapple401k.com
Apple Dental Plan	MetLife Group #0300860	844-222-9105 Monday–Friday, 5:00 a.m. to 8:00 p.m. Pacific time	www.metlife.com/mybenefits
Apple Fitness Centers		Austin: 512-674-2901 FileMaker: 408-987-7000 Elk Grove: 916-399-5281 Santa Clara Valley: 408-974-6803	wellness.apple.com
Apple Matching Gifts Program	Benevity		apple.benevity.org support@benevity.com
Apple Medical Plans	UnitedHealthcare (UHC) Group #700406	866-348-1286 (US only) 866-802-8572 (outside the US) Monday–Friday, 8:00 a.m. to 8:00 p.m. Local time	www.myuhc.com
Apple Vision Plan	Vision Service Plan (VSP)	877-666-2185 Monday–Friday, 5:00 a.m. to 8:00 p.m. Saturday and Sunday 7:00 a.m. to 8:00 p.m. Pacific time	www.vsp.com
Auto, home, and pet insurance	MetLife	800-438-6388 Monday–Friday, 5:00 a.m. to 8:00 p.m. Pacific time	www.metlife.com/mybenefits
Banking	Bank of America	888-APPL-907	https://promo.bankofamerica.com/AppleEmployee/
Business Travel Accident—Personal Property Reimbursement	Chubb Business Travel Claims Team	+44 (0) 2078953470 Fax: +44 (0) 1243621035	
Credit unions	KeyPoint (California only)	888-255-3637 24 hours a day, 7 days a week	www.keypointcu.com

HR HelpLine

Apple's internal customer service team answers questions about pay and benefits.

800-473-7411
408-974-7411

hrhelpline@apple.com

Plan	Vendor/Plan number, if applicable	Phone	Website and email, if applicable
Disability, short-term, leaves of absence, New Parent Leave, Paid Family Care Leave, and workers' compensation	Sedgwick	855-702-7753 To file a claim: 24 hours a day, 7 days a week For customer service: Monday–Friday, 5:00 a.m. to 6:30 p.m. Pacific time	https://claimlookup.com/Apple
Disability, long-term	Cigna/Lincoln Financial Group	HR HelpLine 800-473-7411 408-974-7411	hrhelpline@apple.com
Educational Assistance Program	GP Strategies Corporation	866-792-3840 Fax: 866-792-3845 Monday–Friday, 8:00 a.m. to 8:00 p.m. Eastern time	appleedassist.gpworldwide.com appleedassist@gpworldwide.com
Employee Assistance Program	ComPsych	844-862-0889 24 hours a day, 7 days a week	guidanceresources.com
Employee Stock Purchase Plan (ESPP)	E*TRADE	800-320-1863 (US only) 650-599-0125 (outside the US) Monday–Friday, 24 hours a day Eastern time	www.etrade.com
Expert Medical Opinion	Advance Medical	866-724-7783 (US only) 408-419-1607 (outside the US) 24 hours a day, 7 days a week	www.advance-medical.com/apple apple@advance-medical.com
Flexible Spending Accounts	UnitedHealthcare (UHC) Group #700451	866-348-1286 or 800-331-0480 Fax: 866-262-6354 or 915-231-1709	www.myuhc.com
Global health plans for international assignees	Cigna Global Group #04276D	800-441-2668 (US only) 302-797-3100 (outside the US; call collect) 24 hours a day, 7 days a week	www.cignaenvoy.com
Health plans continuation (COBRA)	BenefitConnect | COBRA	877-292-6272 Monday–Friday, 6:00 a.m. to 4:00 p.m. Pacific time	https://cobra.ehr.com
Health Savings Account (for those enrolled in the Apple Saver PPO Plan)	Optum Bank	800-791-9361 Fax: 800-314-9795	www.myuhc.com
HMSA PPO Plan (Hawaii)	Hawaii Medical Service Association (HMSA) Plan #98281	808-948-6111 Monday–Friday, 8:00 a.m. to 4:00 p.m. Hawaii time	www.hmsa.com
Investment advice	Advised Assets Group LLC (AAG), powered by Financial Engines	844-277-4401 (US only) 800-830-9017 (TDD) Monday–Friday, 5:00 a.m. to 6:00 p.m. Pacific time	www.myapple401k.com
Kaiser Permanente (California)	Northern California Group #8917 Southern California Group #227493	800-464-4000 Monday–Friday, 7:00 a.m. to 7:00 p.m. Saturday, 7:00 a.m. to 3:30 p.m. Pacific time	https://my.kp.org/apple/

Plan	Vendor/Plan number, if applicable	Phone	Website and email, if applicable
Life Insurance	Minnesota Life Insurance Company Group #70104	866-293-6047 Monday–Friday, 5:00 a.m. to 4:00 p.m. Pacific time	www.minnesotalife.com
Medical Benefits Abroad for international travelers	Cigna Group #04276B	800-243-1348 (US only) 302-797-3535 (outside the US; call collect) 24 hours a day, 7 days a week	www.cignaenvoy.com
Restricted Stock Units (RSUs)	E*TRADE	800-838-0908 (US only) 650-599-0125 (outside the US) Monday–Friday, 24 hours a day Eastern time	www.etrade.com
Travel emergencies	International SOS Policy #11BCMA000232	800-523-6586 (US or Canada only) 215-942-8226 (outside the US or Canada; call collect) 24 hours a day, 7 days a week	www.internationalsos.com

1 Participating in Apple's Benefits

Participating in Apple's Benefits

Apple's comprehensive benefits package is designed to meet the needs of our diverse workforce. It includes health and welfare benefits, time away, financial programs, and employee services for your convenience. This chapter provides an overview of your health and welfare benefits. Health and welfare benefits typically include medical, vision, and dental coverage, Flexible Spending Accounts, life and accident insurance and long-term disability benefits.

Before you enroll, educate yourself about the various plans and, if applicable, share this information with family members to determine what types of coverage will work best for your and your family's needs. The better you understand your choices, the greater value you'll receive from your Apple benefits.

Optional and Non-Optional Health and Welfare Benefits

Optional benefits are benefits you can decline—you receive coverage only if you elect them, except if you do not make your own elections when you first become eligible for coverage (see "When You Are Newly Eligible" on page 11). Non-optional benefits include Employee Life Insurance coverage of $50,000 or two times your annual salary, Accidental Death & Dismemberment (AD&D) Insurance coverage equal to two times your annual salary, short-term disability and basic long-term disability coverage, and Employee Assistance Program coverage for the employee.

Eligibility for Health and Welfare Benefits

General eligibility criteria for health care coverage are described in the following sections.

Who's Eligible

Corporate
Employees and interns paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees and interns paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible
Interns whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 15 hours, flexible workforce employees, independent contractors, consultants, temporary agency workers, and retail store employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 30 hours are not eligible even if the employee works 30 or more hours a week on an infrequent or short-term basis.

Health and Welfare Benefits

This section describes the participation rules for Apple's health and welfare benefits, including coverage such as health care coverage, long-term disability insurance coverage, and Flexible Spending Accounts. Special participation rules apply for other programs, such as the financial programs, time away, and the benefits described in the *Additional Services and Programs* section.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Other benefits programs may have different eligibility requirements. See "Eligibility" under each program section for more information about who may participate.

When Coverage Begins

As a newly eligible Apple employee, your coverage begins at different times for the plans you choose.

If you enroll within 30 days of the date of your email notification of eligibility, the medical, vision, and dental coverage you choose is retroactive to your hire or eligibility date.

Employee Life Insurance and spouse/qualified domestic partner life insurance will be effective the later of the date you enroll by using the Benefits Enrollment Tool at benefits.apple.com or the date evidence of good health is approved, if required for the level of coverage elected.

Child life insurance and Accidental Death & Dismemberment (AD&D) Insurance coverage are effective the date you enroll by using the Benefits Enrollment Tool at benefits.apple.com.

Short-term and basic long-term disability coverage are effective on your first day of active employment or eligibility at Apple.

Your Health Care and Dependent Day Care Flexible Spending Account contributions begin as soon as administratively possible after you enroll to participate in an account. If you are hired or become eligible after November 1 of any given year, the deadline for enrollment in an account for that year is November 30. However, you may have the opportunity to enroll for the next plan year that begins January 1.

If you don't enroll within 30 days of the date of your email notification of eligibility, you will receive default medical, vision, dental, employee life insurance and AD&D benefits coverage retroactive to your first day of eligibility for the rest of the plan year. Your tobacco status will be undeclared and you will be charged an additional premium for medical coverage (see the "Tobacco Premium" section below, under "Before-Tax Premiums," to learn how to update your tobacco status, if applicable). Your next opportunity to enroll or change your benefits elections will be during the annual Open Enrollment for the following plan year, usually in the fall, or within 30 days after a qualified family status change event.

Before-Tax Premiums

Some benefits are paid entirely by Apple, while the cost of other benefits is shared by you and Apple. Your cost depends on your choices.

Your share of premiums for health care coverage, Accidental Death & Dismemberment (AD&D) Insurance, and long-term disability (LTD) buy-up coverage is paid with before-tax payroll deductions if you enroll within 30 days of the date of your email notification of eligibility or within 30 days after a qualified family status change event. Before-tax payroll deductions generally allow you to lower your taxable income and pay for your benefits with untaxed dollars. If unusual circumstances cause you to miss the 30-day enrollment deadline and you are within 31 to 90 days of the date of your email notification of eligibility, an allowance may be made that permits you to enroll for coverage or add dependents to your current health care coverage. In this case, health care premiums will be deducted from your pay on an after-tax basis for the remainder of the plan year.

Your share of premiums for Supplemental Employee Life Insurance and Dependent Life Insurance is paid with after-tax payroll deductions.

Tobacco Premium
Apple charges tobacco users, including employees and dependents who are enrolled in Apple Medical Plans and life insurance, an additional premium for coverage. Hawaii employees are exempt from the additional premium for medical coverage due to premium limitations set by the Hawaii Prepaid Health Care Act, but their enrolled dependents are not.

You will be asked in the Benefits Enrollment Tool at benefits.apple.com to certify that you and your dependent(s) do not use tobacco and that you will remain tobacco-free. Tobacco-free means that in the most recent 90-day period, you have not used tobacco in any form, including but not limited to cigarettes, clove cigarettes, cigars, pipe tobacco, snuff, chewing tobacco, and any electronic delivery system such as e-cigarettes, vapor pen, or any other delivery system that contains nicotine or tobacco products. If you provide this certification, you will not be charged the additional premium.

Apple offers programs and support to help you become tobacco-free. Visit wellness.apple.com for more information.

Reasonable alternative: If it is unreasonably difficult due to a medical condition for you or an enrolled dependent to meet this certification requirement, or if it is medically inadvisable for you to attempt to do so, the tobacco user and treating physician should complete the Medical Certificate for Tobacco-User Premium Exemption to avoid being charged the additional premium for tobacco users.

Covered tobacco users who participate in the UnitedHealthcare Quit for Life Program and complete the five phone-based coaching calls, or participate in any physician recognized tobacco-cessation program, may be eligible to receive a prospective tobacco-premium adjustment and, in some cases, a retrospective tobacco-premium refund whether or not they are successful at stopping tobacco use.

Newly hired/newly eligible individuals: To be eligible for both a prospective tobacco-premium adjustment and a retrospective tobacco-premium refund, a newly enrolled employee and/or his or her dependents who use tobacco must participate in a tobacco-cessation program or provide a signed Medical Certificate for Tobacco-User Premium Exemption, dated within 90 days of the individual's effective date of coverage.

Once the individual has participated in the required tobacco-cessation program, the employee must update the individual's tobacco status in the Benefits Enrollment Tool within 30 days of the 90th day following the effective date of coverage to be eligible for a retrospective refund. If the tobacco user obtains a signed Medical Certificate for Tobacco-User Premium Exemption rather than completing a program, a copy of this document must be provided to the HR HelpLine within 30 days of the 90th day following the effective date of coverage to be eligible for a retrospective refund.

Changing tobacco status during the plan year: Once the 90-day deadline for newly hired/newly eligible individuals has passed, a person's tobacco status may be changed at any time during the plan year if the individual has been tobacco-free for the most recent 90-day period. Alternatively, the individual may participate once per year in the UnitedHealthcare Quit for Life Program and complete the five phone-based coaching calls, or participate in any physician recognized tobacco-cessation program, or provide a Medical Certificate for Tobacco-User Premium Exemption. Changes to the tobacco premium will be on a prospective basis from the date on which the employee makes the tobacco-status change in the Benefits Enrollment Tool.

Nondiscrimination Requirements

The Internal Revenue Code requires employers to perform nondiscrimination testing to ensure that certain benefits do not discriminate in favor of highly compensated employees, as defined by the IRS. If a plan is found to be discriminatory, the before-tax contributions made by highly compensated employees may be limited or some contributions may be converted to taxable income. When Apple completes the nondiscrimination testing, employees who are affected will be notified.

Waiving Coverage

You may enroll in or waive certain benefits.

Health Care

You have the option of waiving Apple's coverage, but unless you have health care coverage from another source, Apple recommends you enroll for Apple coverage. If you waive health care coverage, you will also waive coverage for your eligible dependents.

You should understand that by waiving coverage, you might be without coverage for some period and for years prior to 2019, subject to tax penalties according to the Patient Protection and Affordable Care Act (PPACA). If you waive Apple health care coverage, you agree to bear the risk and hold Apple harmless for lack of coverage for yourself and your dependents.

Life Insurance

Apple provides, at no cost to you, Basic Employee Life Insurance coverage equal to two times your annual salary. If you earn more than $25,000 annually and prefer to avoid the imputed income associated with the employer-provided coverage that exceeds $50,000, you may choose $50,000 in lieu of coverage equal to two times your annual salary. Apple requires you to accept at least this minimum level of coverage. You will not receive any premium credit for choosing the lesser amount. Imputed income is calculated by using a table published by the IRS. If you have questions, contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

Accidental Death & Dismemberment Insurance

Apple provides, at no cost to you, Accidental Death & Dismemberment (AD&D) Insurance coverage equal to two times your annual salary. You may not waive AD&D coverage.

Long-Term Disability

Apple provides, at no cost to you, basic long-term disability (LTD) coverage, which can replace up to 50 percent of your income should you become disabled. You may not waive basic LTD coverage.

How to Enroll

Enrolling for Apple coverage is easy and convenient, with the online Benefits Enrollment Tool. The Benefits Enrollment Tool can be found at benefits.apple.com.

When You Are Newly Eligible

Within a few days of your eligibility date, you will be notified by email that the online Benefits Enrollment Tool is available for you to enroll and learn more about the benefits. You have 30 days from the date of the email notification of your eligibility to review and select your benefits by using the Benefits Enrollment Tool. Coverage will be retroactive to your effective date.

Your coverage is effective on your first day of employment or eligibility with Apple, however your eligibility will not be sent to the insurance carriers until you have enrolled in the Benefits Enrollment Tool. If you do not make your

benefits coverage elections in the Benefits Enrollment Tool within 30 days of the date of your email notification of eligibility, you will be assigned "default coverage." Default coverage will continue through the end of the plan year if you do not make your own coverage choices within the 30-day enrollment window. Default coverage includes:

- Apple Saver PPO Plan medical coverage (Employees who reside in Hawaii will be assigned to the Hawaii HMSA PPO Plan.)
- Apple Vision Plan
- Apple Dental Plan
- Basic Employee Life Insurance coverage equal to two times your annual salary
- Basic Accidental Death & Dismemberment (AD&D) Insurance coverage equal to two times your annual salary
- Short-term disability coverage
- 70% Buy-up long-term disability insurance
- Employee Assistance Program

Your tobacco status will be set to undeclared and you will be subject to the tobacco premium for medical coverage. Refer to "Tobacco Premium" on page 10 for additional information.

If unusual circumstances cause you to miss the 30-day enrollment deadline and you are within 31 to 90 days of your email notification of eligibility, an allowance may be made that permits you to add your eligible dependents to your default health care coverage. In this case, premiums for coverage will be deducted from your pay on an after-tax basis for the remainder of the plan year.

Eligible Dependents

In addition to coverage for you, some benefits provide coverage for eligible dependents.

The following are eligible dependents:

- Your spouse, unless you are divorced or legally separated by a court order
- Your qualified domestic partner, provided:
  - You have a domestic partnership or civil union that is legally established under state law; or
  - You meet all of the following criteria:
    - You live together in an exclusive, committed relationship, identical to being married.
      - "Live together" means that you share the same living quarters. You will not be considered to have stopped living together if one of you leaves the shared quarters for a period of time but intends to return. "Exclusive" means that your partner is your sole domestic partner. "Committed relationship" means that the relationship is intended to last indefinitely and that you and your partner are responsible for each other's common welfare.
    - Both of you are at least 18 years old and mentally competent to enter into a contract.
    - Neither of you is married to another person.
    - You and your partner are not related in any way that would prevent a marriage in the state in which you reside.
    - Neither of you has been in a different domestic partnership within the previous six months (this requirement is waived if the previous partnership ended due to the death of your partner or if your partnership was legally terminated in the state in which you reside).
- Your children up to the last day of the month in which they turn 26, unless they are enrolled for health care coverage with their employer

- The term "children" includes:
  - Your natural or legally adopted children
  - Your stepchildren or qualified domestic partner's children while you are married to or in a qualified domestic partner relationship with their parent
  - Children for whom you are responsible to provide health care coverage based on a qualified medical child support order (QMCSO)
  - Foster children or other children placed with you or your spouse or domestic partner, by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction
  - Your children of any age who acquired physical or mental disabilities before age 26, or while they were covered as an eligible dependent by an Apple Medical Plan. Eligible dependent children age 26 or older with disabilities must primarily rely upon you for financial support, and must not provide more than one-half of their own support. Upon reaching age 26, written proof of disability must be provided within 31 days after the claims administrator's or insurance company's request. Periodic proof of disability and support may be required.

The Centers for Medicare and Medicaid Services (CMS) requires each member of a group health plan to provide a Social Security number to comply with CMS's Secondary Payer Reporting requirement. Therefore, you must provide a valid Social Security number for each enrolled dependent. In addition, a Social Security number will ensure that you and your family members (if enrolled in an Apple Medical Plan) are reported to federal agencies as having medical coverage to avoid tax penalties under the Patient Protection and Affordable Care Act (PPACA).

Ineligible Dependents

Your dependents can receive benefits from the Apple plans only if they are eligible.

Ineligible dependents include, but are not limited to, a parent, grandparent, grandchild, aunt, uncle, niece, nephew, cousin, sibling, or child(ren) of a former spouse or qualified domestic partner.

Fraud or Intentional Misrepresentation
If Apple covers an ineligible dependent as a result of fraud or intentional misrepresentation of material fact on your part, including the nature and date of family status change events, you will be subject to disciplinary actions, up to and including termination of your employment. In addition, your or your dependent's coverage may be retroactively terminated and you may be required to reimburse Apple or the provider(s) for all expenses paid while your dependent was ineligible for coverage and you may be subject to civil action to recover any losses. Expenses may include, but are not limited to, premiums, offsets for imputed income, claims, and administrative fees. Premiums paid for ineligible dependents will not be refunded. In addition, COBRA continuation coverage will not be available if you or your dependent was not eligible for active coverage.

Right to Request Documentation
Apple reserves the right to request proof of marriage or domestic partnership, birth, adoption, guardianship, disability, dissolution of marriage, termination of qualified domestic partnership, or any other documentation that demonstrates eligibility for benefits.

Rehired Employees

If you are rehired within 30 days of leaving Apple and both your termination and rehire date occur within the same plan year, the health and welfare benefits coverage that was in effect immediately prior to your termination will be reinstated. If you are rehired within 30 days of leaving Apple and your rehire date is in a subsequent plan year, any election that you made prior to your departure that would have applied to the subsequent plan year will apply.

If you are rehired more than 30 days after your termination date, you may make new coverage elections.

Bridging Service
If you re-join Apple within two years of your departure, you may be eligible for credit for previous time worked at Apple or an Apple-designated affiliate. Service credit may affect the calculation of certain benefits, including your Apple 401(k) Plan Match and vacation accrual rate.

Use the Benefits Enrollment Tool to Enroll

1. Access the Benefits Enrollment Tool at benefits.apple.com.
2. Enter your AppleConnect account name and password to sign in.
3. Read and agree to the terms of the Electronic Enrollment Authorization to proceed.
4. The tool will lead you through the enrollment process and save your elections as you progress.
5. Designate your Life and Accidental Death & Dismemberment (AD&D) Insurance beneficiaries.
6. When you are finished, review the Benefits Summary page to ensure that your elections are correct.
7. Keep a copy of the Benefits Summary for your records.
8. You will receive an email that your elections have been successfully submitted.

If you want to make changes within 30 days of the date of your email notification of eligibility, you may do so by updating your elections in the Benefits Enrollment Tool at benefits.apple.com. If you have questions, contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

Deductions related to your elections should appear on your paycheck within one to two pay periods after your 30-day enrollment deadline. It is your responsibility to verify the deductions and report any errors immediately to the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

Open Enrollment

Each fall, if you are eligible, you will have the opportunity to review the benefits you have and make changes for the next plan year. This period is called Open Enrollment. During Open Enrollment, you can enroll in or stop optional coverage or add or remove dependents from your coverage for the next year.

With the exception of a request to increase your Employee Life Insurance coverage by an amount that is more than the greater of your annual salary or $100,000 and certain changes to spouse/qualified domestic partner life insurance, any changes you make during Open Enrollment will generally be effective the following January 1. If you do not make a change during Open Enrollment, you automatically will be assigned the same coverage you previously had (as long as the coverage remains available) at the new premium rates, if applicable, with the exception of Flexible Spending Accounts. You must enroll each plan year if you wish to participate in a Health Care and/or Dependent Day Care Flexible Spending Account. Continued participation in these Flexible Spending

Accounts is not automatic from one year to the next.

Do not wait until Open Enrollment to remove dependents who have lost eligibility during the plan year. If you do not remove an ineligible family member from coverage within 60 days of the date he or she becomes ineligible (for example, if you divorce), your family member will lose his or her COBRA health care continuation rights and your health care premiums may be deducted on an after-tax basis for the remainder of the plan year.

Changes During the Plan Year

The coverage you choose when you enroll generally stays in effect through the end of the entire plan year. Under certain circumstances, you may be able to make changes during the plan year.

Qualified Family Status Change Events

You cannot change your benefits during the plan year, unless you have a qualified family status change event. Qualified family status change events may include:

- Marriage or establishment of a qualified domestic partnership
- Divorce or court-ordered legal separation, or termination of a qualified domestic partnership
- Birth, adoption, or death of an eligible dependent
- Change of legal custody or legal guardianship of a child, or a Qualified Medical Child Support Order of an eligible dependent
- The acquisition by you or your dependents of another employer's group health care coverage, or health care coverage provided by a governmental or educational institution (for example, Medicare, Medicaid, and under certain circumstances, the Health Insurance Marketplace)
- A loss by you or your dependents of another employer's group health care coverage, or health care coverage provided by a governmental or educational institution (for example Medicare or Medicaid), other than a loss due to missed premium payments or fraudulent enrollment
- Reduction or change in work hours that results in loss of benefits for you or your eligible dependent
- Commencement or termination of your eligible dependent's employment that affects benefits coverage
- Commencement or termination of your or your spouse or domestic partner's benefits coverage as a result of changes made during an employer's Open Enrollment, as long as the coverage effective date for such changes is different from Apple's effective date of January 1
- A change of residence that causes you to lose eligibility for the benefits plan(s) in which you are currently enrolled
- Unpaid leave of absence for you or your spouse/qualified domestic partner (does not apply to long-term disability coverage changes)
- A change in your covered dependent's eligibility status. A dependent child loses eligibility for Apple benefits when any of the following occurs:
  - He or she gains health care coverage through his or her employer or a governmental or educational institution.
  - He or she is no longer considered an eligible stepchild or child of a qualified domestic partner as a result of a divorce or the end of a domestic partnership or death.
  - He or she turns age 26, unless he or she is permanently and totally disabled, and

does not provide more than one-half of his or her own financial support.

- A family status change event or special enrollment rights that allow you or your dependents to enroll in coverage through the Health Insurance Marketplace
- An unforeseen change in dependent day care provider (who is not considered a relative, as defined by the IRS rules) that results in an increase or decrease in dependent day care expenses of $50 or more per month

Changes to your elections are governed by requirements under the Internal Revenue Code. Unless you have a family status change event as designated by Internal Revenue Code guidelines, you will not be permitted to make a change.

Allowable Benefits Changes

Following are the kinds of benefits changes you may make if you have had a qualified family status change event, provided the change meets the consistency requirement described later:

- Enroll in or end coverage
- Add dependents to or remove them from your medical, vision, and dental coverage
- Increase or decrease Supplemental Employee Life Insurance coverage
- Enroll in, add, or remove dependents to or from Dependent Life Insurance
- Increase or decrease Supplemental AD&D Insurance coverage
- Add dependents to or remove them from your AD&D Insurance coverage
- Add or discontinue long-term disability buy-up coverage
- Enroll in, change, or stop your contributions to a Dependent Day Care Flexible Spending Account
- Enroll in or increase your contributions to a Health Care Flexible Spending Account

Election change requests must be submitted in the Benefits Enrollment Tool at benefits.apple.com within 30 days of the event (for example, marriage, birth, divorce, date your child gains medical coverage from his or her own employer). Apple reserves the right to request proof of the qualified family status change event.

If you want to add a dependent to your coverage and you do not submit your election change request by using the Benefits Enrollment Tool at benefits.apple.com within 30 days of the qualifying event, you must generally wait until the next Open Enrollment (or another qualified family status change event) to change your benefits.

If election of health care coverage is not made within the 30-day enrollment period but is made within 31 to 90 days of the qualifying event, health care coverage may be added. In this case, your total health care premiums will be deducted from your pay on an after-tax basis for the remainder of the plan year.

If you do not remove an ineligible dependent from your coverage by using the Benefits Enrollment Tool at benefits.apple.com within 30 days of the date of the event that caused the loss of eligibility for coverage, but notify the HR HelpLine at a later date, the dependent will be removed as of the date he or she became ineligible. Your premium contributions for the dependent's coverage will not be refunded. In addition, if you notify the HR HelpLine of the family status change event after 60 days from the disqualifying event, your dependent will forfeit his or her COBRA health care continuation rights and your health care premiums may be deducted on an after-tax basis for the remainder of the plan year. See "Continuing Your Health Care Coverage Through COBRA" on page 287 in the *When Benefits End* section for more information about COBRA.

Dependent coverage will end on the date your dependent loses eligibility, regardless of when you remove your dependent from your coverage.

If you, your spouse/qualified domestic partner, or child gains eligibility under a new medical plan (for example, the medical plan of your spouse's employer) as a result of a change in marital status or employment status, you must elect coverage in that new plan to drop your coverage in an Apple Medical Plan.

You can change your medical plan election if you move outside of the plan's defined service area. You can also change your medical plan if you have a family status change event that allows the addition of a dependent who you enroll for medical coverage and whose enrollment causes you to move to a higher coverage tier (for example, you move from employee only coverage to employee plus spouse coverage).

Other Permitted Election Changes

You may also be able to make midyear election changes for the following reasons:

- Special enrollment events under the Health Insurance Portability and Accountability Act (HIPAA) that allow you to enroll yourself or eligible dependents if you had previously declined Apple benefits coverage due to loss of coverage from another group health plan, provided that you request enrollment within 30 days after your other coverage ends.

  Additionally, under special enrollment rights, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents, provided that you elect coverage using the Benefits Enrollment Tool at benefits.apple.com within 30 days after the marriage, birth, adoption, or placement for adoption.
- Special enrollment events under the Children's Health Insurance Program (CHIP) Reauthorization Act of 2009 that allow you to enroll yourself or your eligible dependents for Apple medical coverage within 60 days of losing coverage provided by Medicaid or CHIP, or if you become eligible for a state premium assistance subsidy. You may also be able to remove your child from Apple medical coverage within 60 days of your child's enrollment for benefits under CHIP.
- Court judgment, decree, or order to provide or remove coverage for an eligible dependent child
- Cessation of employer contributions
- Medicare or Medicaid entitlement by you, your spouse/qualified domestic partner, or dependent

Consistency Requirement

You will be able to make changes only due to and consistent with the qualified family status change event. For example, if a dependent no longer satisfies the plan's eligibility requirements for coverage, then you can drop coverage for that dependent, but you can't enroll another individual for coverage.

For more details regarding a specific family status change event, contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

Beneficiary Changes
You can change your beneficiaries for your Employee Life and AD&D Insurance at any time by using the Benefits Enrollment Tool at benefits.apple.com. Your changes will automatically be updated effective the date you make the change.

When Coverage Ends

Coverage ends when you and/or your dependents become ineligible for benefits.

Coverage under Apple's health and welfare benefits generally ends at midnight on the last day of employment or eligibility in which one or more of the following occurs:

- Your employment ends.
- Your eligibility ends.
- Apple discontinues offering the coverage.
- You go on a personal leave of absence.
- You fail to make any required contributions.

Dependent coverage ends at midnight on the day that one or more of the following occurs:

- Your eligibility ends.
- The dependent no longer meets the eligibility requirements.
- You remove the dependent during Open Enrollment or in connection with a qualified family status change event.

Dependent coverage ends at midnight on the last day of the month in which your dependent child turns 26.

Medical coverage may end at a time different from the times noted earlier, and there may be opportunities to continue coverage under certain conditions. See "When Coverage Ends" in the applicable medical plan sections and the *When Benefits End* section on page 286 for circumstances that may cause your benefits coverage to end.

2 Health Care Coverage

Health Care Coverage Overview

Choosing health care coverage for yourself and your family is an important decision. To offer you high-quality service at a reasonable cost, Apple provides you with a choice of medical plans depending on where you live. With the exception of Hawaii, the Apple Medical Plans are administered by UnitedHealthcare (UHC) and are offered nationwide. If you live in Hawaii, medical coverage is provided by the Hawaii Medical Service Association (HMSA) PPO Plan. California residents may also have the option of joining Kaiser Permanente, a health maintenance organization (HMO).

The Apple Vision Plan and the Apple Dental Plan offer comprehensive vision and dental coverage for you and your eligible family members. These plans are administered by Vision Service Plan (VSP) and MetLife, respectively.

US employees who are on an international assignment are eligible for the Cigna Global Medical and Dental Plans.

Health Care Coverage Basics

This section describes the Apple health care plans, how to enroll, when coverage begins and ends, common terms used by plan administrators and insurance companies, and coverage information that applies to the Apple health care plans.

Who's Eligible

For information about who may enroll for health care coverage, see "Eligibility for Health and Welfare Benefits" on page 8 in the *Participating in Apple's Benefits* section.

Eligible Dependents

For a description of eligible family members who may be added to your coverage, see "Eligible Dependents" on page 12 in the *Participating in Apple's Benefits* section.

Cost of Health Care Coverage

The cost of your health care coverage depends on which plans you choose and the dependents you want to enroll. Your costs are shown in the Benefits Enrollment Tool at benefits.apple.com.

Your share of premiums for health care coverage is paid with before-tax payroll deductions, when coverage is elected within 30 days of each eligible enrollment opportunity. Before-tax payroll deductions allow you to lower your taxable income and pay for your benefits with untaxed dollars.

If you miss the 30-day enrollment period, you will generally need to wait until the next Open Enrollment to elect health care coverage. However, if unusual circumstances cause you to miss the 30-day enrollment deadline and you are within 31 to 90 days of the date of your email notification of eligibility or a qualified family status change event that allows you to elect health care coverage, you may be eligible to enroll or add your dependent(s) to your health care coverage. In this case, all your health care premiums will be deducted from your pay on an after-tax basis for the remainder of the plan year.

The Apple Medical Plans, Apple Vision Plan, and Apple Dental Plan are self-insured and are administered by UnitedHealthcare (UHC), Vision Service Plan (VSP), and MetLife, respectively. Self-insured means that Apple pays for the administration of the plans, as well as participants' medical, vision, and dental claims. It also means that Apple absorbs all the risk and expense of the plans (minus the share that employees pay).

Kaiser, HMSA PPO Plan, Cigna Global Medical and Dental Plans, and the Medical Benefits Abroad Plan are fully insured. Apple pays a set premium for each employee and dependent who enrolls in one of these plans. The fee is based on the cost of providing health care not only for Apple employees and family members, but also for other members. If the cost goes up from one year to the next, the plans will charge Apple and its other members more to provide coverage.

Tobacco-User Premiums

Apple charges tobacco users, including employees and dependents who are enrolled in Apple Medical Plans, an additional premium for medical coverage. Hawaii employees will be exempt due to premium limitations set by the Hawaii Prepaid Health Care Act, but their enrolled dependents are not.

You will be asked in the Benefits Enrollment Tool at benefits.apple.com to certify that you and your dependent(s) have not used tobacco in the past 90 days and that you will remain tobacco-free. If you provide this certification, you will not be charged the additional premium.

If you or your enrolled dependents are not tobacco-free, you can participate in a tobacco-cessation program to avoid the additional tobacco premium. Also, if it is unreasonably difficult due to a medical condition or medically inadvisable for the tobacco user to meet the tobacco-free criteria, and a treating physician completes the Medical Certificate for the Tobacco-User Premium Exemption, you may avoid being charged the additional premium for tobacco users.

Apple offers programs and support to help you become tobacco-free. Visit wellness.apple.com for more information.

Taxation of Qualified Domestic Partner Coverage

If you are enrolling a qualified domestic partner for health (medical, vision, and dental) or AD&D benefits, there are certain tax implications you should know about.

Federal law requires you to pay income tax on the value of employer-sponsored health and AD&D coverage for your qualified domestic partner and/or his or her children (unless they qualify for tax-favored health care coverage). The value of your health coverage is based on the full incremental difference in cost between the premium equivalent for the coverage in which you are enrolled and the cost of the same plan without any non-tax dependent family members. The value of your AD&D coverage is based on a flat rate. These values are reported on your paycheck as "Domestic Partner Imputed Income."

Tax Exemption
You may qualify for a federal and/or state tax exemption on the value of your qualified domestic partner's benefits if you meet the criteria described in the following paragraphs. However, consult with your tax advisor to see if your personal situation allows for an exemption.

Federal Tax Exemption
If your qualified domestic partner and/or his or her children qualify for tax-favored health coverage under the Internal Revenue Code, you are exempt from taxes on the value of his or her benefits.

For the benefits to be exempt from taxes, your qualified domestic partner and/or his or her separate children must meet all of the following qualifications:

- You can claim your qualified domestic partner and/or his or her children as dependent(s) on your federal income tax return.
- Your qualified domestic partner and/or his or her children are your "qualifying relatives" under the Internal Revenue Code, as follows:
  - He or she lives with you as a member of your household (shares a principal residence) for the full calendar year, except for temporary reasons such as vacation, military service, or education.
  - He or she receives more than half of his or her support from you.
  - He or she can't be claimed as anyone else's qualifying child under the Internal Revenue Code.
  - He or she is a citizen, national, or legal resident of the United States or a resident of Canada or Mexico.
- Your relationship does not violate state or local law.

If all of the preceding criteria apply, complete an "Exemption from Imputed Income for Tax Dependent" statement in the Benefits Enrollment Tool to notify Payroll. For details, see IRS Publication 501 at www.irs.gov.

State Tax Exemption Only
If your domestic partnership is legally established under state law, you may be exempt from state tax on the value of your partner's benefits even if you are not exempt for federal tax purposes.

Registered domestic partnership or civil union:
To notify Payroll of your state tax exemption, email the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

How to Enroll for or Waive Coverage

Enrollment instructions will be provided via email.

When You First Become Eligible

Once you are determined to be eligible to enroll for coverage, you will be notified generally within one week via email. The email will explain how to find more information about your benefits plans and how to enroll.

You will have 30 days from the date of your email notification of eligibility to enroll. Coverage will be retroactive to your effective date. To enroll, go to the Benefits Enrollment Tool at benefits.apple.com.

You can choose coverage for:

- Yourself
- Yourself and your spouse/qualified domestic partner
- Yourself and your eligible children
- Yourself and your spouse/qualified domestic partner, and your eligible children

If you are enrolling your qualified domestic partner, the Benefits Enrollment Tool will display the eligibility requirements for your partner. See "Taxation of Qualified Domestic Partner Coverage" on page 22 for information regarding the tax implications of enrolling your qualified domestic partner.

If you miss the 30-day enrollment period, you will generally need to wait until the next Open Enrollment to elect health care coverage, unless you have a qualified family status change event that allows you to enroll in or change your health care coverage.

If unusual circumstances cause you to miss the 30-day enrollment deadline and you are within 31 to 90 days of your email notification of eligibility, an allowance may be made that permits you to enroll for health care coverage. In this case, premiums for coverage will be deducted from your pay on an after-tax basis for the remainder of the plan year.

Your choices will remain in effect for the remainder of the plan year—from January 1 through December 31—as long as you are eligible. You cannot change your benefits during the year except in limited circumstances. You can make changes to your elections only at the following times:

- During Open Enrollment for the next plan year
- Within 30 days of a qualified family status change event (see "Qualified Family Status Change Events" on page 15 in the *Participating in Apple's Benefits* section)

You have 30 days from the date of your email notification of eligibility to enroll for or waive coverage in the health care plans. To enroll for or waive coverage, use the Benefits Enrollment Tool at benefits.apple.com. If you do not actively enroll within 30 days of the date of your email notification of eligibility, you will automatically be enrolled in default coverage for the remainder of the year and your tobacco status will be undeclared. You will be responsible for paying the applicable premium for your coverage, including the additional tobacco premium for medical coverage. You will generally need to wait until the next Open Enrollment to modify your coverage, unless you have a qualified family status change event that allows you to change your coverage.

If you are assigned default coverage, and you are within 31 to 90 days of the date of your email notification of eligibility, an allowance may be made that permits you to add your eligible dependents to your default health care coverage. In this case, premiums for coverage will be deducted from your pay on an after-tax basis for the remainder of the year.

Rehired Employees
If you are rehired within 30 days of leaving Apple and both your termination and rehire date occur within the same plan year, the health care coverage that was in effect immediately prior to your termination will be reinstated. If you are rehired within 30 days of leaving Apple and your rehire date is in a subsequent plan year, any election that you made prior to your departure that would have applied to the subsequent plan year will apply.

If you are rehired more than 30 days, but less than 2 years after your termination date, you will need to make new health care coverage elections.

Open Enrollment
Each fall, you will have the opportunity to review and make changes to your benefits and coverage, including your health care plans for the upcoming plan year. This period is called Open Enrollment. During Open Enrollment, you can enroll in or stop optional coverage or add or remove dependents from your coverage for the next year.

Any changes you make during Open Enrollment become effective the following January 1. If you do not make a change during Open Enrollment, you automatically will be assigned the same health care coverage you previously had (as long as the coverage remains an available option) at the new premium rates, if applicable.

Hawaii employees who are scheduled to work 20 hours or more a week and who waive Apple medical coverage must complete a State of Hawaii Form HC-5 each Open Enrollment; otherwise, HMSA PPO Plan coverage will be assigned as required by the Hawaii Prepaid Health Care Act.

Do not wait until Open Enrollment to remove dependents who have lost eligibility during the plan year. If you do not remove an ineligible family member from coverage within 60 days of the date he or she becomes ineligible (for example, if you divorce), your family member will lose his or her COBRA health care continuation rights. There may be other consequences of enrolling or failing to remove an ineligible family member. See information about COBRA in the *When Benefits End* section on page 286 and about dependent eligibility in "Fraud or Intentional Misrepresentation" under "Ineligible Dependents" on page 13 in the *Participating in Apple's Benefits* section.

When Coverage Begins

The coverage you choose when you make your benefits elections within 30 days of your email notification of eligibility will be retroactive to your first day of eligibility after you've completed your enrollment using the Benefits Enrollment Tool at benefits.apple.com.

Health care coverage for enrolled dependents starts the same day your coverage begins.

Health Plan Choices

This section explains the health plans that are available.

Medical Plans

Apple offers medical plans with different levels of choices. The options you are offered depend on where you live:

- Apple Medical Plans administered by UnitedHealthcare (UHC) (not available to Hawaii residents and international assignees)
  - Apple Saver PPO Plan
  - Apple Plus PPO Plan
- Kaiser Permanente (California only)
- HMSA PPO Plan (Hawaii only)
- Cigna Global Medical Plan, including vision coverage (international assignees only)

Apple Vision Plan

The Apple Vision Plan is administered by Vision Service Plan (not available to international assignees).

Dental Plans

Apple offers dental coverage under the Apple Dental Plan administered by MetLife and the Cigna Global Dental Plan (international assignees only).

Waiving Health Care Coverage

If you have other medical, vision, and/or dental coverage, you have the option of waiving Apple's coverage.

You should understand that if you waive Apple health care coverage, it is possible that you may be without coverage for some period and subject to tax penalties according to the Patient Protection and Affordable Care Act (PPACA). For example, your family's private health insurance policy could terminate. If you waive Apple medical, vision, and/or dental coverage, you agree to bear the risk and hold Apple harmless for lack of coverage for yourself and your dependents.

Hawaii employees: Participation in the HMSA PPO Plan is optional, but if you are scheduled to work 20 or more hours a week and decide to waive coverage when you are newly eligible, you must complete a State of Hawaii Form HC-5. Otherwise, Apple must assign you medical coverage as required by the Hawaii Prepaid Health Care Act, and you will be responsible for the associated premiums. During each annual Open Enrollment period, if you continue to waive Apple medical coverage, you will be required to submit a completed Form HC-5 to the HR HelpLine at the address on the form. Form HC-5 and instructions on when to file the form can be found in the Benefits Enrollment Tool at benefits.apple.com or on HRWeb.

How the Plans Work

When you choose your health care plans, consider not only the premiums you pay for coverage, but also other out-of-pocket costs. The following terms may be helpful to you in making decisions about your health care plans. You should also consult the *Glossary* section on page 325.

Coinsurance

Coinsurance is the percentage of an expense that you pay for covered services. Generally for medical plans, you pay a coinsurance amount for covered expenses up to an annual out-of-pocket maximum.

Copays

Copays are the flat-dollar amounts you pay for certain services, such as:

- Office visits to physicians and optometrists
- Prescription drugs

Deductibles

The deductible is the amount you pay each plan year for services before the plan begins to pay benefits. There are individual deductibles as well as family deductibles if you have covered dependents. When the combined individual deductibles of three or more family members (or two or more family members, if enrolled in the Apple Saver PPO Plan) equal the family deductible amount, the family deductible is met. If you cover only yourself and one dependent, and are not enrolled in the Apple Saver PPO Plan, you and your dependent each must satisfy the individual deductible. Expenses incurred in one plan year cannot be used to meet the deductible for the following plan year.

Out-of-Pocket Maximum

The medical costs you pay are called out-of-pocket expenses and include your copays, deductibles, and coinsurance. Once you reach your individual or family out-of-pocket maximum, your medical plan will pay 100 percent of your eligible expenses for the remainder of the plan year.

The following expenses do not count toward your out-of-pocket maximum:

- Expenses covered under the Apple Vision Plan and the Apple Dental Plan
- Charges in excess of the applicable plan limits
- Charges not covered by the plans

There are no out-of-pocket maximums under the Apple Vision Plan or the Apple Dental Plan.

Plan Accumulations and Limits

All annual plan accumulations, such as deductible and out-of-pocket maximum amounts, are determined on an aggregate basis for all of the Apple Medical Plans administered by UnitedHealthcare (UHC). Therefore, if you change from one Apple Medical Plan to another during the same plan year, the deductible and expenses that apply to the out-of-pocket maximum amounts that you have accumulated throughout the plan year will be transferred to the new plan.

Applicable plan limits are determined on an aggregate basis for all Apple Medical Plans administered by UHC. For example, if you are enrolled in the Apple Saver PPO Plan and reach the $20,000 lifetime maximum for infertility treatment, you are ineligible for infertility treatment under all other Apple Medical Plans administered by UHC that you might subsequently enroll in.

Plan Year

The plan year is the period of time used to calculate annual premiums, deductibles, and out-of-pocket maximums. Apple's plan year begins January 1 and ends December 31.

Choice of Providers

Under the health care plans offered by Apple, you have a wide choice of providers. The degree of choice varies by plan, but benefits are always greater when you use preferred or network providers.

Medical Coverage While Traveling Internationally

Apple wants to ensure you and your family have access to resources and medical coverage in an urgent or emergency care situation, while traveling internationally.

Finding Support While Traveling Internationally

When you are traveling outside the United States on leisure travel or Apple business and you or your eligible dependents accompanying you on your travel require medical attention, or if you need legal or personal assistance, you can contact International SOS 24 hours a day at the following phone numbers:

- United States or Canada: 800-523-6586
- Outside the United States or Canada: 215-942-8226; call collect

Identify yourself as an Apple employee covered under the International SOS insurance policy.

Immunizations

Apple Wellness Centers
wellness.apple.com

Santa Clara Valley
408-783-4000

Elk Grove
916-399-5261

Austin
512-526-1776

Medical Benefits Abroad Plan for International Travelers

If you are traveling outside the United States on leisure travel or Apple business and you, or your eligible dependents accompanying you on your travel, experience an urgent or emergency medical problem, you will have medical coverage through the Medical Benefits Abroad Plan insured by Cigna Global. You and your eligible dependents are automatically enrolled in the plan when you leave the United States on leisure travel or Apple business. The plan does not cover domestic travel. US business travelers traveling within the United States who are covered by a medical plan would use their US coverage for urgent or emergency care.

When you are traveling outside the United States on leisure travel or Apple business and you require medical attention, contact International SOS (ISOS), Apple's travel emergency resource, at 800-523-6586 or call collect 215-942-8226. ISOS will refer you to a medical provider and coordinate payment with Cigna Global for your urgent medical care needs.

See "Medical Benefits Abroad Plan for International Travelers" on page 27 for more information.

Immunizations

If you travel outside the United States, there may be suggested immunizations.

If you're an Apple employee traveling on company business, any required or preferred immunizations will be covered at 100 percent. If you are enrolled in a medical plan offered by Apple, use a network provider, whenever possible. If you use an out-of-network provider, you may need to pay for services up front and submit a claim to your medical plan. You can then request reimbursement for any unpaid balance through eApproval. Visit Wellness at Work at wellness.apple.com for more information about travel tips and travel vaccines that may be available at an Apple campus near you.

It is important to see your physician at least four to six weeks in advance of your travel, because the protective effect of vaccines takes some time to develop following vaccination. The immune response of the vaccinated individual will become fully effective within a period of time that varies according to the vaccine, the number of doses required, and whether the individual has previously been vaccinated against the same disease.

For specific travel immunizations to be provided, physicians must obtain a history and evaluation to determine the medical status of your need for the required immunization. In some cases, only a booster vaccine may be necessary, depending on your prior immunization history.

It may be a good idea to discuss your travel immunization needs with your personal physician. If you don't have a personal physician, or your physician isn't set up to provide travel medicine, the Apple Wellness Centers in Santa Clara Valley, Elk Grove, and Austin are ready to assist Apple employees requesting travel immunizations.

World Health Organization Recommended Vaccinations

The World Health Organization (WHO) provides information regarding recommended vaccinations worldwide. For detailed information, including descriptions of vaccines and their uses, visit the WHO website at www.who.int/en. Recommended vaccinations include routine immunizations, as well as vaccinations for travelers.

Routine Vaccinations

- Diphtheria/tetanus/pertussis (DTP)
- Hepatitis B (HBV)
- Haemophilus influenza type b (Hib)
- Measles, mumps, rubella (MMR)

- Poliomyelitis (OPV—oral poliomyelitis vaccine; IPV—inactivated poliomyelitis vaccine)
- Pneumococcal disease
- Tuberculosis (BCG)

Vaccines for Travelers

- Cholera
- Influenza
- Yellow fever
- Hepatitis A (HAV)
- Japanese encephalitis
- Meningococcal meningitis
- Rabies
- Typhoid fever

Clinics

Each clinic shown for "Immunizations," under "Medical Benefits Abroad Plan for International Travelers," as well as Apple's onsite travel vaccine services, will provide business travel immunizations for Apple employees at no cost.

Call the facility prior to your visit, and ask for the contact who can help you with business travel immunizations. Inform the facility which country you are traveling to, so they can schedule an appointment and order the specific immunization serum.

When Coverage Ends

Your medical, vision, and dental coverage generally ends at midnight on the last day of eligibility when one or more of the following occurs:

- Your employment ends.
- Your eligibility ends.
- Apple discontinues offering the coverage.
- You are on a military leave of absence exceeding 12 months.
- You fail to make any required contributions.

Dependent coverage ends at midnight on the day that one or more of the following occurs:

- Your eligibility ends.
- The dependent no longer meets the eligibility requirements.
- You remove the dependent during Open Enrollment or in connection with a qualified family status change event.

If you and/or your dependents are enrolled in the HMSA PPO Plan and do not elect continuation coverage through COBRA, your medical coverage will continue until the last day of the month in which you and/or your dependents become ineligible. Your vision and dental coverage, if applicable, end at midnight on your last day of eligibility.

If you are enrolled in Kaiser, and do not elect continuation coverage through COBRA, your medical coverage will continue until the last day of the month in which you and/or your dependents become ineligible. Your vision and dental coverage, if applicable, end at midnight on your last day of eligibility.

If you are a full-time employee enrolled in medical coverage and your standard weekly hours as shown in Merlin (Apple's HR information system) are reduced to no fewer than 15 hours, you and any of your eligible dependents already enrolled in a medical plan will automatically be enrolled in the Apple Part-Time PPO Plan (HMSA PPO Plan for part-time Hawaii employees). You will have 30 days from the date your status changed to part-time to update your health care coverage.

If you die while you are employed by Apple, medical, vision, and dental coverage will continue for up to 12 months at Apple's expense for any dependent who is enrolled under your coverage at the time of your death. Your Health Care Flexible Spending Account may also be continued to the end of the plan year. Coverage may end before 12 months if your dependent

gains other health care coverage or no longer meets the definition of an eligible dependent.

See the *When Benefits End* section on page 286 for more information.

Continuation of Health Care Coverage

When your health care coverage ends, you and your eligible dependents may be able to continue coverage at your own expense through the health care continuation provisions of the Consolidated Omnibus Budget Reconciliation Act (COBRA). See "Continuing Your Health Care Coverage Through COBRA" on page 287 in the *When Benefits End* section.

Retiree Health Access
The Retiree Health Access (RHA) program, administered by Aetna, provides former Apple employees and their eligible dependents the opportunity to purchase fully insured coverage without medical underwriting or restrictions due to prior health conditions.

Employees with five or more years of service with Apple and age 55 or older have access to guaranteed-issue, comprehensive medical and dental coverage through the RHA program. If you leave Apple with five or more years of service and reach age 55 while you are enrolled in Apple's COBRA health care continuation, you will also have access to the RHA program. Once you have established your eligibility with the RHA program, you will remain eligible to enroll in coverage, as long as you have continued to be enrolled in creditable coverage and did not have a lapse in coverage. Aetna will verify your eligibility for the RHA program.

The cost of this optional coverage is borne by the former employee; Apple does not contribute to the cost of coverage.

If you meet the qualifications when your employment ends, information about the RHA program will be mailed to your home.

Additional Coverage Information

Court or administrative orders, as well as federal and, in limited cases, state laws, can affect your Apple coverage.

Qualified Medical Child Support Orders

Upon receipt of a qualified medical child support order (QMCSO), Apple will follow the procedures established for reviewing and implementing such orders. You can request, at no charge, a copy of the procedures from the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

Women's Health and Cancer Rights Act

Under federal law, group health plans that provide coverage for mastectomies must also cover reconstructive surgery and prostheses following mastectomies.

The law mandates that a member receiving benefits for a medically necessary mastectomy who elects breast reconstruction after the mastectomy will receive coverage for:

- Reconstruction of the breast on which the mastectomy has been performed
- Surgery and reconstruction of the other breast to produce a symmetrical appearance
- Prostheses
- Treatment of physical complications of all stages of mastectomy, including lymphedemas

Benefits will be provided on the same basis as for any other illness or injury under your plan.

Newborns' and Mothers' Health Protection Act

Under federal law, group health plans and health insurance companies offering group health insurance coverage generally may not restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to fewer than 48 hours following a vaginal delivery, or fewer than 96 hours following a delivery by Cesarean section. However, the plan may pay for a shorter stay if the attending provider (for example, your physician, nurse midwife, or physician assistant), after consultation with the mother, discharges the mother or newborn earlier.

Also, under federal law, plans may not set the level of benefits or out-of-pocket costs so that any later portion of the 48-hour (or 96-hour) stay is treated in a manner less favorable to the mother or newborn than any earlier portion of the stay.

A plan may not, under federal law, require a health care provider to obtain authorization for prescribing a length of stay of up to 48 hours (or 96 hours).

Apple Medical Plans Administered by UnitedHealthcare

Contact Information

UnitedHealthcare
Group number: 700406

Member services:
866-348-1286

Manage your account and access online network provider directories:
www.myuhc.com

Who's Eligible

For information about who may enroll in the UnitedHealthcare medical plans, see "Eligibility for Health and Welfare Benefits" on page 8 in the *Participating in Apple's Benefits* section.

Eligible Dependents

For a description of eligible family members who may be added to your coverage, see "Eligible Dependents" on page 12 in the *Participating in Apple's Benefits* section.

Apple Saver PPO Plan

If you enroll in the Apple Saver PPO Plan, a high-deductible health plan, you receive lower-cost comprehensive medical coverage with the option to open a Health Savings Account (HSA), a tax-advantaged savings account that can help you pay for current and future eligible health care expenses. The plan gives you more control over your health care dollars, because you choose how to spend the money in your HSA, and you have the ability to invest your HSA funds free of federal and, in most areas, state income taxes with Optum Bank. See "Health Savings Account (HSA)" on page 35 for more information on HSAs.

UnitedHealthcare (UHC) administers the Apple Saver PPO Plan and determines what is a Covered Health Service and how Eligible Expenses will be covered. Eligible Expenses are the amounts UHC determines that UHC will pay for coverage. This section reviews how the Apple Saver PPO Plan works and how to use the plan to your advantage.

How the Plan Works

With the Apple Saver PPO Plan, you can choose to receive care from a member of the UnitedHealthcare (UHC) Preferred Provider Organization (PPO) network or a designated network through UHC's Shared Savings Program and receive a higher level of benefits, or you can choose an out-of-network provider but be covered at a lower level of benefits. When Covered Health Services are provided by a network provider, Eligible Expenses are UHC's contracted fee(s) with that provider. When you receive care through a network provider, you are not responsible for any difference between Eligible Expenses and the amount the provider bills. When Covered Health Services are provided by an out-of-network provider, Eligible Expenses are determined, based on:

- Negotiated rates agreed to by the out-of-network provider and either UHC or one of UHC's vendors, affiliates or subcontractors, at UHC's discretion.
- If rates have not been negotiated, then one of the following applies:
  - For Covered Health Services other than Pharmaceutical Products, Eligible Expenses are determined based on available data resources of competitive fees in that geographic area.
  - When Covered Health Services are Pharmaceutical Products, Eligible

Expenses are determined based on 110% of the published rates allowed by the Centers for Medicare and Medicaid Services (CMS) for Medicare for the same or similar service within the geographic market.

– When a rate is not published by CMS for the service, UnitedHealthcare uses a gap methodology established by OptumInsight and/or a third party vendor that uses a relative value scale. The relative value scale is usually based on the difficulty, time, work, risk and resources of the service. If the relative value scale currently in use becomes no longer available, UnitedHealthcare will use a comparable scale(s).

If you choose a UHC network provider, the plan pays 90 percent of Eligible Expenses for most services after a $1500 per person (or a maximum of $3000 per family) deductible is met. If you cover one or more family members, the entire family deductible, $3000, must be satisfied before the plan begins to pay for Eligible Expenses. However, network preventive care services are covered at 100 percent with no deductible and certain preventive medications—such as those designed to lower cholesterol or prevent hypertension—are not subject to the deductible. When you receive care through an out-of-network provider, preventive care services are covered at 70 percent of Eligible Expenses with no deductible, and non-preventive care is covered at 70 percent of Eligible Expenses after the deductible. All non-preventive care services provided through the Apple Wellness Center will be paid at the network level and most services will be covered at 90 percent of Eligible Expenses, after you pay the plan deductible.

In the event of a true emergency, if you are treated at an out-of-network emergency room or hospital, the plan will pay network benefits. All follow-up care will be paid according to the provider's network status. Before you are admitted to the hospital, or in the event of an emergency hospital admission, you or your provider must obtain prior authorization from UHC's Care Coordination; otherwise, services may not be covered. See "Care Coordination and Prior Authorization" on page 48 for more information.

For out-of-network providers (other than emergency health services or services arranged by UHC) you will be responsible for any amount billed that is greater than the amount UHC determines to be an Eligible Expense.

Depending on the geographic area and the service you receive, you may have access through UHC's Shared Savings Program to out-of-network providers who have agreed to negotiated discounts for covered health services. When covered health services are received from an out-of-network provider as a result of an emergency, or as arranged by UHC, Eligible Expenses are an amount negotiated by UHC, or an amount permitted by law. Contact UnitedHealthcare if you are billed for amounts in excess of your applicable coinsurance, copayment or any deductible. Excessive charges or amounts that you are not legally obligated to pay is not covered.

If you do not have access to UHC preferred network providers in your residential area, contact UHC Member Services at 866-348-1286. UHC can help you find network providers or make arrangements to have your out-of-network claim paid at the network level of benefits.

The in-network individual out-of-pocket maximum in a plan year is $2000 when coverage is for you only. If you cover one or more family members, the in-network out-of-pocket maximum is $4000 and the entire amount must be met before the plan covers eligible expenses at 100 percent.

The out-of-network individual out-of-pocket maximum in a plan year is $4000 when coverage is for you only. When covering one or more

family members, the out-of-network individual out-of-pocket maximum is $6850 or $8000 for a family. After the maximum (which includes the annual deductible) has been reached, the plan pays 100 percent of eligible costs.

To find a UHC network provider online, go to UnitedHealthcare's (UHC's) website at www.myuhc.com.

Apple Saver PPO Plan at a Glance

The coverage percentages in the chart below are based on UHC's determination of Eligible Expenses described under "How the Plan Works" on page 31.

Plan feature[1]	Network	Out-of-network
Apple HSA contribution	$750 individual, $1500 family Combined contribution for in- or out-of-network	$750 individual, $1500 family Combined contribution for in- or out-of-network
Plan year deductible	$1500 individual, $3000 family Combined deductible for in- or out-of-network	$1500 individual, $3000 family Combined deductible for in- or out-of-network
Coinsurance after deductible	90% of Eligible Expenses	70% of Eligible Expenses
Annual out-of-pocket maximum	$2000 individual, $4000 family When covering one or more dependents, the per individual maximum amount is $4000. Combined out-of-pocket maximum for in- or out-of-network; includes plan year deductible	$4000 individual, $8000 family When covering dependents, the per individual maximum amount is $6850 which applies towards the $8000 annual family maximum. Combined out-of-pocket maximum for in- or out-of-network; includes plan year deductible
Preventive care		
Deductible does not apply		
Well-baby/well-child care	100% (includes exam and associated preventive screenings and lab services)	70% (includes exam and associated preventive screenings and lab services)
Immunizations	100% (physician recommended, including travel vaccines)	70% (physician recommended, including travel vaccines)
Routine physical exams	100% (includes exam and associated preventive screenings and lab services)	70% (includes exam and associated preventive screenings and lab services)
Routine OB/GYN exams	100% (includes exam and associated preventive screenings and lab services)	70% (includes exam and associated preventive screenings and lab services)
Routine mammogram and colonoscopy	100%	70%
Doctors and other providers		
Doctor's office visit	90% after deductible	70% after deductible
UHC Virtual Visits	90% after deductible	No coverage

Plan feature[1]	Network	Out-of-network
Non-preventive X-ray and lab services	90% after deductible	70% after deductible
Physical, occupational, and speech therapy (only restorative therapy covered); includes therapies related to developmental delay disorders	90% after deductible	70% after deductible
Chiropractic services/spinal manipulation	90% after deductible	70% after deductible
Acupuncture	90% after deductible	70% after deductible
Mental health and chemical dependency	90% after deductible	70% after deductible
Urgent care center	90% after deductible	90% after deductible
Emergency room		
Emergency	90% after deductible (reasonable person definition)	90% after deductible (reasonable person definition)
Nonemergency	50% after deductible	50% after deductible
Ambulance		
Emergency	90% after deductible	90% after deductible
Nonemergency	50% after deductible	50% after deductible
Hospital		
Inpatient	90% after deductible	70% after deductible
Outpatient	90% after deductible	70% after deductible
Other medical care		
Allergy testing and injections	90% after deductible	70% after deductible
Durable medical equipment	90% after deductible	70% after deductible
Infertility	90% after deductible, up to $20,000 lifetime maximum, for diagnosis and treatment for medical condition and services to create a pregnancy. May include cryopreservation, artificial insemination, in vitro, gamete intrafallopian transfer (GIFT), and zygote intrafallopian transfer (ZIFT), embryo transport, donor ovum and semen, and related costs, including collection, and preparations. The lifetime maximum includes prescription drugs used for the treatment of infertility. Combined lifetime maximum for in- or out-of-network	70% after deductible, up to $20,000 lifetime maximum, for diagnosis and treatment for medical condition and services to create a pregnancy. May include cryopreservation, artificial insemination, in vitro, gamete intrafallopian transfer (GIFT), and zygote intrafallopian transfer (ZIFT), embryo transport, donor ovum and semen, and related costs, including collection, and preparations. The lifetime maximum includes prescription drugs used for the treatment of infertility. Combined lifetime maximum for in- or out-of-network
Hospice	90% after deductible	70% after deductible
Skilled nursing facility	90% after deductible	70% after deductible

Contact Information

Optum Bank

800-791-9361
Fax: 800-314-9795
Monday through Friday
5:00 a.m. to 5:00 p.m.
Saturday and Sunday
6:00 a.m. to 2:30 p.m.
Pacific time

www.optumbank.com

Plan feature[1]	Network	Out-of-network
Prescription drugs	Non-preventive drugs are subject to the deductible and coinsurance	Non-preventive drugs are subject to the deductible and coinsurance
	Preventive drugs are covered at the following copays:	Preventive drugs are covered at the following copays:
At a retail pharmacy (up to a 30-day supply or up to a 90-day supply for 3× the applicable copay)	Tier 1 (lowest cost drugs): your cost is 10% or up to a $10 copay	Tier 1 (lowest cost drugs): your cost is 10% or up to a $10 copay
	Tier 2 (mid-range cost drugs): your cost is 10% up to a $30 copay	Tier 2 (mid-range cost drugs): your cost is 10% up to a $30 copay
	Tier 3 (highest cost drugs): your cost is 10% up to a $50 copay	Tier 3 (highest cost drugs): your cost is 10% up to a $50 copay
Specialty Pharmacy drugs (up to a 30-day supply)	10% after the deductible or 10% up to the applicable copays for preventive drugs	N/A
Mail order (up to a 90-day supply)	Your cost is 10% after the deductible or 10% up to 2× the applicable copays for preventive drugs	N/A

[1] The information contained in this chart is designed to give a brief overview of the benefits available in the Apple Saver PPO Plan. For more comprehensive details on the specific benefits of what is covered or excluded, refer to "How the Plan Works" on page 31, "Additional Services for the Apple Medical Plans" on page 49, "What's Covered" on page 43, "What's Not Covered" on page 54 and "Prescription Drugs" on page 61
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Health Savings Account (HSA)

If you're enrolled in the Apple Saver PPO Plan, you can open a Health Savings Account (HSA) with Optum Bank. An HSA is a savings account that lets you set aside funds to pay for current and future health care expenses, while enjoying several tax advantages. You can:

- Make before-tax contributions to your HSA (which lowers your taxable income)
- Invest unused HSA funds in excess of $2000 in a selection of mutual funds (in most states, your earnings aren't taxed)
- Withdraw funds that are free of federal and, in most areas, state income tax to pay for eligible health care expenses
- Roll over unused funds from one year to the next
- Accumulate an unlimited amount in your account

To be eligible to enroll in an HSA, you must:

- Be enrolled in the Apple Saver PPO Plan, except if you are an Apple intern
- Not be covered by any other medical plan other than a high-deductible health plan, even if it is another family member's coverage. If you are covered by any other non-high-deductible medical insurance, such as your spouse's employer's PPO or HMO plan, you cannot contribute to an HSA, even if you are enrolled in the Apple Saver PPO Plan.
- Not be enrolled in a Health Care Flexible Spending Account or receive reimbursement from a Health Care Flexible Spending Account (such as your spouse's). However, you can be enrolled in a Limited Purpose Health Care Flexible Spending Account, which helps you pay for eligible out-of-pocket vision and dental (but not other medical) expenses.

- Not be enrolled in Medicare
- Not be enrolled in TRICARE or TRICARE for Life (military)
- Not be claimed as a dependent on anyone else's tax return
- Not have received Veterans Administration (VA) benefits within the past three months (preventive care, vision, and dental services are permitted)

How an HSA Works

When you enroll in the Apple Saver PPO Plan with an HSA, an account will be established in your name with Optum Bank (a subsidiary of UHC). When you complete the online HSA Affirmation by using the Benefits Enrollment Tool at benefits.apple.com, Apple will send your information to Optum Bank to process your HSA application. Upon approval, Optum Bank will mail a welcome kit to your home and open your HSA, which allows you to make before-tax contributions to your account through payroll deductions. You decide how much to contribute to your HSA each year, up to annual contribution limits determined by the IRS. Since your contributions are made before taxes are withheld, you do not pay Social Security tax, Medicare tax, federal income tax, and, in most areas, state and local income taxes on the money you contribute.

To help jump-start your HSA savings, Apple makes a contribution to your account with Optum Bank based on your coverage level:

- $750 for employee-only coverage
- $1500 for family coverage

Apple's contribution will be prorated based on the date your HSA is opened.

Apple will contribute to your HSA each year that you are enrolled in the Apple Saver PPO Plan and are eligible to participate in the HSA.

To access your HSA money to pay or reimburse yourself for an eligible health care expense, simply use your HSA Debit MasterCard, Optum Bank's online bill payment tool, or write yourself a check from your HSA. Checks can be ordered from Optum Bank.

Enrolling in an HSA

You can enroll in the HSA as a newly eligible employee, during Open Enrollment for the next plan year, or as a result of certain family status change events. When you enroll, you set your contribution amount for each pay period by using the Benefits Enrollment Tool at benefits.apple.com.

Health expenses incurred prior to establishing an HSA are not eligible for reimbursement.

Naming a Beneficiary

When you enroll in the HSA, you need to choose a beneficiary. Your beneficiary elections for your HSA can be made online directly with Optum Bank at www.myuhc.com.

Your Contributions

The IRS limits how much you and Apple can contribute to your HSA. HSA contribution limits are adjusted annually. For 2019, annual contribution limits are as follows:

2019 HSA contributions	Employee only	If you cover yourself and dependents
Apple contribution	$750	$1500
Your contribution[1,2]	Up to $2750	Up to $5500
Total contribution allowed by the IRS in 2019	$3500	$7000

[1] Employees age 55 or older in 2019 can contribute an additional $1000 to their HSA.

[2] Employees can contribute to more than one HSA as long as their sum total contributions into all HSAs do not exceed the annual IRS limit.

If during the year you become eligible to contribute to an HSA, or are eligible to contribute to an HSA but make a midyear change from employee-only to family coverage under the Apple Saver PPO Plan as a result of a family status change event, then for purposes of

Tax Considerations

Contributions to an HSA and investment earnings on HSA funds are subject to state income tax for residents of California, Alabama, and New Jersey.

In addition, withdrawals for eligible health care expenses for a domestic partner, and his or her children may be subject to tax.

For additional information regarding qualifications for HSA participation and contributions, go to www.irs.gov/pub/irs-pdf/p969.pdf.

HSA Contributions

Apple's HSA contribution is based on a full year's participation in the plan. If you enroll in the plan midyear, Apple prorates its contribution based on when your account is opened. When combined, your contribution and Apple's contribution cannot exceed the total contribution limit.

determining your maximum contribution amount for the year, you may be treated as having been eligible to contribute to an HSA, and enrolled in the coverage that you had as of December 1, for the entire year. This is called the "last month rule." However, if you use the last month rule and cease to be eligible to contribute to your HSA before December 31 of the following year, then you may be required to include a portion of your previous HSA contributions as taxable income and subject to an additional 10 percent tax.

Before-tax contributions: You can choose your HSA contributions when you enroll in the Apple Saver PPO Plan, during Open Enrollment for the next plan year, or at any time during the plan year until November 30.

Catch-up contributions: If you're age 55 or older and you contribute the IRS annual maximum amount to your HSA, you can contribute an additional $1000 for the year on a before-tax basis as a "catch-up contribution."

Excess contributions: The amount you can contribute to your HSA annually depends on the type of coverage you have; for example, employee-only or family coverage, your age, the date you become eligible to contribute to your HSA, and the date you cease to be eligible to contribute. IRS annual contribution limits are based on your enrollment for the same coverage throughout the plan year.

If you change coverage, for example, from family coverage to employee-only coverage, during the year or end participation in the Apple Saver PPO Plan before December 1, you may find that you have exceeded the maximum contribution amount permitted by the IRS for the period of time you were eligible to contribute to your HSA. If you contribute more than the annual IRS maximum to your HSA, the additional funds will be considered taxable income and you may need to make adjustments on your annual tax filings. These excess funds are subject to standard income tax rates plus a 6 percent penalty. You may be able to avoid the 6 percent penalty in some cases by withdrawing the additional funds, as well as any income earned from the additional funds.

Refer to IRS Publication 969 for more information.

Company contributions: If you enroll in the Apple Saver PPO Plan and open an HSA, Apple will make a contribution to your HSA with Optum Bank (if you maintain an HSA with another financial institution, you will not be eligible for Apple contributions). Apple's contribution is based on when you are eligible and your HSA is opened. See HRWeb for more details. If you are eligible to participate and have your account opened by March 31, you will receive Apple's full contribution amount. If you are eligible and have your account opened between April and November 30, the full Apple annual contribution amount will be prorated. For 2019, Apple contributions are:

	Individual	Family
Jan - Mar	$750.00	$1500.00
Apr - Jun	$562.50	$1125.00
Jul - Sep	$375.00	$750.00
Oct - Nov	$187.50	$375.00
Dec	No contribution	No contribution

Apple's contributions apply toward your annual contribution limit.

Apple does not contribute to your HSA after you leave Apple.

Changes during the year: You can change your HSA contribution throughout the calendar year in the Benefits Enrollment Tool at benefits.apple .com.

Investing and Managing Your HSA Money
Once your HSA contributions reach $2100, you can invest amounts in excess of $2000 (in $100 increments) in a selection of mutual funds offered by Optum Bank.

Rollover of funds: All the funds in your HSA, including Apple's contributions, are 100 percent owned by you. Unlike funds in a Health Care Flexible Spending Account, all of your HSA funds roll over from year to year.

If coverage under the Apple Saver PPO Plan ends, no further contributions may be made to the HSA.

Transfer of funds: You can transfer your funds to another HSA administrator at any time, but transfer fees apply. Note that you are eligible for company contributions only if you have an HSA with Optum Bank. If you leave Apple, you can keep your funds with Optum Bank or you can transfer your balance to another HSA administrator. If you choose to transfer your balance, you must do so within 60 days from the date that your HSA funds are distributed to you to avoid paying taxes on those funds.

Eligible Expenses
You can be reimbursed from your HSA for all health care expenses that would otherwise be deductible on your federal income tax return, as long as you do not take a tax deduction for the same expenses and are not reimbursed for them in any other way.

Examples of eligible health care expenses include:

- Medical, vision, dental, and prescription drug deductibles, coinsurance, and copays
- Medical, vision, dental, and prescription drug expenses not reimbursed by a health care plan, such as:
  - Infertility treatments in excess of the maximum benefits
  - Vision correction surgery
  - Dental services in excess of the annual or lifetime maximums
- Health care expenses for your family members (for example, eligible children or persons you claim as dependents on your federal income tax return whether or not they're eligible for, or covered by, any of Apple's health care plans)
- COBRA premiums
- Future Medicare premiums, deductibles, coinsurance, and copays
- Future medical insurance plan premiums while you receive federal or state unemployment insurance

You can find more examples of eligible expenses at www.irs.gov/pub/irs-pdf/p502.pdf.

Health expenses incurred prior to establishing an HSA are not eligible health care expenses.

Accessing Your HSA Funds
If you want to use your HSA funds to pay for eligible health care expenses, you can:

- Use your HSA Debit MasterCard to pay for services when you receive them
- Use Optum Bank's free online bill payment tool for direct payment or reimbursement
- Write an HSA check to the provider or to yourself
- Use your HSA Debit MasterCard at any ATM and reimburse yourself (A $2.50 fee per ATM transaction will apply and there may be additional ATM fees charged by the bank)

You can make payments or withdrawals from your HSA only up to your current account balance. You can check your HSA balance at any time at www.myuhc.com or www.optumbank.com.

An HSA is not an ERISA plan established or maintained by Apple. An HSA is an individual account that you own. Apple will not: (1) limit your ability to move your HSA funds to another HSA, (2) impose conditions on utilization of your HSA funds, (3) make or influence investment decisions with respect to your HSA funds, or (4) receive any payment or compensation in connection with your HSA. Your choice to participate in an HSA is completely voluntary. You are responsible for monitoring your HSA balance, understanding the rules that apply to HSAs, and ensuring the total contributions made during the year do not exceed the IRS annual limits. The information provided in this book is intended only as general education. Since the tax and other rules that apply to HSAs can be complex, you should review the IRS publication at https://www.irs.gov/pub/irs-pdf/p969.pdf or speak to your tax advisor for further information.

Extra Savings with the Limited Purpose Health Care Flexible Spending Account

If you enrolled in the HSA for the maximum IRS annual contribution, but you still have vision and dental expenses that won't be reimbursed by the HSA because you could not contribute more, you can also enroll in a Limited Purpose Health Care Flexible Spending Account (LPHCSA). The LPHCSA provides a tax-advantaged way to pay for eligible vision and dental expenses, but it is not available for medical expenses. See "Health Care Flexible Spending Accounts" on page 97 in the *Flexible Spending Accounts* section for more information.

Apple Plus PPO Plan

How the Plan Works

If you enroll in the Apple Plus PPO Plan, you can choose to receive care from a member of the UnitedHealthcare (UHC) Preferred Provider Organization (PPO) network or a designated network through UHC's Shared Savings Program to maximize your plan benefits, or you can choose an out-of-network provider but be covered at a lower level of benefits. When Covered Health Services are provided by a network provider, Eligible Expenses are UHC's contracted fee(s) with that provider. When you receive care through a network provider, you are not responsible for any difference between Eligible Expenses and the amount the provider bills. When Covered Health Services are provided by an out-of-network provider, Eligible Expenses are determined, based on:

- Negotiated rates agreed to by the out-of-network provider and either UHC or one of UHC's vendors, affiliates or subcontractors, at UHC's discretion.
- If rates have not been negotiated, then one of the following applies:
  - For Covered Health Services other than Pharmaceutical Products, Eligible Expenses are determined based on available data resources of competitive fees in that geographic area.
  - When Covered Health Services are Pharmaceutical Products, Eligible Expenses are determined based on 110% of the published rates allowed by the Centers for Medicare and Medicaid Services (CMS) for Medicare for the same or similar service within the geographic market.
  - When a rate is not published by CMS for the service, UnitedHealthcare uses a gap methodology established by OptumInsight and/or a third party vendor that uses a relative value scale. The relative value scale is usually based on the difficulty, time, work, risk and resources of the service. If the relative value scale currently in use becomes no longer available, UnitedHealthcare will use a comparable scale(s).

If you choose a UHC network provider for services outside of an office visit, you pay just a copay for most doctor's office visits, and the plan

covers 100 percent of remaining eligible charges. The amount of the copay depends on whether you see a primary care physician (PCP) or a specialist. PCPs are generalists and include family doctors, internists, pediatricians, and OB/GYNs. Specialists focus on a particular body part or system and include cardiologists, dermatologists, allergists, chiropractors, and so forth. The PCP copay is $20, and the specialist copay is $30. All services provided through the Apple Wellness Center will be paid at the network level and most services will be covered at 100 percent, after you pay a $10 copay.

If you choose a UHC network provider, the plan pays 90 percent of your costs for most other services, after a $300 per person (or a maximum of $900 per family) deductible. Professional network services that are not inclusive with an office visit are payable at 90 percent after the deductible. When you receive care through an out-of-network provider, the plan pays 70 percent of Eligible Expenses after the out-of-network deductible is met. The amount of deductible applied toward network and out-of-network providers will be combined to satisfy either deductible amounts (any deductible amount met toward network providers will apply to the out-of-network deductible or any deductible amount met toward out-of-network providers will apply to the network deductible).

For out-of-network providers (other than emergency health services or services arranged by UHC) you will be responsible for any amount billed that is greater than the amount UHC determines to be an Eligible Expense.

Depending on the geographic area and the service you receive, you may have access through UHC's Shared Savings Program to out-of-network providers who have agreed to negotiated discounts for covered health services. When covered health services are received from an out-of-network provider as a result of an emergency, or as arranged by UHC, Eligible Expenses are an amount negotiated by UHC, or an amount permitted by law. Contact UnitedHealthcare if you are billed for amounts in excess of your applicable coinsurance, copayment or any deductible. Excessive charges or amounts that you are not legally obligated to pay are not covered.

If you do not have access to UHC preferred network providers in your residential area, contact UHC Member Services at 866-348-1286. UHC can help you find network providers or make arrangements to have your out-of-network claim paid at the network level of benefits.

In the case of a true emergency, the plan will pay 90 percent after the deductible. In the event of a true emergency, if you are treated at an out-of-network emergency room or hospital, the plan will pay network benefits. All follow-up care will be paid according to the provider's network status. In the case of a nonemergency visit to the emergency room, the plan will pay 50 percent after the deductible.

Before being admitted to a hospital, or in the event of an emergency hospital admission, you or your provider must obtain prior authorization from UHC's Care Coordination by calling the UHC customer service phone number on the back of your medical plan ID card; otherwise, your services may not be covered. See "Care Coordination and Prior Authorization" on page 48 for more information.

The in-network out-of-pocket maximum in a plan year is $2000 for each person or $4000 for a family. The out-of-network out-of-pocket maximum is $4000 for each person or $8000 for a family. After the maximum has been reached, the plan pays 100 percent of eligible costs. The network and out-of-network deductible, all medical and prescription copays and coinsurance, and out-of-network coinsurance (except for amounts over Eligible Expenses or over the maximum allowable and services and charges that are not considered Eligible Expenses) apply to the out-of-pocket maximum.

This means that when you reach the out-of-pocket maximum, you are not required to pay copays or coinsurance for eligible services.

To find a UHC network provider online, go to UHC's website at www.myuhc.com.

Apple Plus PPO Plan at a Glance

The coverage percentages in the chart below are based on UHC's determination of Eligible Expenses described under "How the Plan Works" on page 39.

Plan feature[1]	Network	Out-of-network
Plan year deductible	$300 individual, $900 family Combined deductible for in- or out-of-network	$600 individual, $1800 family Combined deductible for in- or out-of-network
Office visit copay	$20 copay for PCP visit, $30 copay for specialist visit	70% of Eligible Expenses
Coinsurance after deductible	90% of Eligible Expenses	70% of Eligible Expenses
Annual out-of-pocket maximum	$2000 individual, $4000 family Combined out-of-pocket maximum for in- and out-of-network	$4000 individual, $8000 family Combined out-of-pocket maximum for in- and out-of-network
Preventive care		
Deductible does not apply		
Well-baby/well-child care	100% (includes exam and associated preventive screenings and lab services)	70% (includes exam and associated preventive screenings and lab services)
Immunizations	100% (physician recommended, including travel vaccines)	70% (physician recommended, including travel vaccines)
Routine physical exams	100% (includes exam and associated preventive screenings and lab services)	70% (includes exam and associated preventive screenings and lab services)
Routine OB/GYN exams	100% (includes exam and associated preventive screenings and lab services)	70% (includes exam and associated preventive screenings and lab services)
Routine mammogram and colonoscopy	100%	70%
Doctors and other providers		
Doctor's office visit	$20 copay for PCP visit, $30 copay for specialist visit, then 100%	70% after deductible
Non-preventive X-ray and lab services	90% after deductible	70% after deductible
Doctor's office visit	$20 copay for PCP visit, $30 copay for specialist visit, then 100%	70% after deductible
UHC Virtual Visits	$10 copay	Not covered

Plan feature[1]	Network	Out-of-network
Physical, occupational, and speech therapy (only restorative therapy covered); includes therapies related to developmental delay disorders	$30 copay, then 100%	70% after deductible
Chiropractic services/spinal manipulation	$30 copay, then 100%	70% after deductible
Acupuncture	$30 copay, then 100%	70% after deductible
Other professional medical and surgical services	90% after deductible	70% after deductible
Mental health and chemical dependency	$10 copay for telemedicine visit	Not covered
	$20 copay for office visit	70% after deductible
All other outpatient service (partial hospitalization, day treatment and intensive outpatient)	90% after deductible	70% after deductible
Inpatient hospitalization	90% after deductible	70% after deductible
Urgent care center	$20 copay, then 100%	$20 copay, then 100%
Emergency room		
Emergency	90% after deductible (reasonable person definition)	90% after deductible (reasonable person definition)
Nonemergency	50% after deductible	50% after deductible
Ambulance		
Emergency	90% after deductible	90% after deductible
Nonemergency	50% after deductible	50% after deductible
Hospital		
Inpatient	90% after deductible	70% after deductible
Outpatient	90% after deductible	70% after deductible
Other medical care		
Allergy testing and injections	$30 copay, then 100% when billed with an office visit (allergy testing and/or injections not billed with an office visit subject to deductible then 90%)	70% after deductible
Durable medical equipment	90% after deductible	70% after deductible

Plan feature[1]	Network	Out-of-network
Infertility	$30 copay, then 100% when billed with an office visit (services billed without an office visit subject to deductible then 90%, up to $20,000 lifetime maximum, for diagnosis and treatment of medical condition and services to create a pregnancy. May include cryopreservation, artificial insemination, in vitro, gamete intrafallopian transfer (GIFT), and zygote intrafallopian transfer (ZIFT), embryo transport, donor ovum and semen, and related costs, including collection, and preparations. The lifetime maximum includes prescription drugs used for the treatment of infertility. Combined lifetime maximum for in- and out-of-network	70% after deductible, up to $20,000 lifetime maximum, for diagnosis and treatment of medical condition and services to create a pregnancy. May include cryopreservation, artificial insemination, in vitro, gamete intrafallopian transfer (GIFT), and zygote intrafallopian transfer (ZIFT), embryo transport, donor ovum and semen, and related costs, including collection, and preparations. The lifetime maximum includes prescription drugs used for the treatment of infertility. Combined lifetime maximum for in- and out-of-network
Hospice	90% after deductible	90% after deductible
Skilled nursing facility	90% after deductible	90% after deductible
Prescription drugs		
At a retail pharmacy (up to a 30-day supply or up to a 90-day supply for 3× the applicable copay)	Tier 1 (lowest cost drugs): $10 copay Tier 2 (mid-range cost drugs): $30 copay Tier 3 (highest cost drugs): $50 copay	Tier 1 (lowest cost drugs): $10 copay Tier 2 (mid-range cost drugs): $30 copay Tier 3 (highest cost drugs): $50 copay
Specialty Pharmacy drugs at retail or through mail order (up to a 30-day supply)	Subject to above Tier level copays	N/A
Mail order (up to a 90-day supply)	2× retail copays	N/A

[1] The information contained in this chart is designed to give a brief overview of the benefits available in the Apple Plus PPO Plan. For more comprehensive details on the specific benefits of what is covered or excluded, refer to "Additional Services for the Apple Medical Plans" on page 49, "What's Covered" on page 43, "What's Not Covered" on page 54 and "Prescription Drugs" on page 61.

What's Covered

The Apple Medical Plans pay benefits for eligible medical care and health services, when prescribed by your doctor and when services are performed by licensed physicians and professionals for enrolled members. After you pay your share of the expense, the Apple Medical Plans cover a wide variety of services, including:

- Physician services, including eligible home visits
- Services provided by licensed providers practicing within the scope of their license
- Chiropractic and acupuncture care provided by all licensed providers
- Maternity care, including licensed midwife services and birthing centers (licensed midwives will be covered at the network level of benefits regardless of UHC's network status)
- Newborn care, when enrolled in the Apple Medical Plans
- Genetic testing, if prescribed by your doctor and it meets the clinical guidelines as defined by UnitedHealthcare (UHC)
- Except as described under "What's Not Covered" beginning on page 54, infertility

services up to a $20,000 lifetime maximum including prescription drugs, cryopreservation, and monthly fees for maintenance and/or storage of sperm or frozen embryos (for medical and non-medical reasons), not to exceed the lifetime infertility maximum

- Emergency services
- Emergent transportation by a licensed ambulance service, including air ambulance when appropriate, to and from the nearest medical facility qualified to provide covered health services
- Non-emergent and medically necessary transportation by a licensed ambulance service, to and from a medical facility or doctor's office qualified to provide covered health services, to and from the patient's current residence/home.
- Hospital room and board. Read about prior authorization requirements under "Care Coordination and Prior Authorization" on page 48. For childbirth, in compliance with federal law, the plan will generally cover no less than 48 hours of hospital stay for normal deliveries and 96 hours for Cesarean sections. Reimbursement of claims for newborns requires enrollment under the plans.
- Hospital services and supplies (including but not limited to physical therapy, drugs, radiation therapy, surgical and anesthetic supplies, blood and blood plasma, diagnostic lab, and X-ray services)
- Surgical charges
- Outpatient surgical center services
- Orthognathic surgery, when prescribed by your doctor and it meets the clinical guidelines as described by UHC
- Obesity surgery, when the medical condition meets the clinical guidelines as defined by UHC's Bariatric Resource Services program (see "Bariatric Resource Services" on page 53 for additional information)
- Gender Dysphoria treatments provided by licensed physicians and professionals, issued by the World Professional Association for Transgender Health (WPATH) Standards of Care, Version 7; refer to www.wpath.org for the current standards of care publication
- Nutritional counseling and education for weight-management programs associated with the treatment of a specific disease, when prescribed by your doctor and rendered by a licensed health care professional
- Rehabilitation services and physical therapy (restorative only) provided by all licensed providers
- Speech therapy prescribed by a physician when the speech impediment or dysfunction results from illness or injury, autism spectrum disorders or a congenital anomaly, a developmental delay, or is needed following the placement of a cochlear implant; speech therapy that is educational or related to learning disabilities is not covered
- Therapies for developmental delay disorders or autism spectrum disorders that focus on behavioral interventions that are habilitative in nature and that are backed by credible research demonstrating that the services or supplies have a measurable and behavioral health outcome. Benefits are provided for intensive behavioral therapies such as Applied Behavior Analysis (ABA); see "Expanded Autism Benefits" on page 52.
- Home health care
- Private-duty nursing care given on an outpatient basis by a licensed nurse
- Hospice care
- Skilled nursing facility
- Dialysis
- Cardiac and pulmonary rehabilitation services
- Cognitive Rehabilitation Therapy
- Orthoptic therapy

- Prosthetic devices and appliances that replace a limb or body part, or help an impaired limb or body part work, can be replaced every three plan years
- Orthotics, supportive devices for the feet not sold over the counter, and related services (foot strapping, range of motion, and casting); one orthotic device per limb allowed per plan year, if prescribed by your doctor
- Cranial helmet, when prescribed by your doctor to treat a medical condition
- Wigs provided for the loss of hair resulting from alopecia areata, endocrine diseases, chemotherapy or radiation to treat cancer, or permanent loss of hair from an accidental injury; the wig benefit provides for one every four years
- Disposable medical supplies not sold over the counter, including disposable syringes, needles, and test strips used for diabetes
- Ostomy supplies
- Durable medical equipment (DME) ordered by a physician. If more than one piece of DME can meet your needs, only the most cost-effective piece of equipment will be covered, except when you or your provider have demonstrated that the device will significantly improve your quality of life. You or your provider must obtain prior authorization from UnitedHealthcare's (UHC) Care Coordination for any durable medical equipment that is purchased or has a cumulative rental for items expected to cost more than $1000; otherwise, DME may not be covered. DME is medical equipment that:
  - Can withstand repeated use
  - Is not disposable
  - Is used to serve a medical purpose
  - Is generally not useful to a person in the absence of sickness or injury
  - Is appropriate for use in the home
- Breast feeding support, counseling, and supplies, including the rental or purchase of a breast pump when obtained through UHC assistance or a UHC network provider
- Hearing exams and hearing aids, including the cost of fitting and adjustments, up to one hearing aid per ear per person every three plan years; batteries and maintenance of hearing aids are not covered
- Cochlear implants and associated post-implant aural rehabilitation, when prescribed by your doctor and they meet the clinical guidelines as defined by UHC
- Enteral feedings that treat a specific inborn error of metabolism and when it is considered the sole source of nutrition, excluding over-the-counter supplies
- Clinical trials and related services and treatment, when prescribed by your doctor and they meet the clinical guidelines as defined by UHC

Travel and Lodging

Travel and lodging benefits for the patient and one traveling companion are covered when the patient meets the qualification and is receiving treatment at a UHC approved Center of Excellence and/or lives more than 50 miles from the UHC network facility where care is to be provided. If the patient is a minor child, expenses for two traveling companions will be covered, up to $100 a day.

Benefits are paid at the daily rate for lodging and for meals purchased at the facility where medical care is provided, up to $50 for one person and up to $100 for two people. (Travel and lodging benefits for the patient are not paid when the patient is confined to the treatment facility.)

All eligible travel and lodging expenses associated with a patient's care at a designated treatment center are reimbursable up to a maximum of $10,000 for all expenses related to each diagnosed condition.

Mental Health and Chemical Dependency

The Apple Medical Plans offer mental health and chemical dependency coverage administered by United Behavioral Health (UBH).

UBH is a subsidiary of UnitedHealthcare (UHC). The level of coverage for using UBH network and out-of-network providers is the same as the level with UHC.

Coverage includes:

- Inpatient and outpatient treatment for mental health and chemical dependency
- Outpatient medications related to the treatment

Preventive Care

The Apple Medical Plans offer benefits for preventive care services (as defined by the guidelines under the United States Preventive Services Task Force (USPSTF) per the Patient Protection and Affordable Care Act) at 100 percent, with no copays or deductible when you use network providers. When you use out-of-network providers, you pay just the copay or coinsurance for your plan, with no deductible for preventive care. The following table shows some of the preventive care services covered:

Routine physical	Includes exam and associated screenings and lab services
Women's preventive care	Includes exam, Pap smear, pelvic and breast exam, mammogram (including 3D mammograms and ultrasound for inconclusive mammogram results), breast cancer gene testing, urinalysis, hemoglobin count, as well as associated lab services, routine prenatal care, breast pumps, and counseling for contraceptives, domestic violence, human papillomavirus (HPV), sexually transmitted infections, and human immunodeficiency virus (HIV)
Well baby/well child	Includes exam and associated screenings and lab services
Immunizations	Includes routine immunizations and travel vaccines
Prescriptions	Includes medications recommended by the USPSTF and certain contraceptives (i.e. tier 1 generics and single-source medications), tobacco-cessation, bowel prep medication for colonoscopies, and breast cancer drugs for members who meet the clinical guidelines as defined by UHC

Note: If your doctor orders X-ray or labs for diagnostic reasons during your preventive care exam, these services may not be covered at 100 percent and may be subject to the applicable plan deductible and coinsurance.

Urgent Care

Urgent care is for injuries and illnesses that require immediate attention but are not necessarily life-threatening. If you have such a condition, first try to schedule an appointment with your doctor. Additionally, you may want to try using UHC's online Virtual Visits available through www.myuhc.com. Alternatively, you may go to an urgent care center. All eligible services provided in an urgent care facility, regardless of UHC network status, are eligible to be reimbursed at the network level of benefits.

Conditions typically treated at urgent care centers include:

- Upper-respiratory infections
- Rashes
- Minor cuts or wounds that may require stitches
- Sprains and strains
- Minor broken bones
- Mild asthma attacks

Emergency Care

Use a hospital emergency room in cases of severe or life-threatening illness or injury, such as:

- Severe bleeding or large, gaping wounds
- Sudden weakness or difficulty talking
- Chest pain or upper-abdominal pain and pressure
- Sudden change in vision
- Major burns
- Spinal injuries
- Severe head trauma or injury
- Difficulty breathing

Apple uses a "reasonable person" definition to determine whether a situation is an emergency. In other words, considering the facts and circumstances, a reasonable person would consider the situation an emergency. The final diagnosis should not be the determining factor in assessing whether an emergency existed.

Emergency treatment by a UnitedHealthcare (UHC) network provider or out-of-network provider is covered at 90 percent after the deductible. However, all follow-up care must be provided by a network provider or your benefit level will be reduced to 70 percent of Eligible Expenses. Nonemergency care provided in an emergency room is covered at 50 percent after the deductible, and out-of-network providers are subject to Eligible Expenses.

Emergency Hospitalization
Benefits will be paid at network levels for an emergency admission to an out-of-network hospital as long as Care Coordination is notified within forty-eight hours of the admission or as soon as reasonably possible. If you continue your stay in an out-of-network hospital after the date your physician determines that it is medically appropriate to transfer you to a network hospital, benefits will be paid at out-of-network levels.

To obtain authorization through UnitedHealthcare's (UHC) Care Coordination, call UHC Member Services at 866-348-1286 and provide the following information:

- Your medical plan subscriber ID number or Social Security number
- Patient's name, birth date, and relationship to you
- Doctor's name and telephone number
- Hospital's name and telephone number
- A brief description of the medical problem

Care Coordination will discuss the proposed treatment and the length of stay with your doctor.

Hospitalization Beyond Initial Notification

If you and your doctor determine that you need to remain hospitalized longer than specified in the initial notification, you or your doctor must obtain prior authorization from UHC's Care Coordination; otherwise, services may not be covered. UHC's Care Coordination will follow your case until you are discharged from the hospital. See "Care Coordination and Prior Authorization" on page 48 for more information.

Radiologists, Anesthesiologists, Pathologists, and Laboratory Provision

In cases where you have no choice of using certain specialists, such as radiologists, anesthesiologists, pathologists, and laboratory services, the plans pay the network level of benefits after the deductible, as long as the hospital, facility, or referring doctor you use is in UnitedHealthcare's (UHC) or United Behavioral Health (UBH) network.

Developmental Delay Disorders

The Apple Medical Plans offer coverage for speech, physical, and occupational therapy for developmental delay disorders. In addition, Applied Behavior Analysis (ABA) therapy is covered for autism spectrum disorders when the therapy meets the clinical guidelines as established by UnitedHealthcare's (UHC) Expanded Autism Benefits program. (See "Expanded Autism Benefits" on page 52 for additional information.) Developmental delay is a term used to describe slowed or impaired development of a child and may be attributed to a physical or mental impairment that is likely to result in long-term limitations in functional abilities in learning, language, social-emotional skills, and mobility. Developmental delay disorders include classic autism, Asperger's syndrome, childhood disintegrative disorder, Rett syndrome, pervasive developmental disorder, cerebral palsy, Down syndrome, and dysphagia.

For treatments or services for autism spectrum disorders to be covered, they must be backed by credible research demonstrating that the services have a measurable and beneficial health outcome and are not considered experimental or investigational.

Coverage is subject to the applicable plan copays, deductibles, and maximums. ABA services provided in the home and not billed with an office visit are not subject to the plan copay.

To ensure your child's treatment meets UHC's clinical guidelines and is eligible for reimbursement, contact UHC's Care Coordination prior to services being rendered.

Care Coordination and Prior Authorization

Certain services, prescription medications, and supplies may not meet the American Medical Association guidelines when the clinical criteria is deemed unproven or not medically necessary. Therefore, you or your treating physician must obtain prior authorization from UHC's Care Coordination prior to the dates of service when you have an upcoming treatment or service involving hospitalizations and certain prescription medications, outpatient surgeries, and diagnostic tests. You or your provider can contact Care Coordination by calling the UHC customer service phone number on the back of your medical plan ID card.

Care Coordination is designed to encourage efficient use of care. This may include admission counseling, inpatient care advocacy, and certain discharge planning and disease management activities. Care Coordination activities are not a substitute for the medical judgment of your doctor. The final decision as to what medical care you or your dependents receive must be made by the patient and his or her doctor.

If you or your provider do not obtain prior authorization from UHC's Care Coordination, you bear the risk of services not being covered.

Health Services Requiring Prior Authorization
Network providers are generally responsible for obtaining prior authorization before services are rendered. However, there are also some services where you are responsible for obtaining prior authorization, particularly if your services are provided by an out-of-network provider.

If you or your provider does not obtain prior authorization to validate if certain services are Medically Necessary, coverage will be denied. See "Claims Information" on page 302 in the *General Information* section for information on the denial of claims, the benefits appeals process, and the external review process.

You or your provider must contact UHC's Care Coordination to obtain prior authorization before you or a covered dependent obtain any of the following services:

- All inpatient stays, including mental health/substance use and addictive disorders, residential and Intensive outpatient (IOP), rehabilitation center, skilled nursing facility, and hospice care
- Durable medical equipment that is purchased or has a cumulative rental for items expected to exceed $1000, including insulin pumps, hearing aids, and prosthetic devices
- Genetic testing – BRCA (breast cancer gene)
- Home health care/private duty nursing
- Inpatient maternity if expected to exceed 48 hours for normal deliveries and 96 hours for Cesarean sections
- Non-emergent air ambulance
- Outpatient services related to the treatment of:
  - Electro-convulsive treatment
  - Intensive Behavioral Therapy (IBT) including Applied Behavior Analysis (ABA) therapy for autism spectrum disorders
  - mental health/substance use and addictive disorders
  - Psychological testing
  - Partial hospitalization/Day treatment
  - Transcranial magnetic stimulation
- Pharmaceutical products
  - Growth hormone therapy
  - Prescription drugs as described under "Prescription Drugs" on page 61
- Specific conditions and treatment related to:
  - All reconstructive procedures, vein stripping, ligation, and sclerotherapy
  - Blepharoplasty
  - Cancer
  - Clinical trials
  - Congenital heart disease
  - Diabetes related to complex care
  - Electro-convulsive treatment
  - Gender Dysphoria (GD)
  - Infertility
  - Obesity or Bariatric surgery
  - Orthognathic surgery
  - Sleep apnea
  - Therapeutics (outpatient)—dialysis, IV infusion, radiation oncology, intensity modulated radiation therapy, MR-guided focused ultrasound
  - Transplant services
- Travel and lodging

Additional Services for the Apple Medical Plans

This section describes additional UHC services that are available.

24-Hour NurseLine

Enrollees and their dependents covered by an Apple Medical Plan administered by UnitedHealthcare (UHC) have access 24 hours a day, seven days a week, to speak with an experienced registered nurse through UHC's NurseLine at no extra cost. Just call the UHC NurseLine at 866-348-1286, or go to www.myuhc.com and click Chat under Ask a Nurse.

You can get help when you have questions about a newly diagnosed health concern or chronic condition, when you aren't sure if an urgent situation calls for a trip to the emergency room, or if you want tips for staying well and strong. You can receive advice on topics that include health concerns, medications, nutrition, exercise, aging, and disease prevention. Through the NurseLine, you can obtain important medical information to help choose appropriate care.

UHC Virtual Visits

You have 24/7 online access to see or talk to a health care provider via your mobile device or computer for non-emergency conditions through Virtual Visits available at www.myuhc.com or the Health4me app.

Use Virtual Visits when you or your family's doctor is unavailable, when you become ill while traveling within the United States, or if you are considering going to an urgent care facility or emergency room for non-urgent health conditions.

While lactation services and nutrition counseling are covered under your medical plan, these services are not covered when using Virtual Visits. If you schedule a visit for these services, you will be responsible for the cost of the visit.

Some state restrictions may apply on telemedicine visits. For example, in some states you may not be able to get a prescription, without first establishing an in person patient relationship. Upon accessing Virtual Visits, you'll be informed if any restrictions apply to you.

Decision Support

To help you make informed decisions about your health care, call UHC's Decision Support program. The team of nurses can help you with specific conditions as well as the treatments and procedures for those conditions.

This program offers:

- Access to accurate, objective, and relevant health care information
- Coaching by a nurse through decisions in your treatment and care
- Expectations of treatment
- Information on high-quality providers and programs

Some of the conditions for which this program is available include:

- Back pain
- Knee and hip replacement
- Prostate disease
- Prostate cancer
- Benign uterine conditions
- Breast cancer
- Coronary disease
- Bariatric surgery
- Preventive care

Participation is voluntary and without charge.

For more information about Decision Support, contact UHC.

HealtheNotes

HealtheNotes, administered by UnitedHealthcare (UHC), provides you and your physician with suggestions and reminders regarding preventive care, testing, medications, and information about certain treatments via home mailings and email. Your personalized HealtheNotes communications may also include health tips and other wellness information. You and your physician may use the information received from HealtheNotes to discuss your health and your physician's suggestions. Any decisions regarding your care, though, are always between you and your physician.

For more information about HealtheNotes, call UHC.

myuhc.com

If you are covered by an Apple Medical Plan administered by UnitedHealthcare (UHC) or participate in the Flexible Spending Accounts, go to www.myuhc.com, UHC's online resource, to manage your personal health care benefits and review your claims, as well as to access a variety of health care resources and information.

Managing Your Personal Information
You can access myuhc.com to manage your personal health care information or download the Health4me mobile app (not all items on myuhc are accessible:

- Verify if your doctor is a UHC or UBH network provider or get a list of network providers and hospitals close to your home or work
- Order a new ID card or print a temporary card
- Send inquiries to UHC customer service
- Review the status of a claim or your claims history
- File an appeal on a claim denial
- Check and/or submit claims for reimbursement for your Flexible Spending Account balance
- Add/cancel direct deposit for medical and/or Flexible Spending Account claims reimbursement
- Activate/deactivate the Automatic Payment Option for automatic claim payments from your Flexible Spending Account
- Designate your mailing preferences for any health related information, your Health Statements, or Explanation of Benefits statements

Managing Your Health Care
UnitedHealthcare offers several resources to help you manage your health care:

- Health Care Resources Pharmacy Online:
  - Order mail order prescriptions
  - Review medication and treatment information
- Hospital comparisons: Compare more than 50 hospitals based on personal preference, quality, and patient safety measures

To register for a myuhc.com access code, you first must be enrolled in an Apple Medical Plan administered by UnitedHealthcare (UHC) or Flexible Spending Account and your eligibility must be updated at UHC. To sign up, go to www.myuhc.com.

For information on how to use myuhc.com or for technical support, contact UHC's technical help desk at 877-844-4999, Monday through Friday, 5:00 a.m. to 10:00 p.m. Eastern time.

Fertility Solutions

Fertility Solutions is designed to help individuals who are concerned about infertility or preserving the ability to have children at a later date. It offers education, counseling, decision support, patient advocacy, and access to Centers of Excellence. Contact UnitedHealthcare at 866-348-1286 for more information.

Maternity Support

Enrollees and their dependents covered by an Apple Medical Plan administered by UnitedHealthcare (UHC) can access Maternity Support at no extra cost. Maternity Support is designed to help give expectant mothers and their doctors the support and educational information needed throughout the pregnancy to promote healthy outcomes for both mother and child. To take full advantage of the program, expectant mothers are encouraged to begin using Maternity Support within the first 12 weeks of pregnancy, but can enroll anytime, up to the 34th week.

To access Maternity Support, call UHC at 866-348-1286 to speak with a registered nurse, who will get all of the necessary details about the pregnancy. An expectant mother will be able to access a registered nurse 24 hours a day to discuss her pregnancy. She can also obtain important information both during the pregnancy and after delivery. Topics include:

- Prenatal testing
- Proper nutrition
- Preparing for childbirth
- Fetal development

- Exercise during pregnancy
- Warning signs and things to avoid
- Postpartum support

Maternity Support will continue to assist mothers after delivery and can help answer questions about infant care, feeding, nutrition, and immunizations.

Neonatal Program

The Neonatal Program is a free program that offers members of an Apple Medical Plan administered by UnitedHealthcare (UHC) the opportunity to consult with neonatal nurses and have access to some of the top neonatal intensive care unit (NICU) treatment in the nation.

When a UHC network physician determines your unborn baby is likely to need NICU treatment, the Neonatal Program can help. The program will offer consultation with a neonatal nurse to help you make informed decisions about your delivery options and care. You will be encouraged by the Healthy Pregnancy Program to deliver your baby at a Neonatal Center of Excellence network facility if needed.

Expanded Autism Benefits

Through UnitedHealthcare's (UHC) Expanded Autism Benefits program, you will have access to licensed developmental specialists who are trained in intensive behavioral treatments. When you call UHC, you can speak with an OptumHealth advocate who will provide individualized educational materials, resources, and personal guidance to help you navigate your treatment choices. Your advocate can help you obtain a comprehensive evaluation through a specialty network of Applied Behavior Analysis (ABA) providers, so your child gets the right care, or help you select the right providers and create an intensive behavioral treatment plan that addresses your unique needs.

Cancer Support Program

Cancer Support Program (CSP) has a team of experienced Cancer Support nurses who can help you and your family understand your diagnosis, discuss potential treatment options, or locate providers in premier cancer centers that can help in the management of any type of cancer care, including consulting services for rare or complex cancers. You can also work with an Apple designated oncology nurse for appointment scheduling, education and support throughout your treatment.

For some patients, obtaining care from a major cancer center, even if far from home, may be the best option. If the CSP nurse recommends that you travel to a premier facility, certain travel expenses can be covered if authorized by UHC. See "Travel and Lodging" on page 45 for more information.

Quit for Life Program

Quit for Life is a tobacco cessation program that can help you withdraw from nicotine dependence. While participating in the program, you will have unlimited access to coaching staff either by phone or live chat, online support tools, and if applicable, free nicotine replacement therapy (patch, lozenge, or gum). If you need prescription medication, you'll be directed to speak with your doctor and you'll be responsible for any costs not covered under your health insurance plan.

Neither you or your eligible family members are required to be enrolled in an Apple-sponsored medical plan to use the Quit for Life program.

To access the Quit for Life program you need to register at http://myquitforlife.com/appinc or call 866-784-8454.

Bariatric Resource Services

Through UHC's Bariatric Resource Services (BRS) program, you will have access to a network of designated facilities and physicians participating in the BRS program known as Bariatric Services Centers of Excellence. The BRS program provides:

- Specialized clinical consulting services to employees and enrolled dependents to educate about obesity treatment options
- Access to specialized network facilities and physicians for information about obesity surgery services

The BRS program will provide eligible members with clinical case management (typically, six months before surgery and one month postoperatively). As part of the case management program, the nurses provide:

- Treatment decision support
- Review of bariatric procedure types; risks and benefits
- Review of presurgical requirements—both clinical and administrative
- Overview of Centers of Excellence
- Clinical guidance, recommendations, and referrals
- Postsurgery reminders/advocacy of provider follow-up care program
- Postsurgical behavior and dietary support
- Postsurgical screening for complications

Obesity Surgery

You will need to contact the BRS program and speak with a nurse consultant prior to receiving obesity surgery services and to verify what's covered by your medical plan. Covered participants seeking coverage for bariatric surgery must notify BRS as soon as the possibility of a bariatric surgery procedure arises (and before the time an evaluation is performed).

The Apple Medical Plans cover surgical treatment of morbid obesity provided all of the following are true:

- You have a minimum body mass index (BMI) of 40, or 35 with at least one co-morbid condition present.
- You are over the age of 18 or are physically mature and meet UHC's clinical guidelines. A bone age test for physical maturity may be required.
- You have completed a six-month physician-supervised weight-loss program.
- You have completed a presurgical psychological evaluation.

Your surgical services can be provided through one of UHC's established Bariatric Centers of Excellence, or you may choose to have your surgery elsewhere. Members who choose to use a Bariatric Resource Services Center of Excellence and live more than 50 miles from the closest provider can have certain travel expenses covered if authorized by BRS. See "Travel and Lodging" on page 45 for more information.

Transplant Resource Services

To help you have the best organ or bone marrow transplant experience possible, UHC uses the Transplant Centers of Excellence. Patients who have complex medical conditions are more likely to get better care when they are treated by experienced, knowledgeable physicians. Better care leads to shorter hospital stays, higher success rates, faster recoveries, and lower costs.

If you or a family member needs a transplant, the transplant nurse consultant at UHC can help you make informed decisions. Call Transplant Resource Services for assistance.

What's Not Covered

The Apple Medical Plans exclude payment for the following and for services that do not meet the clinical guidelines as defined by UHC.

General Exclusions

The following services are general exclusions and are not covered:

- Health services and supplies that do not meet the definition of covered health expenses or meet UHC's or UBH's clinical guidelines for acceptable or appropriate level of care
- Treatment primarily for the convenience of the patient or provider
- Treatment provided primarily for medical or other research
- Treatment outside the scope of the provider's license or specialty training
- Inpatient hospitalization solely for diagnostic testing, physical therapy, X-rays, rehabilitation, or medical observation, or hospitalization for environmental change
- Inpatient evaluation for more than three days
- Alternative levels of treatment, such as partial hospitalization, residential treatment, and intensive outpatient (two or more visits a week), not associated with mental health/substance abuse treatment
- Non-prescription drugs, except as described under "What's Covered" beginning on page 43
- Health services and supplies that do not meet the definition of a covered health expense
- Physical, psychiatric or psychological, or neuropsychological exams and testing, or treatments that are otherwise covered when:
  - Required solely for purposes of career, education, sports or camp, travel, employment, insurance, marriage, or adoption
  - Related to judicial or administrative proceedings or orders
  - Conducted for purposes of medical research
  - Required to obtain or maintain a license of any type
- Health services received after the date your coverage under the plan ends, including health services for medical conditions arising before the date your coverage under the plan ends, unless you were hospitalized at the time your coverage ended
- Health services for which you have no legal responsibility to pay, or for which a charge would not ordinarily be made in the absence of coverage
- Court-ordered treatment or state hospital treatment
- Treatment for mental retardation as a primary diagnosis as defined in the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association
- Outpatient rehabilitation services, spinal treatment, or supplies, including but not limited to spinal manipulations by a chiropractor or other doctor, for the treatment of a condition when the treatment ceases to be therapeutic and is instead administered to maintain a level of functioning or to prevent a medical problem from occurring or recurring
- Treatment for maintenance therapy, including care for conditions not typically responsive to treatment
- Custodial care, including without limitation:
  - Non-health-related services, such as assistance in activities of daily living, including but not limited to feeding, dressing, bathing, transferring, and ambulating

  - Health-related services that do not seek to cure or that are provided during periods when the medical condition of the patient who requires the service is not changing
  - Services that do not require continued administration by trained medical personnel to be delivered safely and effectively
  - Personal or household items for inpatient or residential care
- Domiciliary care
- Private-duty nursing received on an inpatient basis
- Respite care except as part of an integrated hospice care program of services provided to a terminally ill person by a licensed hospice care agency
- Rest cures
- Psychosurgery
- Any charges for missed appointments, room or facility reservations, completion of claim forms, or record processing
- Any charges higher than the actual charge (the actual charge is defined as the provider's lowest routine charge for the service, supply, or equipment)
- Any charge for services, supplies, or equipment advertised by the provider as free
- Any charges by a provider sanctioned under a federal program for reason of fraud, abuse, or medical competency
- Any charges prohibited by federal anti-kickback or self-referral statutes
- Any additional charges submitted after payment has been made and your account balance is zero
- Charges for any treatment not actually delivered by the professional provider submitting a claim
- Charges related to peer-to-peer consultations with other providers
- Telephone consultation or treatment, unless approved by UHC
- Lactation services and nutritional counseling obtained through UHC Virtual Visits
- Any charges by a resident in a teaching hospital where a faculty physician did not supervise services
- Autopsies and other coroner services, and transportation services for a corpse
- Foreign language and sign language services
- Charges in excess of Eligible Expenses or in excess of any specified limitation
- Travel or transportation expenses, except as described under "What's Covered" beginning on page 43
- Expenses that are not covered under UHC's or UBH's reimbursement policy guidelines

Altering Physical Appearance

The following items related to altering physical appearance are generally not covered, except for services described under "What's Covered" on page 43 for Gender Dysphoria:

- Cosmetic surgery, procedures, and services, except to repair disfigurement resulting from an accident, or to repair a covered child's congenital abnormalities
- Cosmetic procedures, including without limitation:
  - Pharmacological regimens, nutritional procedures or treatments
  - Scar or tattoo removal or revision procedures (such as salabrasion, chemosurgery, and other such skin abrasion procedures)
  - Skin abrasion procedures performed as a treatment for acne
  - Treatments for skin wrinkles or any treatment to improve the appearance of the skin

  - Liposuction, a procedure or surgery to remove fatty tissue such as panniculectomy, abdominoplasty, thighplasty, brachioplasty, or mastopexy
- Replacement of an existing breast implant if the earlier breast implant was performed as a cosmetic procedure (replacement of an existing breast implant is considered reconstructive, not cosmetic, if the initial breast implant followed a mastectomy)
- Physical conditioning programs such as athletic training, bodybuilding, exercise, fitness, flexibility, services received from a personal trainer, and diversion or general motivation
- Weight-loss programs not under medical supervision and when not related to specific medical conditions
- Treatments for hair loss
- Wigs, unless the loss of hair results from alopecia areata, endocrine diseases, chemotherapy or radiation for cancer or the treatment of a malignancy, or permanent loss of hair from an accidental injury, and the wig does not exceed the purchase of more than one every four years
- Hair removal or replacement by any means
- Treatment of varicose veins when it is considered cosmetic
- Reversal of genital surgery or reversal of surgery to revise secondary sex characteristics
- Voice modification surgery and voice therapy

Alternative Treatments

The following alternative treatments are not covered:

- Aromatherapy
- Hypnotism
- Acupressure and massage therapy
- Rolfing
- Alternative treatment methods, such as but not limited to hypnotherapy, psychodrama, and stress and relaxation therapy
- Other forms of alternative treatment as defined by the National Center for Complementary and Alternative Medicine (NCCAM) of the National Institutes of Health

Comfort or Convenience Items or Services

The following items related to comfort and convenience are not covered:

- Electronic devices (such as but not limited to computers, tablets, music devices, telephones, televisions, and video players)
- Beauty/barber service
- Guest service
- Supplies, safety or exercise equipment, and similar incidental services and supplies for personal comfort, including without limitation:
  - Air conditioners
  - Air purifiers and filters
  - Batteries and battery chargers
  - Dehumidifiers and humidifiers
  - Home remodeling to accommodate a health need (such as but not limited to ramps, swimming pools, whirlpools, elevators, handrails, and stair glides)
  - Automobile customization to accommodate a health need
  - Ergonomically correct chairs or chairs of any kind
  - Nonhospital beds and comfort beds

Dental Services

The following items related to dental services are not covered under your medical plan, but may be covered under the Apple Dental Plan:

- Services for the evaluation and treatment of temporomandibular joint syndrome (TMJ) when the services are considered to be dental in nature, including oral appliances
- Dental care, except as a result of an accident
- Preventive care, diagnosis, or treatment of or related to the teeth, jawbones, or gums; examples include without limitation:
  - Extraction, restoration, and replacement of teeth
  - Medical or surgical treatments of dental conditions, such as removal of wisdom teeth
  - Services to improve dental clinical outcomes
- Dental implants, except when needed as a result of an accidental injury
- Dental braces, except when related to intraoral appliances for presurgical cleft palate treatment
- Treatment of congenitally missing, malpositioned, or supernumerary teeth, even if part of a congenital anomaly
- Dental X-rays, supplies, and appliances and all associated expenses, including hospitalizations and anesthesia; the only exceptions are for any of the following:
  - Transplant preparation
  - Initiation of immunosuppressives
  - The direct treatment of acute traumatic injury, tumor, or cleft palate
  - Treatment to help protect the health of a member who cannot be controlled without the assistance of anesthesia

Excluded Providers

Care provided by the following is not covered:

- Services performed by a provider who is himself or herself a family member by birth, adoption, or marriage
- Services performed by a provider who has your same legal residence
- Services ordered or delivered by a Christian Science practitioner
- Services provided at a freestanding or hospital-based diagnostic facility without an order written by a physician or other provider
- Services ordered by a physician or other provider who is an employee or representative of a freestanding or hospital-based diagnostic facility, when that physician or other provider:
  - Has not been actively involved in your medical care prior to ordering the service; or
  - Is not actively involved in your medical care after the service is received.
- Services performed by an unlicensed provider or a provider who is operating outside the scope of his or her license

Experimental, Investigational, or Unproven Services

Experimental, investigational, or unproven services are not covered, except when they are prescribed by your doctor and they meet the clinical guidelines as defined by UHC or UBH.

An exception for coverage may apply when either one of the following conditions is true:

- The service is for a life-threatening illness or serious rare disease (one that is likely to cause death or irreparable harm within one year of the request for treatment) and UHC makes a determination that, although unproven, the service has significant potential as an effective treatment for that

illness and the service would be provided under standards equivalent to those defined by the National Institutes of Health

- The service is for clinical trials and related services and treatment

Foot Care

The following items related to foot care are not covered:

- Except when needed for severe systemic disease:
  - Routine foot care (including the cutting or removal of corns and calluses)
  - Nail trimming, cutting, or debriding
- Hygienic and preventive maintenance foot care; examples include without limitation:
  - Cleaning and soaking the feet
  - Applying skin creams to maintain skin tone
  - Other services that are performed when there is not a localized illness, injury, or symptom involving the foot
- Treatment of flat feet, except for doctor-prescribed orthotics
- Treatment of subluxation of the foot
- Shoe orthotics that are not prescribed by a physician
- Over-the-counter supplies and appliances

Medical Supplies and Appliances

The following items related to medical supplies and appliances are not covered:

- Devices that are not prescribed by a licensed medical provider or that are not under a doctor's direction
- Except when you or your provider have demonstrated that the device will significantly improve your quality of life, costs for devices that exceed the minimum specifications to effectively treat your needs (reimbursement is based on the minimum specification amount as defined by UHC)
- Devices and computers to assist in communication and speech, unless they are authorized by your doctor and meet the clinical guidelines as defined by UHC
- The repair and replacement of devices when lost, stolen, or damaged due to misuse, malicious breakage, or gross neglect
- Devices used specifically as safety items or to affect performance in sports-related activities (such as but not limited to blood pressure cuff/monitor, enuresis alarm, non-wearable external defibrillator, trusses, and ultrasonic nebulizers)
- Prescribed or non-prescribed medical supplies and disposable supplies, with the exception of disposable syringes, needles, and test strips used for diabetes; examples include without limitation:
  - Tubings, nasal cannulas, connectors, and masks except when used with durable medical equipment

Mental Health/Substance Abuse Services

The following items related to mental health and substance abuse are not covered, unless the treatment is prescribed by your doctor and it meets the clinical guidelines as defined by UBH:

- Therapies not meeting national standards for the mental health professional practice, such as Rolfing, EST, primal therapy, bioenergetic therapy, sensitivity training, and crystal healing
- Chemical dependency treatment that is nutritionally or non-abstinence-based aversion therapy, and individual therapy that is not part of a structured outpatient program

- Services using methadone, LAAM (L-alpha-acetylmethadol), cyclazocine, or their equivalents as maintenance treatment for drug addiction
- Inpatient treatment for codependency and sexual addiction
- Marriage counseling, unless in connection with a recognized psychiatric disorder
- Except as described under "What's Covered" on page 43, treatment and services for autism and autism spectrum disorders, including without limitation:
  - Modalities other than Applied Behavior Analysis (ABA), such as Relationship Development Intervention (RDI) and Floortime
  - School-based services or programs, supplies, or equipment
  - Dolphin, cleansing, and music therapy
  - Nutritional supplements
- Treatment for personal or professional growth, development, or training, or professional certification
- Services provided by someone not licensed by the state at the master's degree level or higher (and able to independently bill fee for service) to treat the condition for which the claim is made
- Wilderness therapy
- Pastoral counseling
- Educational and development-related services, such as remedial educational training, developmental and educational rehabilitation, educational testing, or psychoeducational testing for learning disabilities
- Services for stuttering or stammering, except for speech therapy when associated with developmental delay disorders
- Services performed in connection with conditions not classified in the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association
- Services as treatments for V-code conditions as listed within the current edition of the Diagnostic and Statistical Manual of the American Psychiatric Association
- Services as treatment for a primary diagnosis of sexual dysfunction disorders, feeding disorders, neurological disorders, and other disorders with a known physical basis
- Tuition for or services that are school-based for children and adolescents under the Individuals with Disabilities Education Act

Nutrition

The following items related to nutrition are not covered, unless they are prescribed by your doctor and they meet the clinical guidelines defined by UHC:

- Megavitamin and nutrition-based therapy
- Except as described under "What's Covered" on page 43, nutritional counseling for either individuals or groups, including weight-loss programs, health clubs, and spa programs
- Nutritional and electrolyte supplements, including infant formula, donor breast milk, dietary supplements, diets for weight control or the treatment of obesity (including liquid diets or food), food of any kind (diabetic, low fat, cholesterol), oral vitamins, and oral minerals, except when a certain nutritional formula treats a specific inborn error of metabolism and is the sole source of nutrition
- Over-the-counter (OTC) supplies, with the exception of U.S. Preventive Services Task Force A and B Recommendations OTC medications prescribed by your doctor, age and gender appropriate, and purchased at an OptumRx network pharmacy
- Other dietary and electrolyte supplements

Reproductive Services

The following items related to reproductive services are not covered:

- Infertility treatment that does not meet UHC's clinical guidelines
- Infertility treatment to create a pregnancy as the result of voluntary tubal ligation or sterilization
- Services for a surrogate parent who is not enrolled under the Apple Medical Plans
- Genetic testing, unless prescribed by your doctor and it meets the clinical guidelines as defined by UHC
- The reversal of voluntary sterilization or infertility services as a result of voluntary sterilization
- Health services associated with the use of nonsurgical or drug-induced pregnancy termination
- Services provided by a doula (labor aide)
- Artificial reproductive treatments performed for genetic or eugenic (selective breeding) purposes
- Parenting, prenatal, or birthing classes

Services Provided Under Another Plan

The following items related to services provided under another plan are not covered:

- Outpatient drugs that are provided under the prescription drug benefit
- Health services for which other coverage is required by federal, state, or local law to be purchased or provided through other arrangements. This includes, but is not limited to, coverage required by workers' compensation, no-fault auto insurance, or similar legislation.
- Benefits that are covered under Apple's Medical Benefits Abroad Plan
- Benefits that would have been covered under workers' compensation or similar legislation had that coverage been elected
- Services in any facility owned or operated by a federal or state government or outpatient services covered under public funding, including school-based services
- Health services for the treatment of military service-related disabilities, when you are legally entitled to other coverage and facilities are reasonably available to you
- Health services while on active military duty

Transplants

The following items related to transplants are not covered:

- Health services for organ and tissue transplants, except as approved by UHC's Care Coordination or Optum Transplant Services
- Health services connected with the removal of an organ or tissue from you for purposes of a transplant to another person (donor costs for removal for a transplant are payable through the organ recipient's benefits)
- Health services for transplants involving mechanical or animal organs, except services related to the implant or removal of a circulatory assist device (a device that supports the heart while the patient waits for a suitable donor heart to become available)
- Any multiple organ transplant not listed as a covered health expense, determined by Care Coordination not to be proven procedures for the involved diagnosis or not consistent with the diagnosis of the condition

Contact Information

UnitedHealthcare

Plan number: 700406

Member services:
866-348-1286

Submit prescriptions and view claims:
www.myuhc.com

Send out-of-network prescription claims to:
OptumRx Claims Department
P.O. Box 29077
Hot Springs, AR 71903

Vision Services

The following items related to vision services are not covered by the Apple Medical Plans, but may be covered under the Apple Vision Plan:

- Routine vision services or screenings unless in conjunction with your routine preventive exam with your doctor
- Refractive examinations
- Eyeglasses or contact lenses
- Fitting charges for assistive devices, amplifiers, eyeglasses, and contact lenses
- Surgery that is intended to allow you to see better without glasses or other vision correction, including radial keratotomy, laser, and other refractive eye surgery

Other Exclusions

The following services are also generally excluded from payment, unless the treatment has been prescribed by your physician and it meets the clinical guidelines as defined by UHC:

- Speech therapy, except as required for the treatment of a speech impediment or speech dysfunction that results from injury, stroke, a congenital anomaly, or developmental delays
- Outpatient cognitive rehabilitation therapy except as Medically Necessary following traumatic brain Injury or cerebral vascular accident
- Treatment of benign gynecomastia (abnormal breast enlargement in males)
- Medical and surgical treatment of excessive sweating (hyperhidrosis)
- Medical surgical treatment, and appliances for snoring, except when provided as a part of treatment for documented obstructive sleep apnea
- Spinal treatment, including chiropractic and osteopathic manipulative treatment, to treat an illness, such as asthma or allergies
- Chelation therapy, except to treat heavy metal poisoning
- Self-injectable medications, ordered or delivered by a Christian Science practitioner

Prescription Drugs

Prescription drug coverage for the Apple Medical Plans is administered nationwide through OptumRx, a subsidiary of UnitedHealth Group. When you buy prescription drugs, you should use a pharmacy affiliated with OptumRx's network to get the best coverage.

To find an OptumRx network pharmacy in your area:

- Search online at www.myuhc.com.
- Call UHC Member Services at 866-348-1286.
- Look for the OptumRx logo at the pharmacy.
- OptumRx has more than 60,000 network pharmacies and includes all major chain drugstores, such as Target, RiteAid, Walgreens, and Wal-Mart.

For the Apple Plus PPO Plan and certain preventive medications for the Apple Saver PPO Plan, you pay just a copay for drugs, with no deductible. For the Apple Saver PPO Plan, non-preventive medications are covered at 90 percent after the deductible.

The following preventive medications are covered at 100 percent when purchased at a network pharmacy: certain contraceptives, U.S. Preventive Task Force A and B Recommendation over-the-counter (OTC) medications, prescription fluoride tablets for children, and up to 180 days per year of tobacco-cessation medications.

Prescription copays or coinsurance for the Apple Saver PPO Plan apply toward the annual medical out-of-pocket maximum. After the maximum has been reached, the plan will pay 100 percent of eligible charges.

Apple uses an "open formulary" prescription drug program. This means the amount of your copay is based on whether you buy a Tier 1, 2, or 3 prescription drug listed on the Prescription Drug List (PDL). Your copay or coinsurance for the Apple Saver PPO Plan is higher if your prescribed medication is not on the PDL.

With network retail pharmacies, for the Apple Plus PPO Plan you pay the following copays for up to a 30-day supply:

- Tier 1 (lowest cost drugs): $10
- Tier 2 (mid-range cost drugs): $30
- Tier 3 (highest cost drugs): $50

With network retail pharmacies, for the Apple Saver PPO Plan for preventive drugs you pay the following copays for up to a 30-day supply:

- Tier 1 (lowest cost drugs): 10 percent or up to $10
- Tier 2 (mid-range cost drugs): 10 percent or up to $30
- Tier 3 (highest cost drugs): 10 percent or up to $50
- For non-preventive drugs, the Apple Saver PPO Plan covers eligible drugs at 90 percent after the medical deductible is met.

You may purchase up to a 90-day supply at a network retail pharmacy for non-specialty maintenance medications; however, you will be required to pay the equivalent number of copays or coinsurance for each 30-day supply purchased.

Drug tier assignments are reviewed up to six times per year, which may result in a change in the placement of a prescription drug or a change in coverage. If there is a change in coverage that adversely affects you, UHC will send you a letter.

Prescription Drug List (PDL)

UnitedHealthcare's (UHC) National Pharmacy & Therapeutics Committee evaluates all medications that are both approved for use by the US Food and Drug Administration and are:

- New chemical entities
- New dosage forms of existing medications
- Medications used in the outpatient setting that do not require a health care provider to administer the medication

The formulary, or Prescription Drug List (PDL), is available on UHC's website at www.myuhc.com, or by contacting UHC Member Services at 866-348-1286.

Filling a Prescription

The steps for filling a prescription vary, depending on whether you are using a network pharmacy or an out-of-network pharmacy, mail order, or getting a specialty medication.

Network Pharmacies
Present your UnitedHealthcare (UHC) ID card. The pharmacy will process your claim and collect the required copay or the amount you owe when enrolled in the Apple Save PPO Plan. If you forget your card, you may need to pay for your prescriptions in full and submit a claim for reimbursement. Prescription drug claims must be submitted within one year of the purchase date.

Out-of-Network Pharmacies
If you don't go to a network pharmacy, you'll need to pay for the prescription in full and submit a claim for reimbursement. The prescription drug reimbursement form is available on UHC's website at www.myuhc.com. Out-of-network claims must be submitted within one year of the purchase date.

If You Need More Than a 30-Day Supply
If you require more than a 30-day supply (such as for travel), apply for an exception by contacting UnitedHealthcare (UHC) Member Services at 866-348-1286. Approval may take up to five business days, so allow enough time for processing the request.

Mail Order

You can save money with mail order because you pay the equivalent of two retail copays instead of three for up to a 90-day supply.

Maintenance drugs
Maintenance drugs may include medications that are used on a continual basis for the treatment of high blood pressure, ulcers, diabetes, thyroid conditions, hormone treatment, heart conditions, or for birth control. Other drugs may be available by mail. Check with UnitedHealthcare's mail order service at www.myuhc.com, or with your doctor or pharmacist, to see if your prescription qualifies.

Non-maintenance medications
Drugs not eligible for the mail order service are prescription medications you need immediately, such as penicillin or other antibiotics for infections, prescription cough syrups, and similar drugs. Go to a participating network pharmacy to get medications that you will need immediately.

Mail Order Service

When you are prescribed a maintenance drug, you have the option of using the mail order service. With mail order, you save money by paying the equivalent of two retail fills for up to a 90-day supply. Non-maintenance drugs are not eligible to be purchased through mail order.

With the mail order service for the Apple Plus PPO Plan, you pay the following copays for up to a 90-day supply:

- Tier 1 (lowest cost drugs): $20
- Tier 2 (mid-range cost drugs): $60
- Tier 3 (highest cost drugs): $100

With the mail order service for preventive drugs for the Apple Saver PPO Plan, you pay the following copays for up to a 90-day supply:

- Tier 1 (lowest cost drugs): 10 percent or up to $20
- Tier 2 (mid-range cost drugs): 10 percent or up to $60
- Tier 3 (highest cost drugs): 10 percent or up to $100
- For non-preventive drugs, the Apple Saver PPO Plan covers eligible drugs at 90 percent after the medical deductible is met.

Getting Started with Mail Order
Follow these steps to get started using mail order:

Option 1: Go to myuhc.com

1. Log on to myuhc.com, click Manage My Prescriptions and select Transfer Prescriptions. Select the medication you would like to have delivered by mail order.

Your prescription will be delivered within 7 days after you place your order, unless you choose to pay an additional fee for expedited shipping.

Option 2: Have your doctor fax the prescription

1. Follow step 1 under Option 1.
2. Provide your doctor with your ID number on your medical ID card and ask him or her to call 800-791-7658 for instructions on how to use the fax service. You will be billed later for the applicable copay.

Your prescription will be delivered within 5 to 8 days after your doctor faxes the order.

Refills
After the initial mail order prescription is filled, you can order refills quickly and easily. When you have 14 days' supply of medication remaining, you can order your refills online at www.myuhc.com or by calling UHC Member Services at 866-348-1286.

UHC can fill prescriptions for most drugs that need special handling due to temperature sensitivity. All of your prescription requests are screened for suitability for mail order processing. If there is a question, a registered pharmacist will contact your doctor.

Specialty Drugs

When you are prescribed a specialty medication, your prescription will be managed and filled through OptumRx's Specialty Pharmacy Program.

A specialty medication may require special storage and handling, is normally a high cost drug, and is typically a self-administered biotechnology drug used to provide treatment for complex health conditions. To see a list of the specialty medications managed through the OptumRx's Specialty Pharmacy Program, access www.myuhc.com and click on the Prescriptions link.

The OptumRx's Specialty Pharmacy Program provides personalized support and resources to help manage your condition, including but not limited to the following:

- Educational materials on your medication(s) and condition

- One-on-one support and counseling with a clinical manager
- 24/7 access to pharmacists to discuss your condition and medication therapy
- Speedy delivery and shipping in confidential, temperature-sensitive packaging
- Free medication-related supplies such as alcohol swabs and containers
- Refill reminders by phone or text (based on your preference)

To transfer your specialty medication purchased at a retail pharmacy to OptumRx's Specialty Pharmacy, BriovaRx, call 855-489-0642.

Medication Management

To promote safety and reduce waste, certain medications may require members to try an alternative medication, obtain prior authorization or limit the amount of medication that can be purchased for the duration of treatment. This is managed through the following:

- **Step Therapy.** Requires members to try a more cost-effective medication when a clinically equivalent and more cost-effective drug is available
- **Prior Authorization for Medical Necessity.** Requires physicians to provide clinical information that supports the medical necessity of treatment
- **Supply Limits.** Ensures the amount of medication is appropriately prescribed for the treatment duration in accordance with guidelines included in the FDA labeling, dosing recommendations and medical literature

If your prescribed medication requires any of the above medication management, the pharmacist will automatically be alerted when they submit the medication through the system for approval. If this happens the pharmacist will let you know the reason why your prescription was not approved and will try to work with your doctor to facilitate getting a new prescription, if warranted. You may also be sent a letter from UHC, letting you know why your prescription was not approved and instructions about what can be done for coverage approval.

What's Not Covered

The following prescription drug benefits generally exclude payment for the following, unless the drug is prescribed by your doctor and meets the clinical guidelines as defined by OptumRx or UHC, except as described under "What's Covered" on page 43:

- Medications that do not meet UHC's or Optum Rx's excluded drug criteria
- Medications that do not meet one of the Medication Management requirements
- Quantities that exceed a 90-day supply
- Mail order quantities that exceed a 90-day supply
- Experimental, investigational, or unproven services and medications
- Prescription drugs that are not age appropriate
- Prescription drugs furnished by the local, state, or federal government
- Prescription drugs for which benefits are available under any workers' compensation law or other similar laws, whether or not a claim for such benefits is made or payment or benefits are received
- Appetite-suppression or weight-loss aids
- A specialty medication (including but not limited to immunizations and allergy serum) that must typically be administered or supervised by a qualified provider or licensed/certified health professional in an outpatient setting (except Depo-Provera and other injectable drugs used for contraception)

- General vitamins, except the following that require a prescription order or refill: prenatal vitamins, vitamins with fluoride, and single-entity vitamins
- Medications used for cosmetic purposes
- Prescription drug products that are determined to not be covered as determined by OptumRx or UHC
- Replacements for lost, stolen, broken, or destroyed medications, except when approved by OptumRx
- Prescription drugs not included on Tier 1, Tier 2, or Tier 3 of the Prescription Drug List at the time the prescription order or refill is dispensed
- Compounded drug ingredients that are not covered on the prescription drug formulary
- Prescription drugs that contain active ingredient(s) that are available through other drugs that are deemed to be a therapeutic equivalent
- Prescription drugs that have an over-the-counter equivalent
- New prescription drug products and/or new dosage forms until the date they are reviewed and assigned to a tier by UHC's National Pharmacy & Therapeutics Committee
- Infertility drugs exceeding the lifetime infertility maximum; see "What's Covered" beginning on page 43 for more information
- Medication that is used for the treatment of erectile dysfunction or sexual dysfunction and exceeds eight pills per month
- Charges for blood or blood plasma
- Drugs or medicines (except insulin) that are legally available without a doctor's prescription
- Nutritional supplements, except as described under "What's Covered" beginning on page 43
- Charges for the administration of injectable drugs
- Refills in excess of those specified by a doctor
- Durable medical equipment, except for doctor-prescribed glucose meters

How to Apply for an Exception

If an excluded drug is prescribed for a specific medical condition and you have attempted to use at least one alternative drug that's deemed as a therapeutic equivalent drug, you may qualify for an exception. To request an exception, submit an appeal to UHC from your doctor stating the medical condition that requires the non-covered drug and the length of projected use. Depending on the medication and OptumRx's review, the period of time you will be allowed for your medication exception will vary. If your appeal is approved, you will receive a letter notifying you of the length of time your exception is approved and you will be able to purchase your prescription at your local network pharmacy or by mail order by paying the applicable copay or coinsurance amount.

If your request for an exception is denied, see "Claims Information" on page 302 in the *General Information* section for information regarding the benefits appeals process.

Automatic Health Care Flexible Spending Account Claims Submission

Your prescription claim copays (retail and mail order) can be automatically processed for reimbursement through your Health Care Flexible Spending Account, if you elected the Automatic Payment Option. You can elect the Automatic Payment Option when you enroll for participation in the Health Care Flexible Spending Account by using Benefits Enrollment Tool at benefits.apple.com or at www.myuhc.com.

Debit MasterCard
If you participate in a Health Care Flexible Spending Account, the Debit MasterCard—named the Health Care Spending Card—provides you with a convenient way to access funds. As long as your pharmacy accepts MasterCard, you can use the card to pay your copays for eligible prescriptions and for over-the-counter drugs, if the merchant uses an Inventory Information Approval System that permits qualifying expenses to be distinguished from non-qualifying expenses and complies with certain IRS substantiation requirements. You can use the card at the time of service or when you receive a bill.

The card is programmed with your personal account information, including the amount you have elected to contribute for the plan year. When you use the card to pay eligible expenses at the time of service, you don't need to pay out-of-pocket or submit a claim for reimbursement.

Filing Medical Claims

When you or a family member receives medical services under the Apple Medical Plans, either your provider will bill UnitedHealthcare (UHC) directly or you will need to file a claim to be reimbursed after services have been rendered. No claim forms are required when you use UHC network providers for services. However, when you use out-of-network providers, a claim form must be submitted.

UHC requires you to verify each year if you or your covered dependents have any other medical coverage. If you or any of your dependents are covered under another medical plan, benefits from the Apple Medical Plan will not duplicate what has already been covered. See "Coordination of Benefits" on page 317 in the *General Information* section for more details.

Each month that UHC processes a claim for you, a Health Statement is sent to you.

Medical and prescription drug claims must be submitted no later than one year from the date services were provided.

How to File a Medical Claim

The following instructions are for claims filed for services received within the United States. Details on filing claims for care received outside the United States are explained under "Medical Coverage While Traveling Internationally" on page 26.

UnitedHealthcare Network Providers
You do not need to submit claim forms when you receive care from a UnitedHealthcare (UHC) network provider. You are responsible for your copay, if applicable. Present your UHC ID card when you visit the doctor or facility, and the provider should bill UHC directly. The provider may send you a bill as well, but do not pay anything until your claim has been processed and you receive your Health Statement from UHC.

You are responsible for your deductible and coinsurance for services when applicable. If the provider requests prepayment, typically this would not be covered until services have been incurred, or bills you for more than the designated Patient's Portion on the Health Statement, report it to UHC Member Services at 866-348-1286. (The Patient's Portion is the difference between the negotiated rate and the amount UHC pays.) If you don't report it to UHC, your doctor may hold you responsible for the full balance due.

Out-of-Network Providers
If you receive care from a physician who is not a UnitedHealthcare (UHC) network provider, you may need to pay for your care at the time it is received. Then you or your doctor must send to UHC a completed UHC medical claim form and an itemized bill, noting the specific service, date of service, provider name, and the cost of the service. Only an actual itemized bill—not a

Where to Get Claim Forms

UnitedHealthcare (UHC) medical claim and prescription drug claim forms are available at www.myuhc.com.

balance-forward statement—should be submitted.

Although your doctor's office may handle claims for you, it is your responsibility to make sure they are filed properly. Medical and prescription drug claims must be submitted no later than one year from the date services were provided.

Where to Submit Medical Claims

Be sure to file your medical claims promptly to help ensure timely reimbursement.

US Medical Claim Forms
UnitedHealthcare Group Claims Department
P.O. Box 30555
Salt Lake City, UT 84130-0555
Fax: 801-567-5498

Include the Apple plan number 700406 on your claim form.

International Medical Claim Forms
United Health Group International Claims
P.O. Box 740817
Atlanta, GA 30374
Fax: 801-567-5498

Include the Apple plan number 700406 on your claim form.

Direct Deposit

You can have the medical claim reimbursements deposited directly to your bank account. To start this service, you must first set up your myuhc.com account.

Once you have established your account, follow the instructions in the Manage Direct Deposit section under the Account Settings tab at www.myuhc.com to elect direct deposit.

After you enroll, allow about five business days for the direct deposit service to begin. The service is administered by UnitedHealthcare (UHC), not by Apple. Therefore, if you have any questions, call UHC at 866-348-1286. Or, you can check the information on www.myuhc.com.

Health Statement, aka Explanation of Benefits (EOB)

UnitedHealthcare (UHC) will send a Health Statement to you for claims processed for you and any enrolled dependents during any given month. The Health Statement is your record of the types of services rendered, the total charges, and the amount UHC paid. Keep the Health Statement for your personal records, for tax purposes, and for filing your Health Care Flexible Spending Account claims.

Your Health Statement includes:

- Your name
- Patient's name
- Provider's name
- Dates the services were rendered
- Total charges
- Amount applied to the deductible, if applicable
- What the plan paid
- Date the payment will be issued
- Amount you are responsible for paying

If the provider is a UHC network provider, the Health Statement will also show the network negotiated charge. You can verify payment status by contacting UHC or by visiting www.myuhc.com. An individual Explanation of Benefits for each claim is available through www.myuhc.com.

Automatic Submission of Health Care Flexible Spending Account Claims

Your UHC medical claims can be automatically forwarded to your Health Care Flexible Spending Account, if you elect the Automatic Payment Option when you enroll for participation in the Health Care Flexible Spending Account by

using the Benefits Enrollment Tool at benefits.apple.com or at www.myuhc.com. You will be reimbursed automatically for any eligible expenses that are outstanding after UHC has paid benefits.

Tips to Remember When Filing Claims

Keep these things in mind when you submit claims:

- Complete a separate claim form for each family member receiving care.
- Keep copies of the claim forms and your doctor bills.
- Ask the doctor's office or the hospital when it will mail the claim if it is submitting the claim on your behalf. This will let you know when to expect your Health Statement.
- Check your Health Statement for the date your doctor/hospital bill was paid. That way you can see if you were billed again before UnitedHealthcare (UHC) issued payment.
- Keep the Health Statement and attach it to your copies of the corresponding bills. If you have questions later, you will have the records you need.
- UHC will pay benefits to you unless:
  - The provider notifies UHC that you have provided signed authorization to assign benefits directly to that provider; or
  - You make a written request for the out-of-network provider to be paid directly at the time you submit your claim.
- UHC will pay benefits only to you or, with written authorization by you, your provider, and not to a third party, even if your provider has assigned benefits to that third party.

Late Charges and Collection Agency Fees
You have primary financial responsibility for payment of medical services. If payment of medical benefits is delayed, any late charges or collection agency fees are not covered. In case of delays for review, you should make payment arrangements with your provider to avoid collection proceedings and credit problems.

No Assignment
Amounts payable under the plan may be used to make direct payments to providers solely in the plan administrator's discretion. You cannot assign any benefits or monies due under the plan to any person, corporation, or organization. Assignment includes transferring your right to services covered by this plan or your right to collect payment for those services or to seek any remedy against the plan, to another person or organization. No benefit under the plan shall be subject in any way to assignment, alienation, sale, transfer, pledge, attachment, garnishment, exception, or encumbrance of any kind, and any attempt to accomplish the same shall be void.

Initial Claim Determinations

How and when a claim is processed depends on what type of claim it is. Health claims are generally divided into four categories: postservice claims, preservice claims, urgent claims, and concurrent care claims.

Postservice Claims
Postservice claims are those claims that are filed for payment of benefits after medical care has been received. If your postservice claim is denied, you will generally receive a written notice from UnitedHealthcare (UHC) within 30 days of receipt of the claim, as long as all needed information was provided with the claim. UHC will notify you within this 30-day period if additional information is needed to process the claim, and UHC may request a one-time extension not longer than 15 days and pend your claim until all information is received or if otherwise necessary due to circumstances beyond UHC's control.

Once notified of the extension, you then have 45 days to provide the additional requested information, if applicable. The period for UHC to make a benefit determination will be suspended

from the date you are notified of any additional requested information until the date you provide it. If you don't provide the needed information within the 45-day period, your claim will be denied.

A denial notice will explain the reason for denial, refer to the plan provision on which the denial is based, and provide the claim appeal procedures.

Preservice Claims

When prior authorization is suggested for medical care or prescription drugs, you will need to submit a preservice request to UHC. Obtaining prior authorization enables you to be better informed about what services your medical plan will cover and what it will pay for these services. If you filed a preservice request improperly, UHC will notify you of the improper filing and how to correct it within five days after the preservice request was received. If additional information is needed to process the preservice request, UHC will notify you of the information needed within 15 days after the request for service was received, and UHC may request a one-time extension not longer than 15 days and pend your request for service until all information is received or if otherwise necessary due to circumstances beyond UHC's control.

Once notified of the extension, you then have 45 days to provide the additional requested information, if applicable. The period for UHC to make a benefit determination will be suspended from the date you are notified of any additional requested information until the date you provide it. If you don't provide the needed information within the 45-day period, your request will be denied.

A denial notice will explain the reason for denial, refer to the plan provision on which the denial is based, and provide the claim appeal procedures.

Urgent Preservice Requests That Require Immediate Action

Urgent care preservice requests are where a delay in treatment could seriously jeopardize your life or health or the ability to regain maximum function or, in the opinion of a physician with knowledge of your medical condition, could cause severe pain that cannot be adequately managed without the medical care or treatment. In these situations:

- You will receive notice of the benefit determination in writing or electronically within 72 hours after UHC receives all necessary information, either via phone or in writing, taking into account the seriousness of your condition.
- Notice of denial may be oral, with a written or electronic confirmation to follow within three days.
- If you filed an urgent request for service improperly, UHC will notify you of the improper filing and how to correct it within 24 hours after the urgent request for service was received. If additional information is needed to process the request for service, UHC will notify you of the information needed within 24 hours after the request for service was received. You then have 48 hours to provide the requested information.

You will be notified of a determination no later than 48 hours after:

- UHC's receipt of the requested information; or
- The end of the 48-hour period within which you were to provide the additional information, if the information is not received within that time frame.

A denial notice will explain the reason for denial, refer to the plan provision on which the denial is based, and provide the preservice request appeal procedures.

You do not need to submit urgent care appeals in writing. You can contact UHC as soon as possible to appeal.

Concurrent Care Claims
If an ongoing course of treatment was previously approved for a specific period of time or number of treatments, and your request to extend the treatment is an urgent care claim as defined earlier, your request will be decided within 24 hours, provided your request is made at least 24 hours prior to the end of the approved treatment.

If an ongoing course of treatment was previously approved for a specific period of time or number of treatments, and you request to extend treatment under non-urgent circumstances, your request will be considered a new claim and decided according to postservice or preservice time frames, whichever applies. Your ongoing previously approved course of treatment cannot be denied while the appeal is being reviewed.

How to Appeal a Denied Medical Claim or Request an External Review

See "Claims Information" on page 302 in the *General Information* section for information on the denial of claims, the benefits appeals process, and the external review process.

When Coverage Ends

Coverage under the Apple Medical Plans ends when you or your dependents become ineligible for medical coverage. See "When Coverage Ends" on page 28 in the *Health Care Coverage Basics* section.

When your coverage ends, you and/or your covered dependents may be eligible to continue medical coverage at your own expense through COBRA health care continuation.

If you are a full-time employee enrolled in medical coverage and your standard weekly hours as shown in Merlin (Apple's HR information system) are reduced to no fewer than 15 hours, you and your eligible dependents will automatically be enrolled in the Apple Part-Time PPO Plan (HMSA PPO Plan for part-time Hawaii employees). You will have 30 days from the date of your email notification to update your medical coverage. See the *When Benefits End* section on page 286 for more information.

If you die while you are employed by Apple, then medical, vision, and dental coverage will continue for up to 12 months at Apple's expense for any dependent who is enrolled under your coverage at the time of your death. Coverage may end before 12 months if your dependent gains other health care coverage or no longer meets the definition of an eligible dependent.

See the *When Benefits End* section on page 286 for other circumstances that may cause your benefits to end.

Questions?

If you have questions about your medical benefits, pending claims, or medical Health Statement, call UnitedHealthcare (UHC) at 866-348-1286, or log in to www.myuhc.com. Be sure to reference the Health Statement and have a copy of the itemized bill from the doctor or hospital, if possible.

You will need to provide the following information:

- Your name
- Your medical plan subscriber ID number or Social Security number
- The patient's name
- The date of service

State-Specific Medical Plans and Programs

Contact Information

Kaiser Northern California
Group number: 8917

Kaiser Southern California
Group number: 227493

Member services:
800-464-4000
Monday through Friday
7:00 a.m. to 7:00 p.m.
Saturday
7:00 a.m. to 3:30 p.m.
Pacific time

www.my.kp.org/ca/apple

If you live in Hawaii, your medical plan options may be different. Hawaii employees are offered the Hawaii Medical Service Association (HMSA) PPO Plan in lieu of the Apple Medical Plans.

If you live in California or Hawaii, you may have different medical plan options from which to choose.

- California: See "Kaiser Permanente" on page 71
- Hawaii: See "HMSA PPO Plan for Hawaii Residents" on page 72

Kaiser Permanente

In addition to the Apple Medical Plans administered by UnitedHealthcare (UHC), if you live in California, you have another medical plan option from which to choose. You may enroll in the Kaiser Permanente Health Maintenance Organization (HMO).

Who's Eligible

For information about who may enroll for Kaiser coverage, see "Eligibility for Health and Welfare Benefits" on page 8 in the *Participating in Apple's Benefits* section. Additionally, employees must reside in California.

Eligible Dependents
For a description of eligible family members who may be added to your coverage, see "Eligible Dependents" on page 12 in the *Participating in Apple's Benefits* section.

How Kaiser Works

Kaiser provides a wide range of prepaid health care services. You pay just a copay before most eligible services are covered at 100 percent. Here is how it works:

- When you need medical care, you must use Kaiser doctors and facilities. You choose a primary care physician (PCP) who will monitor your medical care.
- When you receive medical care, you may be required to pay a copay. You use your membership identification card for access to Kaiser services.
- There are no claim forms to file, unless you utilize non-Kaiser network services for emergency or urgent care services.

Kaiser generally covers the same kinds of medical expenses as the Apple Medical Plans, including:

- Physician visits
- Prescription drugs
- Hospital room and board
- Surgery

Because Kaiser encourages preventive care and health education, it also covers routine physical examinations, well-baby care, other preventive care, and a variety of wellness and discount programs for you and your covered dependents. Refer to Kaiser's evidence of coverage for additional information.

Before choosing Kaiser, be sure to review the description of covered services and Kaiser's network provider lists. An evidence of coverage summary for Kaiser is on HRWeb. A provider directory is available on the Kaiser Permanente website, www.my.kp.org/ca/apple.

The relationship between Apple and Kaiser is contractual. Apple has no responsibility for the services provided by Kaiser or by providers who contract with Kaiser to provide services.

Medical Emergencies
Kaiser participants have out-of-area coverage for medical emergencies. Participants are required to contact Kaiser within 48 hours (or as soon as reasonably possible) when obtaining out-of-area urgent or emergency medical treatment; otherwise, coverage may be denied. For continued out-of-area medical treatment, you must immediately follow up with Kaiser for ongoing treatment authorization.

Out-of-Area Reimbursement
Kaiser members should contact the member services number on their medical ID card for instructions on how to get reimbursed for out-of-area services. Instructions on how to file out-of-area claims are also provided in Kaiser's evidence of coverage, which is available on HRWeb.

When Coverage Ends

Coverage under Kaiser ends at midnight on the last day of the month in which you or your eligible dependents become ineligible for coverage, unless you enroll to continue coverage through COBRA.

See "When Coverage Ends" on page 28 in the *Health Care Coverage Basics* section for more information.

When coverage ends, you and/or your covered dependents may be eligible to continue coverage at your own expense through COBRA health care continuation. See the *When Benefits End* section on page 286 for more information.

HMSA PPO Plan for Hawaii Residents

The Hawaii Medical Service Association (HMSA) PPO Plan provides medical benefits for eligible Hawaii employees and their eligible dependents. The plan is insured by HMSA, an independent licensee of the Blue Cross and Blue Shield Association. The HMSA PPO Plan provisions meet the benefit levels and requirements of the Hawaii Prepaid Health Care Act.

Who's Eligible

Eligibility for the HMSA PPO Plan is contingent on your residence in Hawaii and your work hours.

Corporate: Corporate employees who reside in Hawaii, are paid from Apple's or its designated affiliates' W-2 payroll, do not work in a retail store, and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 15 hours are eligible.

Retail: Employees who reside in Hawaii, are paid from Apple's W-2 payroll, work in a retail store, and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 15 hours are eligible.

See "Hawaii Prepaid Health Care Act Provisions" on page 73.

Contact Information

HMSA PPO Plan
Group number: 98281

Member services:
808-948-6111
Monday through Friday
8:00 a.m. to 4:00 p.m.
Hawaii time

www.hmsa.com

Where to send out-of-network claims
If service received in Hawaii:
HMSA
P.O. Box 44500
Honolulu, HI 96804-4500

If service received outside Hawaii:
HMSA BlueCard
P.O. Box 2970
Honolulu, HI 96802-2970

Not Eligible
Flexible workforce employees, independent contractors, consultants, temporary agency workers, and corporate employees and retail store employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 15 hours, even if the employee works more than 15 hours a week on an infrequent or short-term basis, are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Eligible Dependents
For a description of eligible family members who may be added to your coverage, see "Eligible Dependents" on page 12 in the *Participating in Apple's Benefits* section.

Hawaii Prepaid Health Care Act Provisions
Hawaii employees who work 20 hours or more a week are subject to the Hawaii Prepaid Health Care Act. Therefore, employees whose standard weekly hours are 20 to 29 hours are exempt from the eligibility rules that govern participation for other part-time retail employees whose standard weekly hours are fewer than 30 hours. Hawaii employees whose standard weekly hours are 20 to 29 hours are eligible for the HMSA PPO Plan coverage on their first day of active employment with Apple and are automatically enrolled, unless coverage is waived and a Form HC-5 is completed or until they become ineligible as a result of a reduction in work hours to fewer than 20 hours a week, as required by the state of Hawaii. Form HC-5 and instructions on when to file the form can be found in the Benefits Enrollment Tool at benefits.apple.com or on HRWeb.

How the HMSA PPO Plan Works

With the HMSA PPO Plan, you have the choice of using network providers for your care, or you can get care from out-of-network providers. If you choose network providers and facilities, however, you will pay less.

The HMSA PPO Plan covers medical expenses, including:

- Physician visits
- Prescription drugs
- Hospital room and board
- Surgery

For a comprehensive description of the HMSA PPO Plan, including plan benefits, prescription drug coverage, and how to file a claim, see "HMSA's Preferred Provider Plan—A Guide to Benefits" on HRWeb. To find network providers online, view the HMSA PPO Plan website at www.hmsa.com or contact them by phone.

HMSA will mail two ID cards to the employee's mailing address for medical and prescription drug coverage.

The relationship between Apple and HMSA is contractual. Apple has no responsibility for the services provided by HMSA or by providers who contract with HMSA.

Medical Emergencies
HMSA PPO Plan participants have out-of-area coverage for medical emergencies. Participants are required to contact HMSA within 48 hours (or as soon as reasonably possible) when obtaining out-of-area urgent or emergency medical treatment; otherwise, coverage may be denied. For continued out-of-area medical treatment, you must immediately follow up with HMSA for ongoing treatment authorization.

Out-of-Area Reimbursement
HMSA PPO Plan members should contact the customer service number on their medical ID card for instructions on how to get reimbursed for out-of-area services. Instructions on how to file out-of-area claims are also provided in "HMSA's Preferred Provider Plan-A Guide to Benefits," which is available on HRWeb.

When Coverage Ends

Coverage under the HMSA PPO Plan ends at midnight on the last day of the month in which you or your eligible dependents become ineligible for coverage, unless you enroll to continue coverage through COBRA. See "When Coverage Ends" on page 28 in the *Health Care Coverage Basics* section for more information.

Expert Medical Opinion (EMO)

Contact Information

Advance Medical
24 hours a day, 7 days a week
866-724-7783
617-987-0633 fax

apple@advance-medical.com

The Expert Medical Opinion (EMO) is voluntary and available to you and your family to help provide guidance, support, and advice when faced with a complex medical condition, treatment plan, or questions and need to understand your options for care.

Who's Eligible

All employees and interns paid from Apple's payroll or its designated affiliates' W-2 payroll and their immediate family members, including those related to the spouse or domestic partner (grandparents, parents, spouse, domestic partner, aunts, uncles, brothers, sisters, children, or grandchildren), regardless of enrollment in an Apple-sponsored medical plan. Coverage for nieces, nephews, and cousins are excluded.

Not Eligible

Flexible workforce employees, independent contractors, consultants, and temporary agency workers.

How the Plan Works

You or your eligible family members can access EMO, free of charge, by calling Advance Medical to obtain information from the world's leading experts for a medical condition, to validate a diagnosis, or to ensure your treatment plan is appropriate.

When you call, you will be connected with one of Advance Medical's doctors, who will serve as your personal advocate or your Physician Case Manager (PCM). Your PCM will talk with you about your specific situation and, with your permission, gather your medical records and other data needed to engage the Advance Medical experts who are knowledgeable in the area of your medical concern.

If you decide to proceed with obtaining an expert medical opinion, you will be asked to validate your eligibility and complete a consent form. You can also register on Advance Medical's online portal to manage documents and communicate with your PCM.

Upon receipt of your consent form, Advance Medical will gather your complete medical history, and a clinical committee will review your medical information and select world-class experts who specialize in the medical field of your condition. Once your case is reviewed, Advance Medical will prepare a report containing each expert's written recommendations, information about known alternative treatments, and answers to your specific questions. The length of time for Advance Medical to prepare a report may vary, depending upon the complexity of your health condition.

Information from Advance Medical is not telemedicine or a substitute for care you get from your local doctor; rather, it is intended for you to use with your treating physician to make informed decisions about your care. As a participant, you are under no obligation to take action on information provided in the EMO process. You can decide to share the report with your family members and treating physician to determine which care plan best suits your needs.

Apple Vision Plan

Contact Information

Vision Service Plan
Member Services:
877-666-2185
Monday through Friday
5:00 a.m. to 8:00 p.m.
Saturday and Sunday
7:00 a.m. to 8:00 p.m.
Pacific time

Online network provider directory:
www.vsp.com

Send out-of-network vision claims to:
Vision Service Plan
P.O. Box 385018
Birmingham, AL 35238-5018

Apple offers optional vision care coverage through the Apple Vision Plan, administered by Vision Service Plan (VSP).

You can receive vision care from VSP network or out-of-network providers, but you receive a greater benefit when you use VSP network providers.

Who's Eligible

For information about who may enroll for vision coverage, see "Eligibility for Health and Welfare Benefits" on page 8 in the *Participating in Apple's Benefits* section.

Eligible Dependents

For a description of eligible family members who may be added to your coverage, see "Eligible Dependents" on page 12 in the *Participating in Apple's Benefits* section.

When Coverage Begins

For information about when coverage starts under the Apple Vision Plan, see "When Coverage Begins" on page 24 in the *Health Care Coverage Basics* section.

How to Enroll

See "How to Enroll" on page 11 in the *Participating in Apple's Benefits* section for more information.

How the Plan Works

VSP provides benefits when you need to use an eye doctor for a visual-acuity eye exam or vision care materials and supplies. If you need to visit an eye doctor for an injury or medical condition affecting your eyes, coverage is provided under your Apple-sponsored medical plan.

The Apple Vision Plan covers the scheduled cost of eye exams and lenses in full, when you use a VSP provider. If your eye doctor determines you need glasses or contacts, you pay the applicable copay(s) and any additional costs that are not covered under the plan. You can use any provider for your vision care services, but you receive a lesser benefit when you use an out-of-network provider.

When you or an eligible dependent needs vision care services and you want to go to a VSP network provider, visit the VSP website at www.vsp.com. You can review your eligibility and look for a VSP network provider online after logging in with a User ID and Password. Then:

- Call your VSP network provider to schedule an appointment.
- Inform your provider that you have VSP coverage from Apple.
- Provide your name, date of birth, and your identification number (last four digits of your Social Security number).

The VSP provider will then contact VSP to verify your benefits and plan coverage and to get authorization. If you are not eligible for benefits at that time, the provider will tell you.

If you use a provider who is not a VSP network provider, you will need to pay for your services and supplies at the time you receive care, and then apply for reimbursement. See "How to File a Claim" on page 80.

What's Covered

VSP covers a wide variety of vision care services. You can receive an eye exam and a pair of lenses and frames once every 12 months. If you choose contacts instead of eyeglasses and you use a VSP provider, your routine eye exam and contact lens fitting and evaluation are covered in full and you receive an allowance of up to $150 toward contact lenses.

Vision Care Benefits at a Glance

Once every 12 months, you can receive benefits for an exam, covered in full, and one pair of eyeglasses or contact lenses, after you pay the applicable copay. Benefits are greater when you use a VSP network provider.

Exam and eyeglasses[1]	**VSP network provider**	**Out-of-network provider**
Exam: Once every 12 months (includes retinal screening)	Covered in full	$50 maximum benefit
Single-vision lenses[2]	Covered in full, after a $10 copay	$50 maximum benefit, after a $10 copay
Lined bifocal lenses[2]	Covered in full, after a $10 copay	$75 maximum benefit, after a $10 copay
Lined trifocal lenses[2]	Covered in full, after a $10 copay	$100 maximum benefit, after a $10 copay
Lenticular lenses[2]	Covered in full, after a $10 copay	$125 maximum benefit, after a $10 copay
Lens enhancements		
Medically necessary Pink 1 and 2 tinted lenses	Covered in full	Not covered
Ultra violet (UV) protection	Covered in full	Not covered
Anti-reflective coating	Covered in full, after a $10 copay	Not covered
Frames: Once every 12 months	Up to $150 plus a 20% discount for amounts over the frame allowance	$70 maximum benefit, after a $10 copay

Contact lenses	VSP network provider	Out-of-network provider
Medically necessary[3]	Covered in full after a $10 copay	$210 maximum benefit, after a $10 copay
Not medically necessary (elective)	Up to $150 (evaluation and lens fitting covered in full)	$110 maximum benefit

[1] You may use your eyeglass benefit for contact lenses annually. During any 12-month period in which you obtain contact lenses, your eyeglass lenses and frames benefit is not available

[2] Only one set every 12 months is eligible for coverage, if needed (not each).

[3] Necessary contact lenses are covered in full when VSP benefit criteria is met and verified by a VSP network doctor for eye conditions that would prohibit the use of glasses. The conditions covered include aphakia, anisometropia, high ametropia, nystagmus, keratoconus, anirdia, corneal transplant, hereditary corneal dystrophies and other eye conditions that make contact lenses necessary.

Low Vision Benefit

The low vision benefit is offered to those who have severe visual problems that are not correctable with prescription lenses or surgery.

Testing and supplies	All services related to the low vision benefit require preauthorization by VSP	VSP network provider	Out-of-network provider
Supplementary testing	Comprehensive exam (includes a low vision analysis, diagnosis, and prescription for supplemental care aids)	Covered in full	$125 maximum benefit[1]
Supplemental care aids	Low vision aids may consist of, but are not limited to, magnifying glasses, handheld magnifiers, telescopes, or computer screen magnifiers	75% of VSP approved amount after 25% copay Up to $1000 every two years (combined total for network and out-of-network providers)	75% of VSP approved amount after 25% copay[2] Up to $1000 every two years (combined total for network and out-of-network providers)[2]

[1] Requires claim review prior to payment. Reimbursement is not guaranteed and will be only for approved services up to the $125 maximum.

[2] Requires claim review prior to payment. Reimbursement is not guaranteed and will be only for approved services up to the amount that a VSP network provider would be paid.

Discount Purchase on Eyeglasses

VSP will give you a 30 percent discount if you want to purchase an additional set of eyeglasses, as long as you buy them on the same day from the same VSP provider who provided your eye exam. Alternatively, VSP will give you a 20 percent discount for eyeglasses purchased from any VSP provider, if you buy them within 12 months of your eye exam.

The following items are available at reduced rates when you get them through a VSP network provider:

- Blended, oversize, progressive multifocal, scratch resistant, non-medically necessary tinted, or photochromic lenses
- Frames that cost more than the plan allowance

What's Not Covered

VSP does not pay for:

- Orthoptics, vision training, or any associated supplemental testing
- Plano (non-prescription) lenses
- Two pairs of eyeglasses instead of bifocals
- Lenses or frames that are replacing lost, stolen, or broken lenses or frames, except at the normal 12-month interval
- Medical or surgical treatment of the eyes, including but not limited to PRK and LASIK (see "Laser Vision Surgery" for more information)
- Eye examination or corrective eyewear required by an employer
- Photochromic lenses
- Lens enhancements not listed under "What's Covered" on page 78

If you need materials and supplies more often than the schedule of benefits allows—for example, if you lose or break your eyeglasses before you are eligible—VSP will not cover the cost of additional materials and supplies. However, VSP provides discounts for additional sets of prescription eyeglasses, including non-covered lens enhancements. To be eligible for a discount, services and materials must be purchased on the same day from the same provider of your last covered eye exam or within 12 months of the last covered eye exam from any VSP network provider.

Laser Vision Surgery

Although laser vision surgery is not a covered benefit through the Apple Vision Plan, VSP has arranged for members to receive corrective vision surgery (for example, PRK, LASIK, and Custom LASIK) at discounted fees. Discounts vary by location, but will average 15 percent off of the contracted laser center's usual and customary price. If the laser center is offering a temporary price reduction, VSP members will receive 5 percent off of the promotional price if it is less than the usual discounted price.

Visit the VSP website at www.vsp.com for details.

How to File a Claim

You do not need to file a claim if you go to a VSP network provider. You just pay the copay and any amount over the coverage allowances, including taxes, if applicable. If you choose to use an out-of-network provider, you may be required to pay for your services and supplies when received. To be reimbursed, obtain and complete VSP's online Member Reimbursement form at www.vsp.com and upload your receipt or submit your itemized statement of services and eyewear purchases with the following information to VSP:

- The last four digits of your Social Security number
- Your name, phone number, and address
- Patient's name, relationship to you, and date of birth
- Your employer is Apple

You have 12 months from the date you receive services to mail all of the preceding information to:

Vision Service Plan
P.O. Box 385018
Birmingham, AL 35238-5018

Vision Savings Statement

Each time VSP processes a claim for reimbursement for a network provider, VSP issues a Vision Savings Statement (VSS) viewable at www.vsp.com. When a claim for reimbursement for a non-VSP provider is processed, VSP issues a Vision Care Benefit Reimbursement (VCBR). The VSS and VCBR are your record of the service you received and the amount VSP paid. You should keep these documents for your records and for tax purposes, and for filing any claims to a Health Care Flexible Spending Account, if you participate in that program.

Automatic Submission of Health Care Flexible Spending Account Claims

Your VSP vision claims can be automatically forwarded to your Health Care Flexible Spending Account, if you elect the Automatic Payment Option when you enroll by using the Benefits Enrollment Tool at benefits.apple.com or at www.myuhc.com. You will be reimbursed automatically for any eligible expenses that are outstanding after VSP has paid benefits.

How to Appeal a Denied Claim

See "Claims Information" on page 302 in the *General Information* section for information on how to appeal a denied vision claim.

When Coverage Ends

Coverage under the Apple Vision Plan ends on the day that you or your dependent becomes ineligible for vision coverage. See "When Coverage Ends" on page 28 in the *Health Care Coverage Basics* section for more information.

When coverage ends, you and/or your covered dependents may be eligible to continue vision coverage at your own expense through COBRA health care continuation.

See the *When Benefits End* section on page 286 for more information.

Apple Dental Plan

Regular dental care is an important part of maintaining healthy teeth and gums. That's why Apple offers you and your dependents a comprehensive dental plan as an option. This plan is administered by MetLife and is available nationwide.

Who's Eligible

For information about who may enroll for dental coverage, see "Eligibility for Health and Welfare Benefits" on page 8 in the *Participating in Apple's Benefits* section.

Eligible Dependents

For a description of eligible family members who may be added to your coverage, see "Eligible Dependents" on page 12 in the *Participating in Apple's Benefits* section.

When Coverage Begins

For information about when coverage starts under the Apple Dental Plan, see "When Coverage Begins" on page 24 in the *Health Care Coverage Basics* section.

How to Enroll

See "How to Enroll" on page 11 in the *Participating in Apple's Benefits* section for more information.

How the Plan Works

The plan gives you the freedom to go to any licensed dentist you choose. However, when you use dentists participating in MetLife's Preferred Dentist Program (PDP) Plus, you receive dental care at a lower cost to you because fees are negotiated in advance.

You can find a list of MetLife dentists at www.metlife.com/dental or by calling MetLife at 800-942-0854. If your dentist is not part of MetLife's PDP Plus and is interested in participating, you can nominate your dentist through the Tools & Resources tab at www.metlife.com/mybenefits. Ask your dentist to visit www.metlife.com/dental or call MetLife, and MetLife will send the dentist information on how to apply for participation.

Allowed Amount

Dental benefits provided in the United States are based on what MetLife determines as the Allowed Amount.

The Allowed Amount for MetLife PDP Plus dentists is the Negotiated Fee. Negotiated Fee refers to the fees that participating dentists have agreed to accept as payment in full for covered services, subject to any copayments, deductibles, cost sharing and benefits maximums.

Contact Information

MetLife
Group number: 0300860

Member services:
844-222-9105
Monday through Friday
5:00 a.m. to 8:00 p.m.
Pacific time

dentalinfo@metlife.com

Online network provider directory:
www.metlife.com/dental

Send claims to:
MetLife Dental Claims
P.O. Box 981282
El Paso, TX 79998-1282

View your account online:
www.metlife.com/mybenefits

The Allowed Amount for out-of-network dentists is based on Reasonable and Customary (R&C) charges. R&C fee refers to the Reasonable and Customary (R&C) charge, which is based on the lowest of:

- the dentist's actual charge
- the dentist's usual charge for the same or similar services, or
- the charge of most dentists in the same geographic area for the same or similar services as determined by MetLife

Negotiated fees and R&C are subject to change.

If your dentist charges you more than the R&C rate for a service, the cost above R&C is not covered. By using R&C rates as allowable fees, Apple lets dental providers know it will not pay excessive charges.

MetLife PDP Plus dentists have agreed not to charge fees in excess of the PDP Plus negotiated fees or R&C rates. If you receive covered treatment from a MetLife PDP Plus dentist, you are assured your portion will not exceed MetLife's PDP Plus negotiated fees.

Predetermination of Benefits

If you need dental services that are expected to cost $300 or more, ask your dentist to submit a predetermination of benefits to MetLife for the proposed services. MetLife will inform your dentist how much will be covered by the plan. You should review this information with your dentist before your treatment starts. This way you will know in advance what is covered and how much it will cost.

Plan Limits

The maximum benefit for dental care is $2500 per plan year for each covered person, excluding orthodontia. The maximum lifetime benefit for orthodontia is $2500 for each covered person. If two employees are married to each other or are qualified domestic partners and each is enrolled in the Apple Dental Plan as an employee, each dependent enrolled under both employees' dental coverage will have a maximum lifetime orthodontia benefit of $2500 under each employee's coverage.

Plan limits (whether annual, periodic, or lifetime) are determined on an aggregate basis for all Apple dental plans administered by MetLife. For example, if you are enrolled in the Apple Part-Time Dental Plan and reach the $1000 lifetime orthodontia limit and subsequently become eligible to enroll in the Apple Dental Plan as a full-time employee, the $1000 benefit that was paid by the Apple Part-Time Dental Plan will apply to the Apple Dental Plan, which is also administered by MetLife. As a result, you would have an additional $1500 available according to the lifetime maximum orthodontia benefit under the Apple Dental Plan.

What's Covered

The Apple Dental Plan provides coverage for:

- Preventive care
- Basic care
- Major care
- Orthodontia—children and adults

Preventive Care

The Apple Dental Plan pays 100 percent of preventive care and diagnostic expenses when you use a MetLife PDP Plus network dentist. The plan covers 90 percent of reasonable and customary expenses if you use an out-of-network dentist. You pay no deductible for preventive care under the Apple Dental Plan.

Preventive and diagnostic care includes:

- Routine examination and diagnosis, no more than four times in one calendar year
- Full-mouth X-rays, once every two calendar years
- Bitewing X-rays, two times in one calendar year, separated by six months for children under age 19 and once every one calendar year for adults
- Cleaning, scaling, polishing, and fluoride treatments, no more than four times in one calendar year
- Installation of space maintainers, including adjustments during the first six months, for children under age 19
- Sealants on permanent, non-restored molars for children under age 19

Basic and Major Services

Basic and major services include procedures necessary to restore your teeth, oral surgery, and endodontic services, such as root canals, and periodontic procedures.

After you pay the annual $50 ($150 for family) deductible, the plan covers 80 percent of basic services when you use a MetLife PDP Plus dentist. The plan covers 70 percent of expenses if you use an out-of-network dentist. Major services are covered at 50 percent after the deductible whether you use network or out-of-network dentists. Services are covered up to the $2500 annual maximum per person per year. You pay any amount over reasonable and customary rates when you use out-of-network dentists. However, if you are located in an area that does not allow you access to more than two MetLife PDP Plus dentists within a 15-mile radius, your dental coverage will be eligible for the network level of coverage. The Benefits Enrollment Tool will provide this information to you, if applicable.

Covered basic and major services include:

Basic Services

- Anesthesia, general, or IV sedation, when medically necessary
- Extractions and oral surgery
- Consultations, no more than four times in one calendar year
- Treatment of periodontal disease and other gum or mouth tissue disorders
- Root canal therapy and other endodontic treatment
- Amalgam, resin, or sedative fillings, including replacement of existing fillings
- Certain nonsurgical procedures to treat temporomandibular joint syndrome (TMJ)

Major Services

- Crowns, jackets, and cast restorations (caps, inlays, and onlays) if they are provided to treat cavities that cannot be restored with amalgam, resin, or sedative fillings
- Dental implants
- Prosthodontic services, including construction or repair of fixed bridges, partial dentures, and complete dentures, if provided to replace missing natural teeth
- Prefabricated stainless steel crown or prefabricated resin crown, one in five years

Apple Dental Plan at a Glance

Following is a summary of the Apple Dental Plan benefit levels. Benefits are greater when you choose a MetLife PDP Plus dentist.

The coverage percentages in the chart below are based on MetLife's determination of the Allowed Amount described under "How the Plan Works" on page 82.

Type of service	Network % of Negotiated Fee	Out-of-network % of R&C
Annual deductible	$50 individual $150 family	$50 individual $150 family
Preventive care[1, 3]	100%	90%
Basic care[2, 3]	80% after deductible	70% after deductible
Major care[2, 3]	50% after deductible	50% after deductible
Orthodontia[2, 3]	50% after deductible	50% after deductible
Maximum annual benefit[3]	$2500 per person	$2500 per person
Separate orthodontia lifetime benefit[3]	$2500 per person	$2500 per person

[1] Preventive care services are not subject to a deductible or apply toward the annual maximum.

[2] The combined deductible for network and out-of-network services is $50 per individual and $150 per family.

[3] The combined maximum annual benefit for network and out-of-network basic and major services is $2500. The combined lifetime benefit for network and out-of-network orthodontic services is $2500.

Orthodontic Services

Orthodontia is treatment that involves appliances, such as braces, or surgery to realign teeth or jaws that otherwise would not function properly.

Orthodontic services are covered at 50 percent after the deductible, up to a lifetime maximum benefit of $2500 for each covered person. If you use an out-of-network dentist, benefits are paid at 50 percent of reasonable and customary rates up to the $2500 lifetime maximum for each covered person.

Payment of Orthodontic Claims

Your orthodontist will submit a treatment plan to MetLife. MetLife determines the treatment is eligible for benefits and applies the deductible (if not already met). Benefits are calculated at an initial 20 percent payment for the placement of the orthodontic appliance. Repetitive orthodontia payments for the adjustment visits will be paid 50 percent at the end of the three-month period, and thereafter, up to the benefit maximum for any orthodontic changes. MetLife then sets up a quarterly payment schedule for a maximum number of eight payments based on the provider's remaining total fee, until the $2500 lifetime maximum is met. Quarterly payments will be made during the last month of each three-month period. The three-month periods begin following the initial placement of the orthodontic appliance.

When You Need Prescription Drugs for Dental Care

It may be necessary for your dentist to prescribe prescription drugs for you on occasion.

If you are enrolled in an Apple Medical Plan administered by UnitedHealthcare (UHC), you can use your medical/prescription drug

identification card to get the drugs your dentist has prescribed.

If you are enrolled in Kaiser or the Hawaii HMSA PPO Plan, you may need to pay for the prescription and submit a copy of the receipt and a claim form to Kaiser or the HMSA PPO Plan for reimbursement. Kaiser or the HMSA PPO Plan will reimburse you according to plan provisions, less the applicable copay for the drug.

What's Not Covered

The Apple Dental Plan generally excludes payment for the following, unless prescribed by your dentist and the treatment meets the dental guidelines as defined by MetLife:

- Hypnosis
- Services covered under another Apple health care plan
- Charges that exceed reasonable and customary (R&C) rates
- Replacement of an existing denture/bridgework that is or can be made serviceable
- Replacement of dentures/bridgework more often than every 10 calendar years, unless authorized by MetLife
- Replacement of crowns (inlays or onlays) more often than every five calendar years, unless authorized by MetLife
- Sealants for anyone age 19 or older
- Replacement of lost or stolen dentures or appliances
- Charges in excess of the cost for a standard partial or complete denture
- Charges for failing to keep scheduled appointments
- Services requiring payment only because coverage exists, except as required by law
- Treatment for an injury or illness resulting from employment or self-employment
- Myofunctional therapy, except in conjunction with orthodontia and subject to the orthodontia lifetime maximum
- Charges incurred before an employee's coverage starts or after coverage ends
- Athletic mouth guards
- Educational programs for oral hygiene or plaque control
- Extracoronal and other periodontal splinting
- Occlusal equilibration, except to treat periodontal disease
- Experimental treatment
- Services intended to be for cosmetic reasons
- Services not ordered by a dentist
- Services performed by a family member or someone who shares your legal residence
- Surgical expenses for treatment of temporomandibular joint syndrome (TMJ) and orthognathic surgery; these expenses may be covered under the Apple Medical Plans, Kaiser, or the Hawaii HMSA PPO Plan

How to File a Claim

You need to file a claim for services only when you receive out-of-network care.

PDP Plus Dentists

When you receive care from a MetLife PDP Plus dentist, you do not need to file a claim form. MetLife dentists will file claims for you. MetLife sends payments directly to your dentist.

Out-of-Network Dentists

When you use out-of-network dentists, your dental office may require that you pay your portion of the costs at the time you receive care. In most cases, the dental office will bill MetLife directly. Many dental offices produce a generic claim form, so no Apple-specific form is necessary. However, if your dental office does not file a claim, you are responsible

for submitting dental claim forms for reimbursement. MetLife dental claim forms are available under the Forms tab on HRWeb or at MetLife's MyBenefits at www.metlife.com/mybenefits. You have one year from the date you receive services to file a claim.

Send the completed claim form to:

MetLife Dental Claims
P.O. Box 981282
El Paso, TX 79998-1282

If the benefit payment for an out-of-network dentist is delayed, you may want to make payment arrangements with your dentist and then obtain reimbursement from MetLife to avoid collection proceedings. Late charges and collection agency fees are not covered.

Explanation of Benefits

Each time MetLife processes a claim, an Explanation of Benefits (EOB) statement will be sent to you. The EOB is your record of the service you received and the amount MetLife paid. You should keep the EOB for your records and for tax purposes.

Automatic Submission of Health Care Flexible Spending Account Claims

Your MetLife dental claims can be automatically forwarded to your Health Care Flexible Spending Account, if you elect the Automatic Payment Option when you enroll for participation in the Health Care Flexible Spending Account using the Benefits Enrollment Tool at benefits.apple.com or at www.myuhc.com. You will be reimbursed automatically for any eligible expenses that are outstanding after MetLife has paid benefits.

How to Appeal a Denied Claim

See "Claims Information" on page 302 in the *General Information* section for information on how to appeal a denied dental claim.

When Coverage Ends

Coverage under the Apple Dental Plan ends on the day that you or your dependent becomes ineligible for coverage. See "When Coverage Ends" on page 28 for more information.

When your coverage ends, you and/or your covered dependents may be eligible to continue dental coverage at your own expense through COBRA health care continuation.

See the *When Benefits End* section on page 286 for more information.

Questions?

If you have questions about your dental benefits, pending claims, or dental EOB, call MetLife customer service at 800-942-0854, or email dentalinfo@metlife.com. Your questions may also be answered by logging in to www.metlife.com/mybenefits. You will need to provide the following information:

- Your name
- Your Social Security number
- Patient's name
- Date of service

Coverage for International Assignees

The Cigna Global Health Plans provide medical, vision, and dental benefits for international assignees and their eligible dependents. The plans are insured by Cigna.

Who's Eligible

For information about who may be enrolled in the Cigna Global Medical and Dental Plans, see "Eligibility for Health and Welfare Benefits" on page 8 in the *Participating in Apple's Benefits* section. Additionally, employees must be assigned to work outside the United States for more than three months on an approved international assignment.

Eligible Dependents

For a description of eligible family members who may be added to your coverage, see "Eligible Dependents" on page 12 in the *Participating in Apple's Benefits* section.

How the Plans Work

The Cigna Global Health Plans will cover you and your enrolled dependents at any licensed provider, anywhere in the world. While seeking care in the United States, you have the choice of using Cigna network providers for your care, or you can get care from out-of-network providers.

If you choose to receive care from out-of-network providers and facilities in the United States, however, you may be responsible for charges above and beyond what is considered reasonable and customary.

The Cigna Global Health Plans cover expenses including:

- Physician visits
- Wellness services
- Prescription drugs
- Hospital room and board
- Surgery
- Vision care
- Dental care

For a comprehensive description of the Cigna Global Health Plans, including plan benefits and instructions on how to file a claim, see the Cigna Global Health Plans overview on HRWeb.

To find Cigna Global network providers online, view the Cigna Global website at www.cignaenvoy.com or download the Cigna Envoy Mobile App available from the App Store.

Cigna Global will mail ID cards for plan participants to your mailing address.

The relationship between Apple and Cigna Global is contractual. Apple has no responsibility for the services provided by the Cigna Global Health Plans or by providers who contract with Cigna.

Contact Information

Cigna Global
Group number: 04276D

Member services:
800-441-2668 (US only)
302-797-3100 (outside the US, collect calls accepted)
24 hours a day, 7 days a week

Fax:
800-243-6998 (outside the US)
302-797-3150 (within the US)

www.cignaenvoy.com

Send claims to:
Cigna Global
P.O. Box 15050
Wilmington, DE 19850

When Coverage Ends

Coverage under the Cigna Global Health Plans ends on the last day of your international assignment, or the day you or your dependent becomes ineligible for the coverage.

If your coverage ends because your international assignment ended, you will automatically be enrolled in the medical plan you elected prior to your international assignment, if available.

When your coverage ends during your international assignment due to your employment or eligibility ending, you and/or your covered dependents may be eligible to continue health care coverage at your own expense through COBRA health care continuation. See the *When Benefits End* section on page 286 for more information.

Medical Benefits Abroad Plan for International Travelers

If you are traveling outside the United States on leisure travel or Apple business and you experience an urgent or emergency medical problem, you will have international medical coverage through the Medical Benefits Abroad (MBA) Plan insured by Cigna Global.

The plan provides an annual benefit of up to $1 million per covered person each year.

Who's Eligible

Employees and interns who are paid from Apple's or its designated affiliates' payroll worldwide who are traveling on leisure travel or Apple business and are not enrolled in the Cigna Global Health Plan for expats, and their spouse/domestic partner and children up to age 26 who are accompanying them.

Not Eligible

US employees and your dependents who are traveling or living abroad for more than 180 days, flexible workforce employees, independent contractors, consultants, temporary agency workers, and dependents of an Apple employee traveling without the employee are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

How the Plan Works

The Medical Benefits Abroad Plan is to be used for urgent and emergency medical and dental care. Urgent care is for injuries and illnesses that require immediate attention but are not necessarily life-threatening. Urgent conditions typically include:

- Sprains or strains
- Minor broken bones
- Mild asthma attacks
- Upper-respiratory infections
- Colds or flu
- Rashes
- Minor cuts or wounds that may require stitches
- Dental accident & alleviation of sudden unexpected dental pain

Contact Information

Cigna Global
Group number: 04276B

Member services:
800-243-1348 (inside the US and Canada)

302-797-3535 (outside the US and Canada, collect calls accepted)
24 hours a day, 7 days a week

Fax:
800-243-6998 (outside the US)
302-797-3150 (within the US)

www.cignaenvoy.com

Send claims to:
Cigna Global
P.O. Box 15111
Wilmington, DE 19850

An emergency situation is a severe or life-threatening illness or injury, such as:

- Severe bleeding or large, gaping wounds
- Sudden weakness or difficulty talking
- Chest pain or upper-abdominal pain and pressure
- Sudden change in vision
- Major burns
- Spinal injuries
- Severe head trauma or injury
- Difficulty breathing

What's Not Covered

- Services incurred outside of the United States that are non-urgent or follow-up care
- Routine medical care, including pregnancy visits
- Intentionally self-inflicted injuries, suicide, or attempted suicide
- An accident while serving on full-time active duty in the armed forces of any country or international authority
- Travel or flight in any vehicle for aerial navigation
- Claims considered illegal under local law
- Declared or undeclared war, riot, civil commotion, or police action

Go to www.cignaenvoy.com to learn more about the coverage of the plan.

Repatriation/Return of Mortal Remains

If you die while traveling internationally more than 100 miles from your home country, International SOS will provide every assistance possible, and, if needed, obtain necessary clearance and arrange for your remains to be returned to your home country.

For a comprehensive description of the Medical Benefits Abroad Plan, including plan benefits and instructions on how to file a claim, see "Medical Benefits Abroad for International Travelers" on HRWeb.

The relationship between Apple and Cigna is contractual. Apple has no responsibility for the services provided by the Cigna Medical Benefits Abroad Plan or by providers who contract with Cigna.

When Coverage Ends

Coverage under the Medical Benefits Abroad Plan ends when you've returned to the United States, traveled outside of the United States for more than 180 days, or experienced a change in employment status makes you ineligible for the plan.

3 Flexible Spending Accounts

Flexible Spending Accounts

Apple offers two types of Flexible Spending Accounts:

- Two forms of Health Care Flexible Spending Accounts:
  - A traditional Health Care Flexible Spending Account
  - A Limited Purpose Health Care Flexible Spending Account for those who participate in a high-deductible medical plan, such as the Apple Saver PPO Plan, with a Health Savings Account
- Dependent Day Care Flexible Spending Account

The Flexible Spending Accounts let you set aside a portion of your pay through payroll deductions on a before-tax basis to reimburse eligible health care and dependent day care expenses that your benefits do not cover. The money you would have paid in taxes can instead make your health care and dependent day care dollars go further for qualified expenses.

In exchange for these tax advantages, federal law is very strict about how you use the accounts. These tax rules and requirements are noted throughout this section. The most important rule is the "Use it or lose it" rule. This means that you must incur your expenses during the plan year, January 1 through December 31, and submit them for reimbursement by the end of the run-out period, March 31 of the following year.

For the Dependent Day Care Flexible Spending Account, any money left in your account must be forfeited—so estimate your costs carefully.

For the Health Care Flexible Spending Account and the Limited Purpose Health Care Flexible Spending Account, you can carry over an unused balance of up to $500 to the next calendar year, provided you have actively enrolled in one of these accounts for the next year. Per Internal Revenue Service (IRS) guidance, any unused balance in excess of $500 must be forfeited—so estimate your costs carefully. If you carry over an unused balance from a Health Care Flexible Spending Account to the next calendar year, but are enrolled in the Apple Saver PPO Plan with Health Savings Account (HSA), you are not eligible for enrollment in a Health Care Flexible Spending Account. You will need to be enrolled in a Limited Purpose Health Care Flexible Spending Account to receive the carry-over balance.

All forfeited amounts from the Flexible Spending Accounts are applied toward the administrative costs of operating the program, in accordance with federal law.

UnitedHealthcare (UHC) administers the Flexible Spending Accounts for Apple.

Contact Information

UnitedHealthcare
Plan number: 700451

Member services:
866-348-1286 or 800-331-0480

Online account information:
www.myuhc.com

Where to send Flexible Spending Account claim forms:
Health Care Account Service Center
P.O. Box 981506
El Paso, TX 79998-1506
Fax: 915-231-1709 Toll
Toll Free Fax: 866-262-6354

Who's Eligible

Corporate and retail employees are eligible, provided they meet certain requirements.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible
Part-time corporate and retail employees, interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible.

How FSAs Work

You decide how much to contribute to a Flexible Spending Account each plan year, up to the plan contribution limits. The plan year runs from January 1 through December 31.

The amount you choose to contribute to each account is divided by the number of pay periods remaining in the plan year. Your contributions are deducted in equal amounts from each paycheck for the remainder of the plan year. Since contributions are made before taxes are withheld, you do not pay Social Security tax, federal income tax, and, in most areas, state and local income taxes on the money you contribute to the Flexible Spending Accounts.

Tax Advantages

When you contribute to a Flexible Spending Account, you lower your current federal income tax and, in many cases, your Social Security tax and state and local income taxes.

Tax Considerations
Keep the following tax considerations in mind when deciding whether or not to participate in a Flexible Spending Account:

- Instead of participating in a Flexible Spending Account, another way to lower your income tax is to take a tax deduction for your eligible health care or dependent day care expenses when you file your income tax return. Generally, your health care expenses must exceed 7.5 percent of your adjusted gross income before you can take a deduction.
- You may not claim a tax deduction or a tax credit for the same expenses that have been reimbursed through a Flexible Spending Account.
- Tax credits and tax deductions reduce income tax at the time you file your tax return, while Flexible Spending Accounts reduce income tax withholding throughout the year.
- Participating in a Flexible Spending Account may reduce the amount of Social Security tax you pay, which could slightly reduce your future Social Security benefits.
- The Internal Revenue Code requires employers to perform an annual nondiscrimination test to ensure the Flexible Spending Accounts do not discriminate in favor of highly compensated employees, as defined by the Internal Revenue Service (IRS). If a plan is found to be discriminatory, the before-tax contributions made by highly compensated employees may be limited or some contributions may be converted to taxable income. You will be notified if this impacts you.

The method best for you—a Flexible Spending Account or a tax credit/deduction—depends on your personal situation. In some cases, you may save more in taxes by using the tax credit and/or tax deduction rather than a Flexible Spending Account. We encourage you to talk to your tax advisor before making your contribution decisions.

How to Enroll

You can enroll in a Flexible Spending Account as a newly eligible employee and during Open Enrollment.

When You Begin Working at Apple or Are Newly Eligible
You can enroll in a Flexible Spending Account when you make your benefits elections during the first 30 days of your employment or eligibility. You enroll by using the Benefits Enrollment Tool at benefits.apple.com. Your contributions will begin as soon as administratively possible after you enroll. If you are hired between December 1 and December 31, contribution elections can be made only for the following plan year.

Open Enrollment
You can also enroll in a Flexible Spending Account or re-enroll for a new plan year during Open Enrollment each fall. Your election will be effective the following January 1 through December 31. You must enroll each plan year if you wish to participate in any of the Flexible Spending Accounts. Continued participation is not automatic from one year to the next.

After the Open Enrollment period ends, no changes to your elections are permitted, even if you make an election that is unintended or accidental.

Changes During the Plan Year

You may change your contributions outside of Open Enrollment only if you experience a qualified family status change event. If you have a family status change event, you may be eligible to enroll in or change your Health Care and/or Dependent Day Care Flexible Spending Account contribution election if the election is consistent with the family status change event. Designation of and changes to your contribution elections are governed by the Internal Revenue Code.

During the year, you may not change your Health Care Flexible Spending Account contribution election because your health care expenses are more or less than you anticipated when you enrolled.

If you change your dependent day care provider (who may not be related to you) and the change results in an increase or decrease in dependent day care expenses of $50 or more per month, this would be considered a qualified family status change event, and you would be allowed to change your contribution election.

You have 30 days from the date of the qualified family status change event to make an election by using the Benefits Enrollment Tool at benefits.apple.com. If the qualifying event occurs in December, your request will take effect only if administratively feasible before the last pay period of the plan year.

For more information on changes during the plan year, see “Changes During the Plan Year” on page 15 in the *Participating in Apple’s Benefits* section.

Don’t Forget

You must re-enroll in your Health Care and/or Dependent Day Care Flexible Spending Account each year during Open Enrollment if you want to participate in the following year.

Rules You Should Remember

There are some important rules to keep in mind regarding Flexible Spending Accounts:

- "Use it or lose it."
- **Dependent Day Care Flexible Spending Account:** If you have money remaining in your account after the end of the plan year run-out period, you'll forfeit the balance.
- **Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account:** If you have money remaining in your account after the end of the plan year run-out period, a balance of up to $500 will automatically carry over to the following plan year, provided you have actively enrolled in one of these accounts for the next year. Any unused money in excess of $500 will be forfeited.
- Estimate your expenses carefully before you decide how much to contribute. You may not receive a refund of any leftover amounts.
- Once you have specified how much you will contribute to a Flexible Spending Account, you cannot change it during the plan year, unless you have a qualified family status change event.
- Money in a Health Care Flexible Spending Account cannot be used to pay dependent day care expenses. Money in a Dependent Day Care Flexible Spending Account cannot be used to pay health care expenses.

Managing Your Flexible Spending Accounts Online

You can check the status and history of your Flexible Spending Account contributions and claims, as well as sign up for direct deposit or authorize the Automatic Payment Option, using UnitedHealthcare's (UHC) website at www.myuhc.com. If you have any questions about services, call UHC Member Services at 866-348-1286.

Health Care Flexible Spending Accounts

You can use the Health Care Flexible Spending Accounts to pay for certain health care expenses not covered by your health care plans, such as deductibles and copays, using before-tax dollars.

To participate in the traditional Health Care Flexible Spending Account, you may not receive contributions or be enrolled in a Health Savings Account (HSA) such as the one included with the Apple Saver PPO Plan. (If you previously enrolled in an HSA but are no longer eligible to make contributions, you may still be able to use those funds for qualified medical expenses.) The traditional Health Care Flexible Spending Account is used for eligible medical, vision, and dental expenses that are not covered by your health plans.

To participate in the Limited Purpose Health Care Flexible Spending Account, you must be enrolled in the Apple Saver PPO Plan with an HSA. The Limited Purpose Health Care Flexible Spending Account is used only for eligible vision, dental, and physician-prescribed over-the-counter drugs and health care supplies that are not covered by your health plans. To take advantage of a carried-over balance in your traditional Health Care Flexible Spending Account from the prior calendar year, you will need to be enrolled in a Limited Purpose Health Care Flexible Spending Account.

Your Contributions

For 2019, you can contribute from $100 to $2700 to a Health Care Flexible Spending Account each year. If you and your spouse both work at Apple, you may each contribute up to $2700 to the Health Care Flexible Spending Account each year.

If you enroll midyear, your contributions are divided by the number of pay periods remaining in the plan year and deducted in equal amounts from each paycheck for the remainder of the plan year.

Approved Leaves of Absence
If you receive any regular pay during a leave of absence, including disability or paid family leave, sick pay or vacation pay, your contributions to the Health Care Flexible Spending Account will continue, unless you elect to stop them as a result of a qualified family status change event. If you receive no regular pay, disability payments, sick pay, or vacation pay during your leave, your Health Care Flexible Spending Account contributions will cease. Upon your return to work, your Health Care Flexible Spending Account contributions will start again and any contributions that are missed due to a leave of absence will reduce your original annual contribution amount.

During a personal leave of absence, all benefits terminate. However, continuation coverage may be available under COBRA for health benefits, including for the Health Care Flexible Spending Account.

Eligible Dependents

You can use a Health Care Flexible Spending Account to pay for eligible health care expenses for yourself and your eligible dependents. Based on federal tax laws, eligible dependents include:

- Your spouse, unless you are divorced or legally separated
- Your biological or adopted child (or child placed with you for adoption) up to age 26, or of any age if he or she has a total or permanent physical or mental disability, primarily relies upon you for financial support, and does not provide more than one-half of his or her own support
- Your domestic partner, or his or her children, or other relative, but only if you can claim such person as a tax dependent under the Internal Revenue Code rules, which include the following:
  - He or she lives with you as a member of your household (shares a principal residence) for the full calendar year, except for temporary reasons such as vacation, military service, or education
  - He or she receives more than half of his or her support from you
  - He or she cannot be claimed as anyone else's tax dependent
  - He or she is a citizen, national, or legal resident of the United States or a resident of Canada or Mexico.

You may be reimbursed for an eligible dependent's health care expenses even if he or she is not enrolled under your Apple health care coverage.

Eligible Expenses

The traditional Health Care Flexible Spending Account and the Limited Purpose Health Care Flexible Spending Account have different reimbursement rules, which are described as follows.

Traditional Health Care Flexible Spending Account
The traditional Health Care Flexible Spending Account allows you to be reimbursed for all eligible out-of-pocket health care expenses—medical, vision, dental, prescribed drugs, and certain over-the-counter (OTC) health care supplies.

Examples of eligible expenses for the traditional Health Care Flexible Spending Account include:

- Medical plan deductibles, copays, coinsurance amounts (the portion of covered medical expenses you pay), and many other health care expenses not covered by your medical plan

- Vision and hearing care expenses not covered by a medical or vision plan, including examinations, treatment, corrective lenses, contact lenses, and hearing aids
- Dental deductibles, coinsurance, and many other dental care expenses not covered by your dental plan
- Retail and mail order prescription drug copays
- Over-the-counter (OTC) drugs that are prescribed by a physician, and certain OTC health care supplies, as well as insulin, even if purchased without a prescription
- Certain health care supplies and diagnostic devices, including crutches, wheelchairs, oxygen and oxygen equipment, and blood sugar test kits
- Any other expenses considered deductible by tax laws and not reimbursable or paid under an Apple Medical Plan or any other group health plan

See IRS Publication 502 (available on HRWeb on the Flexible Spending Accounts page) or go to www.myuhc.com for a list of eligible over-the-counter items.

Limited Purpose Health Care Flexible Spending Account

Federal tax law prevents participants of the Apple Saver PPO Plan with a Health Savings Account (HSA) from using a traditional Health Care Flexible Spending Account for medical expenses. Apple Saver PPO Plan participants may instead use a Limited Purpose Health Care Flexible Spending Account for out-of-pocket vision and dental expenses, and physician-prescribed over-the-counter drugs and health care supplies that are not covered by your health plans.

Examples of eligible expenses for the Limited Purpose Health Care Flexible Spending Account include:

- Vision expenses not covered by a medical or vision plan, including examinations, treatment, corrective lenses, and contact lenses
- Dental deductibles, coinsurance, and many other dental care expenses not covered by your dental plan
- Over-the-counter (OTC) drugs that are prescribed by a physician and related to vision or dental care

Generally, eligible expenses, as defined by the IRS, are those that you could use as a tax deduction at the end of the year. For more information, review IRS Publication 502 (available on HRWeb on the Flexible Spending Accounts page), which outlines these expenses. It is also available on the IRS website at www.irs.gov (click on the Forms & Pubs tab), or you can call the IRS at 800-829-3676 to order it.

Note that certain expenses in Publication 502 are listed as eligible tax deductions but are not necessarily reimbursable from a Health Care Flexible Spending Account.

Ineligible Expenses

Examples of ineligible expenses for both the traditional Health Care Flexible Spending Account and the Limited Purpose Health Care Flexible Spending Account include:

- Over-the-counter (OTC) (non-prescribed) drugs, such as aspirin, antacids and acid reducers, pain relievers, cough and allergy medications, and nicotine gum and patches
- COBRA or individual health plan premium payments

- Freight, shipping charges, or handling fees
- Cosmetic surgery
- Custodial care in a nursing home
- Expenses incurred for general good health such as vitamins, other dietary supplements, shampoo, cosmetics, and toothpaste
- If you enroll in the traditional Health Care Flexible Spending Account or the Limited Purpose Health Care Flexible Spending Account midyear, expenses incurred before your effective date are not eligible. The effective date is your hire date or the date you first became eligible to enroll for participation in the account.

Is a Health Care Flexible Spending Account Right for You?

Only specific types of expenses are reimbursable by a traditional Health Care Flexible Spending Account and a Limited Purpose Health Care Flexible Spending Account. At the end of the plan year run-out period, you may carry over to the appropriate flexible spending account an unused balance of up to $500 to the next plan year, provided you have actively enrolled in one of these accounts for the next year. The rest of your unused balance is forfeited. This is why you should calculate your health care expenses carefully before deciding to enroll. Although it is hard to predict every health care expense you and your family will incur in the coming year, the following questions can help you get a general idea of what your expenses could be:

- How much did you spend out-of-pocket on health care this past year, including deductibles and copays?
- Do you know of any major health care expenses coming up that aren't covered or have limited coverage through your health plans?
- Are you or any of your covered dependents planning to have major dental work?
- Are you or any of your children going to need braces or other orthodontia services that will cost more than the coverage limit?
- How much in medical expenses were you able to claim as an itemized deduction on your federal income tax return this past year?

The Benefits Enrollment Tool at benefits.apple.com includes a Health and Dependent Day Care Flexible Spending Account Calculator that will help you estimate contributions to a Health Care Flexible Spending Account.

When Coverage Ends

Coverage under a traditional Health Care Flexible Spending Account and a Limited Purpose Health Care Flexible Spending Account ends on your last day of employment or eligibility. If you leave Apple or become ineligible during the plan year, you can submit eligible health care claims for services received on or before the date your coverage ended until the following March 31.

If you have remaining funds in your Health Care Flexible Spending Account at the time you leave Apple or become ineligible, but haven't incurred the expenses yet, you can elect to continue to use your traditional Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account under the provisions of COBRA. If you elect to continue under COBRA, you will make monthly after-tax contributions to your account for the remainder of the plan year. Your contributions will be equivalent to 102 percent of your current monthly Health Care Flexible Spending Account contribution.

If you elect to continue your Health Care Flexible Spending Account contributions under COBRA, you can submit claims for eligible expenses incurred after you leave Apple or became ineligible through the end of the plan year. You will have until the end of the run-out period,

March 31 of the following year, to file claims for eligible expenses incurred during the plan year. See "Continuing Your Health Care Coverage Through COBRA" on page 287 in the *When Benefits End* section for more information about COBRA.

If you are rehired or regain eligibility within 30 days of the date your participation ends and within the same plan year, the election in effect prior to the date your participation ends will be reinstated. If you are rehired or regain eligibility more than 30 days after your participation ends, you can make a new Health Care Flexible Spending Account election.

Dependent Day Care Flexible Spending Account

You may use the Dependent Day Care Flexible Spending Account to pay for eligible dependent day care expenses throughout the plan year with before-tax dollars. This benefit provides tax savings to people who need dependent day care services—for their tax-dependent children, disabled spouse, or other disabled dependent—in order to work.

Participation in the Dependent Day Care Flexible Spending Account

In addition to the eligibility criteria outlined under "Eligibility for Health and Welfare Benefits" on page 8 in the *Participating in Apple's Benefits* section, to participate in the Dependent Day Care Flexible Spending Account you must be:

- Single or divorced and working (or looking for work); or
- Married and:
  - Both you and your spouse work (or are looking for work);
  - You work and your spouse is a full-time student and attends classes outside the home at least five months a year; or
  - You work and your spouse is mentally or physically disabled and unable to care for himself/herself.
- Your dependent must meet the criteria for an eligible dependent (as defined later, see "Eligible Dependents" on page 98).

Your Contributions

You can contribute from $100 to $5000 to a Dependent Day Care Flexible Spending Account each year. If your spouse/domestic partner also participates in a Dependent Day Care Flexible Spending Account with his or her employer, the annual limits described later are aggregate. Your maximum annual contribution depends on your marital and income tax filing status. For single participants, the maximum contribution is generally $5000 per year. For married participants, the maximum combined contribution is generally $5000 per year if filing tax returns jointly, and $2500 per year if filing tax returns separately. See the following chart for more details.

If you are…	You may contribute the lesser of…
Single	$5000; or your annual income
Married, filing a joint tax return	$5000; or your annual income; or your spouse's annual income
Married, filing separate tax returns	$2500; or your annual income; or your spouse's annual income

If you are…	You may contribute the lesser of…
Married and your spouse is physically or mentally incapable of caring for himself/herself *or* is a full-time student for at least five calendar months per year	$250 per month (up to $3000 per year) for one qualifying dependent; or $500 per month (up to $5000 per year) for two or more qualifying dependents

It's important that you estimate your dependent day care expenses carefully, as you will forfeit any contributions you can't claim.

Nondiscrimination Requirements
To prevent the programs from being characterized as discriminatory under the Internal Revenue Code and therefore ineligible for favorable tax treatment, Apple may reject any elections or may reduce contributions or benefits during the plan year. This means payroll deductions may be reduced or stopped as needed.

Approved Leaves of Absence
If you receive any regular pay during a leave of absence, including disability or paid family leave, sick pay, or vacation pay, your contributions to your Dependent Day Care Flexible Spending Account will continue, unless you elect to stop them as a result of a qualified family status change event. If you receive no regular pay, disability payments, sick pay, or vacation pay during your leave, your Dependent Day Care Flexible Spending Account contributions will cease. Upon your return to work, your Dependent Day Care Flexible Spending Account contributions will start again and any contributions that are missed due to a leave of absence will reduce your original annual contribution amount. Keep in mind that the primary purpose of the Dependent Day Care Flexible Spending Account is to cover eligible expenses related to the care of your eligible dependents so that you can work. If you are not working (for example, you are on a leave of absence), tax rules may limit your use of Dependent Day Care Flexible Spending Account funds. You may wish to talk to a tax advisor or review IRS Publication 503, available at your local IRS office or on the IRS website at www.irs.gov (click on the Forms & Pubs tab).

Eligible Dependents

The Dependent Day Care Flexible Spending Account provides reimbursement for the eligible expenses of dependents who are, in general, your tax dependents and who:

- Live with you most of the time
- Do not provide more than one-half of their own support
- Are under age 13, or are physically or mentally unable to care for themselves, regardless of age, and live with you for more than half the tax year; this could include care for a disabled spouse, domestic partner, or parent living with you who you are able to claim as a dependent on your tax return

Special rules apply to children of divorced or separated parents. You can find more information about the rules relating to children of divorced or separated parents in IRS Publication 503, available at your local IRS office or on the IRS website at www.irs.gov (click on the Forms & Pubs tab).

Eligible Expenses

The primary purpose of the Dependent Day Care Flexible Spending Account is to provide assistance for the well-being and protection of one or more eligible dependents so you can work. Dependent day care expenses must meet the statutory requirements of Internal Revenue Code §129. Some specific examples of eligible expenses are:

- In-home services provided by a babysitter
- Services provided by a housekeeper or maid, if that person is responsible for the care of an eligible dependent

- Services provided by a care facility for children, including summer camp (the facility must be licensed if it provides care for more than six individuals who do not normally reside there)
- Services provided by a care facility for adults (the facility must be licensed if it provides care for more than six individuals who do not normally reside there)
- Care provided outside your home (if the eligible dependent is over age 13, he or she must be unable to care for himself or herself and spend at least eight hours per day in your home)
- Any taxes you pay as the employer of a dependent day care provider

Some basic guidelines for eligible Dependent Day Care Flexible Spending Account expenses are:

- Expenses must be incurred during the plan year (January 1 through December 31).
- You incur expenses when the care is provided, rather than when you are billed or when you pay for the care.
- Expenses incurred after your participation ends are not eligible.
- Expenses reimbursed under the Dependent Day Care Flexible Spending Account may not be deducted on your income tax return.

Generally, expenses listed in IRS Publication 503 are eligible expenses under the Dependent Day Care Flexible Spending Account. IRS Publication 503 is available on HRWeb on the Flexible Spending Accounts page. It is also available on the IRS website at www.irs.gov (click on the Forms & Pubs tab), or you can call the IRS at 800-829-3676 to order it.

Ineligible Expenses

Examples of ineligible Dependent Day Care Flexible Spending Account expenses are:

- Payments to any individual who is your or your spouse's dependent under the age of 19 at the end of the calendar year in which the expense is incurred or paid
- Payments to the parent of your dependent child
- Expenses for which you have claimed the dependent day care tax credit under Internal Revenue Code §21
- Amounts paid to provide food, clothes, or education (certain exceptions may apply)
- Services outside your home at a camp where your child, disabled spouse, or dependent stays overnight
- Transportation to and from the place where care is provided, unless the transportation is provided by the dependent day care provider
- Expenses where the provider does not list their Social Security number or Tax Identification Number
- Educational expenses for dependent children in kindergarten or above
- Expenses incurred for care of your domestic partner or domestic partner's child, unless such person is claimed as your tax dependent
- If you enroll in the Dependent Day Care Flexible Spending Account midyear, expenses incurred before your effective date are not eligible. The effective date is your hire date or the date you first became eligible to enroll for participation in the Dependent Day Care Flexible Spending Account.

Be aware that expenses submitted for reimbursement to the Dependent Day Care Flexible Spending Account must meet Internal Revenue Code regulations. If your dependent day care expenses are not clearly eligible, UnitedHealthcare may ask you to submit additional information to help determine whether the reimbursement is allowed. In some cases, you may need a statement from your tax advisor verifying that the expense in question is eligible for reimbursement. For additional information, consult your tax advisor.

You are responsible for making sure all expenses submitted for payment under the Dependent Day Care Flexible Spending Account are eligible for reimbursement.

Is a Dependent Day Care Flexible Spending Account Right for You?

Since only specific types of expenses are reimbursable by a Dependent Day Care Flexible Spending Account, and unclaimed balances are forfeited at the end of the plan year run-out period, you should calculate your dependent's care expenses carefully before deciding to enroll. The cost and availability of dependent day care fluctuates, so it may be hard to estimate exactly how much you will spend. The following questions can help you plan your expenses for the coming year:

- Will you take a leave of absence or extended vacation during the plan year? Your expenses may be lower or nonexistent during this time.
- Are you planning to have a relative visit? The relative may be able to care for your dependents during his or her stay.
- Is your dependent child entering kindergarten or first grade? If so, your dependent day care expenses may decrease.
- Are you planning to move to a new area during the plan year? If so, your dependent day care expenses may change. Contact providers in that area to get an estimate of your new expenses.
- Does your care center charge more or less as your child gets older (for example, an infant moving to a toddler class)?
- Will your child turn 13 during the plan year? If so, the cost of his or her care will no longer be eligible for reimbursement through the Dependent Day Care Flexible Spending Account at the time the child turns 13, unless he or she is disabled.

The Benefits Enrollment Tool at benefits.apple.com includes a Health and Dependent Day Care Flexible Spending Account Calculator that will help you estimate contributions to a Dependent Day Care Flexible Spending Account.

When Coverage Ends

Coverage under the Dependent Day Care Flexible Spending Account ends on your last day of employment or eligibility. If you leave Apple or become ineligible during the plan year, you can submit eligible dependent day care claims for services received during the plan year, including services rendered after your coverage ends. You will have until the end of the run-out period, March 31 of the following year, to file claims for expenses incurred during the plan year.

If you are rehired or regain eligibility within 30 days of the date your participation ends and within the same plan year, the election in effect prior to the date your participation ends will be reinstated. If you are rehired or regain eligibility more than 30 days after your participation ends, you can make a new Dependent Day Care Flexible Spending Account election.

Claims Information

The process for filing a claim for reimbursement is basically the same for both types of Flexible Spending Accounts, with some minor differences, based on whether you are submitting a health care or dependent day care expense.

Depending on your situation, you can use one or more of the methods available for processing a Flexible Spending Account claim.

Automatic Payment Option

The Automatic Payment Option may be used for eligible health care expenses only. If you and your dependents are covered by an Apple Medical Plan administered by UnitedHealthcare (UHC), the Apple Vision Plan, or the Apple Dental Plan and have no other medical, vision, or dental coverage, you are eligible to have your Health Care Flexible Spending Account claims processed automatically by UHC, Apple's Flexible Spending Accounts administrator, whenever you or your provider submits your medical, vision, and dental claims for payment. The patient responsibility amount on your Explanation of Benefits or Health Statement will be sent to you directly, assuming payment to the provider has been or will be made by you.

You can select the Automatic Payment Option in the Benefits Enrollment Tool at benefits.apple.com when you enroll, or at any time at www.myuhc.com. Once you authorize the Automatic Payment Option, the authorization remains in effect for the year you are enrolled in a Health Care Flexible Spending Account unless you change it. The Automatic Payment Option may not be used for Kaiser, HMSA PPO Plan, or Cigna Global Health Plans claims.

Debit MasterCard

The Debit MasterCard may be used for eligible health care and/or dependent day care expenses. The card provides a convenient way to access the contributions in your Health Care Flexible Spending Account and Dependent Day Care Flexible Spending Account. Note: The Debit MasterCard is named Health Care Spending Card, but you can use it for either or both accounts.

The Debit MasterCard is programmed with your personal account information, including the amount(s) you have elected to contribute for the plan year.

If your service provider accepts MasterCard, you can use the card at the time of service or when you receive a bill. When you use the card to pay eligible health care expenses at the time of service, you may be reimbursed up to the total amount of your annual contribution. You don't have to pay out-of-pocket, in some cases, or submit a claim for reimbursement. When you use the card for eligible dependent day care expenses, you can use your card to access funds that you have already contributed and that are available in your account.

Please note that IRS regulations prohibit you from using your Dependent Day Care Flexible Spending Account to pay for future expenses. In other words, if your dependent day care provider requires payment before the services are provided, the expense is not reimbursable from your Dependent Day Care Flexible Spending Account until services have been completed. You may want to check with your provider to coordinate your payment schedule so you can pay as expenses are incurred. Keep in mind that you can access only funds that you have already contributed and that are available in your account.

IRS regulations require you to acquire and maintain sufficient documentation (including invoices and receipts) for any expense paid with your Debit MasterCard. In some cases, you may need to provide additional documentation to "substantiate" your claim. You may still use your card to pay for the expense, but the transaction will be considered "pending" until you provide the supporting documentation, which UHC may request from you. If the claim is not appropriately substantiated, you will be required to repay the amount of the claim (and your card will be suspended until the amount is repaid).

As a general rule, if you are using the card to pay for "fixed dollar" copays, then your transaction will be processed immediately at the point of purchase and you probably will not be asked to provide additional information. UHC may request receipts for credit returns or forced transactions if the merchant did not receive an authorization from MasterCard.

If you enroll in the traditional Health Care Flexible Spending Account or the Limited Purpose Health Care Flexible Spending Account and/or the Dependent Day Care Flexible Spending Account, UHC will send you two Debit MasterCards in the mail. If you enroll in the traditional Health Care Flexible Spending Account and/or the Dependent Day Care Flexible Spending Account for the following plan year, you can continue to use your same card. The card is valid for four years from the date it is first issued.

Claim Forms

You may submit a claim form to be reimbursed for eligible health care and/or dependent day care expenses. You or any of your covered dependents must submit a claim form if any one of the following situations applies:

- You have not enrolled for automatic claims submission.
- You do not activate or you choose not to use the Debit MasterCard.
- You have medical, vision, or dental coverage from a source other than Apple, such as your spouse's plan.
- You are submitting claims for Kaiser, the HMSA PPO Plan, or Cigna Global Health Plans.

You can submit the claim forms electronically or by printing out the form to mail in. The online submission process and claim forms are available at www.myuhc.com.

For reimbursement from your Health Care Flexible Spending Account, you must include proof of the expenses incurred. Proof can include a bill, invoice, Health Statement, or an Explanation of Benefits (EOB) from any group medical, vision, or dental plan under which you are covered. An EOB will be required if the expenses are for services usually covered under group medical, vision, and dental plans. Examples of such services include charges by surgeons, doctors, and hospitals. In such cases, an EOB will verify what your out-of-pocket expenses were after payments under other group medical, vision, or dental plans are made.

For reimbursement from your Dependent Day Care Flexible Spending Account, you must submit proof of the services rendered, such as a bill, receipt, or invoice, and the Social Security or Tax Identification Number of the care provider.

Payment of Claims

Flexible Spending Accounts claims are paid weekly as follows:

- **Health Care Flexible Spending Account.** According to federal tax laws, you will be reimbursed for submitted Health Care Flexible Spending Account claims up to the total amount of your annual contribution—even if that amount has not yet been fully contributed. The minimum reimbursement is $10. After December 31, you can receive a reimbursement for less than $10 if that is all you have left in your account.
- **Dependent Day Care Flexible Spending Account.** According to federal tax laws, you will be reimbursed for submitted Dependent Day Care Flexible Spending Account claims up to the balance you have in your account when the claim is made. If you submit a claim for an amount that is greater than your account balance, you will be paid the current account balance and automatically reimbursed each time your contributions are deposited into the account until the claim is fully paid or until you've reached your annual contribution amount, whichever comes first. The minimum reimbursement is $10. After December 31, you can receive a reimbursement for less than $10 if that is all you have left in your account.

Submitting Claims

To make sure you have enough time to submit all of your eligible health care and dependent day care expenses for reimbursement, there is a run-out period for claims filing after the end of the plan year. You have until March 31 of the following year to submit claims for services incurred between your enrollment in the Health Care Flexible Spending Account and/or the Dependent Day Care Flexible Spending Account and the end of the previous plan year, December 31.

How to Appeal a Denied Flexible Spending Account Claim

See "Claims Information" on page 302 in the *General Information* section for information on how to appeal a denied Flexible Spending Account claim.

4 Life and Accident

Life Insurance

Apple offers a variety of life insurance coverage to help provide financial protection for you and your loved ones. This section reviews your coverage and options under:

- Employee Life Insurance
- Dependent Life Insurance

Employee Life Insurance

Apple offers you group term life insurance coverage, insured by Minnesota Life, to provide financial protection for your family if you die while covered by the plan.

Your life insurance benefits are paid to your beneficiary or beneficiaries in the event of your death from any cause. Benefits are paid on a tax-free basis.

For a more detailed description of the life insurance plans offered by Apple, see the Group Term Life Certificate of Insurance on HRWeb.

Who's Eligible

Corporate and retail employees are eligible, provided they meet certain hours requirements.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible
Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible. Corporate employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours and retail store employees whose standard weekly hours are fewer than 30 hours, even if the employee works 30 or more hours a week on an infrequent or short-term basis, are not eligible.

When Coverage Begins

Basic Employee Life Insurance coverage equal to two times your annual salary starts on your first day of active employment at Apple after you become eligible and remains in effect until you elect another amount during your initial enrollment period, at the next Open Enrollment period, or if you have a qualified family status change event. If you are absent from work that day, coverage starts on the day you begin work.

Amount of Coverage

When you first enroll within 30 days of the date of your email notification of eligibility, you have the choice of the following levels of coverage:

- Basic Employee Life Insurance coverage equal to two times your annual salary provided by Apple. You do not pay a premium for this coverage.

  Note: If you earn less than $25,000 annually and elect the $50,000 option, you will be responsible (on a before-tax basis) for the premium associated with the amount of coverage greater than two times your annual salary.

  If you earn more than $25,000 annually and prefer to avoid the imputed income associated with employer-provided coverage that exceeds $50,000, you may choose $50,000 in lieu of coverage equal to two times your annual salary. However, you will not receive any credit for choosing the lesser amount.
- Supplemental Employee Life Insurance coverage equal to three, four, five, six, seven, eight, nine, or ten times your annual salary, rounded to the next highest $1000 if not an even multiple of $1000.

The combined maximum coverage for Basic and Supplemental Employee Life Insurance is $4 million.

The term "annual salary" refers to your annual base pay and shift differential, if applicable. It does not include overtime or bonuses. If your salary changes, the amount of your life insurance will change accordingly, effective on the date the salary change is effective, provided you are actively at work on that day.

If you are a commissioned employee, your annual salary will be based on your annual base pay plus your annual on-target variable.

If you are age 70 or older, your maximum available life insurance amount will be adjusted on January 1 of the year following your birthday associated with the age-bands below:

Age	Percentage of amount of coverage
Age 70-74	60%
Age 75-79	40%
Age 80 or older	30%

Each age reduction is based on the amount of insurance an employee would otherwise have in force each year if no age reductions were taken. New employees who are age 70 or older may choose any life insurance option. However, the amount of coverage will be reduced as shown in the preceding chart.

Cost of Coverage

Apple provides you with Basic Employee Life Insurance coverage equal to two times your annual salary at no cost to you. If you choose Supplemental Employee Life Insurance coverage (three times your annual salary or up to ten times your annual salary), you pay the cost on an after-tax basis with payroll deductions. After-tax Supplemental Employee Life Insurance premiums are not subject to imputed income.

The cost for additional life insurance varies, depending on your age, salary, and whether you are a tobacco user. Your cost for coverage is shown in the Benefits Enrollment Tool at benefits.apple.com.

Taxes on Basic Employee Life Insurance Coverage

As required by federal law, you will be taxed on the value of employer-provided Basic Employee Life Insurance coverage (up to two times your annual salary) in excess of $50,000. The cost of this coverage is considered imputed income, and the amount of imputed income on which you are taxed is determined using a table published by the IRS.

The imputed income amount will appear on your paycheck as a special notation titled Employee GTLI Taxable. Imputed income will be included on your W-2 statement each year as part of your taxable compensation. Social Security and Medicare taxes will be withheld on a biweekly basis on this imputed income until you reach the maximum Social Security deduction for the tax year.

If you name a qualified charity or your employer as your beneficiary, federal law exempts you from any imputed income that would normally be applied to the value of employer-provided life insurance in excess of $50,000. Before you can be exempted from imputed income on your life insurance, you will need to certify and you may need to provide evidence that Apple or a charity has been your beneficiary for a year or longer and that, if you name a charity, it qualifies as a charity under Section 170(c) of the Internal Revenue Code.

For more information about imputed income, including the IRS table, see HRWeb.

How to Enroll

You have 30 days from the date of your email notification of eligibility to elect optional Supplemental Employee Life Insurance. To review your life insurance options and enroll, use the Benefits Enrollment Tool at benefits.apple.com.

If you do not actively enroll within 30 days of the date of your email notification of eligibility, you will be enrolled in default coverage, which will provide you with Basic Employee Life Insurance coverage equal to two times your annual salary. You will not be able to change your coverage until the next Open Enrollment period for the next plan year, unless you have a qualified family status change event.

Beneficiaries

Your beneficiaries are the persons, legal entities, or institutions that you name to receive benefits if you die. Designate your beneficiaries when you enroll by using the Benefits Enrollment Tool at benefits.apple.com.

You can name primary and secondary beneficiaries. You can name more than one beneficiary by designating whole-number percentage allocations for each beneficiary named. If you die, benefits will be paid to your primary beneficiary. If your primary beneficiary is no longer living or can't be located, benefits will be paid to your secondary beneficiary. Before naming a minor child as a beneficiary, you may want to seek legal advice.

You can change your beneficiary choice at any time by using the Benefits Enrollment Tool at benefits.apple.com. There are two separate beneficiary designation sections in the tool: one for your Employee Life Insurance and long-term disability survivor benefits and one for your Accidental Death & Dismemberment (AD&D) and Business Travel Accident Insurance. Be sure to name beneficiaries and allocation amounts for both. If you do not allocate amounts, benefits will be paid in equal shares to your designated beneficiaries. If at a later date you want to name a new beneficiary, use the tool to update your choices.

Contact Information

Minnesota Life Insurance Company
Policy number: 70104

Customer service and conversion/portability information:
866-293-6047
Monday through Friday
5:00 a.m. to 4:00 p.m.
Pacific time

To file a claim, contact:
HR HelpLine
800-473-7411 or 408-974-7411

hrhelpline@apple.com

If you have not named a beneficiary or you survive your beneficiary, payment is made to the first of the following to survive you:

1. Your lawful spouse
2. Your natural and adopted child(ren)
3. Your parents
4. Your brothers or sisters
5. Your estate

Assignment of Benefits

You may assign your life insurance rights and benefits under the Apple group term life insurance policy. The assignee will be recognized as the owner of your right, title, and interest in the policy. Apple is not responsible for the validity, enforcement or effect of any assignment of life insurance. All death benefits will be paid according to the beneficiary designation on file with Apple. The assignment will not change the beneficiary, unless the assignee later changes the beneficiary in accordance with Apple's procedures.

To assign your life insurance rights and benefits:

- Obtain an assignment request form by contacting the HR HelpLine
- Submit the completed form to:
  HR HelpLine
  12545 Riata Vista Circle
  MS 183-EHR
  Austin, TX 78727

Apple will forward the form to Minnesota Life, the claims administrator, for recording.

Open Enrollment

During the annual Open Enrollment, you can apply to change the amount of your Employee Life Insurance, unless you are on a leave of absence. A change requested during Open Enrollment will become effective the following January 1 as long as you are actively at work. If you are not actively at work, your coverage will remain at its current level until you return to active employment. If you want to increase the amount of your life insurance, the following rules apply:

1. You can choose any option available without evidence of good health if the amount of the increase is the greater of one times your annual salary or $100,000 or less.
2. If the amount of the increase is more than the greater of one times your annual salary or $100,000, you will need to submit a Statement of Health to Minnesota Life. You can link to the Minnesota Life Statement of Health online from the Benefits Enrollment Tool at benefits.apple.com.
3. Minnesota Life may also require you to obtain a medical examination or tests at Minnesota Life's expense. Minnesota Life may deny an application for an increase in coverage to anyone who does not meet its health standards.
4. If you are denied an increase in life insurance coverage by Minnesota Life based on your health, your coverage may increase to the highest option allowable without providing evidence of good health. You will not be able to make another election until the next Open Enrollment for the next plan year, unless you have a qualified family status change event.

Changes During the Plan Year

In some instances, you can apply to change your level of coverage when you've had a qualified family status change event (see "Changes During the Plan Year" on page 15 in the *Participating in Apple's Benefits* section).

You have 30 days from the date of your family status change event to choose a new level of Employee Life Insurance coverage.

If you choose to increase coverage during the plan year, the following rules apply:

1. You can choose any option available without evidence of good health if the amount of the increase is the greater of one times your annual salary or $100,000 or less.
2. If the amount of the increase is more than the greater of one times your annual salary or $100,000, you will need to submit a Statement of Health to Minnesota Life. You can link to the Minnesota Life Statement of Health online from the Benefits Enrollment Tool at benefits.apple.com.
3. Minnesota Life may also require you to obtain a medical examination or tests at Minnesota Life's expense. Minnesota Life may deny an application for an increase in coverage to anyone who does not meet its health standards.
4. Your coverage will be effective when it is approved in writing by Minnesota Life as long as you are actively at work on that day. If you are not actively at work, your coverage remains at the prior level until you return to work for one full day.
5. If you are denied an increase in life insurance coverage by Minnesota Life based on your health, your coverage may increase to the highest option allowable without providing evidence of good health. You will not be able to make another election until the next Open Enrollment for the next plan year, unless you have another qualified family status change event.

Coverage During Disability

If you become totally disabled and are approved for long-term disability benefits, your Employee Life Insurance coverage, both Basic and Supplemental, will continue at no cost to you as long as you remain disabled. Your coverage will be the same amount of life insurance that was in effect the day before you became disabled. You cannot increase your life insurance amount during your disability.

Coverage during a disability ends at the earliest of:

- The date your total disability ends
- The date you no longer are receiving long-term disability benefits
- The date you die

Accelerated Benefits

If you become terminally ill and are not expected to live more than 12 months, you can receive up to 80 percent of your Employee Life Insurance benefit in advance. The minimum is $10,000, and the maximum amount you can receive is $1 million. Contact the HR HelpLine for more information at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

How to File a Claim

To file an Employee Life Insurance claim, your beneficiary or authorized representative should contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

Your beneficiary or representative will need to provide a certified copy of the original death certificate with an embossed seal. Apple will submit the claim on behalf of your beneficiaries.

How to Appeal a Denied Claim
See "Claims Information" on page 302 in the *General Information* section for information on appealing denied Employee Life Insurance claims.

When Coverage Ends

Coverage for Employee Life Insurance ends on the day that you become ineligible for coverage. See "When Coverage Ends" on page 18 in the *Participating in Apple's Benefits* section for more information.

See the *When Benefits End* section on page 286 for other circumstances that may cause your benefits coverage to end.

Converting to Individual Coverage
When your coverage ends, you may be eligible to continue your group term Employee Life Insurance coverage (portability) or convert to an individual life insurance policy. You will receive a letter from Minnesota Life with information regarding these options.

To convert your coverage to an individual policy, Minnesota Life must receive your completed conversion form within 31 days of the date your Apple coverage ended. If you choose the portability option, Minnesota Life must receive your completed portability form within 90 days of the date your Apple coverage ended. See "Conversion and Portability Options" on page 294 in the *When Benefits End* section for more information.

Dependent Life Insurance

Apple offers life insurance coverage, insured by Minnesota Life, for eligible family members to provide financial assistance in the event of a family member's death. The Dependent Life Insurance benefit is payable on a tax-free basis.

Who's Eligible

Corporate and retail employees are eligible, provided they meet certain hours requirements.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible
Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible. Corporate employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours and retail store employees whose standard weekly hours are fewer than 30 hours, even if the employee works 30 or more hours a week on an infrequent or short-term basis, are not eligible.

Eligible Dependents
For a description of family members who are eligible for Dependent Life Insurance, see "Eligible Dependents" on page 12 in the *Participating in Apple's Benefits* section.

Your benefits choices will remain in effect for the remainder of the plan year—from January 1 through December 31—as long as you are eligible. You cannot change your benefits during the year except in limited circumstances. You can make changes to your elections only at the following times:

- During Open Enrollment for the next plan year
- Within 30 days of a qualified family status change event (see "Changes During the Plan Year" on page 15 in the *Participating in Apple's Benefits* section)

Spouse/Qualified Domestic Partner Life Insurance

You can cover your spouse/qualified domestic partner for up to 100 percent of the amount of life insurance you elect for yourself with the following options:

- $5000
- $25,000
- $50,000
- $100,000
- $200,000
- $300,000
- $400,000
- $500,000

If you and your spouse/qualified domestic partner are both Apple employees, you will not be eligible to elect spouse/qualified domestic partner life insurance for each other. It is the responsibility of both employees to make sure coverage is elected accordingly.

Cost of Coverage
The cost of spouse/qualified domestic partner life insurance is based on your (the employee's) age using an age-rated table provided by Minnesota Life. The cost of coverage can be viewed in the Benefits Enrollment Tool at benefits.apple.com. You pay the full cost of spouse/qualified domestic partner life insurance coverage with after-tax payroll deductions.

Child Life Insurance

You can cover your children in increments of $5000 up to the lesser of 100 percent of your life insurance coverage or $25,000. No evidence of good health is required. When you choose to cover your children, you will make one election that will apply to all of your eligible children. If you do not already have child life insurance coverage, your first eligible newborn child will automatically be covered for 30 days from the date of live birth at the $5000 benefit amount. Coverage will terminate at the end of 30 days, unless you enroll for child life insurance coverage during those 30 days.

If you and your child's other parent are both Apple employees, only one of you will be able to elect coverage for the child you have in common. It is the responsibility of both employees to make sure coverage is elected accordingly.

Cost of Coverage
The cost of child life insurance is quoted in $5000 increments and is the same cost regardless of the number of children you cover. The cost of coverage can be viewed in the Benefits Enrollment Tool at benefits.apple.com. You pay the full cost of child life insurance coverage with after-tax payroll deductions.

How to Enroll

You have 30 days from the date of your email notification of eligibility to enroll your eligible family members in Dependent Life Insurance. Complete your enrollment by using the Benefits Enrollment Tool at benefits.apple.com. Your spouse/qualified domestic partner may need to provide evidence of good health before his or her coverage is approved. Children do not need to provide evidence of good health. Child life coverage and spouse/qualified domestic partner coverage that does not require evidence of good health will be effective the same date as your life insurance coverage, except if coverage was elected after your dependent's date of death.

If you do not actively enroll within 30 days of the date of your email notification of eligibility, you will not be able to choose coverage until the next Open Enrollment for the next plan year, unless you have a qualified family status change event.

Beneficiaries

You, the employee, are the beneficiary for Dependent Life Insurance.

Evidence of Good Health

In some cases, you may be required to submit a Statement of Health to Minnesota Life before your coverage is approved.

Initial Enrollment
If you are a newly eligible employee making your elections for the first time or adding coverage due to marriage or establishing a domestic partnership, evidence of good health will not be required if you choose to cover your spouse/qualified domestic partner for up to $100,000.

If you are requesting spouse/qualified domestic partner life insurance coverage in excess of $100,000, evidence of good health will be required:

1. You will need to submit a Statement of Health to Minnesota Life. You can link to the Minnesota Life Statement of Health online from the Benefits Enrollment Tool at benefits.apple.com. Print out the online Statement of Health, have your spouse/qualified domestic partner complete it, and fax or mail it to the address on the form.
2. Minnesota Life may also require a medical examination or tests at Minnesota Life's expense. Minnesota Life may deny an application for an increase in coverage to anyone who does not meet its health standards.
3. Coverage will be effective the same date as your life insurance coverage, or will be effective the date your dependent is approved by Minnesota Life if evidence of good health is required, whichever is later.

Open Enrollment
During Open Enrollment, you can add or make changes to your Dependent Life Insurance coverage. If you want to add coverage for the first time for a spouse/qualified domestic partner or increase coverage for your spouse/qualified domestic partner in an amount greater than $100,000, evidence of good health will be required. The following rules apply:

1. You will need to submit a Statement of Health to Minnesota Life. You can link to the Minnesota Life Statement of Health online from the Benefits Enrollment Tool at benefits.apple.com. Print out the online Statement of Health, have your spouse/qualified domestic partner complete it, and fax or mail it to the address on the form.
2. Minnesota Life may also require a medical examination or tests at Minnesota Life's expense. Minnesota Life may deny enrollment or a change to a higher amount to anyone who does not meet its health standards.
3. Your spouse/qualified domestic partner coverage will be effective on the following January 1 as long as it is approved in writing by Minnesota Life and you are actively at work on that day. If you are not actively at work, the new coverage will begin when you return to active employment.
4. If your spouse/qualified domestic partner is denied coverage or an increase in coverage by Minnesota Life based on his or her health, coverage will remain at its current level or increased to the highest option allowable without providing evidence of good health, whichever is higher. You will not be able to make another election until the next Open Enrollment for the next plan year, unless you have a qualified family status change event.

5. Your spouse/qualified domestic partner coverage will not be approved if it exceeds 100 percent of your life insurance coverage. Coverage will remain at its current level or the next highest level available that does not exceed 100 percent of your coverage level.

If you want to add or increase the amount of life insurance coverage you have for your child(ren), evidence of good health is not required.

Changes During the Plan Year

In some instances, you can change your level of Dependent Life Insurance or add or drop dependents from coverage when you've had a qualified family status change event (see "Changes During the Plan Year" on page 15 in the *Participating in Apple's Benefits* section).

You have 30 days from the date of your family status change event to make changes to your Dependent Life Insurance by using the Benefits Enrollment Tool at benefits.apple.com. The following rules apply:

1. If you want to add your spouse/qualified domestic partner for life insurance within 30 days of marriage or establishing a qualified domestic partnership, or to increase a spouse/qualified domestic partner's coverage as a result of other qualified family status change events, evidence of good health is required if the amount of the requested coverage is in excess of $100,000.
2. If evidence of good health is required, you will need to submit a Statement of Health to Minnesota Life. You can link to the Minnesota Life Statement of Health online from the Benefits Enrollment Tool at benefits.apple.com. Print out the online Statement of Health, have your spouse/qualified domestic partner complete it, and fax or mail it to the address on the form.
3. Minnesota Life may also require a medical examination or tests at Minnesota Life's expense. Minnesota Life may deny enrollment or a change to a higher amount to anyone who does not meet its health standards.
4. Your spouse/qualified domestic partner coverage will be effective when it is approved in writing by Minnesota Life as long as you are actively at work on that day. If you are not actively at work, the new coverage will begin when you return to active employment.
5. If your spouse/qualified domestic partner is denied coverage or an increase in coverage by Minnesota Life based on his or her health, coverage will remain at its current level or increased to the highest option allowable without providing evidence of good health, whichever is higher. You will not be able to make another election until the next Open Enrollment for the next plan year, unless you have another qualified family status change event.
6. Your spouse/qualified domestic partner coverage will not be approved if it exceeds 100 percent of your life insurance coverage. Coverage will remain at its current level or the next highest level available that does not exceed 100 percent of your coverage level.
7. If you don't add your dependents within 30 days of a qualified family status change event, you may need to wait until the next annual Open Enrollment for the next plan year, unless you have another qualified family status change event during the year.
8. Dependent Life Insurance elections made within 30 days of a qualified family status change, but after the date of your dependent's death, will not go into effect for the deceased dependent.

You should remove your spouse/qualified domestic partner life insurance coverage in the event of divorce or legal separation and your children in the event they are no longer eligible due to a qualified family status change event. In all instances, Dependent Life Insurance coverage will end when a dependent no longer meets the definition of an eligible dependent.

Accelerated Benefits

If your spouse/qualified domestic partner or child becomes terminally ill and is not expected to live more than 12 months, you can receive up to 80 percent of his or her life insurance benefit in advance. The minimum is $10,000, and the maximum is $400,000 for a spouse and $20,000 for a child. Contact the HR HelpLine for more information at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

How to File a Claim

To file a Dependent Life Insurance claim, contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411. You will need to provide a certified copy of the original death certificate with an embossed seal. Apple will submit the claim on your behalf.

How to Appeal a Denied Claim
See "Claims Information" on page 302 in the *General Information* section for information on appealing denied Dependent Life Insurance claims.

When Coverage Ends

Dependent Life Insurance coverage ends on the day you or your dependent becomes ineligible for coverage. See "When Coverage Ends" on page 18 in the *Participating in Apple's Benefits* section for more information.

See the *When Benefits End* section on page 286 for other circumstances that may cause coverage to end.

Converting to Individual Coverage
Dependents may be eligible to continue their group term life insurance coverage (portability) or convert to an individual life insurance policy in the following situations:

- When your employment at Apple ends
- When the dependent loses eligibility due to a divorce or dissolution of domestic partnership or when a child loses eligibility due to the age limitation
- When you die

You will receive a letter from Minnesota Life with information regarding these options.

If you or your dependent chooses to convert to an individual policy, Minnesota Life must receive your completed conversion form within 31 days of the date your Apple coverage ended. If you or your dependent chooses the portability option, Minnesota Life must receive your completed portability form within 90 days of the date your Apple coverage ended. See "Conversion and Portability Options" on page 294 in the *When Benefits End* section for more information.

Accidental Death & Dismemberment Insurance

Apple provides you with Accidental Death & Dismemberment (AD&D) Insurance, which offers financial protection in the event of a serious accident. Unlike Employee Life Insurance, which pays benefits only if you die, AD&D Insurance pays benefits in a lump sum for loss of limbs, sight, speech, or hearing, or loss of use of limbs, as well as for accidental death. This benefit would pay in addition to any life insurance benefits your beneficiaries might receive if you die in an accident. Minnesota Life is the insurance carrier for this benefit.

Apple provides you with Basic AD&D Insurance coverage equal to two times your annual salary. You can also increase your coverage by buying Supplemental AD&D Insurance coverage for yourself and for your eligible dependents.

For a more detailed description of the AD&D Insurance plan offered by Apple, see the AD&D Certificate of Insurance on HRWeb.

Who's Eligible

Corporate and retail employees are eligible, provided they meet certain hours requirements.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible
Interns, flexible workforce employees, independent contractors, consultants, temporary agency workers are not eligible. Corporate employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours and retail store employees whose standard weekly hours are fewer than 30 hours, even if the employee works 30 or more hours a week on an infrequent or short-term basis, are not eligible.

Eligible Dependents

For a description of eligible family members who may be added to your coverage, see "Eligible Dependents" on page 12 in the *Participating in Apple's Benefits* section.

When Coverage Begins

Basic AD&D Insurance coverage equal to two times your annual salary starts on your first day of active employment at Apple after you become eligible and remains in effect until you elect another amount during your initial enrollment period. If you are absent from work that day, coverage starts on the day you begin work.

Contact Information

Minnesota Life Insurance Company
Group number: 70103

To file a claim, contact:
HR HelpLine
800-473-7411 or 408-974-7411

hrhelpline@apple.com

Continuation information:
866-293-6047
Monday through Friday
5:00 a.m. to 4:00 p.m.
Pacific time

Your benefits choices will remain in effect for the remainder of the plan year—from January 1 through December 31—as long as you are eligible. You cannot change your benefits during the year except in limited circumstances. You can make changes to your elections only at the following times:

- During Open Enrollment for the next plan year
- Within 30 days of a qualified family status change event (see "Changes During the Plan Year" on page 15 in the *Participating in Apple's Benefits* section)

Amount of Coverage

You can elect insurance coverage for yourself and your eligible family members.

For Yourself

When you first enroll within 30 days of the date of your email notification of eligibility, you have the choice of the following levels of coverage:

- Basic AD&D Insurance coverage equal to two times your annual salary provided by Apple; you do not pay a premium for this coverage
- Supplemental AD&D Insurance coverage equal to three, four, five, six, seven, eight, nine, or ten times your annual salary, rounded to the next highest $1000 if not an even multiple of $1000

The combined maximum coverage for Basic and Supplemental AD&D Insurance is $4 million.

The term "annual salary" refers to your annual base pay and shift differential, if applicable. It does not include overtime or bonuses. If your salary changes, the amount of your AD&D Insurance coverage will change accordingly, effective on the date the salary change is effective, provided you are actively at work on that day. If you are not actively at work, your coverage remains at the previous level until you return to work for one full day.

If you are a commissioned employee, your annual salary will be based on your annual base pay plus your annual on-target variable.

For Your Family

The amount of insurance you choose for yourself determines the amount of insurance coverage for your covered dependents. The amount paid for a covered dependent's accidental death or injury is a percentage of the amount that would be paid for your accidental death or injury. See "What AD&D Insurance Pays for a Loss by a Dependent" on page 124 for details.

If you and your spouse/qualified domestic partner are both Apple employees, you will not be eligible to elect spouse/qualified domestic partner AD&D Insurance for each other. In addition, if you and your child's other parent are both Apple employees, only one of you will be eligible to elect coverage for the child you have in common. It is the responsibility of both employees to make sure coverage is elected accordingly.

Cost of Coverage

Apple provides you with Basic AD&D Insurance coverage equal to two times your annual salary at no cost to you.

The cost of Supplemental AD&D Insurance coverage depends on the amount of coverage you choose and whether or not you enroll eligible dependents. If you choose Supplemental AD&D Insurance coverage (three times your annual salary or up to ten times your annual salary), you pay the cost on a before-tax basis with payroll deductions. Your cost for coverage is shown in the Benefits Enrollment Tool at benefits.apple.com.

Qualified Domestic Partner

If you choose to enroll your domestic partner or children of your domestic partner, you generally are required to recognize as income the value of the coverage for your dependents, unless they qualify as tax dependents. Otherwise, you are required to pay federal and, in some cases, state income tax on this income.

For AD&D Insurance purposes, the "value" (also known as "imputed income") refers to the amount the IRS assumes you would pay to purchase a policy in that amount in the private market, and is based on an amount equivalent to two times your annual salary. See "Taxation of Benefits for Domestic Partner" on HRWeb for more information.

In some cases, to ensure that the cost of dependent AD&D Insurance coverage is equitable for all employees, Apple may gross up your income to cover the tax for these benefits using a flat rate. For more information on the tax treatment of AD&D Insurance coverage for your dependents and whether you are eligible for a gross-up, see "Taxation of Qualified Domestic Partner Coverage" on page 22. Any gross-up payment will be noted on a separate myPage pay statement at mypage.apple.com

How to Enroll

You have 30 days from the date of your email notification of eligibility to elect Supplemental AD&D Insurance coverage. To review your AD&D Insurance options and enroll, use the Benefits Enrollment Tool at benefits.apple.com.

If you do not actively enroll within 30 days of the date of your email notification of eligibility, you will be enrolled in default coverage, which will provide you with Basic AD&D Insurance coverage equal to two times your annual salary. You will not be able to change your coverage until the next Open Enrollment period, unless you have a qualified family status change event.

Beneficiaries

Your beneficiaries are the persons, legal entities, or institutions that you name to receive benefits if you die. Designate your beneficiaries when you enroll by using the Benefits Enrollment Tool at benefits.apple.com.

You can name primary and secondary beneficiaries. You can name more than one beneficiary by designating whole-number percentage allocations for each beneficiary named. If you die, benefits will be paid to your primary beneficiary. If your primary beneficiary is no longer living or can't be located, benefits will be paid to your secondary beneficiary. Before naming a minor child as a beneficiary, you may want to seek legal advice.

You can change your beneficiary choice at any time by using the Benefits Enrollment Tool at benefits.apple.com. There are two separate beneficiary designation sections in the tool: one for your Employee Life Insurance and long-term disability survivor benefits and one for your Accidental Death & Dismemberment (AD&D) and Business Travel Accident Insurance. Be sure to name beneficiaries and allocation amounts for both. If you do not allocate amounts, benefits will be paid in equal shares to your designated beneficiaries. If at a later date you want to name a new beneficiary, use the tool to update your choices.

If you have not named a beneficiary for your AD&D Insurance, benefits will be paid to the beneficiary you have named for your Employee Life Insurance. If you have not named a beneficiary for either your AD&D Insurance or Employee Life Insurance, or if you survive your beneficiary, payment is made to the first of the following to survive you:

1. Your lawful spouse
2. Your natural and adopted child(ren)
3. Your parents

4. Your brothers or sisters
5. Your estate

You are automatically your eligible dependents' beneficiary.

Open Enrollment

During the annual Open Enrollment, you can change the amount of your AD&D Insurance, unless you are on a leave of absence. A change requested during Open Enrollment will become effective the following January 1 as long as you are actively at work. If you are not actively at work, coverage will remain at its current level until you return to active employment.

Changes During the Plan Year

In some instances, you can change your level of coverage when you've had a qualified family status change event (see "Changes During the Plan Year" on page 15 in the *Participating in Apple's Benefits* section).

You have 30 days from the date of your family status change event to choose a new level of AD&D Insurance coverage. The change will become effective on the date of the event as long as you are actively at work. If you are not actively at work, coverage will remain at its current level until you return to active employment.

What AD&D Insurance Pays for Your Losses

AD&D Insurance benefits are paid on a tax-free basis. Your full AD&D Insurance amount will be paid if, in a covered accident, you lose:

- Your life
- Both hands or both feet
- One hand and one foot
- Total and permanent loss of sight in both eyes
- One hand or one foot and total and permanent loss of sight in one eye
- Total and permanent loss of your speech and hearing
- Use of four limbs
- Use of three limbs
- Use of two limbs

One-half of your coverage amount will be paid if you lose:

- One hand
- One foot
- Sight in one eye
- Speech or hearing
- Use of one limb

One-quarter of your coverage amount will be paid if you lose the thumb and index finger of one hand.

If more than one loss arises out of the same accident, only one benefit will be payable. The benefit paid will be the largest one allowed by the plan. The most that will be paid in any event is the full amount of your AD&D Insurance coverage. The loss must occur within 365 days of the covered accident.

More detailed information about coverage and exclusions can be found in the Accidental Death & Dismemberment Certificate of Insurance on HRWeb.

What AD&D Insurance Pays for a Loss by a Dependent

To determine how much AD&D Insurance pays for a loss by a dependent, first determine the benefit amount you would receive if you sustained that loss. Then, depending on who is covered, apply the applicable percentage of benefit payable as shown in the following chart.

At the time of loss, if you had elected coverage for…	Percentage of your benefit amount payable
Employee and spouse	60% for spouse
Employee, spouse, and children	50% for spouse 25% for each child, up to a maximum benefit of $150,000
Employee and children	25% for each child, up to a maximum benefit of $150,000

Enhanced Dismemberment Benefits for Covered Children

If a covered dependent child sustains a covered loss—other than loss of life—the percentage of benefit payable is based on a percentage of the coverage amount, not to exceed $150,000.

For loss of	Percentage of your benefit amount payable
Both hands or both feet	50%, up to a maximum of $150,000
Sight in both eyes	50%, up to a maximum of $150,000
One hand and one foot	50%, up to a maximum of $150,000
One hand or one foot and sight in one eye	50%, up to a maximum of $150,000
Speech and hearing	50%, up to a maximum of $150,000
One hand or one foot	25%, up to a maximum of $150,000
Sight in one eye	25%, up to a maximum of $150,000
Speech or hearing	25%, up to a maximum of $150,000
Thumb and index finger of same hand	12.5%, up to a maximum of $125,000
Use of four limbs	50%, up to a maximum of $150,000
Use of three limbs	37.5%, up to a maximum of $150,000
Use of two limbs	33%, up to a maximum of $150,000
Use of one limb	25%, up to a maximum of $150,000

Definition of Losses

- Loss of hands and feet means actual severance through or above the wrist or ankle joint.
- Loss of sight means total and permanent loss of sight.
- Loss of speech or hearing must be total and permanent.
- Loss of thumb and index finger means actual severance through or above the metacarpophalangeal joint of a thumb and index finger.
- Loss of use means total paralysis of a limb (arm or leg) or limbs, which is determined by a competent medical authority to be permanent, complete, and irreversible.

Other AD&D Insurance Coverage

In addition to the losses just described, Apple's AD&D Insurance provides benefits for several other situations, including:

- Coma
- Exposure and disappearance
- Education benefit for dependent children
- Spouse retraining
- Day care for a dependent child who was enrolled in an accredited child care facility
- Home/vehicle alteration
- Seat-belt use recognition

For information about these other AD&D Insurance benefits, contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

What's Not Covered

AD&D Insurance benefits will not be paid for losses resulting from or caused by:

- Suicide or any attempt at suicide; or intentionally self-inflicted injury or any attempt at intentionally self-inflicted injury
- War or any act of war, whether declared or undeclared
- Involvement in any type of active military service
- Illness or disease, regardless of how contracted
- Medical or surgical treatment of illness or disease; or complications following the surgical treatment of illness or disease, except for accidental ingestion of contaminated foods
- Participation in the commission or attempted commission of any felony
- Travel or flight in any aircraft when:
  - The covered person is acting as the pilot, operator, member of the crew, or cabin attendant.
  - Loss caused by, contributed to by, or resulting from an injury sustained while riding in or on, boarding, or getting off:
    - Any aircraft engaged in a specialized aviation activity
    - Any aircraft being used for tests or experimental purposes
    - Any aircraft owned or controlled by or under lease to Apple
    - Any aircraft owned or controlled by or under lease to you or a member of your family or household
    - Any aircraft operated by one of Apple's employees, including members of an employee's family household

- The covered person being under the influence of any prescription drug, narcotic, or hallucinogen, unless such prescription drug, narcotic, or hallucinogen was prescribed by a physician and taken in accordance with the prescribed dosage
- The covered person being intoxicated while operating a motor vehicle:
  - A covered person will be conclusively presumed to be intoxicated if the level of alcohol in his or her blood exceeds the amount at which a person is presumed, under the law of the locale in which the accident occurred, to be intoxicated, if operating a motor vehicle.
  - An autopsy report from a licensed medical examiner, law enforcement officer reports, or similar items will be considered proof of the covered person's intoxication.

How to File a Claim

To file an AD&D Insurance claim, you, your beneficiary, or authorized representative should contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411 within 90 days of the accident. For claims involving death, you, your beneficiary, or representative will need to provide a certified copy of the original death certificate with an embossed seal. Apple will submit the claim on your behalf or on behalf of your beneficiaries.

How to Appeal a Denied AD&D Insurance Claim

See "Claims Information" on page 302 in the *General Information* section for information on appealing denied AD&D Insurance claims.

When Coverage Ends

AD&D Insurance coverage ends on the day that you and/or your dependent become ineligible for coverage. See "When Coverage Ends" on page 18 in the *Participating in Apple's Benefits* section.

See the *When Benefits End* section for other circumstances that may cause your benefits to end.

Continuing AD&D Coverage

You may be eligible to continue your group AD&D Insurance coverage (portability) after your Apple coverage ends.

You will receive a letter from Minnesota Life with information regarding this option.

Minnesota Life must receive your completed portability form within 90 days of the date your Apple coverage ended. See "Conversion and Portability Options" on page 294 in the *When Benefits End* section for more information.

Business Travel Accident Insurance

Contact Information

Chubb Group of Insurance Companies

Personal Property Claims
Chubb Business Travel Claims Team

Tel: +44 (0) 2078953470
Fax: +44 (0) 1243621035

Claim forms available on HRWeb

Chubb Insurance Company of Europe SE, CEGA Group Services, Chichester, West Sussex, PO18 8UE, United Kingdom

Life and Accident Claims
To file a claim, see instructions on HRWeb or contact:
HR HelpLine
800-473-7411 or 408-974-7411

hrhelpline@apple.com

Business Travel Accident (BTA) Insurance provides additional Accidental Death & Dismemberment Insurance for you while you are traveling on Apple business. The business trip can include personal time attached to the business trip, such as for a vacation and holiday, for up to an additional 14 days. If your spouse/domestic partner and/or children are accompanying you on an Apple business trip, they may also be eligible for BTA coverage, if their travel is paid for by Apple. Chubb Group of Insurance Companies is the insurance carrier for this benefit.

For a more detailed description of the BTA Insurance plan offered by Apple, see the BTA Certificate of Insurance on HRWeb.

In addition, if you travel more than 100 miles from your home on Apple business, you can receive travel assistance through International SOS to help you in a medical or personal emergency.

See "Travel Emergency Assistance" on page 132 for more information.

Who's Eligible

Employees and interns who are paid from Apple's or its designated affiliates' payroll worldwide who are traveling on Apple business and their spouse/domestic partner and children up to age 26 who are accompanying them if Apple has paid for their travel are eligible.

Not Eligible

US flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

When Coverage Begins

Coverage starts on your first day of active employment or eligibility. If you are absent from work that day, coverage starts on the day you begin work.

Amount of Coverage

You are automatically covered for five times your annual salary, rounded to the next higher $1000, up to a maximum of $1 million.

The term "annual salary" refers to your annual base pay. It does not include overtime, bonuses, or shift differential. If your salary changes, the amount of your BTA coverage will change accordingly, effective on the date the salary change is effective, provided you are actively at work on that day.

If you are a commissioned employee, your annual salary will be based on your annual base pay plus your annual on-target variable.

If your spouse/domestic partner and/or children accompany you on an Apple business trip, and their travel is paid by Apple, they are covered for the following amounts:

- Spouse/domestic partner: $30,000
- Child: $30,000

Cost of Coverage

Apple pays the entire cost of the BTA coverage for you.

How to Enroll

Coverage is automatic. You do not need to enroll.

Beneficiaries

Unless you specify otherwise, your beneficiaries will be the same as for your Accidental Death & Dismemberment (AD&D) Insurance. If you do not have a beneficiary designated for your AD&D Insurance, the benefit will be paid to the beneficiary you have designated for your Employee Life Insurance.

If you have not named a beneficiary for your AD&D Insurance or Employee Life Insurance or if you survive your beneficiary, payment is made to the first of the following to survive you:

1. Your lawful spouse
2. Your natural and adopted child(ren)
3. Your parents
4. Your brothers or sisters
5. Your estate

You can change your beneficiary choice at any time by using the Benefits Enrollment Tool at benefits.apple.com.

If you prefer to name a different beneficiary(ies) for your BTA benefits, send an email to the HR HelpLine at hrhelpline@apple.com naming your beneficiary, the beneficiary's relationship to you, and your beneficiary's address and phone number.

What BTA Pays for Your Losses

BTA benefits are paid on a tax-free basis. Your full BTA amount will be paid if in a covered accident you lose:

- Your life
- Both hands or both feet
- One hand and one foot
- Total and permanent loss of sight in both eyes
- One hand or one foot and total and permanent loss of sight in one eye
- Total and permanent loss of speech and hearing
- Use of both arms and both legs or a combination of one arm and one leg
- Use of both hands or both feet or a combination of one hand and one foot

One-half of your coverage amount will be paid for the total and permanent loss of:

- One hand
- One foot
- Sight in one eye
- Speech or hearing
- Use of one arm or one leg
- Use of one hand or one foot

One-quarter of your coverage amount will be paid if you lose the thumb and index finger of one hand.

If more than one loss arises out of the same accident, only one benefit will be payable. The benefit paid will be the largest one allowed by the plan. The most that will be paid in any event is the full coverage amount. The loss must occur within 365 days of the covered accident.

Definition of Losses

- Loss of hands and feet means actual severance through or above the wrist or ankle joint.
- Loss of sight means total and permanent loss of sight.
- Loss of hearing means permanent, irrecoverable and total deafness that cannot be corrected by any aid or device.
- Loss of speech means permanent, irrecoverable and total loss of the capability of speech without the aid of mechanical devices.
- Loss of thumb and index finger means actual severance through or above the metacarpophalangeal joint of a thumb and index finger of the same hand.
- Total loss of use means the permanent and total inability of the following to function, as determined by a physician and approved by Chubb Group of Insurance Companies:
  - One hand or one foot
  - Both hands or both feet or a combination of one hand and one foot
  - One arm or one leg
  - Both arms or both legs or a combination of one arm and one leg
  - Both arms and both legs

Other BTA Coverage

In addition to the losses just described, Apple's BTA coverage provides benefits for several other situations, including:

- Coma
- Exposure and disappearance
- Home/vehicle alteration
- Seat-belt use recognition
- Alternative fuel private passenger vehicle
- Car pool or van pool commutation
- Child care expense
- COBRA premium expense
- Education expense

Acts of Terrorism

Terrorism generally is defined as premeditated politically motivated violence perpetrated against a noncombatant by subnational groups or clandestine state agents.

Employees traveling on Apple business will be covered for acts of terrorism.

What's Not Covered

BTA benefits will not be paid for accident, accidental bodily injury or loss caused by or resulting from, directly or indirectly:

- Commuting to and from your regular work location
- Suicide or any attempt at suicide; or intentionally self-inflicted injury
- Declared or undeclared war in Iraq, Afghanistan, and the insured person's jurisdiction of permanent residence
- Participating in military action while in active military service with the armed forces of any country or established international authority

- Emotional trauma, mental or physical illness, disease, pregnancy, childbirth or miscarriage, bacterial or viral infection, bodily malfunctions or medical or surgical treatment thereof, except for bacterial infection caused by an accident or by accidental consumption of a substance contaminated by bacteria
- The commission or attempted commission of any illegal act, including but not limited to any felony
- Any flight on a rocket propelled or rocket launched aircraft
- Being under the influence of any narcotic or other controlled substance, unless the narcotic or other controlled substance is taken and used as prescribed by a physician
- Being intoxicated while operating a motorized vehicle; intoxication is defined by the laws of the jurisdiction where such accident occurs
- Any occurrence while incarcerated after conviction

This insurance does not apply to any accident, accidental bodily injury or loss when:

- The United States of America has imposed any trade or economic sanctions prohibiting insurance of any accident, accidental bodily injury, or loss; or
- There is any other legal prohibition against providing insurance of any accident, accidental bodily injury, or loss.

Damage, Loss, or Theft of Personal Items

In addition, BTA coverage includes reimbursement for damage, loss, and/or theft of personal property while you are traveling on Apple business. This portion of the BTA coverage is provided by Chubb Group of Insurance Companies, based in the UK. You will receive reimbursement in US dollars.

The following items will be covered if they are damaged, lost, or stolen while you are traveling on an Apple business trip. The business trip can include personal time attached to the business trip, such as for a vacation and holiday, for up to an additional 14 days.

- **Personal property.** Up to $7000, but no more than $4000 for a single article, for personal goods belonging to you and/or your accompanying dependents, if their travel was paid for by Apple. This includes personal goods taken on a business trip, sent in advance of a business trip, or acquired during a business trip. For purposes of this policy, personal property does not include money.
- **Delayed personal property.** Up to $2000 for any reasonable expenses incurred when purchasing essential replacement items, such as clothes, if luggage is delayed for more than four hours. However, if the personal property is permanently lost, the amount for the replacement items will be applied to the total amount of up to $7000 payable for the loss of the personal items.
- **Cash.** Up to $4000 for the fraudulent use of credit or debit cards and the loss or theft of cash to you and/or your accompanying dependents. However, payment for the loss or theft of cash only will be limited to no more than $2000.

The following items will not be covered if they are damaged, lost, or stolen while you are traveling on an Apple business trip:

- Loss or damage due to moth, vermin, wear and tear, atmospheric or climatic conditions, or gradual deterioration, mechanical or electrical failure, or any process of cleaning, restoring, repairing, or alteration
- Loss due to confiscation or detention by customs or any other authority
- Loss of or damage to personal property or personal electronic business equipment that is insured under any other insurance policy

- Loss of or damage to vehicles, their accessories, or spare parts
- Loss of personal electronic business equipment or cash from any unattended vehicle, unless the equipment or cash was out of sight in a locked compartment
- Loss due to devaluation of currency or shortages due to errors or omissions during monetary transactions
- Loss arising from fraudulent use of a credit or debit card, unless you have complied, where it was reasonably possible, with all the terms and conditions under which the card was issued

How to File a Claim

To file a claim for personal items or delayed luggage, download and complete the appropriate claim form on HRWeb and submit to Chubb. For other claims, you, your beneficiary, or authorized representative should contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

For a claim involving damage, loss, or theft of personal items while traveling on Apple business, you will be asked to provide a police report.

For claims involving death, you, your beneficiary, or representative will need to provide a certified copy of the original death certificate with an embossed seal. A copy of the police report, news articles, medical reports, or other documents describing the accidental circumstances of the death may also be required. Apple will submit the claim on your behalf or on behalf of your beneficiaries.

How to Appeal a Denied Claim

See "Claims Information" on page 302 in the *General Information* section for information on appealing denied Business Travel Accident (BTA) Insurance claims.

When Coverage Ends

Coverage for BTA Insurance ends on the day that you become ineligible for coverage. See "When Coverage Ends" on page 18 in the *Participating in Apple's Benefits* section.

Travel Emergency Assistance

International SOS (ISOS) is a global benefit that provides assistance with medical and personal emergencies while traveling abroad.

Visit the ISOS website before you travel abroad for online country guides, travel alerts and advice, information about required immunizations, and health risks. If you have a medical or travel emergency while abroad, contact ISOS to locate health care providers, translators, legal advice, and assistance with the replacement of travel documents.

Who's Eligible

ISOS services are available to assist eligible employees and their eligible dependents.

Employees and interns who are paid from Apple's or its designated affiliates' payroll worldwide who are traveling on leisure travel or Apple business and their spouse/domestic partner and children up to age 26 who are accompanying them.

Not Eligible

US flexible workforce employees, independent contractors, consultants, temporary agency workers, and dependents of an employee traveling without the employee are not eligible.

Services

ISOS provides a number of core medical, travel, and legal services.

These services include:

- Emergency and routine medical advice
- Medical and dental referrals
- Medical evacuation to a Center of Excellence and repatriation to payroll country when medically necessary
- Repatriation of mortal remains
- Outpatient case management
- Outpatient medical expense guarantee and coordination of payment
- Arrangements for inpatient admission and identifying receiving physician
- Inpatient medical expense guarantee and payment cost review, and medical monitoring
- Dispatch of medication and medical equipment
- Legal referrals
- Emergency message transmission between the employee and family
- Translations and interpreters
- Lost document advice and assistance
- Advance of emergency personal cash
- Assistance with documentation for insurance claim forms
- Arrangements and payment for medically necessary transportation and accommodation
- Compassionate visit/family travel assistance
- Access to ISOS clinics
- Online country guides

Contact Information

International SOS
Policy number:
11BCMA000232

Identify yourself as an Apple employee, covered under the International SOS policy.

800-523-6586 (US or Canada)
215-942-8226 (outside the US or Canada; call collect)

When in China: +86
4008100581
24 hours a day, 7 days a week

www.internationalsos.com

If you are traveling abroad on leisure travel or Apple business, your eligible medical expenses will be covered by the Medical Benefits Abroad Plan while you are away from home, unless you are enrolled in the Cigna Global Medical Plan as an international assignee. If you are traveling within the United States, whether for Apple business or leisure travel, use your Apple Medical Plan or personal medical plan for care.

The following services are not covered for leisure travel:

- Advance of emergency personal cash
- Payment for expenses associated with flight changes or delays, such as hotel and airline fees
- Flight upgrades, unless medically necessary.

Cost of Coverage

Apple pays the entire cost of the ISOS coverage for you and your accompanying eligible dependents.

ID Cards

You can print an ISOS ID card from HRWeb or download the mobile application to keep the contact information and attain current country alert information. Be sure you and your dependents have downloaded the mobile application or carry the ID card when traveling.

When Coverage Ends

Coverage for ISOS ends on the day that you become ineligible for coverage. See "When Coverage Ends" on page 18 in the *Participating in Apple's Benefits* section.

5 Disability and Paid Leave of Absence

Disability and Paid Leave of Absence

If you are unable to work for an extended period of time due to an illness, injury, or pregnancy, disability benefits may be available to help provide income protection. In addition, if you take time away to bond with a new child or to care for an ill or injured family member, paid family leave benefits may be available. This section contains detailed information about income protection, including eligibility requirements and when benefits become payable. The disability and paid family leave plans coordinate, whenever possible, with Apple's sick pay and vacation. Furthermore, the disability and family plans will run concurrently with federal, state, and local leave of absence programs where applicable.

This section covers the following:

- Short-Term Disability. You may be eligible for disability benefits through Apple and, depending on the state in which you work, through your state. If you work in California, Hawaii, New Jersey, New York, or Rhode Island, you may be eligible for state disability benefits. If you work in another state, you are only eligible for Apple's disability benefits.
- New Parent Leave. You may be eligible for New Parent Leave benefits through Apple and, depending on the state in which you work, paid family leave benefits through your state.
- Paid Family Care Leave. You may be eligible for Paid Family Care Leave benefits through Apple and depending on the state in which you work, through your state.
- Long-Term Disability. You may be eligible for the Apple Long-Term Disability Insurance Plan if you are disabled for an extended period of time.
- Workers' Compensation. You may be eligible for medical coverage and partial income replacement if you are injured on the job.
- Social Security Disability. If you become totally disabled, you may be eligible for benefits from Social Security.

Short-Term Disability

Contact Information

Sedgwick
To file a disability claim:
855-702-7753 (855-70APPLE)
24 hours a day, 7 days a week

For customer service:
855-702-7753 (855-70APPLE)
Monday through Friday
5:00 a.m. to 6:30 p.m.
Pacific time

https://claimlookup.com/Apple

For Disability Dates Prior to January 1, 2018
If your disability date occurs on or after January 1, 2018, the short-term disability provisions described below in this Benefits Book apply to you. If your disability date occurred prior to January 1, 2018, you must refer to the prior Benefits Book in effect for the year in which your disability occurred. You may view prior Benefits Books by visiting HRWeb.

Short-term disability benefits are designed to continue a percentage of your eligible pay if you are unable to work because of illness, injury, or pregnancy. Benefits are provided primarily through the Apple Short-Term Disability Plan. For eligible employees, coverage is automatic and is provided at no cost to you. Sedgwick, Apple's leave and disability administrator, administers the Apple STD Plan.

If you become disabled and are eligible and approved for benefits, the plan, following a seven-day unpaid waiting period, pays 100 percent of your regular pay for up to 12 weeks. Thereafter, the plan pays a benefit of 70 percent of your regular pay for up to 13 additional weeks.

You may also elect to integrate your earned sick pay and/or vacation to receive up to 100 percent of your pay during the unpaid waiting period and when benefits are paid at 70 percent.

State Disability Benefits

The following states' laws require special disability plans, in addition to the Apple STD Plan:

- California
- Hawaii
- New Jersey
- New York
- Rhode Island

In most cases, these plans provide lower benefits than the Apple STD Plan pays. If this is the case, the benefits provided under the Apple STD Plan are coordinated with the state benefits, so the total benefit you receive is equal to the benefit you would have received under the Apple STD Plan alone.

Apple employees in these states who are scheduled to work a limited number of hours each week may not meet the eligibility requirements for the Apple STD Plan but may meet the eligibility requirements for the state disability plan. In that case, benefits would be payable under the state plan.

In California and Hawaii

The California and Hawaii state disability plans are self-insured and administered by Sedgwick in California, and by Sedgwick in partnership with John Mullen and Company in Hawaii. Because Sedgwick administers these plans, the claim process is very similar to the claim process for the Apple STD Plan. However, there are some important differences that will be described later in this chapter.

In New Jersey, New York, and Rhode Island

Sedgwick does not administer the state disability plans for employees in New Jersey, New York, or Rhode Island. See "New Jersey, New York, and Rhode Island Employees: State Disability Insurance Plans" on page 160 for more information.

Apple Short-Term Disability Plan

If you become disabled and are eligible and approved for benefits, the Apple Short-Term Disability (STD) Plan pays, following a seven-day unpaid waiting period, 100 percent of your regular pay for up to 12 weeks. Thereafter, the plan pays a benefit of 70 percent of your regular pay, for up to 13 additional weeks.

If any period of your STD benefits are paid at a partial rate or denied, the time will be counted towards the 26 weeks of short-term disability.

The STD benefit amount includes all other sources of disability income.

Apple STD Plan benefits begin on the eighth consecutive calendar day of disability, following a seven-day waiting period. You can use your earned sick pay and/or vacation to supplement your STD benefits to full pay for specific periods of time, per Apple's integration policy. Depending on the state in which you work, you may also be eligible for state disability benefits, which are described in "State Disability Benefits" on page 137. At no time will the combined benefit from STD, state disability benefits, sick, and vacation exceed 100 percent of your regular salary.

Who's Eligible

Employees paid from Apple's or its designated affiliates' W-2 payroll are eligible for the Apple STD Plan, provided they meet certain work-hour and STD Plan requirements.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible
Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible. Corporate employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours and retail store employees whose standard weekly hours are fewer than 30 hours, even if the employee works 30 or more hours a week on an infrequent or short-term basis, are not eligible.

California employees who choose California's State Disability Insurance (SDI) Plan instead of the Apple and FileMaker California Voluntary Disability Insurance (CA VDI) Plan will not be eligible for the Apple STD Plan. For more information regarding the Apple and FileMaker CA VDI Plan, see "California Employees: Apple

Inc. and FileMaker Inc. California Voluntary Disability Insurance Plan" on page 146.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

How to Enroll

You are automatically enrolled in the Apple STD Plan on your first day of work or eligibility.

Cost of Coverage

Apple pays the entire cost of the Apple STD Plan.

How the Apple Short-Term Disability Plan Works

The Apple STD Plan provides financial support when you are unable to work due to illness, injury, or pregnancy.

When Coverage Begins
Coverage begins on your first day of active employment or eligibility at Apple. You are an active employee if you are actively at work, either at one of Apple's (or an Apple affiliate's) usual places of business or at some location to which your job requires you to travel.

Disability Qualifications
To qualify for Apple STD Plan benefits, one of the following disability qualifications must be met:

- You must be continuously unable to perform your regular and customary job because of injury, illness, or pregnancy, based on objective medical evidence as certified by your treating provider, and you must be under the regular care of a licensed qualified health care provider (see below).
- You have been ordered not to work by a health officer because you are infected, or thought to be infected, with a communicable disease.
- You have been referred by a provider to participate in, and are actively participating in, a drug or alcohol abuse treatment program that requires attendance for a minimum of five days per week and a minimum of six hours per day.

The following qualified health care providers are recognized by the Apple STD Plan:

- A medical or osteopathic physician or surgeon (with an MD or DO degree), nurse practitioner, psychologist, optometrist, dentist, podiatrist, chiropractor, mental health care provider, or as to normal pregnancy or childbirth-related disabilities, a midwife or nurse midwife, who, in each case, is fully licensed and acting within the scope of such license as determined by the plan administrator
- For an individual hospitalized or under the care of a US government medical facility, any authorized medical officer of that facility, if the claimed disability is shown on the individual's hospital chart; for an individual hospitalized in or by authority of a county hospital in California, the registrar of that facility, if the claimed disability is shown on the individual's hospital chart

You are considered to be under the regular care of a qualified health care provider when you meet all of the following criteria:

- You personally engage with a qualified health care provider as frequently as is medically required (according to generally accepted medical standards) to effectively manage and treat your condition(s)
- You have provided documented objective medical evidence that you are receiving the

most appropriate and ongoing treatment, with a prescribed treatment plan, on a regular basis by a qualified health care provider whose specialty or experience is the most appropriate for your condition, and which conforms with generally accepted medical standards for your condition(s). A licensed physician or other qualified health care provider cannot retroactively certify an initial period of absence from work of 8 or more days from your first date of absence unless you (1) have been evaluated by such practitioner within 8 days of your first date of absence, and (2) are under the active care of such practitioner

- Should your diagnosis be one which is more appropriate to receive care from a specialty provider, for example in mental health or orthopedics, you must seek care or demonstrate an effort to secure care with such specialist within 14 days of referral or determination and notification of need for specialty care by the leave administrator. Active treatment with that specialist must begin within 30 days

The treating health care provider may not be a family member by birth, adoption, or marriage, or share your same legal residence.

Though the above qualifications may be met, there may be times when additional information is needed to support a disability decision.

How to File a Claim

When you are ill, injured, or pregnant and you have missed, or know you will miss, work for more than seven consecutive calendar days, contact Sedgwick to initiate a claim. You must report your claim within 15 days of your first day absent. If you do not report your STD claim within the required 15-day period, your disability benefits may be denied in full, or you may not be eligible for a retroactive payment for a portion of the time you are disabled.

You may initiate your claim online at claimlookup.com/apple or call at 1-855-702-7753.

If you do not contact Sedgwick as soon as you are or know you will be disabled, your disability benefits may be delayed, and your regular pay may continue, which may result in an overpayment. You will be responsible for returning any overpaid amounts to Apple.

When you contact Sedgwick, some basic information will be collected from you regarding your absence, health condition, and work state. Sedgwick will:

- Determine whether you are eligible for Apple STD Plan benefits or applicable state disability benefits.
- Assist in the collection of and subsequent review of all appropriate medical certification from your health care provider(s).
- Inform your manager of the dates of your disability.
- Be your point of contact for Apple STD Plan and applicable state benefit questions, treatment updates, and other issues.

A claims examiner will contact your health care provider to assist in obtaining the medical information required to process your STD claim. You should let your health care provider know to expect this phone call and request that he or she give the claims examiner the requested information. It is also advisable that you request a copy of your health care record, such as office visit notes, test results, etc., following each visit or treatment. It is your responsibility to ensure all necessary information is collected from your health care provider. Your claim cannot be processed or paid until this information is collected.

Under the Apple STD Plan, Sedgwick is the claim fiduciary or "claims administrator" for STD benefits and has been delegated the discretionary authority to determine if you are

Contact Information

Sedgwick
To file a disability claim:
855-702-7753 (855-70APPLE)
24 hours a day, 7 days a week

For customer service:
855-702-7753 (855-70APPLE)
Monday through Friday
5:00 a.m. to 6:30 p.m.
Pacific time

https://claimlookup.com/Apple

eligible for disability benefits based on objective medical evidence. All decisions made by Sedgwick as claims administrator shall be final and binding on all participants and beneficiaries to the full extent permitted by law.

Authorization for Release and Use of Medical Information Form

For a claims examiner to handle your claim, you will need to sign an Authorization for Release and Use of Medical Information form, which will be mailed or emailed to you when you initiate your claim.

It is important to sign and return the Authorization for Release and Use of Medical Information form to Sedgwick as soon as you receive it. If you don't sign the medical release, the decision regarding your disability claim may be delayed, and your claim could be denied.

Claim Review Process

To determine approval for Apple STD Plan benefits, the claims examiner will work with your health care provider to obtain the necessary medical information. Medical information is due to Sedgwick within 20 calendar days from your first day absent from work or the date the claim is reported, whichever is later. In some situations, your claim may be reviewed by a Sedgwick nurse case manager and/or physician advisor. You may also be required to get an impartial medical examination at Apple's expense.

The claims examiner will notify you of the approval or denial of your Apple STD Plan claim within a reasonable period of time, but not later than 45 calendar days from the date the claim is received, unless extended as described below. If you prefiled your claim by contacting Sedgwick in advance of your disability, your claim will be deemed to have been received on your first day absent from work due to your disability. This period may be extended for up to 30 additional days, if necessary, due to matters beyond Apple's control. If such an extension is necessary, you will be notified before the expiration of the 45-day period of the reason for the extension and the date by which you can expect a decision.

The 30-day extension period also may be extended for up to 30 additional days, if necessary, due to matters beyond Apple's control. If this further extension is necessary, you will be notified before the end of the initial 30-day extension period of the reason for the extension and the date by which you can expect a decision.

When Benefits Begin

If you meet the eligibility requirements and if adequate supporting objective medical documentation is provided to Sedgwick to support your claim, Apple STD Plan benefits begin on the eighth consecutive calendar day of your disability.

Amount of Benefits

Benefits are based on your regular weekly pay effective on your first date of disability. Following the seven-day unpaid waiting period, the Apple STD Plan pays 100 percent of your regular pay for up to 12 weeks. Thereafter, the plan pays a benefit of 70 percent of your regular weekly pay for up to 13 additional weeks.

Benefits are payable on a seven-day workweek (one-seventh of the weekly benefits). Regular weekly pay is based on your standard weekly hours as shown in Merlin (Apple's HR information system) and includes base pay plus shift differential, if applicable. Overtime and bonuses are excluded. This amount includes all other sources of disability income.

If you are a commissioned employee, your regular weekly pay includes base pay and on-target variable. Overtime and bonuses are excluded. Refer to HRWeb for more information about how earned commissions are paid when receiving Apple STD Plan benefits.

The STD benefit amount includes all other sources of disability income. At no time will the combined benefit from STD, state disability benefits, sick, and vacation exceed 100 percent of your regular salary.

When Benefits Are Paid
Once Sedgwick has received all the necessary information to process your claim, a claim decision will be sent to Apple. If your claim is approved, your first benefit payment will be issued from Apple payroll by the next scheduled biweekly pay date. You will receive a benefit payment every two weeks per the Apple payroll schedule while on an approved STD claim.

If you are a commissioned employee, the amount Apple pays for actual commissions in excess of your on-target variable will be paid in accordance with Apple's US Sales Incentive Compensation Plan for the first three months of your disability.

If you have questions about Apple STD Plan benefit payments, contact the HR HelpLine.

If your claim is not approved, Sedgwick will provide you with written information about the claim decision and potential next steps which you may elect to pursue.

Tax considerations: Since Apple pays 100 percent of the cost of the Apple STD Plan, the full benefit paid from this plan is taxable. Federal income tax will be deducted from your benefit payments. Social Security taxes will be withheld for the first six months of benefit payments.

Liability for state taxes varies from state to state. State taxes will be withheld from your benefit payments unless it is not required by state and/or local regulations. Consult your tax advisor for more information.

Integrating sick pay and vacation: You may elect to use your earned sick pay and/or vacation to receive up to 100 percent of your pay during any portion of your approved time away when you are receiving less than full pay. Integration pay is calculated based on a seven-day workweek.

You have four options regarding integration:

- **Sick pay only.** Apple uses your earned sick pay until it is exhausted.
- **Vacation only.** Apple uses any accrued vacation until it is exhausted.
- **Sick pay and vacation.** When you integrate sick pay and vacation, sick pay is used first until exhausted, and then any accrued vacation is used until exhausted.
- **No integration.** Neither your earned sick pay nor accrued vacation will be used to receive or supplement pay during your time away.

When you initiate your claim, you must advise Sedgwick if you wish to integrate with sick pay, vacation, or both. You cannot change your decision about integration once your claim has been approved.

Benefits Coverage and Deductions
If you are enrolled in any of the following benefits, your coverage will continue during your time away and deductions will be taken from your disability payments and integration pay if applicable: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your disability payments and/or integration pay is not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay during your time away, if possible, or from your regular pay upon your return to work. If your deductions exceed your regular bi-weekly pay, you may not receive any pay for that period. If this causes a financial hardship, you may reach out to the HR Helpline to discuss re-payment options.

Contributions to your 401(k), Health Savings Account (HSA), Employee Stock Purchase Plan

(ESPP), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from your disability/paid family leave payments and integration pay, if applicable, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your disability/paid family leave payments and/or integration pay is not enough to cover them, contributions will end and restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay during your time away.

To make updates to your benefit selections due to a qualified family status change during your time away or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging in to your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your time away.

Time away benefits: You will not earn sick pay and/or accrue vacation during your time away. Corporate employees will receive holiday pay during the winter holiday shutdown if receiving less than full pay. Corporate and retail employees will not receive holiday pay for any other Apple holidays. If a holiday occurs during your time away (excluding the winter holiday shutdown for corporate employees) and you elect to integrate sick pay or vacation, you will continue to receive integration pay rather than holiday pay as long as you remain eligible. At no time will the combined benefit from STD, state disability benefits, sick, and vacation exceed 100 percent of your regular salary.

Interns are not eligible for vacation or the winter holiday shutdown.

When You Return to Work

Upon Sedgwick's receipt of a medical release from your health care provider, Sedgwick will contact your manager to notify him or her of your upcoming return to work.

If you are released to perform your work activities with restrictions or to work a reduced schedule, Sedgwick will contact your medical provider to obtain clarification of the nature and duration of those limitations to provide Apple with enough information to determine whether those limitations can be reasonably accommodated. Your scheduled hours will be changed to reflect your work-hour limitations until your medical provider submits an updated medical certification.

You may be eligible for Apple STD Plan benefits for the difference between actual hours worked up to your Apple STD Plan maximum benefit.

If Modified Work Is Not Available

If modifying your usual job is not possible, your manager will work with the appropriate People business partners to find an alternative job in your work area or in another group that can be modified to meet your restrictions. If no modified work can be found, you will need to recuperate at home until your restrictions are updated to a level that can be met by the business or you are released to full duty. You may be eligible for Apple STD Plan benefits during this time for up to your Apple STD Plan maximum benefit.

Recurring Disability

Under the Apple STD Plan, if you return to work after a disability and become disabled again by the same or a related condition within 60 consecutive calendar days or less, contact Sedgwick. You will not need to satisfy a new

seven-day unpaid waiting period. Successive periods of disability separated by a period of not more than 60 consecutive calendar days will be considered one period of disability, unless the subsequent disability is due to an illness or injury found by the claims administrator to be entirely unrelated to the cause of the previous disability and the disability commences after return to active employment with Apple at your normal work schedule.

Coordination with Workers' Compensation and Other Benefits

If your disability is work-related and approved by workers' compensation, your workers' compensation disability benefits will be supplemented by your Apple STD Plan benefits. For more information, see the *Workers' Compensation* section on page 186.

Apple STD Plan benefits will also be reduced by any other payments or benefits from other sources that are determined to be available, for the same period of disability, whether or not such benefits are applied for. This may include disability benefits, such as workers' compensation, military disability benefits, any benefit paid under the US Social Security Act or any similar plan or act, which the employee or dependent spouse or children receive because of disability, or state disability benefits. For more information, see the *Social Security Disability* section on page 192.

What's Not Covered

No benefits will be paid under the Apple STD Plan for:

- Any disability that begins while you are not covered by the Apple STD Plan
- Any disability not supported by objective medical evidence provided in a health care provider's certification
- Any illness or injury for which you are not under the regular and continuous care and treatment of a health care provider, unless such care and treatment are not medically indicated given the nature of the disability
- Any illness or injury in which you did not seek care or demonstrate an effort to secure care with an appropriate medical specialist within 14 days of referral or of determination and notification of need for specialty care by Sedgwick
- Any work-related illness or injury approved by workers' compensation, except on a supplementary basis, or any such illness or injury accepted by employee liability insurance or other similar act or law
- Any day for which you receive pay from any employer—unless you are paid less than the amount you were being paid before your disability began
- Any intentionally self-inflicted injury or attempted suicide, while sane or insane, including the use of hallucinogenic or narcotic drugs, except those taken by direction of a physician
- Any illness or injury that results from the commission or attempted commission of a felony or engagement in an illegal occupation
- Any period of incarceration or confinement due to a criminal charge or conviction under a federal, military, state, or municipal law or ordinance; confinement includes voluntary or involuntary remand to a mental health or similar program or facility
- Any period of disability for which you receive or are eligible to receive unemployment insurance benefits
- Any disability about which you have knowingly made a false statement or representation, or withheld a material fact, to obtain benefits under the Apple STD Plan
- Any injury sustained while employed by another company

- Any day you are confined by court order or certification as a result of alcohol or drugs, or as a sex offender
- Any disability certified by a provider who is himself or herself a family member by birth, adoption, or marriage
- Any disability certified by a provider who has your same legal residence

When Benefits End

Your disability benefits under the Apple STD Plan will end on the earliest of the following:

- When your disability is not supported and certified by a qualified health care provider
- When Sedgwick determines you are no longer disabled and do not meet the requirements of the Apple STD plan provisions
- After 26 weeks of disability for the same or related condition
- If you do not provide information within 45 days of a written request from Sedgwick
- If you do not get a medical examination within 45 days after a written request from Sedgwick
- When you are no longer under the regular and continuous care of a qualified health care provider, or if you do not follow the treatment plan recommended by such provider
- When your employment ends due to an Apple policy violation
- When you die

When Coverage Ends

Your coverage under the Apple STD Plan ends:

- When your employment ends, unless it occurs while you are disabled
- When you no longer qualify as an eligible employee
- When the Apple STD Plan is discontinued
- When you begin an unpaid personal leave of absence

Right of Recovery

The Apple STD Plan has a right to certain payments a third party makes to you as a result of your short term disability.

For example, if you are involved in an auto accident and are disabled due to this accident, you may receive short-term disability benefit payments from Apple. If you later recover a monetary award for lost wages from the other driver's auto insurance, the Apple STD Plan has a right to a portion of your award equal to the disability benefits paid by the other driver's insurance, including a credit against any future benefits payable by the other driver's insurance. The Apple STD Plan also has the right to require you to provide information and sign an acknowledgment of the plan's right of recovery.

In instances in which a third party is financially responsible for some or all of the costs incurred by the Apple STD Plan, you are responsible for collecting from the third party. If you do not do so within a reasonable period of time, the plan may, at its option, bring legal action to recover any payments the plan made in connection with the disability.

Under no circumstances will you be required to pay the Apple STD Plan any amount over the recovery award, regardless of the benefit costs the Apple STD Plan has incurred.

Recovery of Overpayment

At no time will the combined benefit from STD, state disability benefits, sick, and vacation exceed 100 percent of your regular salary. In the event that an overpayment occurs, Sedgwick will notify you of the inadvertent overpayment. Should you need a repayment plan, contact Apple to discuss those options. Apple has the right to recover any benefits it has overpaid.

How to Appeal a Denied Claim

Under the Apple STD Plan, you must appeal a denied claim by making a written request to Sedgwick within 180 days of the notice of your denial. You may submit your appeal through Sedgwick's online portal at https://claimlookup.com/Apple or by mail. You will lose your right to appeal if your written request is not received electronically or postmarked within 180 days.

See "Claims Information" on page 302 in the *General Information* section for information on how to appeal a denied Apple STD Plan claim.

California Employees: Apple Inc. and FileMaker Inc. California Voluntary Disability Insurance Plan

California employees have a choice between the Apple California Disability Package or California's State Disability Insurance (SDI) Plan. The main difference between the Apple California Disability Package and California's SDI Plan is that the Apple California Disability Package provides a greater benefit.

The Apple California Disability Package is made up of two components: the Apple and FileMaker California Voluntary Disability Insurance (Apple CA VDI) Plan and the Apple Short-Term Disability (STD) Plan. For more information, see "Apple Short-Term Disability Plan" on page 138.

The disability benefits from the two components coordinate to provide your benefits. The vast majority of employees choose to participate in the Apple California Disability Package because it provides more generous benefits than California's SDI Plan.

As with California's SDI Plan, the Apple CA VDI Plan also includes California Paid Family Leave (CA PFL) benefits, which provide income if you cannot work because you must care for the serious health condition of a family member or you are bonding with a newborn child, newly adopted child, or newly placed foster child. For information about CA PFL benefits, refer to "Family Leave" on page 209 in the *Time Away from Apple* section.

Who's Eligible

Employees and flexible workforce employees who work in the state of California are eligible for the Apple CA VDI Plan, provided they meet certain work-hour requirements.

Corporate
Employees, interns, and flexible workforce employees who work in the state of California and are paid from Apple's or its designated affiliates' W-2 payroll, who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees, interns, and flexible workforce employees who work in the state of California and are paid from Apple's W-2 payroll, who work in a retail store, and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Corporate and Retail
Employees, interns, and flexible workforce employees who work in the state of California and whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours may be eligible for benefits under California's State Disability Insurance (SDI) Plan.

Not Eligible
Except as described in the preceding section, independent contractors, consultants, temporary agency workers, and employees (including flexible workforce employees) whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours, even if the employee works 20 or more hours a

week on an infrequent or short-term basis, are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

How to Enroll

If you meet the eligibility requirements described above, under "Who's Eligible," you are automatically enrolled in the Apple CA VDI Plan on your first day of work or eligibility, unless you choose California's SDI Plan. If you choose SDI coverage instead of the Apple CA VDI Plan, send your request to the HR HelpLine at hrhelpline@apple.com within 30 days of your date of hire. If you decide to change to SDI coverage after your first 30 days of employment, the change will take effect the first day of the next calendar quarter. If you choose SDI coverage, you will not be eligible for the Apple STD Plan, Apple Paid Family Care Leave (PFC), and Apple New Parent Leave, and in most cases your disability benefit will be less.

Cost of Coverage

Under the Apple CA VDI Plan, you pay a contribution rate set annually by Apple that will not exceed the contribution rate set by the state of California for SDI coverage. Your contribution rate is posted on HRWeb annually. Your contributions are deducted automatically from your paycheck each pay period.

How the Apple Inc. and FileMaker Inc. California Voluntary Disability Insurance Plan Works

The Apple and FileMaker CA VDI Plan works with the Apple STD Plan to provide income protection when you are unable to work due to your own illness, injury, or pregnancy. See the *Disability and Paid Leave of Absence* section on page 136 for information about California Paid Family Leave (CA PFL) benefits provided under the Apple CA VDI Plan.

When Coverage Begins

Coverage begins on your first day of active employment or eligibility at Apple. You are an active employee if either of the following conditions is met:

- You are actively at work, either at one of Apple's (or an Apple affiliate's) usual places of business or at some location to which your job requires you to travel.
- The day is a scheduled period of Apple-approved time away from work, except for any Apple-approved medical, family, or military leaves. Otherwise, you are considered an active employee on a day that is not one of Apple's scheduled workdays only if you were active the preceding scheduled workday and will be active the following scheduled workday.

Disability Qualifications

To qualify for benefits under the Apple CA VDI Plan, one of the following disability qualifications must be met:

- You are under the regular care of a licensed or qualified health care provider who certifies that you are continuously unable to perform your regular and customary job because of your own injury, illness, or pregnancy (the certification must include information from the physician regarding the medical facts, a conclusion regarding the disability, and the probable duration of the illness), or you have been referred by competent medical

authority to participate as a resident in an approved drug or alcohol abuse treatment program.

- You have been ordered not to work by a health officer because you are infected, or thought to be infected, with a communicable disease.
- You submit evidence that you are receiving workers' compensation benefits, which will offset your Apple CA VDI Plan benefits.

The following treating physicians and qualified health care providers may certify the disability:

- A medical or osteopathic physician or surgeon (with an MD or DO degree), nurse practitioner, physician's assistant, psychologist, optometrist, dentist, podiatrist, chiropractor, mental health care provider, or, as to normal pregnancy or childbirth-related disabilities, a midwife or nurse midwife who is licensed/certified in California and acting within the scope of such license/certification
- For an individual hospitalized or under the care of a US government medical facility, any authorized medical officer of that facility, if the claimed disability is shown on the individual's hospital chart; for an individual hospitalized in or by authority of a county hospital in California, the registrar of that facility, if the claimed disability is shown on the individual's hospital chart
- A religious practitioner who is duly authorized and accredited by a bona fide church, sect, denomination, or organization may certify a disability and provide an estimated duration. The state plan maintains a list of accredited religious practitioners

Apple may request additional information to support a disability certification.

How to File a Claim

When you are ill, injured, or pregnant and you have missed, or know you will miss, work for more than seven consecutive calendar days, contact Sedgwick to initiate a claim.

Contact Sedgwick as soon as possible, but no later than 15 calendar days from your first date absent.

Provide the following information to Sedgwick:

- Your anticipated time away start date and expected duration
- Medical certification from your treating health care provider(s)

When you call Sedgwick, a customer service representative will collect some basic information from you regarding your absence, health condition, and work state. Sedgwick will:

- Determine whether you are eligible for Apple CA VDI Plan benefits
- Assist in the collection of and subsequent review of all appropriate medical certification from your health care providers
- Inform your manager of the dates of your disability
- Be your point of contact for disability questions, treatment updates, and other issues

A claims examiner will contact your health care provider to assist in obtaining the objective medical information required to process your Apple CA VDI Plan claim. You should let your health care provider know to expect this phone call and request that he or she give the claims examiner the requested information. It is your responsibility to ensure all necessary information is collected from your health care provider and submitted timely to your claims examiner by the due dates provided by Sedgwick. Your claim cannot be processed or paid until this information is collected.

To be eligible for Apple CA VDI Plan benefits, your Apple CA VDI Plan claim must be filed within 53 days of the date on which you became disabled. If you do not file your Apple CA VDI Plan claim within the required 53-day period, your Apple CA VDI Plan benefits may be denied in full, or you may not be eligible for a

Contact Information

Sedgwick
To file a disability claim:
855-702-7753 (855-70APPLE)
24 hours a day, 7 days a week

For customer service:
855-702-7753 (855-70APPLE)
Monday through Friday
5:00 a.m. to 6:30 p.m.
Pacific time

https://claimlookup.com/Apple

retroactive payment for a portion of the time you were disabled.

If you do not contact Sedgwick as soon as you are or know you will be disabled, your disability benefits may be delayed, and your regular pay may continue, which may result in an overpayment. You will be responsible for returning any overpaid amounts to Apple.

Under the Apple CA VDI Plan, Sedgwick has been delegated the discretionary authority to determine if you are eligible for Apple CA VDI Plan benefits.

Note: To be eligible for the Apple STD Plan portion of the Apple California Disability Package, your STD claim must be filed within 15 days of the date on which you became disabled. If you do not file your STD claim within the required 15-day period, the Apple STD Plan portion of your disability benefits may be denied in full, or you may not be eligible for a retroactive payment for a portion of the time you were disabled.

Authorization for Release and Use of Medical Information Form

For a claims examiner to handle your claim, you will need to sign an Authorization for Release and Use of Medical Information form, which will be mailed or emailed to you when you initiate your claim. You may request this form from the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

It is important to sign and return the Authorization for Release and Use of Medical Information form to Sedgwick as soon as you receive it. If you don't sign the medical release, the decision regarding your disability claim may be delayed, and your claim could be denied.

Claim Review Process

To determine approval for Apple CA VDI Plan benefits, the claims examiner will work with your health care provider to obtain the necessary medical information. Medical information is due to Sedgwick within 20 calendar days from your first day absent from work or the date the claim is reported, whichever is later. In some situations, your case may be reviewed by a Sedgwick nurse case manager and/or physician advisor. You may also be required to get an impartial medical examination at Apple's expense.

The claims examiner will notify you of the approval or denial of your Apple CA VDI Plan claim within a reasonable period of time, but not later than 14 calendar days after receipt of your completed claim. Your claim is considered complete when medical information has been received.

When Benefits Begin

If you meet the eligibility requirements and if adequate supporting medical documentation is provided to Sedgwick to support your claim, Apple CA VDI Plan benefits begin on the eighth consecutive calendar day of your disability.

Amount of Benefits

The Apple CA VDI Plan pays you a weekly benefit between 60 and 70 percent of your regular weekly pay effective on your first date of disability, following the seven-day unpaid waiting period for up to 52 weeks or, if greater, the full weekly benefit you would have received under California's SDI Plan if you had not been covered by the Apple CA VDI Plan, up to a maximum weekly benefit set by the state.

The state of California determines the benefit as follows:

- Seventy Percent (70%) for individuals who earned less than one-third of the state's average quarterly wage during the base period (prior four quarters); or
- Sixty Percent (60%) for individuals who earned one-third or more of the state's average quarterly wage during the base period (prior four quarters).

The minimum weekly benefit amount is $50. Benefits are payable on a seven-day workweek (one-seventh of the weekly benefit). Regular weekly pay is based on your standard weekly hours as shown in Merlin (Apple's HR information system) and includes base pay plus shift differential, if applicable. Overtime and bonuses are excluded.

If you are also eligible and approved for Apple Short-Term Disability (STD) Plan benefits, the combined weekly benefit you may receive from both plans, following a seven-day unpaid waiting period, pays 100 percent of your regular pay for up to 12 weeks. For weeks 13-26, the plan pays a benefit of 70 percent of your regular pay. Thereafter, for up to 26 additional weeks, the CA Voluntary Disability Plan will be paid at the established benefit rate. Benefits received under the plan for weeks 27-52, will be used to offset any long-term disability (LTD) benefit you may be eligible to receive in accordance with the LTD plan.

This amount includes all other sources of disability income. Employees who elect California's SDI Plan instead of the Apple California Disability Package are ineligible for Apple STD Plan benefits.

If you are a commissioned employee, your regular weekly pay includes base pay and on-target variable. Overtime and bonuses are excluded. Refer to HRWeb for more information about how earned commissions are paid while receiving disability benefits.

When Benefits Are Paid

Once Sedgwick has all the necessary information to complete and approve your claim, and submits payment information to Apple by the payroll deadline, your first benefit payment will be issued from Apple payroll by the next scheduled biweekly pay date. You will receive a benefit payment every two weeks per the Apple payroll schedule while on an approved Apple CA VDI Plan claim.

If you are a commissioned employee, the amount Apple pays for actual commissions in excess of your on-target variable will be paid in accordance with Apple's US Sales Incentive Compensation Plan for the first three months of your disability.

If you have questions about disability benefit payments, contact the HR HelpLine.

Tax considerations: Apple CA VDI Plan benefits are currently non-taxable. However, this varies from year to year, depending on whether Apple supplements employee contributions to the plan to fund benefits.

Refer to the current "Voluntary Plans for State Disability Benefits for California Employees" on HRWeb for more information.

Liability for state taxes varies from state to state. State taxes will be withheld from your benefit payments unless it is not required by state and/or local regulations. Consult your tax advisor for more information.

Integrating sick pay and vacation: You may elect to use your earned sick pay and/or vacation to receive up to 100 percent of your pay during any portion of your approved time away when you are receiving less than full pay. Integration pay is calculated based on a seven-day workweek.

You have four options regarding integration:

- **Sick pay only.** Apple uses your earned sick pay until it is exhausted.
- **Vacation only.** Apple uses any accrued vacation until it is exhausted.
- **Sick pay and vacation.** When you integrate sick pay and vacation, sick pay is used first until exhausted, and then any accrued vacation is used until exhausted.
- **No integration.** Neither your earned sick pay nor accrued vacation will be used to receive or supplement pay during your time away.

When you initiate your claim, you must advise Sedgwick if you wish to integrate with sick pay, vacation, or both. You cannot change your decision about integration once your claim has been approved.

Benefits Coverage and Deductions

If you want to have your benefit deductions taken from your Apple CA VDI Plan pay during your time away, you will need to complete the "Benefit Premium Deductions" section of Sedgwick's Authorization for Release and Use of Medical Information form. If you choose not to have your deductions taken from your Apple CA VDI Plan pay or if you do not complete the "Benefit Premium Deductions" section of the form, you'll be responsible for any uncollected deductions upon your return to work.

If you are enrolled in any of the following benefits, your coverage will continue during your time away, and deductions will be taken from your disability payments and integration pay, if applicable: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your disability benefits and/or integration pay is not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay during your time away, if possible, or from your regular pay upon your return to work.

Contributions to your 401(k) Employee Stock Purchase Plan (ESPP), Health Savings Account (HSA), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from your disability/paid family leave payments and integration pay, if applicable, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your disability/paid family leave payments and/or integration pay is not enough to cover them, contributions will end and restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay during your time away.

To make updates to your benefits selections due to a qualified family status change during your time away or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation, while on leave, you may opt in again by logging into your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your time away.

Redirection of benefits: The state of California allows employees to choose whether benefit deductions will be taken from Apple CA VDI Plan pay. If you choose not to have deductions taken from your Apple CA VDI Plan payments, they'll still be taken from your STD benefits and/or integration pay, as applicable. Regardless of your decision, you'll be responsible for any uncollected deductions upon your return to work.

You may make this decision at the time you file for Apple CA VDI Plan benefits, or you may change the decision at any time while receiving such benefits.

Time away benefits: You will not earn sick pay and/or accrue vacation during your time away. Corporate employees will receive holiday pay during the winter holiday shutdown if receiving less than full pay. Corporate and retail employees will not receive holiday pay for any

other Apple holidays. If a holiday occurs while you are out on a disability (excluding the winter holiday shutdown for corporate employees) and you elect to integrate sick pay or vacation, you will continue to receive integration pay rather than holiday pay as long as you remain eligible. At no time will the combined benefit from STD, state disability benefits, sick, and vacation exceed 100 percent or your regular salary.

Interns are not eligible for vacation or the winter holiday shutdown.

When You Return to Work
Upon Sedgwick's receipt of a medical release from your health care provider, Sedgwick will contact your manager to notify him or her of your upcoming return to work.

Your release may include limitations or restrictions on your ability to perform your job. Your release may also include a reduction in your regularly scheduled hours. If your provider releases you to return to work for fewer than your regularly scheduled hours, Sedgwick will require that your provider certify the number of hours you can work both for each day and each week. Your scheduled hours will be changed to reflect your work-hour limitations until your physician provides an updated medical certification.

If you are released either with restrictions or to a reduced schedule, Sedgwick will work to obtain clarification of the nature and duration of those limitations to provide Apple with enough information to determine whether those limitations can be reasonably accommodated.

You may be eligible for Apple CA VDI Plan benefits for the difference between actual hours worked up to your Apple CA VDI Plan maximum benefit.

For more information, see "Returning to Modified Work" on page 190.

Recurring Disability
Under the Apple CA VDI Plan, if you return to work after a disability for 60 consecutive calendar days or fewer and become disabled again by the same or a related condition, you will not need to satisfy a new seven-day unpaid waiting period. Successive periods of disability separated by a period of not more than 60 consecutive calendar days will be considered one period of disability, unless the subsequent disability is due to an illness or injury found by the claims administrator to be entirely unrelated to the cause of the previous disability and the disability commences after return to active employment with Apple at your normal work schedule. Contact Sedgwick to report your need for leave.

Coordination with Workers' Compensation and Other Benefits
If your disability is work-related and approved by workers' compensation, your workers' compensation disability benefits will be supplemented by your Apple CA VDI and/or Apple STD Plan benefits. For more information, see the *Workers' Compensation* section on page 186.

Apple California Disability Package benefits may be reduced by payments from other disability benefits, such as workers' compensation.

What's Not Covered

No benefits will be paid under the Apple CA VDI Plan for:

- Any disability that is not certified by a licensed or qualified health care provider
- Any period of disability for which you receive or are eligible to receive unemployment insurance benefits
- Any day for which you receive pay from any employer—unless you are paid less than the amount you were being paid before your disability began; for example, if you return to work part-time

- Any period of unemployment and disability for which you receive benefits or cash payments for temporary or permanent disability indemnity, under a workers' compensation or employer liability law of any state or federal government, a maintenance allowance, or permanent disability (unless you are paid less than the amount you would receive under the Apple CA VDI Plan)
- Any disability that begins while you are not covered by the Apple CA VDI Plan
- Any day you are confined by court order or certification as a result of alcohol or drugs, or as a sex offender
- Any period of incarceration or confinement due to a criminal charge or conviction under a federal, military, state, or municipal law or ordinance; confinement includes voluntary or involuntary remand to a mental health or similar program or facility
- Any disability due to an illness or injury in any way caused by the arrest for or commission, investigation, or prosecution of any crime that results in a felony conviction
- Any disability about which you have knowingly made a false statement or representation, or withheld a material fact, to obtain benefits under the Apple CA VDI Plan

When Benefits End

Your benefits under the Apple CA VDI Plan will end on the earliest of the following:

- When your disability is no longer certified by a licensed or qualified health care provider, or you are no longer receiving temporary disability income benefits under workers' compensation (if applicable)
- When you have received a total of 52 times your weekly benefit for a single period of disability
- When you are no longer under the regular and continuous care of a licensed physician or qualified practitioner
- When you have received benefits for 30 days for participation as a resident in an alcohol recovery program or 45 days for participation as a resident in a drug-free program, unless your physician has certified the need for an extension of an additional 60 days for the alcohol recovery program or an additional 45 days for the drug-free program
- When you die

When Coverage Ends

Your coverage under the Apple CA VDI Plan ends:

- When your employment ends—your coverage will end at midnight on the day your employment ends, unless it occurs while you are disabled
- When you no longer qualify as an eligible employee
- When the Apple CA VDI Plan is discontinued or is no longer approved by the state
- After the 15th day of an unpaid personal leave of absence or a layoff without pay (excluding employees on a leave covered by the Family and Medical Leave Act)
- When you give the HR HelpLine written notice that you want to withdraw from the Apple CA VDI Plan. Your coverage will end effective the first day of the next calendar quarter after the HR HelpLine receives the notice. If you are still employed by Apple, you will automatically be enrolled in California's SDI Plan effective the first day of the calendar quarter that follows the quarter in which the HR HelpLine receives the same notice.
- When you are receiving CA workers compensation benefits that are greater than the CA VDI benefits

Simultaneous Coverage

If you work for more than one employer, you may be entitled to a prorated Apple CA VDI Plan benefit from each of your employers (or the state of California). Each employer's plan (and/or the state plan) will pay an equal portion of the relevant benefit amount.

Recovery of Overpayment

In the event that an overpayment occurs, Sedgwick will notify you of the inadvertent overpayment. Should you need a repayment plan, contact Apple to discuss those options. Apple has the right to recover any benefits it has overpaid.

How to Appeal a Denied Claim

Under the Apple CA VDI Plan or California's SDI Plan, you must appeal a denied claim to the California Employment Development Department within 30 days of the denial of your claim or you will lose your right to appeal. If no denial is provided, you may file an appeal after 30 days, but not later than 60 days from the date your claim was filed.

Hawaii Employees: Apple Hawaii Temporary Disability Insurance Plan

If you work in Hawaii, you may be eligible for partial income replacement from the Apple Hawaii Temporary Disability Insurance (TDI) Plan if you are unable to work for an extended period of time. The Apple Hawaii TDI Plan complies with the Hawaii Temporary Disability Insurance law.

If you are also eligible for the Apple Short-Term Disability (STD) Plan, the disability benefits from the two plans work together to provide your benefits.

Who's Eligible

Corporate employees, retail employees, interns, and flexible workforce employees working in the state of Hawaii who are paid from Apple's or its designated affiliates' W-2 payroll, have worked 20 hours or more each week for at least 14 weeks, and have earned at least $400 during the 52-week period immediately preceding the first day of disability are eligible.

Not Eligible
Independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

How to Enroll

You are automatically enrolled in the Apple Hawaii TDI Plan on your first day of work or eligibility.

Cost of Coverage

Apple pays the entire cost of the Apple Hawaii TDI Plan.

How the Apple Hawaii Temporary Disability Insurance Plan Works

The Apple Hawaii TDI Plan provides partial income replacement when you are unable to work due to illness, injury, or pregnancy.

Contact Information

Sedgwick
To file a disability claim:
855-702-7753 (855-70APPLE)
24 hours a day, 7 days a week

For customer service:
855-702-7753 (855-70APPLE)
Monday through Friday
5:00 a.m. to 6:30 p.m.
Pacific time

https://claimlookup.com/Apple

When Coverage Begins
Coverage begins on your first day of active employment or eligibility at Apple. You are considered an active employee if either of the following conditions is met:

- You are actively at work, either at one of Apple's (or an Apple affiliate's) usual places of business or at some location to which your job requires you to travel.
- The day is a scheduled holiday, vacation day, sick day (of fewer than eight consecutive days), or other period of Apple-approved time away from work (for example, jury duty or bereavement time), except for any Apple-approved medical, family, personal, or military leave. Otherwise, you are considered an active employee on a day that is not one of Apple's scheduled workdays only if you were active the preceding scheduled workday and will be active the following scheduled workday.

Disability Qualifications
To qualify for Apple Hawaii TDI Plan benefits, your disability must meet the following criteria:

- Your illness or injury must not be work-related or caused by your job.
- Your illness or injury must prevent you from performing your regular work.
- Your disability is certified by and you are under the care of a licensed physician, surgeon, dentist, chiropractor, osteopath, or naturopath or an accredited practitioner of a faith-healing group.

Additionally, you must have been employed immediately before the date you suffered your injury, illness, or pregnancy-related disability, or within two weeks of that date, if you would have continued in (or resumed) employment if not for your injury, illness, or pregnancy-related disability.

The following treating physicians and practitioners may certify the disability:

- A person licensed to practice medicine, surgery, dentistry, chiropractic, osteopathy, or naturopathy
- A religious practitioner who is duly authorized and accredited by a bona fide church, sect, denomination, or organization

Apple may request additional information to support a disability certification.

How to File a Claim
When you are ill, injured, or pregnant and you have missed, or know you will miss, work for more than seven consecutive calendar days, contact Sedgwick to initiate a claim. Except for good cause, you must file a claim for Apple Hawaii TDI Plan benefits within 90 days from the date your disability begins.

When you call Sedgwick, a customer service representative will collect some basic information from you regarding your absence, health condition, and work state. Sedgwick will:

- Determine whether you are eligible for Apple Hawaii TDI Plan benefits
- Assist in the collection of and subsequent review of all appropriate medical certification from your treating physician(s)
- Inform your manager of the dates of your disability
- Be your point of contact for Apple Hawaii TDI Plan benefit questions, treatment updates, and other issues

A claims examiner will contact your health care provider to assist in obtaining the medical information required to process your Apple Hawaii TDI Plan claim. You should let your health care provider know to expect this phone call and request that he or she give the claims examiner the requested information. It is your responsibility to ensure all necessary information is collected from your health care provider. Your

claim cannot be processed or paid until this information is collected.

To be eligible for Apple Hawaii TDI Plan benefits, your claim must be filed within 90 days from the date your disability begins. If you do not file a claim within the required 90-day period, your disability claim may be denied, or you may not be eligible for a retroactive payment for a portion of the time you were disabled.

If you do not contact Sedgwick as soon as you are or know you will be disabled, your disability benefits may be delayed, and your regular pay may continue, which may result in an overpayment. You will be responsible for returning any overpaid amounts to Apple.

Under the Apple Hawaii TDI Plan, Sedgwick working in partnership with John Mullen and Company has been delegated the discretionary authority to determine if you are eligible for disability benefits.

Note: To be eligible for Apple STD Plan benefits that complement the Apple Hawaii TDI Plan benefits, the STD portion of the claim must be filed within 15 days of the date on which you became disabled. If you do not file your STD claim within the required 15-day period, the Apple STD Plan portion of your disability benefits may be denied in full, or you may not be eligible for a retroactive payment for a portion of the time you are disabled.

Authorization for Release and Use of Medical Information Form

For a claims examiner to handle your case, you will need to sign an Authorization for Release and Use of Medical Information form, which will be mailed or emailed to you when you initiate your claim.

It is important to sign and return the Authorization for Release and Use of Medical Information form to Sedgwick as soon as you receive it. If you don't sign the medical release, the decision regarding your disability claim may be delayed, and your claim could be denied.

Claim Review Process

To determine approval for Apple Hawaii TDI Plan benefits, the claims examiner will work with your health care provider to obtain the necessary medical information. Medical information is due to Sedgwick within 20 calendar days from your first day absent from work or the date the claim is reported, whichever is later. In some situations, your case may be reviewed by a Sedgwick nurse case manager and/or physician advisor. You may also be required to get an impartial medical examination at Apple's expense.

The claims examiner will notify you of the approval or denial of your Apple Hawaii TDI Plan claim within a reasonable period of time, but not later than 20 calendar days after receipt of your completed claim. Your claim is considered complete when medical information has been received.

When Benefits Begin

If you meet the eligibility requirements and if adequate supporting medical documentation is provided to Sedgwick to support your claim, Apple Hawaii TDI Plan benefits begin on the eighth consecutive calendar day of your disability.

Amount of Benefits

The Apple Hawaii TDI Plan pays you a weekly benefit of 58 percent of your regular weekly pay effective on your first date of disability, following the seven-day unpaid waiting period, subject to weekly minimum and maximum benefit amounts, up to a maximum of 26 weeks, and in all cases shall be at least as much as required under the Hawaii Temporary Disability Insurance law. Regular weekly pay is based on your standard weekly hours as shown in Merlin (Apple's HR information system) and includes base pay plus shift differential, if applicable. Overtime and bonuses are excluded.

Benefits are payable based on a five-day workweek. Daily disability benefits are calculated and paid based on one-fifth of the weekly benefit.

If you are also eligible and approved for the Apple Short-Term Disability (STD) Plan benefits, the combined weekly benefit you may receive from both plans is 100 percent of your regular pay following the seven-day waiting period for up to 12 weeks. Thereafter, the benefit you may receive is 70 percent of your regular salary, for up to 13 additional weeks. This amount includes all other sources of disability income.

If you are a commissioned employee, your regular weekly pay includes base pay and on-target variable. Overtime and bonuses are excluded. Refer to HRWeb for more information about how earned commissions are paid while you are out on disability.

Tax considerations: Since Apple pays the full cost of the Apple STD and Apple Hawaii TDI Plans, the benefit you receive is taxable. Federal and state income tax will be deducted from your benefit payments. Social Security taxes will be withheld for the first six months of benefit payments.

When Benefits Are Paid

Once Sedgwick has all the necessary information from you and your health care provider to complete and approve your claim, your first benefit payment will be issued by the next scheduled biweekly pay date.

You will receive a benefit payment every two weeks for the preceding two weeks of disability. If you have elected to supplement your disability benefit with earned sick pay and/or vacation, you will receive a separate biweekly payment from Apple payroll.

If you have questions about disability benefit payments, contact Sedgwick.

Integrating sick pay and vacation: You may elect to use your earned sick pay and/or vacation to receive up to 100 percent of your pay during any portion of your approved time away when you are receiving less than full pay. Integration pay is calculated based on a seven-day workweek.

You have four options regarding integration:

- **Sick pay only.** Apple uses your earned sick pay until it is exhausted.
- **Vacation only.** Apple uses any accrued vacation until it is exhausted.
- **Sick pay and vacation**. When you integrate sick pay and vacation, sick pay is used first until exhausted, and then any accrued vacation is used until exhausted.
- **No integration**. Neither your earned sick pay nor accrued vacation will be used to receive or supplement pay during your time away.

When you initiate your claim, you must advise Sedgwick if you wish to integrate with sick pay, vacation, or both. You cannot change your decision about integration once your claim has been approved.

You will not earn sick pay and/or accrue vacation while you are receiving disability benefits.

Benefits Coverage and Deductions

If you are enrolled in any of the following benefits, your coverage will continue during your time away, and deductions will be taken from integration pay, if applicable: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your integration pay is not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay during your time away, if possible, or from your regular pay upon your return to work.

Contributions to your 401(k), Health Savings Account (HSA) Employee Stock Purchase Plan (ESPP), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from your disability/paid family leave payments and integration pay, if applicable, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your disability/paid family leave payments and/or integration pay is not enough to cover them, contributions will end and restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay during your time away.

To make updates to your benefit selections due to a qualified family status change during your time away, or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your time away.

Time away benefits: You will not earn sick pay and/or accrue vacation during your time away. Corporate employees will receive holiday pay during the winter holiday shutdown if receiving less than full pay. Corporate and retail employees will not receive holiday pay for any other Apple holidays. If a holiday occurs while you are out on a disability (excluding the winter holiday shutdown for corporate employees) and you elect to integrate sick pay or vacation, you will continue to receive integration pay rather than holiday pay as long as you remain eligible. At no time will the combined benefit from STD, state disability benefits, sick and vacation exceed 100 percent of your regular salary.

Interns are not eligible for vacation or the winter holiday shutdown.

When You Return to Work

Upon Sedgwick's receipt of a medical release from your health care provider, Sedgwick will notify your manager of your upcoming return to work.

Your release may include limitations or restrictions on your ability to perform your job. Your release may also include a reduction in your regularly scheduled hours. If your provider releases you to return to work for fewer than your regularly scheduled hours, Sedgwick will require that your provider certify the number of hours you can work both for each day and each week. Your scheduled hours will be changed to reflect your work-hour limitations until your physician provides an updated medical certification.

If you are released either with restrictions or to a reduced schedule, Sedgwick will work to obtain clarification of the nature and duration of those limitations to provide Apple with enough information to determine whether those limitations can be reasonably accommodated.

You may be eligible for Apple Hawaii TDI Plan benefits for the difference between actual hours worked up to your Apple Hawaii TDI Plan maximum benefit.

For more information, see "Returning to Modified Work" on page 190.

Recurring Disability

Under the Apple Hawaii TDI Plan, if you return to work after a disability for 14 consecutive calendar days or fewer and become disabled again by the same or a related condition, contact Sedgwick. You will not need to satisfy a

new seven-day waiting period under the Apple Hawaii TDI Plan.

Coordination with Workers' Compensation and Social Security
If your disability is work-related and approved by workers' compensation, you will not receive benefits from the Apple Hawaii TDI Plan. If you receive Apple Hawaii TDI Plan benefits and are subsequently approved for workers' compensation benefits, Apple will have the right to collect your workers' compensation benefits for that period and will have a lien against any workers' compensation amounts payable to you.

If you have been approved for Social Security benefits, you are not eligible for Apple Hawaii TDI Plan benefits.

What's Not Covered

No benefits will be paid under the Apple Hawaii TDI Plan if:

- For any period you are not under the care of a physician or health care provider or, if you depend for healing upon prayer or other spiritual means, a religious practitioner who is duly authorized and accredited by a bona fide church, sect, denomination, or organization who can certify your disability in accordance with the Hawaii Temporary Disability Insurance law; Apple may request additional information to support a disability certification
- You performed work for pay for any day during your period of disability (special rules apply if you return to work and suffer a relapse after working less than a full day)
- You were denied unemployment insurance benefits because of a work stoppage due to a labor dispute
- Your injury was willfully and intentionally self-inflicted or it was received while committing a criminal offense
- You received or will receive unemployment insurance, workers' compensation, or federal disability benefits
- You knowingly made a false statement or failed to disclose information to obtain benefits
- You filed your claim beyond 98 days from the date your disability began, with no valid reason

When Benefits End

Your benefits under the Apple Hawaii TDI Plan will end on the earliest of the following:

- When your disability is not supported and certified by a physician or qualified health care provider, or a religious practitioner who is duly authorized and accredited by a bona fide church, sect, denomination, or organization that can certify your disability in accordance with the Hawaii Temporary Disability Insurance law
- When you have received a total of 26 weeks of benefit payments during the benefit year
- When you are no longer under the regular and continuous care of a physician or qualified health care provider, or religious practitioner who is duly authorized and accredited by a bona fide church, sect, denomination, or organization that can certify your disability in accordance with the Hawaii Temporary Disability Insurance law
- When you die

When Coverage Ends

Your coverage under the Apple Hawaii TDI Plan ends:

- When your employment ends—your coverage will end at midnight on the day your employment ends, unless it occurs while you are disabled
- When you no longer qualify as an eligible employee

- When the Apple Hawaii TDI Plan is discontinued
- When you begin an unpaid personal leave of absence

Right of Recovery

The Apple Hawaii TDI Plan has a right to certain payments a third party makes to you.

For example, assume you are involved in an auto accident. You are disabled as a result of this accident and receive Apple Hawaii TDI Plan benefit payments from Apple. Later you recover a monetary award for lost wages from the other driver's auto insurance.

The Apple Hawaii TDI Plan has a right to a portion of your award equal to the disability benefits paid by the other driver's insurance, including a credit against any future benefits payable by the other driver's insurance. The Apple Hawaii TDI Plan also has the right to require you to provide information and sign an acknowledgment of the plan's right of recovery.

In instances in which a third party is financially responsible for some or all of the costs incurred by the Apple Hawaii TDI Plan, you are responsible for collecting from the third party. You must notify Apple if you file an action against a third party, including the court in which it is pending, and Apple may join as a party or claim a lien against the amount of any judgment you recover. If you do not take action within a reasonable period of time, Apple may, at its option, bring legal action to recover any payments the plan made in connection with the disability.

Under no circumstances will you be required to pay the Apple Hawaii TDI Plan any amount over the recovery award, regardless of the benefit costs the Apple Hawaii TDI Plan has incurred.

Recovery of Overpayment
Sedgwick, on behalf of Apple, has the right to recover any benefits it has overpaid. Sedgwick may request a lump-sum payment of the overpaid amount, may reduce any future benefit payments, and/or may use any appropriate collection activity available to recover overpayments.

How to Appeal a Denied Claim

You have the right to appeal a claim denial to the Hawaii Department of Labor and Industrial Relations within 20 days of the date your claim denial was mailed or otherwise provided to you.

New Jersey, New York, and Rhode Island Employees: State Disability Insurance Plans

If you work in New Jersey, New York, or Rhode Island, you may be covered by your state's disability insurance plan. If you are also eligible for the Apple Short-Term Disability (STD) Plan, the disability benefits from the two plans coordinate to provide your benefits.

When you are ill, injured, or pregnant and you have missed, or know you will miss, work for more than seven consecutive calendar days, contact Sedgwick to initiate a leave. In addition, you must contact your local state disability insurance office to file a claim for state disability benefits.

Apple STD Plan benefits will be reduced by payments from all other disability benefits, including your state disability benefits.

New Parent Leave

New Parent Leave benefits are designed to continue your eligible pay during your time away to bond with a new child. For the purpose of this chapter, "new child" is defined as a newborn child, newly adopted child, or newly placed foster child for the purpose of adoption. For eligible employees, coverage is automatic and is provided at no cost to you. Sedgwick administers New Parent Leave.

If you are eligible for benefits, the plan pays a weekly benefit of 100 percent of your regular weekly pay for up to six weeks. New Parent Leave does not provide job protection.

State Paid Family Leave Benefits

The following states' laws require special paid family leave, in addition to New Parent Leave:

- California
- New Jersey
- New York
- Rhode Island

These state leaves provide lower benefits than New Parent Leave pays. The benefit provided under New Parent Leave is coordinated with the state benefits. At no time will the combined benefit from New Parent Leave and state paid family leave benefits exceed 100 percent of your regular salary.

New Parent Leave benefits begin on the first calendar day of your time away.

Who's Eligible

Employees paid from Apple's or its designated affiliates' W-2 payroll are eligible for New Parent Leave benefits, provided they meet certain work-hour and New Parent Leave requirements.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible
Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible. Corporate employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours and retail store employees whose standard weekly hours are fewer than 30 hours, even if the employee works 30 or more hours a week on an infrequent or short-term basis, are not eligible.

California employees who choose California's State Disability Insurance (SDI) Plan instead of the Apple and FileMaker California Voluntary Disability Insurance Plan (CA VDI) will not be eligible for New Parent Leave. For more

information, see "California Employees: Apple Inc. and FileMaker Inc. California Paid Family Leave" on page 171.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

How to Enroll

You are automatically enrolled in New Parent Leave on your first day of work or eligibility.

Cost of Coverage

Apple pays the entire cost of New Parent Leave.

How New Parent Leave Works

New Parent Leave provides financial support during your time away to bond with a new child for up to six weeks. New Parent Leave may be taken continuously or intermittently. If New Parent Leave is intermittent, it must be taken in at least one-week increments. However, on the first two occasions it may be taken in less than one-week increments. For example, you may choose to take one day off as your shorter increment of time. Each intermittent period of time of one week or less is counted as a separate increment.

New Parent Leave coordinates and runs concurrently with other bonding leaves covered under California Paid Family Leave (CA PFL), the Family and Medical Leave Act (FMLA), the California Family Rights Act (CFRA), and other applicable state laws. New Parent Leave does not provide job protection.

When Coverage Begins
Coverage for New Parent Leave begins on your first day of active employment or eligibility at Apple. You are an active employee if you are actively at work, either at one of Apple's (or an Apple affiliate's) usual places of business or at some location to which your job requires you to travel.

New Parent Leave Qualifications
To qualify for New Parent Leave benefits, you must provide documentation of proof of birth, adoption, or foster placement for the intent of adoption. Eligibility for New Parent Leave is based on the date of birth, adoption, or foster placement for the intent of adoption of the child. The birth, adoption, or placement must have occurred during your employment with Apple or its designated affiliates. The time must be taken and completed within one year of the child's birth, adoption, or foster care placement for the purpose of adoption.

How to File a Claim
Contact Sedgwick as soon as possible, but no later than 15 calendar days from your first day absent.

Provide the following information to Sedgwick:

- Your anticipated time away start date and duration
- Required documentation to include proof of birth, adoption, or placement. For foster children, Apple does not require that parental rights of the child have been terminated for an employee to be eligible for this leave. Apple does ask for some indication that the child may be eligible for adoption and that the employee intends to adopt. Apple's extended family bonding leave programs are not intended to be used for temporary or short-term foster care.

Contact Information

Sedgwick
To file a disability claim:
855-702-7753 (855-70APPLE)
24 hours a day, 7 days a week

For customer service:
855-702-7753 (855-70APPLE)
Monday through Friday
5:00 a.m. to 6:30 p.m.
Pacific time

https://claimlookup.com/Apple

When you call Sedgwick, a customer service representative will collect some basic information from you regarding your time away. Sedgwick will:

- Determine whether you are eligible for New Parent Leave benefits
- Inform your manager of the dates of your time away
- Be your point of contact for New Parent Leave benefit questions

To be eligible for New Parent Leave benefits, your New Parent Leave claim must be filed within 15 calendar days of your first day absent. If you do not file your New Parent Leave claim within the required 15-day period, your New Parent Leave benefits may be denied.

Under New Parent Leave, Sedgwick has been delegated the discretionary authority to determine if you are eligible for New Parent Leave benefits.

Authorization for Release and Use of Medical Information Form

For a claims examiner to handle your claim, you will need to sign an Authorization for Release and Use of Medical Information form, which will be mailed or emailed to you when you initiate your claim.

It is important to sign and return the Authorization for Release and Use of Medical Information form to Sedgwick as soon as you receive it.

Claim Review Process

To determine approval for New Parent Leave benefits, proof of birth or placement is due to Sedgwick within 20 calendar days from your first day absent from work or the date the claim is reported, whichever is later. For foster children, Apple does not require that parental rights of the child have been terminated for an employee to be eligible for this leave. Apple does ask for some indication that the child may be eligible for adoption and that the employee intends to adopt. Apple's extended family bonding leave programs are not intended to be used for temporary or short-term foster care.

The claims examiner will notify you of the approval or denial of your New Parent Leave claim within a reasonable period of time.

When Benefits Begin

If you meet the eligibility requirements and if supporting documentation is provided to Sedgwick to support your claim, New Parent Leave benefits begin on the first day of your time away.

Amount of Benefits

New Parent Leave pays a weekly benefit of 100 percent of your regular weekly pay for up to six weeks. This amount includes all other sources of paid family leave income.

Benefits are based on your regular weekly pay effective on the first day of your time away begins. Regular weekly pay is based on your standard weekly hours as shown in Merlin (Apple's HR information system) and includes base pay plus shift differential. Overtime and bonuses are excluded.

Benefits are payable based on a seven-day workweek. For example, if you are a full-time employee working 40 hours per week and on an approved New Parent Leave, your pay will be based on 5.71 hours per calendar day.

If you are a commissioned employee, your regular weekly pay includes base pay and on-target variable. Overtime and bonuses are excluded. Refer to HRWeb for more information about how earned commissions are paid when receiving New Parent Leave benefits.

When Benefits Are Paid

Once Sedgwick has all the necessary information to complete and approve your claim, and submits payment information to Apple by the payroll deadline, your first benefit payment will be issued from Apple payroll by the next

scheduled biweekly pay date. You will receive a benefit payment every two weeks per the Apple payroll schedule while on an approved New Parent Leave.

If you are a commissioned employee, the amount Apple pays for actual commissions in excess of your on-target variable will be paid in accordance with Apple's US Sales Incentive Compensation Plan for the first three months of a continuous leave of absence.

If you have questions about New Parent Leave benefit payments, contact Sedgwick.

Tax considerations: Since Apple pays 100 percent of the cost of New Parent Leave, the full benefit paid is taxable. Federal income tax will be deducted from your benefit payments.

Liability for state taxes varies from state to state. State taxes will be withheld from your benefit payments unless it is not required by state and/or local regulations. The tax treatment and withholding requirements of any state/local paid family leave benefits will also vary by state. Consult your tax advisor for more information.

Benefits Coverage and Deductions

If you are enrolled in any of the following benefits, your coverage will continue during your time away, and deductions will be taken from your New Parent Leave benefits: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your New Parent Leave benefits are not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay during your time away, if possible, or from your regular pay upon your return to work. If your deductions exceed your regular bi-weekly pay, you may not receive any pay for that period. If this causes a financial hardship, you may reach out to the HR Helpline to discuss re-payment options.

Contributions to your 401(k), Health Savings Account (HSA), Employee Stock Purchase Plan (ESPP), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from New Parent Leave benefits, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your disability/paid family leave payments and/or integration pay is not sufficient to cover them, contributions will restart when sufficient pay is available.

401(k) loan payments will not be taken from New Parent Leave benefits.

To make updates to your benefit selections due to a qualified family status change during your time away, or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your time away.

Time Away Benefits

You will not earn sick pay and/or accrue vacation during your time away. Corporate employees will receive holiday pay during the winter holiday shutdown if receiving less than full pay. Corporate and retail employees will not receive holiday pay for any other Apple holidays. If a holiday occurs during your time away (excluding the winter holiday shutdown for corporate employees) and you elect to integrate sick pay or vacation, you will continue to receive integration pay, rather than holiday pay, as long

as you remain eligible. At no time will the combined benefit from New Parent Leave and state paid family leave benefits exceed 100 percent of your regular salary.

Interns are not eligible for vacation or the winter holiday shutdown.

When You Return to Work
Notify Sedgwick if your return to work date changes at any time during your time way.

Seven calendar days prior to your estimated return to work, Sedgwick will contact you to confirm your return to work date. Once confirmed, Sedgwick will notify your manager of this date.

After your New Parent Leave benefits end, you may be eligible for additional unpaid time away for bonding under the Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA), or any applicable state leave law. Contact Sedgwick to determine if you are eligible and have time remaining through FMLA, CFRA, or any applicable state leave law.

What's Not Covered

No New Parent Leave benefits will be paid for:

- Any time away not supported by proof of birth, adoption, or placement
- Any day for which you receive pay from any employer—unless you are paid less than the amount you were being paid before your time away began
- Any time away that begins while you are not covered by New Parent Leave
- Any period of incarceration or confinement due to a criminal conviction under a federal, state, or municipal law or ordinance
- Any period of time away for which you receive or are eligible to receive unemployment insurance benefits
- Any period of time away during which you have knowingly made a false statement or representation, or withheld a material fact, to obtain New Parent Leave benefits
- Any day you are confined by court order or certification as a result of alcohol or drugs, or as a sex offender

When Benefits End

Your New Parent Leave benefits will end on the earliest of the following:

- After six weeks of New Parent Leave benefits for the same child
- If you do not provide information within 20 days of a written request from Sedgwick
- The date you are no longer an eligible employee
- When your employment ends
- When you die

When Coverage Ends

Your coverage under New Parent Leave ends:

- When your employment ends
- When you no longer qualify as an eligible employee
- When New Parent Leave is discontinued
- When you begin an unpaid personal leave of absence

Recovery of Overpayment
At no time will the combined benefit from New Parent Leave and state paid family leave benefits exceed 100 percent of your regular salary. In the event that an overpayment occurs, Apple will notify you of the inadvertent overpayment and will propose a financial arrangement that will allow you to repay the overpayments that have accrued. Apple has the right to recover any benefits it has overpaid.

Paid Family Care Leave

Paid Family Care Leave (PFC) benefits are designed to continue your eligible pay during your time away to care for or provide emotional support to a seriously ill family member. For eligible employees, coverage is automatic and is provided at no cost to you. Sedgwick administers PFC.

If you are eligible for benefits, the plan pays a weekly benefit of 100 percent of your regular weekly pay for up to four weeks. This amount includes all other sources of paid family leave and other applicable paid time away benefits. PFC does not provide job protection and runs concurrently with all other applicable benefits.

State Paid Family Leave Benefits

The following states' laws require special paid family leave benefits, in addition to Paid Family Care Leave (PFC):

- California
- New York
- New Jersey
- Rhode Island

These state leaves provide lower benefits than PFC pays. The benefit provided under PFC is coordinated with the state benefits, if applicable. The total amount you receive is equal to 100 percent of your eligible pay.

Who's Eligible

Employees paid from Apple's or its designated affiliates' W-2 payroll are eligible for Paid Family Care Leave benefits, provided they meet certain work-hour requirements.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible
Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible. Corporate employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours and retail store employees whose standard weekly hours are fewer than 30 hours, even if the employee works 30 or more hours a week on an infrequent or short-term basis, are not eligible.

California employees who choose California's State Disability Insurance (SDI) Plan instead of the Apple and FileMaker California Voluntary Disability Insurance (CA VDI) Plan will not be eligible for Paid Family Care Leave. For more

information, see "California Employees: Apple Inc. and FileMaker Inc. California Paid Family Leave" on page 171.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

How to Enroll

You are automatically enrolled in Paid Family Care Leave on your first day of work or eligibility.

Cost of Coverage

Apple pays the entire cost of Paid Family Care Leave.

How Paid Family Care Leave Works

Paid Family Care Leave (PFC) provides financial support during your time away to care for or provide emotional support to a seriously ill family member. The definition of a "serious illness" does not necessarily imply a terminal condition but will mean a condition that may involve inpatient care in a hospital, hospice, or residential medical care facility; or continuing treatment by a health care provider for the serious health condition. Some examples of the serious illnesses that may be considered under this plan are: stroke, multiple sclerosis, Parkinson's, Alzheimer's disease, cardiac events, cancer, autism, and so forth. This is not an exhaustive list. Some examples of when a Paid Family Care Leave would be appropriate are as follows:

- Providing care of a qualifying family member who, because of a serious health condition, is unable to care for his or her own basic medical, hygienic, nutritional or safety needs, or is unable to transport himself or herself to the doctors, and so forth.
- Providing psychological comfort and reassurance that would be beneficial to a family member with a serious health condition who is receiving inpatient or home care
- Filling in for others who normally care for the family member or to make arrangements for changes in care (such as transfer to a nursing home)

You can take up to four weeks off with pay, in a rolling 12-month period. This time is measured backward from the first day of your current leave of absence. PFC may be taken continuously or intermittently. If PFC is intermittent, it must be taken in at least one-day increments.

PFC runs concurrently with other family care leaves covered under California Paid Family Leave (CA PFL), the Family and Medical Leave Act (FMLA), the California Family Rights Act (CFRA), and other applicable state laws. PFC does not provide job protection.

When Coverage Begins

Coverage for Paid Family Care Leave begins on your first day of active employment or eligibility at Apple. You are an active employee if you are actively at work, either at one of Apple's (or an Apple affiliate's) usual places of business or at some location to which your job requires you to travel.

Paid Family Care Leave Qualifications

- To qualify for Paid Family Care Leave (PFC) benefits, you must provide medical certification from your family member's treating provider(s).
- A qualified family member is defined as an employee's spouse, domestic partner, child (includes adopted or permanently placed foster child, and a child of a spouse/domestic partner), or parent.

How to File a Claim
Contact Sedgwick as soon as possible, but no later than 15 calendar days from your first day absent.

Provide the following information to Sedgwick:

- Your anticipated time away start date and duration
- Required documentation to include a medical certification from your family member's treating provider(s)

When you call Sedgwick, a customer service representative will collect some basic information from you regarding your time away. Sedgwick will:

- Determine whether you are eligible for Paid Family Care Leave (PFC) benefits
- Inform your manager of the dates of your time away
- Be your point of contact for PFC benefit questions

To be eligible for PFC benefits, your PFC claim must be filed within 15 calendar days of your first day absent. If you do not file your PFC claim within the required 15-day period, your PFC benefits may be denied.

Under PFC, Sedgwick has been delegated the discretionary authority to determine if you are eligible for PFC benefits.

Authorization for Release and Use of Medical Information Form
For a claims examiner to handle your claim, your family member will need to sign an Authorization for Release and Use of Medical Information form, which will be mailed or emailed to you when you initiate your claim.

It is important to have your family member sign and return the Authorization for Release and Use of Medical Information form to Sedgwick as soon as you receive it.

Claim Review Process
To determine approval for Paid Family Care Leave (PFC) benefits, medical certification from your family member's treating provider is due to Sedgwick within 20 calendar days from your first day absent from work or the date the claim is reported, whichever is later.

The claims examiner will notify you of the approval or denial of your PFC claim within a reasonable period of time.

When Benefits Begin
If your claim is approved, Paid Family Care Leave benefits begin on your first day absent when taking time away to care for or provide emotional support to a seriously ill family member.

Amount of Benefits
Paid Family Care Leave (PFC) pays a weekly benefit of 100 percent of your regular weekly pay for up to four weeks in coordination with and concurrently to all other applicable benefits. At no time will the combined benefit from PFC and state paid family leave benefits exceed100 percent of your regular salary.

Benefits are based on your regular weekly pay effective on the first day of your time away. Regular weekly pay is based on your standard weekly hours as shown in Merlin (Apple's HR information system) and includes base pay plus shift differential. Overtime and bonuses are excluded.

Continuous benefits are payable based on a seven-day workweek. For example, if you are a full-time employee working 40 hours per week and on an approved PFC, your pay will be based on 5.71 hours per day. Intermittent PFC will be paid based on scheduled hours worked per calendar day.

If you are a commissioned employee, your regular weekly pay includes base pay and on-target variable. Overtime and bonuses are excluded. Refer to HRWeb for more information

about how earned commissions are paid when receiving PFC benefits.

When Benefits Are Paid
Once Sedgwick has all the necessary information to complete and approve your claim, your first benefit payment will be issued from Apple payroll by the next scheduled biweekly pay date. You will receive a benefit payment every two weeks per the Apple payroll schedule while on an approved Paid Family Care Leave (PFC).

If you are a commissioned employee, the amount Apple pays for actual commissions in excess of your on-target variable will be paid in accordance with Apple's US Sales Incentive Compensation Plan for the first three months of a continuous time away.

If you have questions about PFC benefit payments, contact Sedgwick.

Tax considerations: Since Apple pays 100 percent of the cost of Paid Family Care Leave, the full benefit paid is taxable. Federal income tax will be deducted from your benefit payments.

Liability for state taxes varies from state to state. State taxes will be withheld from your benefit payments unless it is not required by state and/or local regulations. The tax treatment and withholding requirements of any state paid family leave benefits will also vary by state. Consult your tax advisor for more information.

Benefits Coverage and Deductions
If you are enrolled in any of the following benefits, your coverage will continue during your time away and deductions will be taken from your Paid Family Care Leave (PFC) benefits: health care coverage, life and AD&D insurance and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your PFC benefits are not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay during your time away, if possible, or from your regular pay upon your return to work. If your deductions exceed your regular bi-weekly pay, you may not receive any pay for that period. If this causes a financial hardship, you may reach out to the HR Helpline to discuss re-payment options.

Contributions to your 401(k), Health Savings Account (HSA), Employee Stock Purchase Plan (ESPP), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from PFC benefits, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your PFC benefits are not sufficient to cover them, contributions will restart when sufficient pay is available.

401(k) loan payments will not be taken from PFC benefits.

To make updates to your benefit selections due to a qualified family status change during your time away, or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your time away.

Time Away Benefits
You will not earn sick pay and/or accrue vacation during your time away. Corporate employees will receive holiday pay during the winter holiday shutdown if receiving less than full pay.

Corporate and retail employees will not receive holiday pay for any other Apple holidays. If a holiday occurs during your time away (excluding the winter holiday shutdown for corporate employees) and you elect to integrate sick pay or vacation, you will continue to receive integration pay, rather than holiday pay, as long as you remain eligible. At no time will the combined benefit from PFC and state paid family leave benefits exceed 100 percent of your regular salary.

When You Return to Work
Notify Sedgwick if your return to work date changes at any time during your time away.

Seven calendar days prior to your estimated return to work, Sedgwick will contact you to confirm your return to work date. Once confirmed, Sedgwick will notify your manager of this date.

After your Paid Family Care Leave benefits end, you may be eligible for additional unpaid time away under the Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA), or any applicable state leave law. Contact Sedgwick to determine if you are eligible and have time remaining through FMLA, CFRA, or any applicable state leave law.

What's Not Covered

No Paid Family Care Leave (PFC) benefits will be paid for:

- Any time away not supported by a medical certification from your family member's treating provider(s)
- Any day for which you receive pay from any employer—unless you are paid less than the amount you were being paid before your time away began
- Any period of incarceration or confinement due to a criminal conviction under a federal, state, or municipal law or ordinance
- Any period of time away for which you receive or are eligible to receive unemployment insurance benefits
- Any period of time away during which you have knowingly made a false statement or representation, or withheld a material fact, to obtain PFC benefits
- Any day you are confined by court order or certification as a result of alcohol or drugs, or as a sex offender

When Benefits End

Your Paid Family Care Leave (PFC) benefits will end on the earliest of the following:

- After four weeks of pay for care and support of a seriously ill family member
- If the family member you are care for should die
- The date you are no longer an eligible employee
- When your employment ends
- When you die

When Coverage Ends

Your coverage under Paid Family Care Leave (PFC) ends:

- When your employment ends
- When you no longer qualify as an eligible employee
- When the PFC policy is discontinued
- When you begin an unpaid personal leave of absence

Recovery of Overpayment
At no time will the combined benefit from Paid Family Care and state paid family leave benefits exceed 100 percent of your regular salary. In the event that an overpayment occurs, Apple will notify you of the inadvertent overpayment and will propose a financial arrangement that will allow you to repay the overpayments that have

accrued. Apple has the right to recover any benefits it has overpaid.

State Paid Family Leave Benefits

If you work in California, New Jersey, New York, or Rhode Island, you may be eligible for paid family leave benefits under state law. All state paid family leave benefits coordinate and run concurrently with other family or bonding leaves such as Apple's New Parent Leave, Paid Family Care Leave, the Family and Medical Leave Act (FMLA), the California Family Rights Act (CFRA), and other applicable state laws.

California Employees: Apple Inc. and FileMaker Inc. California Paid Family Leave

California Paid Family Leave (CA PFL) is a paid time away benefit provided as part of the Apple and FileMaker California Voluntary Disability Insurance (CA VDI) Plan. CA PFL provides income if you cannot work because you must care for the serious health condition of a family member or you are bonding with a newborn child, newly adopted child, or newly placed foster child. CA PFL does not provide job protection.

CA PFL pays a percent of your regular weekly pay effective the day before your leave, for up to 6 weeks or, if greater, the full weekly benefit you would have received under the state of California's PFL Plan if you had not been covered by the Apple CA VDI Plan, up to a maximum weekly benefit set by the state.

Who's Eligible

Employees and flexible workforce employees who work in the state of California are eligible for CA PFL benefits under the Apple CA VDI Plan, provided they meet certain work-hour requirements.

Corporate
Employees, interns, and flexible workforce employees who work in the state of California and are paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees, interns, and flexible workforce employees who work in the state of California and are paid from Apple's W-2 payroll, who work in a retail store, and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Corporate and Retail
Employees, interns, and flexible workforce employees who work in the state of California and whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours may be eligible for benefits under California's State Disability Insurance (SDI) Plan.

Not Eligible
Except as described in the preceding section, independent contractors, consultants, temporary agency workers, and employees (including flexible workforce employees) whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours, even if the employee works 20 or more hours a week on an infrequent or short-term basis, are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

How to Enroll

If you meet the eligibility requirements described above, under "Who's Eligible," you are automatically enrolled in the Apple CA VDI Plan, which includes CA PFL, on your first day of work or eligibility, unless you choose California's SDI Plan. If you choose SDI coverage instead of the Apple CA VDI Plan, send your request to the HR HelpLine at hrhelpline@apple.com within 30 days of your date of hire. If you decide to change to SDI coverage after your first 30 days of employment, the change will take effect the first day of the next calendar quarter. If you choose SDI coverage, you will not be eligible for New Parent Leave and Apple's Paid Family Care Leave, and in most cases, your paid family leave benefit will be less.

Cost of Coverage

Under the Apple CA VDI Plan, which includes CA PFL, you pay a contribution rate set annually by Apple that will not exceed the contribution rate set by the state of California for SDI coverage. Your contributions are deducted automatically from your paycheck each pay period.

How California Paid Family Leave Works

CA PFL provides income protection when you cannot work because you must care for the serious health condition of a family member or you are bonding with a newborn child, newly adopted child, or newly placed foster child. An eligible family member is defined as an employee's spouse, domestic partner, child (includes adopted or foster child, and a child of a spouse/domestic partner), parent, parent-in-law, sibling, grandchild, or grandparent.

When Coverage Begins
Coverage begins on your first day of active employment or eligibility at Apple. You are an active employee if you are actively at work, either at one of Apple's (or an Apple affiliate's) usual places of business or at some location to which your job requires you to travel.

CA PFL Qualifications

- If the time away is requested to care for a seriously ill family member, a certification from the family member's treating provider stating the diagnosis of the family member, the probable duration, and the estimated time needed for care is required, along with a statement that the employee's participation is needed. You are not eligible for CA PFL on any day that another family member is available to provide the needed care, however, you may be covered by Apple's Paid Family Care Leave. You will not be eligible for either plan on any day that you are eligible to receive benefits for your own disability.
- If CA PFL is requested to bond with a newborn child, newly adopted child, or newly placed foster child, the time away must be taken and completed within one year of the child's birth, adoption, or foster care placement. If your bonding leave is intermittent and runs concurrently with New Parent Leave, or CFRA, it must be taken in at least one-week increments. If your bonding leave is intermittent and is not running concurrently with CFRA, it may be taken in any increment. Proof of birth, adoption, or placement must be provided to support a claim for bonding.

How to File a Claim
Notify your manager as far in advance as possible. If you don't provide 30 days of notice for a foreseeable event, Apple may delay your time away for 30 days from the date you provide notice.

Contact Sedgwick as soon as possible, but no later than 15 calendar days from your first day absent.

Provide the following information to Sedgwick:

- Your anticipated time away start date and duration
- For bonding: Required documentation to include proof of birth, adoption, or placement
- For care of a family member: Medical certification from your family member's treating provider(s)

When you call Sedgwick, a customer service representative will collect some basic information from you regarding your time away. Sedgwick will:

- Determine whether you are eligible for CA PFL benefits
- Inform your manager of the dates of your time away
- Be your point of contact for CA PFL benefit questions

To be eligible for CA PFL benefits, your CA PFL claim must be filed within 53 calendar days of your first day absent from work due to leave. If you do not file your CA PFL claim within the required 53-day period, your CA PFL benefits may be denied. In addition, CA PFL does not extend your aggregate amount of available time away but will provide compensation for what otherwise might be unpaid time away.

Under CA PFL, Sedgwick has been delegated the discretionary authority to determine if you are eligible for CA PFL benefits.

Authorization for Release and Use of Medical Information Form
For a claims examiner to handle your claim to care for a seriously ill family member, your family member will need to sign an Authorization for Release and Use of Medical Information form, which will be mailed or emailed to you when you initiate your claim.

It is important that your family member sign and return the Authorization for Release and Use of Medical Information form to Sedgwick as soon as you receive it.

Claim Review Process
To determine approval for CA PFL benefits, the claims examiner will work with you and/or your family member's health care provider to obtain the necessary medical certification or documentation for bonding. Required documentation is due to Sedgwick within 20 calendar days from your first day absent from work or the date the claim is reported, whichever is later.

The claims examiner will notify you of the approval or denial of your CA PFL claim within a reasonable period of time, but not later than 14 calendar days after receipt of your completed claim. Your claim is considered complete when medical information has been received.

When Benefits Begin
For family leave to care for a seriously ill family member or to bond with a new child, CA PFL benefits begin on the first calendar day of your claim.

Amount of Benefits
CA PFL pays you a weekly benefit between 60 and 70 percent of your regular weekly pay effective on the first day your leave begins, for up to six weeks or, if greater, the full weekly benefit you would have received under the state of California's PFL Plan if you had not been covered by the Apple CA VDI Plan, up to a maximum weekly benefit set by the state.

The state of California determines the benefit as follows:

- **Seventy Percent (70%)** for individuals who earned less than **one-third of the state's average quarterly wage** during the base period (prior four quarters); OR
- **Sixty Percent (60%)** for individuals who earned **one-third or more of the state's average quarterly wage** during the base period (prior four quarters).

The minimum weekly benefit amount is $50.

Benefits are based on your regular weekly pay effective the day before your time away begins and are payable based on a seven-day workweek (one-seventh of the weekly benefit). Regular weekly pay is based on your standard weekly hours as shown in Merlin (Apple's HR information system) and includes base pay plus shift differential. Overtime and bonuses are excluded.

If you are also eligible and approved for New Parent Leave benefits or Apple's Paid Family Care Leave, these leaves will run concurrently with the CA PFL, and the combined weekly benefit you may receive from both plans is 100 percent of your regular weekly pay. This amount includes all other sources of paid family leave income. Employees who elect California's SDI Plan instead of the Apple CA VDI Plan are ineligible for New Parent Leave and Apple's Paid Family Care Leave benefits and therefore will receive only the CA SDI benefit amount.

If you are a commissioned employee, your regular weekly pay includes base pay and on-target variable. Overtime and bonuses are excluded. Refer to HRWeb for more information about how earned commissions are paid during your time away.

If you receive disability or unemployment compensation, or if there is no salary lost for the period of your time away, you may not be eligible for CA PFL benefits, or you may receive a lower benefit amount.

When Benefits Are Paid

Once Sedgwick has all the necessary information to complete and approve your claim and submits payment information to Apple by the payroll deadline, your first benefit payment will be issued from Apple payroll by the next scheduled biweekly pay date. You will receive a benefit payment every two weeks per the Apple payroll schedule while on an approved CA PFL claim.

If you are a commissioned employee, the amount Apple pays for actual commissions in excess of your on-target variable will be paid in accordance with Apple's US Sales Incentive Compensation Plan for the first three months of a continuous leave of absence.

If you have questions about CA PFL benefit payments, contact Sedgwick.

Tax considerations. CA PFL benefits are taxable for federal income tax purposes but are not taxable for state income tax.

Integrating sick pay and vacation: You may elect to use your earned sick pay and/or vacation to receive up to 100 percent of your pay during any portion of your approved time away when you are receiving less than full pay. Integration pay is calculated based on a seven-day workweek.

You have four options regarding integration:

- **Sick pay only.** Apple uses your earned sick pay until it is exhausted.
- **Vacation only.** Apple uses any accrued vacation until it is exhausted.
- **Sick pay and vacation.** When you integrate sick pay and vacation, sick pay is used first until exhausted, and then any accrued vacation is used until exhausted.
- **No integration.** Neither your earned sick pay nor accrued vacation will be used to receive or supplement pay during your time away.

When you initiate your claim, you must advise Sedgwick if you wish to integrate with sick pay, vacation, or both. You cannot change your decision about integration once your claim has been approved.

Redirection of benefits: The state of California allows employees to choose whether benefit deductions will be taken from Apple CA VDI Plan pay. If you choose not to have deductions taken from your Apple CA VDI Plan payments, they'll still be taken from New Parent Leave or Apple's

Paid Family Care Leave payments and/or integration pay, as applicable. Regardless of your decision, you'll be responsible for any uncollected deductions upon your return to work.

If you want to have your benefit deductions taken from your CA PFL pay during your time away, you will need to complete the "Benefit Premium Deductions" section of Sedgwick's Authorization for Release and Use of Medical Information form. If you choose not to have your deductions taken from your CA PFL Plan pay or if you do not complete the "Benefit Premium Deductions" section of the form, you'll be responsible for any uncollected deductions upon your return to work.

You may make this decision at the time you file for CA PFL benefits, or you may change the decision at any time while receiving such benefits.

Benefits Coverage and Deductions
If you are enrolled in any of the following benefits, your coverage will continue during your time away and deductions will be taken from your CA PFL benefits and integration pay, if applicable: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your CA PFL benefits and/or integration pay is not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay during your time away, if possible, or from your regular pay upon your return to work.

Contributions to your 401(k), Health Savings Account (HSA), Employee Stock Purchase Plan (ESPP), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from your disability/paid family leave payments and integration pay, if applicable, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your disability/paid family leave payments and/or integration pay is not enough to cover them, contributions will restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay during your time away.

To make updates to your benefit selections due to a qualified family status change during your time away, or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your leave.

Time away benefits: You will not earn sick pay and/or accrue vacation during your time away. You will not receive holiday pay for Apple holidays during your time away, with the exception of the winter holiday shutdown for corporate employees if receiving less than full pay. Corporate and retail employees will not receive holiday pay for any other Apple holidays. If a holiday occurs during your time away (excluding the winter holiday shutdown for corporate employees) and you elect to integrate sick pay or vacation, you will continue to receive integration pay, rather than holiday pay, as long as you remain eligible. Your total pay will not exceed 100 percent of your regular pay. Interns are not eligible for vacation or the winter holiday shutdown.

When You Return to Work
Notify Sedgwick if your return to work date changes at any time during your time away.

Seven calendar days prior to your estimated return to work, Sedgwick will contact you to confirm your return to work date. Once confirmed, Sedgwick will notify your manager of this date.

After your CA PFL benefits end, you may be eligible for additional unpaid time away under the Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA), or any applicable state leave law. Contact Sedgwick to determine if you are eligible and have time remaining through FMLA, CFRA, or any applicable state leave law.

What's Not Covered

No CA PFL benefits will be paid under the Apple CA VDI Plan for:

- Any period of family leave for which you receive or are eligible to receive unemployment insurance benefits
- Any day for which you receive pay from any employer—unless you are paid less than the amount you were being paid before your family leave began; for example, if you return to work part-time
- Any period of unemployment and disability for which you receive benefits or cash payments for temporary or permanent disability indemnity, under a workers' compensation or employer liability law of any state or federal government, a maintenance allowance, or permanent disability (unless you are paid less than the amount you would receive under the Apple CA VDI Plan)
- Any family leave that begins while you are not covered by the Apple CA VDI Plan
- Any day you are confined by court order or certification as a result of alcohol or drugs, or as a sex offender
- Any period of incarceration or confinement due to a criminal conviction under a federal, state, or municipal law or ordinance
- Any family leave about which you have knowingly made a false statement or representation, or withheld a material fact, to obtain benefits under the Apple CA VDI Plan

When Benefits End

Your CA PFL benefits under the Apple CA VDI Plan will end on the earliest of the following:

- When you have received a total of six times your weekly benefit of paid family leave within one year from the date of the event
- When your family leave is no longer certified by a licensed physician or other qualified practitioner
- When your family member is no longer under the regular and continuous care of a licensed physician or qualified practitioner

When Coverage Ends

Your coverage under the Apple CA VDI Plan ends:

- **When your employment ends**—your coverage will end at midnight on the day your employment ends, unless it occurs while you are receiving CA PFL benefits
- When you no longer qualify as an eligible employee
- When the Apple CA VDI Plan is discontinued or is no longer approved by the state
- After the 15th day of an unpaid personal leave of absence or a layoff without pay (excluding employees on a leave covered by the Family and Medical Leave Act)
- When you give the HR HelpLine written notice that you want to withdraw from the Apple CA VDI Plan. Your coverage will end

effective the first day of the next calendar quarter after the HR HelpLine receives the notice. If you are still employed by Apple, you will automatically be enrolled in California's SDI Plan effective the first day of the calendar quarter that follows the quarter in which the HR HelpLine receives the same notice.

Simultaneous Coverage

If you work for more than one employer, you may be entitled to a prorated Apple CA PFL benefit from each of your employers (or the state of California). Each employer's plan (and/or the state plan) will pay a portion of the relevant benefit amount.

Recovery of Overpayment

In the event that an overpayment occurs, Apple will notify you of the inadvertent overpayment and will propose a financial arrangement that will allow you to repay the overpayments that have accrued. Apple has the right to recover any benefits it has overpaid.

How to Appeal a Denied Claim

Under the Apple CA VDI Plan or California's SDI Plan, you must appeal a denied claim to the California Employment Development Department within 30 days of the denial of your claim, or you will lose your right to appeal. If no denial is provided, you may file an appeal after 30 days, but not later than 60 days from the date your claim was filed.

Send CA PFL appeals to:

California Employment Development Department
Paid Family Leave
P.O. Box 997017
Sacramento, CA 95799-7017

New Jersey, New York, and Rhode Island Employees: State Paid Family Leave Insurance Plans

If you work in New Jersey, New York, or Rhode Island, you may be covered by your state's paid family leave insurance plan. If you are also eligible for New Parent Leave, Apple's Paid Family Care Leave, and unpaid family leave benefits, the New Jersey, New York, and Rhode Island paid family leave benefits will be coordinated and run concurrently where applicable to provide your benefits. Your total pay will not exceed 100 percent of your regular pay.

When you need to take time away to care for a seriously ill family member or to bond with a new child, contact Sedgwick to initiate a leave. In addition, contact your local state paid family leave insurance office to file a claim for state paid family leave benefits.

New Parent Leave and Paid Family Care Leave benefits will be reduced by payments from all other paid family leave benefits.

Long-Term Disability

If your disability date occurs on and after January 1, 2018, the LTD provisions described below in this Benefits Book apply to you. If your disability date occurred prior to January 1, 2018, your LTD benefits are handled by Cigna, and you must refer to the prior Benefits Book in effect for the year in which your disability occurred for details on your LTD benefits. You may obtain prior Benefits Book and the relevant certificate of coverage by contacting HR Helpline or visiting HRWeb.

Long-term disability insurance provides you with financial protection if you are totally disabled for greater than 26 weeks, or the date short-term disability benefits end, whichever is later.

Apple provides you with basic LTD coverage of 50 percent of your regular pay—up to a maximum monthly benefit of $26,000. Apple also offers you a LTD buy-up option equal to 70 percent of your regular pay—up to a maximum monthly benefit of $37,000.

Regular pay includes base pay plus shift differential. Overtime and bonuses are excluded. If you are a commissioned employee, your regular pay includes base pay and your on-target variable.

The Apple Long-Term Disability Insurance Plan is insured through Lincoln Financial Group (LFG).

For a more detailed description of the LTD insurance plan offered by Apple, see the LTD Certificate of Insurance on HRWeb. Also, a copy of the long-term disability policies are available upon request by contacting the HR HelpLine. In case of any omission or conflict between this Benefits Book and the official plan documents, contracts, or policies, the applicable plan documents, contracts, or policies will govern.

Who's Eligible

Employees paid from Apple's or its designated affiliates' W-2 payroll are eligible for the Apple Long-Term Disability Insurance Plan, provided they meet certain work-hour and LTD Plan requirements.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible
Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible. Corporate employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours and retail store employees whose standard weekly hours are fewer than 30 hours, even if the

Contact Information

For Disability dates prior to 1/1/18:

Life Insurance Company of North America (Cigna)
800-781-2006

For Disability dates on or after 1/1/18:

Lincoln Financial Group (LFG)
844-556-3270

HR HelpLine
800-473-7411
408-974-7411

hrhelpline@apple.com

employee works 30 or more hours a week on an infrequent or short-term basis, are not eligible.

How to Enroll

You are automatically enrolled for basic LTD coverage on your first day of active work or first day of eligibility at no cost to you. Apple also enrolls you automatically in the LTD buy-up option on your first day of work or eligibility. You may opt out of the buy-up option due to a qualified family status change or during open enrollment, by going to the Benefits Enrollment Tool at benefits.apple.com.

If you opt out of the LTD buy-up option, you will be enrolled only for basic LTD coverage for the remainder of the plan year. You will not be able to choose the LTD buy-up option until the next Open Enrollment period, unless you have a qualified family status change event. See "Changes During the Plan Year" on page 15 in the *Participating in Apple's Benefits* section for more information about qualified family status change events.

If you become disabled, any changes made to your LTD benefit coverage option will not become effective until you have recovered from your disability and can return to work at your regularly scheduled hours.

Cost of Coverage

Apple pays the full cost of basic LTD coverage. The cost of the LTD buy-up option is based on your regular pay, and you pay the full cost of the buy-up option on a before-tax basis. The cost is shown in the Benefits Enrollment Tool at benefits.apple.com.

When Coverage Begins

LTD coverage begins on your first day of active employment at Apple. Active employment means you are performing your regular occupation for Apple as an eligible employee.

Preexisting-Condition Limitation

The Apple LTD Plan has a preexisting condition limitation that applies to employees who are hired or rehired on or after January 1, 2018. Those employees who drop their buy-up LTD coverage during their initial enrollment or at a later date, and choose to re-enroll will be subject to the preexisting condition limitation.

Benefits will not be paid for any period of disability caused by, substantially contributed to by, or results from a preexisting condition or medical or surgical treatment of a pre-existing condition. A preexisting condition is defined as a physical or mental condition whether diagnosed or undiagnosed, resulting from an injury or sickness for which you received physician's advice or treatment within three months prior to your effective date of coverage.

The preexisting-condition limitation will apply to any added benefits or increases in benefits on or after January 1, 2018. Once you have been covered by the plan for 12 months at the same level of coverage, the preexisting-condition limit no longer applies.

Qualifying for Benefits

To qualify for LTD benefits, you must be totally disabled. This means:

- You must be continuously disabled as a result of injury or illness, be unable to perform with reasonable continuity all the material duties of your own occupation in the usual and customary way during the LTD waiting period. The LTD waiting period is 26 weeks.

- You may still qualify for LTD benefits if you return to work part-time during the LTD waiting period, as long as your earnings do not exceed 80 percent of your pre-disability earnings. A period of disability is not continuous if separate periods of disability result from unrelated causes. Apple's LTD insurer will make the final determination of eligibility.
- Once you've satisfied the waiting period for LTD benefits, you must also, as a result of injury or illness, be unable to perform with reasonable continuity all material duties necessary to pursue your own occupation in the usual and customary way for the first 12 months in which you receive LTD benefits.
- After the first 12 months of LTD benefits, you must, as a result of injury or illness, be unable to perform with reasonable continuity the material duties necessary of any occupation in which you could reasonably be expected to perform satisfactorily in light of your age, education, training, experience, station in life and physical and mental capacity.

How to File a Claim

Sedgwick will notify the LTD insurer of your possible eligibility for LTD benefits. You will then receive an LTD claim packet. Contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411, if you do not receive an LTD claim packet or are not contacted by the LTD carrier at least one month prior to the end of your LTD waiting period.

Lincoln Financial Group will reach out proactively to you and your health care provider(s) as necessary to gather additional information required to evaluate and provide an LTD claim determination. In all instances, you are required to file a claim no later than 31 days after the end of your LTD waiting period, or as soon as reasonably possible. Proof of loss must be given to the LTD insurer within 90 days after the end of your LTD waiting period, or as soon as reasonably possible. If you do not file a claim and provide information in a timely manner, your LTD claim may be denied.

When Benefits Begin

LTD benefits begin after the LTD waiting period, if you are totally disabled, or the date short-term disability benefits end, if later. You will receive a payment at the end of each month for the current month. Your benefits may continue until the end of the month in which you reach age 65, or past that age if you become disabled on or after age 60, as noted below in the Maximum Benefit Period table.

Maximum Benefit Period

If you become disabled at age	Benefits will continue for
Less than age 60	To age 65 (but not less than 5 years)
60	60 months
61	48 months
62	42 months
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 and over	12 months

Amount of Benefits

Once your claim is approved, you will receive 70 percent of your regular basic monthly pay unless you have opted not to participate in the LTD buy-up option, in which case you will receive 50 percent of your regular monthly pay if you are a

noncommissioned employee. Basic monthly earnings means the monthly rate of earnings in effect on the date of Disability or date Partial Disability begins and does not include bonuses, overtime pay or any other extra compensation other than shift differential pay.

If you are a commissioned employee:

- **Basic option.** 50 percent of your base pay and on-target variable
- **Buy-up option.** 70 percent of your base pay and on-target variable

Basic Monthly Earnings means the monthly rate of earnings plus On-Target Variable Earnings if applicable, in effect on the date of Disability or date Partial Disability begins. Such earnings will not include bonuses, overtime pay, or other extra compensation.

The benefits you receive will be reduced by any other income benefits and the return-to-work incentive benefit. The maximum monthly benefit you can receive from all sources is $26,000 under the basic LTD option, or $37,000 under the LTD buy-up option. The minimum monthly benefit is $50.

If your salary changes, your coverage will increase or decrease accordingly, beginning the day your salary change is effective as long as you are actively at work that day. If you are not actively at work, your coverage remains at the previous level until you return to work for one full day. If your pay increases during a period of continuous disability, your disability payments will not change.

Return-to-Work Incentive Benefit

Your LTD benefit includes a work incentive benefit. For the first 24 months, the work incentive benefit allows you to continue to receive your full LTD benefit payable without reductions from earnings as long as the combination of the earnings and benefits payable do not exceed 100% of your pre-disability earnings. A loss of earnings definition outlined in your certificate will be used after the first 24 months.

Other Income Benefits

Your LTD benefits will be reduced by any other income benefits you may receive. There are a wide variety of potential income benefits, such as the following:

- Any benefit paid for the same disability under Workers Compensation; Occupational Disease Law; Title 46, United States Code Section 688 (Jones Act); any government compulsory benefit act or law; or any other act or law of like intent
- Any benefit from the US Social Security Act, or any similar plan or act, which the employee or dependent spouse or children receive because of disability
- Any compensation you receive from a third party for a loss of earnings due to your disability minus attorney's fees
- Amounts received under any sick leave or salary continuation plans
- Other group disability plans, including any local, state, provincial, or federal government disability or retirement plan
- Disability earnings, defined as wages or salary for any work performed for any employer during your disability, including commissions, bonuses (excluding bonuses paid by Apple), overtime pay, or other extra compensation

Other income benefits also include disability earnings, but only to the extent as described under "Return-to-Work Incentive Benefit" on page 181.

You are required to report all other income benefits to the LTD insurer. If you are paid other income benefits in a lump sum, this amount will be prorated over the period of time it would have been paid if not paid in a lump sum. If such

a period of time cannot be determined, it will be prorated over a period of 60 months. Other income does not include income from private disability plans.

Once your LTD benefit level is determined, it will not decrease because of any future increases in Social Security payments or other governmental benefits payable because of your disability, unless the increase results from a change in the number of your family members.

Your benefit amount may be adjusted to correct overpayments or underpayments made in a previous month.

Tax Considerations

Because Apple pays 100 percent of your basic LTD coverage and you pay the cost of your LTD buy-up coverage with before-tax dollars, any disability benefits you receive are subject to federal and state income taxes, where applicable.

Neither federal nor state income taxes are withheld from your LTD benefit payments. If you want to have federal and state income taxes deducted from your benefit payments, you will need to sign the appropriate form supplied in the LTD claim packet.

Mental Illness, Alcoholism, and Drug Abuse Limitation

The LTD policy will pay disability benefits on a limited basis during your lifetime for a disability caused by, or contributed to by, any one or more of the conditions noted in the following list. Once you have received 24 monthly disability benefit payments, no further benefits will be paid.

- Substance abuse which means alcohol and/or drug abuse, addiction or dependency.
- Mental Illness:

  Mental illness means a psychiatric or psychological condition classified as such in the most current edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM) regardless of the underlying cause of the Mental Illness. If the DSM is discontinued, Lincoln Financial Group will use the replacement chosen or published by the American Psychiatric Association.

If you are in a hospital or institution for mental illness and or substance abuse at the end of the 24 month benefit period, benefits will continue to be paid for the duration of the hospitalization. If you are not in a hospital or institution for mental illness and/or substance abuse, but are fully participating in an extended treatment plan for the condition that caused disability, the monthly benefit will be payable for up to a period of 36 months from the date of disability. An extended treatment plan means continued care that is consistent with the American Psychiatric Association's standard principles of treatment and is in lieu of confinement in a hospital or institution. The extended treatment plan must be approved in writing by a physician.

Other Coverage While on LTD

Other Apple coverage may be affected when you are on LTD.

Health Coverage

Your Apple group medical coverage will continue when you become eligible for LTD benefits after 26 weeks of STD. If your health coverage ends (i.e., because your employment with Apple ends), you may continue coverage under COBRA at your own expense. See "Continuing Your Health Care Coverage Through COBRA" on page 287 in the *When Benefits End* section for more information about COBRA.

Benefits Coverage and Deductions
If you are enrolled in Apple health care coverage, life and AD&D, your coverage will continue and required deductions will be taken from your LTD benefits as long as you remain employed at Apple. Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your health coverage ends (i.e., because your employment with Apple ends), you may continue coverage under COBRA at your own expense. See "Continuing Your Health Care Coverage Through COBRA" on page 287 in the *When Benefits End* section for more information about COBRA.

Employee Life Insurance Coverage

If you become totally disabled and are approved for LTD benefits, your Employee Life Insurance coverage will continue at no cost to you as long as you remain disabled. Your coverage will include the Basic and, if applicable, Supplemental Employee Life Insurance coverage that was in effect the day before you became disabled. You may not increase your Employee Life Insurance coverage during your disability.

Employee Life Insurance coverage ends at the earliest of the following dates:

- The date your total disability ends
- The date you no longer are receiving LTD benefits
- The date you die

Rehabilitation During a Period of Disability

Should the LTD insurer determine you are an appropriate candidate for a rehabilitation plan, they will engage with you, your health care providers and Apple or other employers to discuss appropriate employment opportunities and re-employment programs.

Successive or Recurring Periods of Disability

Your disability period will be considered continuous if all the following conditions are met:

- It results from the same or related causes as a prior long-term disability for which benefits were payable.
- After receiving LTD benefits, you return to work in your regular occupation for fewer than six consecutive months.
- You earn less than the percentage of indexed covered earnings that would still qualify you to meet the definition of disability during at least one month. You must experience more than a 20% loss of basic monthly earnings.

Any later period of disability, regardless of cause, that begins when you are eligible for coverage under another group disability plan provided by any employer will not be considered a continuous period of disability. For any separate period of disability that is not considered continuous, you must satisfy a new waiting period.

Survivor Benefit

Lincoln Financial Group will pay a lump sum benefit to the Eligible Survivor when proof is received that you died. "Eligible Survivor" means your spouse or Domestic Partner, if living, otherwise your children under age 25:

- After disability has continued for 182 or more consecutive days; and
- While receiving a monthly benefit

The lump sum benefit will be an amount equal to six times your last monthly benefit.

If the survivor benefit is payable to your children, payment will be made in equal shares to the children, including step children and legally adopted children. However, if any of said children are minors or incapacitated, payment

will be made on their behalf to the court appointed guardian of the children's property. This payment will be valid and effective against all claims by others representing or claiming to represent the children. If there is no Eligible Survivor, the benefit is payable to the estate.

If an overpayment is due to Lincoln Financial Group at the time of your death, the benefit payable under this provision will be applied toward satisfying the overpayment.

What's Not Covered

No benefits are paid for any illness or injury resulting from:

- Self-inflicted injury while sane or insane
- Active participation in a riot
- War, declared or undeclared, or any act of war
- Committing or attempting to commit a felony
- Cosmetic surgery unless reconstructive in nature as a result of injury or illness

In addition, the LTD insurer will not pay disability benefits for any period of disability during which you are incarcerated in a penal or corrections institution.

When Benefits End

Your LTD benefits will end on the earliest of the following dates:

- The date the LTD insurer determines that you are not disabled as defined under the LTD plan provisions
- The date your maximum benefit period ends
- The date you are no longer receiving appropriate care
- The date you fail to cooperate with the LTD insurer in the administration of the claim, which would include, but is not limited to, providing any information or documents needed to determine whether benefits are payable or the actual benefit amount due
- The date your current partial disability earnings exceed 80% of the basic monthly earnings for the plan you have selected
- The date of your death

You may continue to be entitled to LTD benefits if you remain disabled after your employment with Apple ends.

When Coverage Ends

Your coverage ends on the earliest of the following dates:

- The date your employment ends
- The date you no longer qualify as an eligible employee
- The date you begin an unpaid personal leave of absence
- The date the Apple Long-Term Disability Insurance Plan is discontinued
- The date you are eligible for coverage under a plan intended to replace this coverage
- The day after the end of the period for which premiums are paid

If you are receiving disability benefits when the Apple LTD Plan terminates, disability benefits will continue if you remain disabled and meet the requirements for the benefit. Any later period of disability, regardless of cause, that begins when you are eligible under another disability plan provided by any employer will not be covered.

Right of Recovery

The Apple LTD Plan insurer has a right to certain payments a third party makes to you. For example, assume you are involved in an auto accident, suffer a disability as a result of this accident, and qualify for LTD benefit payments. Later you recover a monetary award for lost wages from the other driver's auto insurance.

The LTD insurer has a right to a portion of your award equal to the disability benefits paid by the other driver's insurance, including a credit against any future benefits payable by the other driver's auto insurance. The LTD insurer also has the right to require you to provide information and sign an acknowledgment of the insurance company's right of recovery.

Under no circumstances will you be required to pay the LTD insurer any amount over the recovery award, regardless of the benefit costs the insurer has incurred.

Recovery of Overpayment

The LTD insurer has the right to recover any benefits it has overpaid. The insurer may request a lump-sum payment of the overpaid amount, may reduce any future benefit payments, and/or may use any appropriate collection activity available to recover overpayments.

If an overpayment has not been repaid and you die, any benefits payable under the plan will be reduced to recover the overpayment.

How to Appeal a Denied Claim

Under the Apple LTD Plan, you must appeal a denied claim by making a written request to the LTD insurer within 180 days of the notice of your denial. You will lose your right to appeal if your written request is not postmarked within 180 days.

Your appeal letter should be addressed to the LTD insurance representative who signed the letter and to the address noted on the letterhead. You may also submit additional information, which may include, but is not limited to, medical records from your doctor and/or hospital, test result reports, therapy notes, and so forth.

See "Claims Information" on page 302 in the *General Information* section for information on how to appeal a denied LTD claim.

The LTD insurer is the claim fiduciary for LTD benefits and has the authority, in its discretion, to interpret the terms of the plan pertaining to benefits and to make any related findings of fact. All decisions made by the LTD insurer shall be final and binding on all participants and beneficiaries to the full extent permitted by law.

LTD Definitions

The Apple LTD Plan uses many specialized terms that may be included in communications sent by the LTD insurer. If you don't understand a term used to describe this benefit, see the LTD Certificate of Insurance on HRWeb for a listing of definitions.

Workers' Compensation

Workers' compensation is a state insurance program that provides appropriate medical treatment and partial income for employees who have been injured on the job.

Apple's workers' compensation program provides mandated benefits with specific rules and benefit payments that vary by state. Apple's leave, disability, and workers' compensation administrator, Sedgwick, will investigate your claim to determine qualification for benefits.

To qualify for benefits, an injury or illness must result from work or working conditions and/or occur while providing service to Apple. This may occur suddenly, as in the case of a broken arm, or may be the result of prolonged exposure, as in a repetitive-motion injury or hearing loss. A broken arm resulting from a fall from a stepladder while on the job is an example of a work-related injury. Inflammation of the lungs resulting from repeated exposure to chemicals or solvents on the job is an example of an occupational illness.

If your claim is approved, all appropriate benefits will be processed and paid by Sedgwick.

Who's Eligible

Employees, interns, and flexible workforce employees paid from Apple's or its designated affiliates' W-2 payroll are eligible.

Not Eligible

Independent contractors, consultants, and temporary agency workers are not eligible.

Cost of Coverage

Apple pays the full cost of your workers' compensation coverage.

When Coverage Begins

Workers' compensation coverage starts on your first day of active employment or eligibility at Apple.

How to File a Claim

If you sustain a work-related injury, inform your manager immediately. If you require medical treatment beyond first aid, seek appropriate medical care as soon as possible. Be sure to tell the physician if you think your injury is work-related.

Contact Information

Sedgwick
To file a workers' compensation claim:
855-702-7753 (855-70APPLE)
24 hours a day, 7 days a week

For customer service:
855-702-7753 (855-70APPLE)
Monday through Friday
5:00 a.m. to 6:30 p.m.
Pacific time

https://claimlookup.com/Apple

Approved medical providers are listed on HRWeb. If you are a California employee, you may see your personal physician if you advised Apple of your preference in writing before the injury occurred. A physician of your choice must be a physician who has directed your medical treatment and maintains your medical records and history. You must submit a Physician Designation form to:

HR HelpLine
12545 Riata Vista Circle
MS 183-EHR
Austin, TX 78727
hrhelpline@apple.com

Upon notification of your work-related illness or injury, your manager will complete a Work Incident Report (WIR) for regulatory reasons and to initiate a workers' compensation claim with Sedgwick.

Sedgwick will determine the appropriate next steps and will send you an Authorization for Release and Use of Medical Information form, which must be completed and returned to Sedgwick for prompt and appropriate benefit payments.

Depending on the state you work in, you may be required to complete an application for benefits form. For instance, employees who work in California must complete a Workers' Compensation Claim form (DWC-1) on the Workers' Compensation pages on HRWeb. Some states may require an original signature on the form; others may allow electronic submission. Return the form to the address provided with the Sedgwick form.

Workers' Compensation Benefits

Once a claim is approved, benefits are paid automatically. The following workers' compensation benefits are available in most states.

Medical Benefits

Workers' compensation will pay for medical and hospital expenses related to treatment that has been approved and is reasonable and necessary.

Approved medical expenses will be paid as bills are received by your Sedgwick claims examiner. You will not be charged a copay for your treatment if your physician agrees that your injury/illness is work-related. If your claim is delayed or denied, submit your medical bills to your Apple Medical Plan, if applicable, until a final determination is made on your claim.

Most of your bills will be sent directly to Sedgwick from your physician. If you receive medical bills, send them to Sedgwick or to the local insurance examiner's office, as indicated in the claims correspondence sent to you.

Medical Appointments
Apple will pay your normal salary while you attend any necessary medical appointments related to your approved work-related injury or illness, provided that you are not already receiving disability benefits and on a medical leave of absence. You will be paid only for time you miss during your regular work schedule. Report your time taken for medical appointments as sick or unpaid time away on myPage. If your claim has been approved, email Payroll and let them know that your time away is due to a workers' compensation claim. This time will not be deducted from your sick balance. If your workers' compensation claim hasn't been approved, you must use accrued sick pay or unpaid time away for time missed due to appointments. If your claim is subsequently approved, email Payroll advising them of this so your time can be recoded.

Temporary Disability Income Benefits

If a qualified physician indicates you are unable to work for your approved workers' compensation claim, you will receive temporary disability income benefits equivalent to a certain percentage of regular pay up to a specified maximum amount. Benefits vary by state, but in most states, you will receive up to two-thirds (66.66 percent) of your regular pay once the state waiting period has been met.

The waiting period varies by state. In California, for example, the waiting period is three days; in Texas, it is seven days. Apple will pay you during the waiting period and for the day you were injured. If you are unable to work at a later date because of the same injury or illness, you will not need to satisfy a new waiting period.

Benefits begin on the first day after your waiting period ends, unless you are hospitalized immediately following your injury, in which case the waiting period is waived. In most states, if your disability lasts more than 14 days, the waiting period is also waived.

Your first temporary disability income benefit payment will be issued within 14 days after the claim is approved. Thereafter, payments will be made by Sedgwick every two weeks for the preceding two weeks of disability.

Integrating Sick Pay and Vacation
You may elect to use your earned sick pay and/or vacation to receive up to 100 percent of your pay during any portion of your approved time away when you are receiving less than full pay. Integration pay is calculated based on a seven-day workweek.

You have four options regarding integration:

- **Sick pay only.** Apple uses your earned sick pay until it is exhausted.
- **Vacation only.** Apple uses any accrued vacation until it is exhausted.
- **Sick pay and vacation.** When you integrate sick pay and vacation, sick pay is used first until exhausted, and then any accrued vacation is used until exhausted.
- **No integration.** Neither your earned sick pay nor accrued vacation will be used to receive or supplement pay during your time away.

When you initiate your claim, you must advise Sedgwick if you wish to integrate with sick pay, vacation, or both. You cannot change your decision about integration once your claim has been approved.

You will not earn sick pay or vacation while you are receiving workers' compensation benefits.

Coverage and Deductions
If you are enrolled in any of the following benefits, your coverage will continue during your time away, and deductions will be taken from integration pay, if applicable: health care coverage life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your integration pay is not sufficient to cover your deductions, any uncollected deductions will be taken from your subsequent pay during your time away, if possible, or from your regular pay upon your return to work.

Contributions to your 401(k), Health Savings Account (HSA), Employee Stock Purchase Plan (ESPP), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from integration pay, if applicable, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your integration pay is not enough to cover them, contributions will end and restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay during your time away.

To make updates to your benefit selections due to a qualified family status change during your time away or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your time away.

Time away benefits: You will not earn sick pay and/or accrue vacation during your time away. Corporate employees will receive holiday pay during the winter holiday shutdown. Corporate employees, interns, and retail employees will not receive holiday pay for any other Apple holidays. If a holiday occurs while you are out on a disability (excluding the winter holiday shutdown for corporate employees) and you elect to integrate sick pay or vacation, you will continue to receive integration pay rather than holiday pay as long as you remain eligible. Your total pay during your time away will not exceed 100 percent of your regular pay.

Interns are not eligible for vacation or the winter holiday shutdown.

Permanent Disability Awards
You may receive a permanent disability award if, after your medical treatment is concluded, medical reports indicate you have sustained permanent impairment from your work-related injury or illness.

Vocational Rehabilitation

Vocational rehabilitation benefits may be provided if your physician determines you are unable to return to your regular job because of a work-related injury. Eligibility for vocational rehabilitation benefits varies by state. You must also meet the vocational feasibility requirements.

Death Benefits

Your dependents may be eligible for workers' compensation financial benefits in the event of your work-related death. Benefit amounts vary by state and the number of your dependents.

Tax Considerations

Your workers' compensation disability income benefits are not subject to federal, state, local, or Social Security taxes.

Coordinating Workers' Compensation with Other Apple Disability Benefits

If your workers' compensation benefit is less than the amount you would be paid by the Apple Short-Term Disability (STD) Plan, your

benefit will be supplemented up to the amount you would have been eligible to receive under the Apple STD Plan. See "Apple Short-Term Disability Plan" on page 138 for more information.

If you will be disabled more than the LTD disability waiting period, the Apple Long-Term Disability Plan may supplement your workers' compensation benefits up to the amount you are eligible to receive under the Apple LTD Plan. At least one month prior to the end of your medical leave of absence and/or disability, Sedgwick will notify the LTD insurer of your possible eligibility for long-term disability benefits. The LTD insurer will then send you an LTD claim packet. Contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411, if you do not receive an LTD claim packet.

If Your Claim Is Delayed or Denied

If any questions arise during Sedgwick's evaluation of your workers' compensation claim, you will receive a delay letter within two weeks of the date you filed your claim. The letter will indicate the date a decision will be made. If your claim is denied, your claims examiner will notify you.

Returning to Work

The following sections summarize important steps and considerations regarding your return to work.

To Return to Work Full-Time

To return to work full-time with no restrictions, you or your physician must provide your Sedgwick claims examiner with a copy of your physician's medical release to return to regular work. Your claims examiner will contact your manager to arrange your return. You will be returned to active status in Merlin (Apple's HR information system) after receiving your release to return to work notice from Sedgwick.

Returning to Modified Work

If your physician releases you to return to work with temporary medical restrictions and/or reduced hours, you are released to modified work. Your work restrictions may include such things as lifting or bending restrictions or limited standing, squatting, kneeling, or keyboarding. Your physician will work with your claims examiner and manager to assess your medical restrictions in an effort to return you to work. The Sedgwick claims examiner will advise you of the arrangements and will monitor your continued progress as well as your return to full duties.

You may be assigned modified duties with portions of your usual job being omitted or temporarily assigned to another employee. Or a simple modification of your work environment or equipment may be made—for example, adjusting your chair's height, rearranging your work surface, or changing your monitor height or position may enable you to return to your job.

If you decline suitable modified work made available to you, your temporary disability income benefits may be reduced or suspended.

If Modified Work Is Not Available

If modifying your usual job is not possible, your manager will work with the appropriate People business partner to attempt to find an alternative job in your work area or in another group that can be modified to meet your restrictions. If no modified work can be found, you will need to recuperate at home until your restrictions are reduced to a level that can be met or you are released to full duty.

Payment for Modified Work

You will receive Apple pay for the hours you actually work based on your regular pay. If your work restrictions require that you work reduced

hours, you may be eligible for temporary disability income benefit payments from Sedgwick.

Workers' Compensation Temporary Disability Income Benefits
You are eligible to receive workers' compensation temporary disability income benefits if your pay for hours actually worked is less than two-thirds (66.66 percent) of your regular pay or less than the maximum workers' compensation benefit allowed in your state. If your pay for hours worked exceeds two-thirds (66.66 percent) of your regular pay or exceeds the maximum workers' compensation benefit allowed in your state, you will not be eligible for workers' compensation temporary disability income benefits.

Returning to Permanent Modified Work

If your injury results in permanent disability and your physician states that your work needs to be permanently modified, Apple will make every reasonable effort to provide you with permanent modified work as long as business conditions permit.

When Benefits End

Certain events will cause your workers' compensation and other income replacement benefits to end.

Medical Benefits

Coverage for workers' compensation medical expenses may continue until it is determined that medical treatment is no longer necessary.

Temporary Disability Income Benefits

Your temporary disability income benefits will end:

- When your physician releases you to return to work or determines you have reached maximum medical improvement, or your disability is judged to be permanent and stationary
- When you begin receiving vocational rehabilitation benefits
- When you die

Permanent Disability Income Benefits

Your permanent disability income benefits will end when you have received payments for the full amount awarded or the total duration of your permanent disability award.

Vocational Rehabilitation Income Benefits

If applicable, your vocational rehabilitation income benefits—also known as a vocational rehabilitation maintenance allowance—will end on the earliest of the following dates:

- The date you complete your vocational rehabilitation plan
- The date you return to work

When Coverage Ends

Eligibility for workers' compensation coverage ends when employment with Apple ends.

If you experience a work-related injury or illness prior to leaving Apple, you may continue to be entitled to workers' compensation benefits, including medical expenses, temporary disability income benefits, and/or vocational rehabilitation benefits, after your employment with Apple ends.

Social Security Disability

If you become totally disabled, you may be eligible to receive monthly disability benefits from Social Security. Sedgwick and/or the LTD insurer will help you through this application process.

Benefits you receive from the Apple Short-Term Disability (STD) and/or Apple Long-Term Disability (LTD) Insurance Plans will be offset by the Social Security benefits you and, if applicable, your dependents receive as a result of your disability.

After the initial reduction due to Social Security benefits, future benefits payable under the Apple STD and LTD Plans will not be reduced further by the amount of any Social Security cost-of-living adjustment.

For more information about Social Security disability benefits, call the Social Security Administration at 800-772-1213. You can also visit the Social Security Administration on the web at www.ssa.gov.

6 Time Away from Apple

Time Away from Apple

Apple's time away programs allow you time away from work to pursue personal interests and balance your work, family, and personal responsibilities. These programs include:

- Holidays
- Vacation
- Sick Pay
- Other Time-Away Programs
- Leaves of Absence

In some cases, your salary and benefits deductions will continue for some period of time while you take time away.

Apple complies with all federal, state, and local requirements regarding time away.

Holidays

Apple provides a generous company-paid holiday schedule that includes select national holidays.

If a holiday falls on a weekend, it will likely be observed on either the Friday before or the Monday after the holiday, whichever is closest. The holidays for the current calendar year are posted on HRWeb.

Holidays for Corporate Employees

Holidays for corporate employees may include:

- New Year's Day
- Martin Luther King Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- The day after Thanksgiving
- Christmas Eve
- Christmas Day
- New Year's Eve
- Approximately four holidays are usually used for time away during the winter holiday shutdown that falls between Christmas and New Year's Day (interns are not eligible for the winter holiday shutdown)

Holidays for Retail Employees

Holidays for full-time retail employees may include:

- New Year's Day
- Martin Luther King Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

Other Holidays

If you choose to observe additional holidays, you may use earned vacation or take days off without pay. Apple will attempt to accommodate your request, unless doing so would create an undue hardship for Apple. Your manager must approve your request.

Note: Additional holidays may be provided as required by state and local laws.

Who's Eligible

Corporate and retail employees may take paid time away for holidays, provided they meet certain eligibility guidelines.

Corporate

Employees and interns paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail

Employees and interns paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible

Flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible. Corporate employees and interns whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours, and retail store employees whose standard weekly hours as shown in Merlin are fewer than 30 hours, even if the employee works 30 or more hours a week on an infrequent or short-term basis, are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Holiday Pay

Holiday pay is based on your standard weekly hours as shown in Merlin (Apple's HR information system). There are special holiday pay rules based on whether you are a corporate or a retail employee, the number of hours you are scheduled to work, whether you are an exempt or nonexempt employee, and if you work an alternative workweek schedule. See the Time Away section of HRWeb for more information about holiday pay rules.

Holiday Pay When You're Sick or During a Leave of Absence

Employees on a medical leave or family medical leave are not eligible for holiday pay. If a holiday falls during your time away and you have elected to integrate sick pay or vacation, you will continue to receive sick pay or vacation instead of holiday pay to supplement your disability and/or workers' compensation benefits or leave of absence.

Corporate employees on a medical leave or family medical leave during the winter holiday shutdown will receive winter shutdown pay instead of sick pay or vacation to supplement their disability and/or workers' compensation benefits or leave of absence. This applies during the winter holiday shutdown days only. At no time will the combined benefit from STD, state disability benefits, and holiday pay exceed 100 percent of your regular salary.

Vacation

Eligible employees begin earning vacation on their first day of active employment or eligibility with Apple. The amount of vacation you earn is based on your length of employment and your standard weekly hours as shown in Merlin (Apple's HR information system).

Vacation pay is based on your base salary plus shift differential, if applicable. If you are a commissioned employee, vacation pay does not include pay based on the variable portion of your on-target earnings. Commissions continue to be paid and accrued based on actual commissionable earnings.

Your vacation balance is shown on your biweekly paycheck or on myPage at mypage.apple.com. Although Apple allows you to carry some vacation forward from one year to the next, you are encouraged to use your vacation regularly.

Apple complies with local, state, and federal requirements regarding vacation pay practices, where applicable. For more information on any local, state, or federal policies, refer to HRWeb.

Who's Eligible

Corporate and retail employees are eligible to earn vacation, provided they meet certain hours requirements.

Corporate

Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail

Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible

Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible. Corporate employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours, and retail store employees whose standard weekly hours as shown in Merlin are fewer than 30 hours, even if the employee works 30 or more hours a week on an infrequent or short-term basis, are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Earning Vacation

You will earn vacation as shown in the following tables. The maximum amount of vacation you can accumulate is 240 hours.

If your employment with Apple ends and you are rehired within two years, your prior service will be included when calculating your length of employment.

Corporate Employees Whose Standard Weekly Hours Are 36 or More Hours

Years of completed service	Days of vacation per year	Earned hours per biweekly pay period
0–2	12	3.7
3	15	4.62
4	16	4.92
5	17	5.23
6	18	5.54
7	19	5.85
8	20	6.15
9 or more	21	6.46

If your standard weekly hours are fewer than 36 hours per week, your vacation accrual rate will be prorated.

Accrual Rate for Corporate Employees

Standard weekly hours	Percentage of accrual rate earned per biweekly pay period
36–40	100%
31–35	88%
26–30	75%
21–25	63%
20	50%
Fewer than 20	0%

Retail Employees Whose Standard Weekly Hours Are 30 or More Hours

Years of completed service	Days of vacation per year	Earned hours per biweekly pay period
0–4	12	3.7
5–9	17	5.23
10 or more	22	6.77

Taking and Reporting Vacation

A request for vacation must be approved by your manager. Some business units may have restrictions about when vacation can be taken based on business demands. Check with your manager before planning a vacation.

When you take vacation, you can use only the amount of time you've earned. In other words, you are not allowed to borrow any future vacation hours. If you want to take more days off than you've earned, request approval from your manager to take unpaid time away. If your unpaid time away will exceed 14 calendar days, see "Personal Leave" on page 206. Your vacation balance will be reduced in the pay period in which the vacation is taken or approved, whichever is later.

Reporting Vacation

Report vacation on myPage at mypage.apple.com. Exempt employees may only report vacation in full-day increments. You must submit your time away request within 30 days of the vacation start date.

Using Earned Vacation for Illness or Leaves of Absence

You are eligible to use your earned vacation if you are sick and have exhausted your sick pay. You can also use your earned vacation to supplement your short-term disability and/or workers' compensation benefits, or to supplement an unpaid medical or family leave. This is referred to as integrating your vacation.

Vacation Carryover

You can carry over earned vacation from one year to the next. The maximum amount you can accumulate is 240 hours. If you reach this limit, you will not earn any additional time until some of your vacation is used and your vacation balance falls below the limit. Check your paycheck or myPage at mypage.apple.com to determine the number of hours earned to date.

Payout at Termination

If you leave Apple, you will be paid for all vacation you have earned but not used.

Sick Pay

Sick pay provides you with a source of income if you are temporarily unable to work because of a personal illness, injury, or pregnancy. You can also use sick pay to care for a family member who is ill or injured or to attend your own or a family member's medical appointment. For purposes of sick pay, your family members are defined as your spouse/domestic partner, parent, or child.

It's important to use sick pay only when you really need it. By accumulating a bank of sick time, you have it available if a serious health condition keeps you from working for an extended period of time.

You can use up to five consecutive business days of sick pay before applying for a leave of absence.

If you are a commissioned employee, your sick pay benefits are based on your base salary. They will not include benefits based on any portion of your actual or on-target variable.

Apple complies with local, state, and federal requirements regarding sick pay practices, where applicable. For more information on any local, state, or federal policies, refer to HRWeb.

Who's Eligible

Corporate and retail employees are eligible to earn sick pay. Eligible paid time away is based on your standard weekly hours.

Corporate

Employees and interns paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store are eligible.

Retail

Employees and interns paid from Apple's W-2 payroll who work in a retail store are eligible.

Not Eligible

Flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Earning Sick Pay

Eligible employees begin earning sick pay on their first day of active employment or eligibility with Apple. If you are absent from work that day or are not immediately eligible, coverage starts on the day you begin work or become eligible.

Sick pay is earned on a biweekly basis, based on your standard weekly hours as shown in Merlin (Apple's HR information system).

Corporate

Corporate employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 36 hours earn 1.85 hours of sick pay for every week worked, which is equivalent to one day per month or 12 days per year.

Corporate employees whose standard weekly hours are 20 to 35 hours earn sick pay on a prorated basis as shown in the following table:

Standard weekly hours	Sick pay earned per month
36–40	1 day
31–35	88% of a day
26–30	75% of a day
21–25	63% of a day
20	50% of a day

Corporate employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours earn six sick days per year, prorated based on standard weekly hours.

Standard weekly hours	Sick pay earned per month
16–19	48% of a half day
11–15	38% of a half day
10 or fewer	25% of a half day

Retail

Retail employees earn six days per year, prorated based on standard weekly hours as shown in Merlin (Apple's HR information system). Retail employees whose standard weekly hours are at least 30 hours earn 0.92 hours of sick pay for each week worked. Retail employees whose standard weekly hours are fewer than 30 hours earn 0.46 hours of sick pay for each week.

Regional Sick Leave – State, City, and County Paid Sick Leave Laws

Some state, city, and county laws require employers to provide paid sick time. Apple employees who work in any of these states, cities, or counties, are eligible to accrue regional sick leave through the applicable local law. If the Apple benefit is more generous than the regional sick leave, the Apple benefit will govern. If you live in a region that has both city and state regional sick leave ordinances, Apple will provide whichever benefit is more generous. For more information on specific state, city, or county policies, refer to HRWeb.

Sick Pay Carryover

You can carry over earned sick pay from one year to the next. The maximum amount you can accumulate is 240 hours. If you reach this limit, you will not earn any additional time until some of your sick pay is used and your balance falls below the limit. If you leave Apple, you will not be paid for any unused time. It is available only if you are unable to work because of personal or family illness or injury. Your sick pay balance is shown on your paycheck and on myPage at mypage.apple.com.

How Sick Pay Works

You can receive sick pay for time away due to your own or a family member's medical condition.

Personal Medical Condition

Sick pay begins as soon as you stop working because of your own illness, injury, or pregnancy. You may take up to five consecutive business days of sick pay without applying for a leave of absence. However, when you know you will be unable to work for more than five consecutive business days, you must notify your manager, and contact Sedgwick, Apple's leave and disability administrator. If approved, a medical leave may provide job protection through the Family and Medical Leave Act (FMLA) and/or partial income replacement through short-term disability, if applicable, for leaves that extend beyond seven consecutive calendar days.

You must contact Sedgwick, Apple's leave and disability administrator, and apply for a leave of absence after you have been off work for more than five consecutive business days.

If you are on an approved medical leave, whether paid or unpaid, you may use sick pay integration to supplement your pay when receiving less than 100 percent of your salary. This is referred to as integrating your sick pay.

Family Medical Condition

Sick pay begins as soon as you stop working to care for an ill or injured family member. You may take up to five consecutive business days of sick pay without applying for a leave of absence. However, when you know you will be unable to work for more than five consecutive business days, you must notify your manager, and contact Sedgwick, Apple's leave and disability administrator, which if approved, may provide job protection through the Family and Medical Leave Act (FMLA).

If you are on an approved family leave of absence, whether paid or unpaid, you may use sick pay integration to supplement your pay when receiving less than 100 percent of your salary.

Reporting Sick Time

When you know in advance that you will need to take time away, give your manager as much notice as possible. Otherwise, contact your manager as soon as possible at the beginning of the day of your absence. If you know that the time away will exceed five consecutive business days, notify Sedgwick in advance so they can begin reviewing your leave request and, if applicable, eligibility for disability benefits.

Reporting Sick Time

Employment status	Full or partial day absence	How to report your time
Exempt	Full	Report sick time on myPage at mypage.apple.com
	Partial	Do not report the time on myPage. If you are taking family or medical leave on an intermittent basis, report the time away to your manager and to Sedgwick (Apple's leave administrator) by using https://claimlookup.com/Apple or by calling 855-702-7753 (855-70APPLE).
Nonexempt	Full	Report sick time on myPage at mypage.apple.com
	Partial	Report sick time on myPage at mypage.apple.com. If you are taking family or medical leave on an intermittent basis, also report the time away to Sedgwick (Apple's leave administrator) by using https://claimlookup.com/Apple or by calling 855-702-7753 (855-70APPLE).

How Sick Pay Works with Other Benefits

Benefits	Sick pay
Holidays	You will be paid holiday pay instead of sick pay for any holidays that occur while you are using sick pay. Do not submit a request for sick pay when the absence falls on a holiday.
Sick pay and vacation	You will continue to earn sick pay and vacation while you are using sick pay unless sick pay is being used for integration during a continuous leave.
Health and welfare plans Disability plans Apple 401(k) Plan Employee Stock Purchase Plan Apple Fitness Center	Your coverage and payroll deductions for these plans and services, if applicable, will continue while you are using sick pay, assuming you have enough in your pay for the deductions.

Other Time-Away Programs

The following time-away programs are administered internally at Apple and require only management authorization. When you know in advance that you need to take time away, notify your manager as far in advance as possible to obtain approval. In most cases, your salary and benefits deductions will continue for some period of time while you are absent.

Bereavement Time

Apple provides five days, or the equivalent of one work week, of paid time away when there is a death in your immediate family.

Immediate family members include:

- Your spouse/domestic partner
- Parents and grandparents
- Brothers and sisters
- Your or your spouse's/domestic partner's children (including adopted children) and their spouses
- Grandchildren

Under certain circumstances, if you need more time away beyond the five days provided by the Apple bereavement policy, you may be able to take up to five additional days off with pay, for a total of two work weeks. Examples of these circumstances are:

- International travel
- Settlement of complex legal or estate matters
- Adjustment to a significant loss

Discuss your request for an extended bereavement leave with your manager.

Who's Eligible

Corporate and retail employees are eligible for bereavement time.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store are eligible.

Not Eligible
Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Reporting Time Away

Report bereavement time away on myPage at mypage.apple.com.

Counseling Available Through the Employee Assistance Program

You can call ComPsych at 844-862-0889 for bereavement counseling.

Jury or Witness Duty

Apple supports your civic responsibility if you are selected for jury duty or required by law to appear in court or at another legal proceeding.

At a minimum, Apple complies with all state laws requiring time away for purposes of jury or witness duty. Even where not required by law, you can continue to receive your Apple salary for a limited period of time while serving as a juror or witness. Payments you receive from the court are yours to keep and will not be deducted from your paycheck.

Who's Eligible

Corporate and retail employees are eligible for time away for the purpose of jury or witness duty.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store are eligible.

Not Eligible
Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Duration

The duration of your time away depends on your employment classification and standard weekly hours.

Corporate
Eligible paid time away is based on your standard weekly hours:

- **Standard weekly hours as shown in Merlin are at least 20 hours.** Up to 12 weeks off with full salary per calendar year. Employees whose jury or witness duty extends beyond 12 weeks must take the additional time away as unpaid.
- **Standard weekly hours as shown in Merlin are fewer than 20 hours.** Up to two weeks off with full salary per calendar year. Employees whose jury or witness duty extends beyond two weeks must take the additional time away as unpaid.

Retail
Eligible paid time away is based on your standard weekly hours:

- **Standard weekly hours as shown in Merlin are at least 30 hours.** Up to 12 weeks off with full salary per calendar year. Employees whose jury or witness duty extends beyond 12 weeks must take the additional time away as unpaid.
- **Standard weekly hours as shown in Merlin are fewer than 30 hours.** Up to two weeks off with full salary per calendar year. Employees whose jury or witness duty extends beyond two weeks must take the additional time away as unpaid.

What You Need to Do

If you are called for jury or witness duty, provide your manager with a copy of the jury notice or subpoena. You may be required to provide additional documentation verifying the dates and times you are required to appear.

Reporting Time Away
Report jury or witness duty time away on myPage at mypage.apple.com. Exempt employees should only report full-day absences.

Parental Time Away

Employees who are the parents or guardians of a child in a licensed day care center, kindergarten, or grades 1 through 12 will be allowed to take unpaid time away to participate in your child's daycare or school-related activities. You can take up to 40 hours per calendar year, with a maximum of eight hours per month, unless local law provides for greater benefits.

Who's Eligible

Corporate and retail employees are eligible for parental time away.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store are eligible.

Not Eligible
Independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

What You Need to Do

You must give reasonable notice to your manager of the planned absence. Apple may require documentation from the school as proof that you participated in the school activity on a specific date and at a specific time.

Reporting Time Away
Parental time away is unpaid. Report unpaid parental time away on myPage or to be paid for parental time away, report it as vacation on myPage. Exempt employees should only report full-day absences.

Personal Leave

You may request an unpaid personal leave to take time away for rare and exceptional situations such as short-term educational pursuits that are beneficial to both you and Apple, and compelling personal reasons.

Time away for personal leaves will be considered only when business conditions allow, and at the discretion and approval of your management, in consultation with Human Resources. The decision to grant a personal leave will be based on the specific circumstances of the situation.

For corporate employees, a personal leave can generally last a maximum of 12 months, in up to 6-month increments. For retail employees, a personal leave can generally last a maximum of 1 month, in up to two-week increments. There are no job-protection rights for employees who take a personal leave.

Who's Eligible

Corporate and retail employees are eligible to request a personal leave, provided they meet certain hours requirements.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible
Interns, flexible workforce employees, independent contractors, consultants, temporary agency workers, and retail store employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 30 hours, even if they work 30 or more hours a week on an infrequent or short-term basis, are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Pay and Benefits

Personal leaves are unpaid. In addition, eligibility for Apple's benefits plans will end at midnight on the last day of work before your time away begins.

Note: If you are enrolled in Kaiser Permanente or the HMSA PPO Plan, your Kaiser Permanente or HMSA PPO Plan benefits will end at midnight on the last day of the month in which your eligibility for Apple's benefits plans ends.

When your health care coverage ends, you and your eligible dependents may be able to continue coverage at your own expense through COBRA. See "Continuing Your Health Care Coverage Through COBRA" on page 287 in the *When Benefits End* section for more information.

Your Apple stock options and restricted stock units will stop vesting one month after your personal leave begins.

How to Apply

Talk to your manager if you wish to take a personal leave, or if you will be away for personal reasons for more than 14 consecutive calendar days. Given the rarity of personal leaves, your manager must consult with his or her management and Human Resources before making a decision.

While You Are on Leave

While you are on leave from Apple, keep your manager apprised of your situation and any change regarding your return to work date.

Returning to Work

Contact your manager and HR manager before you are scheduled to return to work to determine if your former position or a comparable position is available. If a position is not available, your employment with Apple will end and will be considered a voluntary resignation effective the last day of your personal leave.

Leaves of Absence

There may be occasions during your career at Apple when you need time away from work for a specific reason other than vacation. Apple offers eligible employees the option to take a leave of absence in accordance with applicable federal, state, and local laws as well as Apple policies.

Types of Leaves and Time Away

Apple offers you a variety of leave and time away options:

- Medical leave if you have a serious health condition
- Family leave to care for a family member who is ill or injured
- Pregnancy leave for pregnancy, childbirth, or a related medical condition
- Bonding leave to care for a newborn child, newly adopted child, or newly placed foster child for the purpose of adoption
- Military leave if you are called to active duty or in the military reserves
- Family military leave if time away is needed for a family member who is in the military
- Domestic violence leave if you or a family member are a victim of abusive behavior
- Intermittent time away for a medical, family, pregnancy, or bonding leave

The following sections describe these leave types.

Legislation and Policies

The following federal and state laws and Apple policies apply to the leaves mentioned earlier:

- Family and Medical Leave Act (FMLA)
- California Family Rights Act (CFRA)—Apple offers this to all Apple employees
- Apple medical leave of absence
- California's Pregnancy Disability Leave (PDL)—Apple offers this to all Apple employees
- California's Military Spouse Leave—Apple offers this to all Apple employees
- Apple Domestic Violence Leave
- State and local leave policies
- Uniformed Services Employment and Reemployment Rights Act (USERRA)
- California's organ and bone marrow donation leave—Apple offers this to all Apple employees

In many cases, multiple laws or policies may apply to, and run concurrently with, your leave of absence.

Contact Information

Sedgwick
To file a leave of absence request:
855-702-7753 (855-70APPLE)
24 hours a day, 7 days a week

For customer service:
855-702-7753 (855-70APPLE)
Monday through Friday
5:00 a.m. to 6:30 p.m.
Pacific time

https://claimlookup.com/Apple

Types of Leaves

It is important to understand the laws and policies governing Apple's leaves of absence.

Medical Leave

Sick pay begins as soon as you stop working because of your own illness or injury. You may take up to five consecutive business days of sick pay without applying for a medical leave of absence. When you know you will be unable to work for more than five consecutive business days due to your own serious health condition, you must notify your manager and contact Sedgwick, Apple's leave and disability administrator, to apply for a medical leave of absence. If approved, a medical leave may provide job protection as described below and/or partial or full income replacement through short-term disability for medical leaves that extend beyond seven consecutive calendar days.

Sedgwick will determine if you are eligible for a medical leave under the Family and Medical Leave Act (FMLA), the California Family Rights Act (CFRA), an Apple medical leave of absence, and/or any applicable state leave laws. A physician or other qualified medical professional must certify your medical condition and the expected duration of your absence from work. Time taken for a medical leave under FMLA, CFRA, Apple policy, and any applicable state leaves will run concurrently.

Sedgwick will also determine if you are eligible for income replacement during your time away through the Apple Short-Term Disability Plan or California's or Hawaii's state disability plans. See the *Disability and Paid Leave of Absence* section on page 136 for more information.

The following is a summary of the primary medical leave laws and policies and what each provides. Refer to "Overview of Legislation and Apple Leave Policies" on page 215 for eligibility information and more details about these laws and policies.

Family and Medical Leave Act and California Family Rights Act
Highlights include:

- You can take up to 12 weeks off in a rolling 12-month period, measured backward from the first day of your current leave of absence.
- Time away is unpaid unless you are eligible and approved for disability benefits, if applicable, and/or you choose to integrate your earned sick pay and/or accrued vacation.
- Time away is job-protected.

Apple Medical Leave of Absence
Highlights include:

- Full-time employees can take up to 52 weeks off in a rolling 18-month period, measured backward from the first day of the current leave of absence.

Time away is unpaid and is not job-protected.

Family Leave

Sick pay begins as soon as you stop working to care for an ill or injured family member. You may take up to five consecutive business days of sick pay without applying for a family leave of absence. When you know you will be unable to work for more than five consecutive business days due to the serious health condition of a qualified family member, you must notify your manager, and contact Sedgwick, Apple's leave and disability administrator, to apply for a family leave. If approved, a family leave may provide job protection as described in the following section.

Sedgwick will determine if you are eligible for family leave under the Family and Medical Leave Act (FMLA), the California Family Rights Act (CFRA), and/or any applicable state leave laws that coordinate with these primary leave laws

and policies. A physician or other qualified medical professional must certify your family member's medical condition and the expected duration of your absence from work. Time taken for a family leave under FMLA, CFRA, CA PFL, and any applicable state leaves will run concurrently.

Sedgwick will also determine if you are eligible for income replacement during your time away through Apple's Paid Family Care and/or California's Paid Family Leave (CA PFL), which will run concurrently if approved. See the *Disability and Paid Leave of Absence* section on page 136 for more information.

If you work in New York, New Jersey or Rhode Island, you may be eligible for state family leave insurance. See the state of New York's Paid Family Leave website at https://www.ny.gov/programs/new-york-state-paid-family-leave, New Jersey's Department of Labor and Workforce Development website at lwd.dol.state.nj.us/labor/fli/fliindex.html or Rhode Island's Department of Labor and Training website at www.dlt.ri.gov/tdi/ for eligibility information.

The following is a summary of the primary family leave laws and policies and what each provides. Refer to "Overview of Legislation and Apple Leave Policies" on page 215 for eligibility information and more details about these laws and policies.

Family and Medical Leave Act and California Family Rights Act
Highlights include:

- You can take up to 12 weeks off in a rolling 12-month period, measured backward from the first day of your current leave of absence.
- Time away is unpaid unless you are eligible and approved for family leave benefits, if applicable, and/or you choose to integrate your earned sick pay and/or accrued vacation.
- Time away is job-protected.

Pregnancy Leave

You may take up to five consecutive business days of sick pay without applying for a medical leave of absence. However, when you know you will be unable to work for more than five consecutive business days due to pregnancy, childbirth, or related conditions, you must notify your manager, and contact Sedgwick, Apple's leave and disability administrator.

Sedgwick will determine if you are eligible for a pregnancy leave under the Family and Medical Leave Act (FMLA), California's Pregnancy Disability Leave (PDL), an Apple medical leave of absence, and/or any applicable state leave laws that coordinate with these primary leave laws. A physician or other qualified medical professional must certify your need for a pregnancy-related leave of absence. Time taken for a pregnancy leave under FMLA, PDL, Apple policy, and any applicable state leaves will run concurrently.

Sedgwick will also determine if you are eligible for income replacement during your time away through the Apple Short-Term Disability Plan or California's or Hawaii's state disability plans. See the *Disability and Paid Leave of Absence* section on page 136 for more information.

The following is a summary of the primary medical leave laws and policies and what each provides. Refer to "Overview of Legislation and Apple Leave Policies" on page 215 for eligibility information and more details about these laws and policies.

Family and Medical Leave Act
Highlights include:

- You can take up to 12 weeks off in a rolling 12-month period, measured backward from the first day of your current leave of absence.
- Time away is unpaid unless you are eligible and approved for disability benefits and/or you choose to integrate your earned sick pay and/or accrued vacation.
- Time away is job-protected.

California's Pregnancy Disability Leave
Highlights include:

- You can take up to four months (17-1/3 weeks) off per pregnancy.
- Time away is unpaid unless you are eligible and approved for disability benefits, if applicable, and/or you choose to integrate your earned sick pay and/or accrued vacation.
- Time away is job-protected.

Apple Medical Leave of Absence
Highlights include:

- Full-time employees can take up to 52 weeks off in a rolling 18-month period, measured backward from the first day of the current leave of absence. Full-time interns are eligible for an Apple medical leave of absence for pregnancy, childbirth, or a related condition.
- Time away is unpaid and is not job-protected.

Bonding Leave

You may take up to five consecutive business days of sick pay without applying for a family leave of absence. However, when you know you will be unable to work for more than five consecutive business days due to bonding with a newborn child, newly adopted child, or newly placed foster child for the purpose of adoption, you must notify your manager, and contact Sedgwick, Apple's leave and disability administrator.

Sedgwick will determine if you are eligible for a bonding leave under the Family and Medical Leave Act (FMLA), the California Family Rights Act (CFRA), and/or any applicable state leave laws. Proof of birth, adoption, or foster care placement must be provided to support a claim for bonding. Time taken for a bonding leave under FMLA, CFRA, and any applicable state leaves will run concurrently.

Sedgwick will also determine if you are eligible for income replacement during your leave through Apple's New Parent Leave and/or California Paid Family Leave (CA PFL), which will run concurrently if approved. See the *Disability and Paid Leave of Absence* section on page 136 for more information.

If you work in New York, New Jersey or Rhode Island, you may be eligible for state family leave Insurance. See the state of New York's Paid Family Leave website at https://www.ny.gov/programs/new-york-state-paid-family-leave, New Jersey's Department of Labor and Workforce Development website at lwd.dol.state.nj.us/labor/fli/fliindex.html or Rhode Island's Department of Labor and Training website at www.dlt.ri.gov/tdi/ for eligibility information.

The following is a summary of the primary bonding leave laws and policies. Refer to "Overview of Legislation and Apple Leave Policies" on page 215 for eligibility information and more details about these laws and policies.

Family and Medical Leave Act and California Family Rights Act
Highlights include:

- You can take up to 12 weeks off in a rolling 12-month period, measured backward from the first day of your current leave of absence. (If both parents are employed by Apple and take bonding leave, each of you will be entitled to up to 12 weeks of unpaid leave.)
- Time away is unpaid unless you are eligible and approved for Apple's New Parent Leave or state family leave benefits, if applicable, and/or you choose to integrate your earned sick pay and/or accrued vacation.
- Time away is job-protected.

Military Leave

If you are called to active duty (refer to the glossary for further definition) and require a military leave for more than 30 days, you must notify your manager and contact Sedgwick, Apple's leave and disability administrator. Before your leave begins, provide Sedgwick with a copy of your induction orders and military pay stub or pay grade. This information will be sent to Apple payroll so that you may receive the difference between your military pay and your Apple salary for up to one year of leave. Payroll cannot process your supplemental pay without this information. If you remain on military leave for longer than one year, your supplemental pay will end. At that time, you will be advised of your health care continuation rights. See "Continuing Your Health Care Coverage Through COBRA" on page 287 in the *When Benefits End* section for more information. Even if you do not elect to continue your health benefits coverage, you generally will have the right to be reinstated in such coverage upon reemployment, without being subject to any waiting periods or preexisting-condition exclusions.

Military Reserves Duty
If you are in the military reserves and require time away from work for military reserves duty for 30 days or less, notify your manager. Sedgwick does not administer this time away. You must report military reservist time away on myPage at mypage.apple.com and attach your military orders with the request.

Payroll will calculate the difference between what you would normally be paid by Apple, less the military pay for each day you would normally be scheduled to work. This pay typically will be included on your next regularly scheduled paycheck.

Returning to work
If upon completion of your military service, you wish to be reinstated to your former or a comparable position, present your certificate of completion of service within the applicable time frame based on the length of your military service as outlined below. If you return from military leave within five years, you will be placed in the same or a comparable position you would have had if you had remained continuously employed. You will also be treated as if you had been continuously employed for purposes of determining any benefits based on your length of service with Apple.

Other reinstatement rules apply, based on your length of leave:

- **If your leave is for fewer than 31 days.** You may take reasonable travel time home following the end of military service, plus an eight-hour rest period and the remaining calendar day, before returning to work.
- **If your leave is for more than 30 days but fewer than 181 days.** You must return to work within 14 days of release from service.
- **If your leave is for more than 180 days.** You must return to work within 90 days of release from service.

Voluntary Re-enlistment
If after your call to active duty ends, you choose to voluntarily extend your tour or re-enlist, the benefits of this plan will end unless allowed by federal, state or local regulation.

Family Military Leave

California's Military Spouse Leave allows you to take 10 calendar days of unpaid leave, with job protection, when your spouse/domestic partner is on leave from the US Armed Forces, National Guard, or Reserves while the spouse/domestic partner is deployed during a period of military conflict (and, in the case of a spouse/domestic partner who is a member of the US Armed Forces, such deployment is to a combat theater or combat zone).

In addition, the Family and Medical Leave Act (FMLA) provides two types of family military

leaves that allow you to support your family member: active-duty family leave and injured service member leave. Notify your manager and contact Sedgwick when you know you will be unable to work for more than three consecutive business days due to the need to take time away for an eligible family member who is an active member of the US Armed Forces, including a member of the National Guard or Reserves, or who has been injured as a result of active duty.

Active-Duty Family Leave
You may be entitled to up to 12 weeks of unpaid leave in a 12-month period to deal with any qualifying exigency, as defined in "Family and Medical Leave Act" on page 216, that arises from your spouse's, child's, or parent's active duty in the US Armed Forces, National Guard, or Reserves, including an order or call to duty. A call to active duty does not include state calls unless pursuant to the order of the President of the United States in certain circumstances.

Injured Servicemember Leave
Eligible employees who are the spouse, parent, child, or next of kin, as defined in "Family and Medical Leave Act and California Family Rights Act" on page 215, of a servicemember who has incurred a serious injury or illness as a result of active service in the US Armed Forces, National Guard, or Reserves (or has a serious injury or illness that existed before his or her active service, was aggravated by such active service, and makes him or her medically unfit to perform the duties of his or her office, grade, rank, or rating) may take up to 26 weeks of unpaid leave in a 12-month period to care for their family member. The servicemember must be undergoing medical treatment, recuperation, or therapy; must otherwise have outpatient status; or must be on the temporary disability retired list for a serious injury or illness. The servicemember also may be a veteran who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness that was suffered in active duty in the Armed Forces (or existed before his or her active duty and was aggravated by such active duty in the Armed Forces) and manifested itself before or after he or she became a veteran, provided that he or she was a member of the Armed Forces at any time in the five years before undergoing the treatment, recuperation, or therapy.

With both types of family military leave provided by the FMLA, the 12 or 26 weeks are reduced by any other qualifying FMLA event during the 12-month period. The 12-month period is measured backward from the date you first take leave under FMLA.

In addition to the two leaves described in this section, certain states provide unpaid leaves to employees with family members who are deployed or return from active duty. These leaves vary in eligibility requirements and are also unpaid.

Sedgwick will determine if you are eligible for a family military leave under California's Military Spouse Leave or FMLA. Sedgwick will also administer any applicable state leaves that coordinate with these primary leave laws and policies. Documentation must be provided to support a claim for family military leave, including reasonable documentation of your family relationship, a physician or other qualified medical professional's certification of your family member's condition, and the expected duration of your absence from work.

Domestic Violence Leave

If you or a family member is a victim of abusive behavior, you may take up to 30 days off work in a 12-month period. The 12-month period is measured backward from the date you first take time away. The time taken may be continuous or intermittent.

Covered family members include your spouse, domestic partner (including a person in a dating relationship who resides with the employee), parent, step-parent, child, step-child, sibling, grandparent, or grandchild.

Domestic violence leave is unpaid. However, you have the option to use earned sick pay and/or vacation to cover all or a portion of the time away.

You must contact Sedgwick to apply for a domestic violence leave after you have been off work for more than five consecutive business days. Sedgwick will determine if you are eligible for time away under Apple's Domestic Violence Leave policy, and any applicable federal or state leave laws. Documentation may be required when you request a domestic violence leave of absence. The documentation must show that you or a covered family member was the victim of abusive behavior and that the leave is related to that behavior.

Intermittent Time Away

In some situations, you may need to take time away from work on an intermittent basis or work a reduced schedule. The Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA), Apple's New Parent Leave, Apple's Paid Family Care Leave (PFC), California's Pregnancy Disability Leave (PDL), California Paid Family Leave (CA PFL), and/or other state specific laws allow time away to be taken on a continuous or intermittent basis. An Apple medical leave of absence may not be taken on an intermittent basis.

Intermittent time away may be taken for the following reasons:

- **Medical leave.** If a leave is certified by a health care provider as medically necessary, FMLA and CFRA allow you to take time away for one or more days at a time, or to work a reduced schedule, due to your own serious health condition. Intermittent time away also allows you to take time for medical appointments and treatments. A physician or other qualified medical professional must define the parameters of the intermittent time-away requirements, such as the frequency and duration of time needed.
- **Family leave.** If a family leave is certified by a health care provider as medically necessary, FMLA and CFRA allow you to take time away for one or more days at a time, or to work a reduced schedule, due to a family member's serious health condition. Intermittent time away also allows you to take time for your family member's medical appointments and treatments. A physician or other qualified medical professional must define the parameters of the intermittent time-away requirements, such as the frequency and duration of time needed. Apple's PFC must be taken in at least one-day increments. For employees in California, New York, New Jersey, and Rhode Island, state paid family leave benefits, and PFC may run concurrently with FMLA and CFRA and provide additional income protection.
- **Pregnancy leave.** If certified by a health care provider as medically necessary, California's PDL allows you to take intermittent time away for pregnancy, childbirth, or related conditions, including medical appointments and treatments. A physician or other qualified medical professional must define the parameters of the intermittent time-away requirements, such as the frequency and duration of time needed. FMLA leave runs concurrently with California's PDL.
- **Bonding leave.** New Parent Leave, FMLA and CFRA allow you to take intermittent time away for the birth, adoption, or foster care placement of a child for the purpose of adoption. This time away must be taken within one year of the birth, adoption, or placement of the child. Under New Parent Leave and CFRA, the minimum amount of time that can be taken for bonding is in one-week increments. For employees in California, New York, New Jersey, and Rhode Island, state paid family leave benefits may run concurrently with New Parent Leave, FMLA and CFRA leave, and provide some income protection. Proof of birth, adoption,

or foster care placement with the intent to adopt is required for a bonding leave.

The following is a summary of the primary intermittent leave laws and policies. Refer to "Overview of Legislation and Apple Leave Policies" on page 215 for eligibility information and more details about these laws and policies.

Family and Medical Leave Act and California Family Rights Act
Highlights include:

- You can take up to 12 weeks of intermittent time away in a rolling 12-month period, measured backward from the first day of your current leave of absence.
- Time away is unpaid unless you are eligible and approved for disability benefits or family leave benefits and/or you choose to integrate your earned sick pay and/or accrued vacation.
- Time away is job-protected.

When you have the need for intermittent time away, notify your manager and contact Sedgwick, Apple's leave and disability administrator. Sedgwick will determine if you are eligible for an intermittent leave under FMLA, CFRA, New Parent Leave, PDL, PFC, or CA PFL. Sedgwick will also administer any applicable state leaves that coordinate with these primary leave laws and policies.

You should make every effort to schedule any planned medical treatments or appointments to minimize disruption to the business. To accommodate recurring periods away from work, Apple may require you to transfer temporarily to another position, with equivalent pay and benefits, for which you are qualified and that better accommodates your limitations. All time taken intermittently or on a reduced leave schedule will be designated and counted against your leave entitlement, as applicable.

Reporting Intermittent Time Away
You are responsible for reporting your intermittent time away both to Apple and to Sedgwick within 15 days of each absence.

Nonexempt employees: There are two actions you must take to report intermittent time away. You must report your time away both to your manager and to Sedgwick, via the Sedgwick Leave Service Center. Sedgwick will track your absence against your leave entitlement and will calculate your remaining leave balance. This information is available to you and your manager via Sedgwick's leave portal. If you choose to use your earned sick pay and/or accrued vacation to receive pay for this intermittent absence, you must report that via myPage.

Exempt employees: There are two actions you must take to report intermittent time away. You must report your time away both to your manager and to Sedgwick. Sedgwick will track your absence against your leave entitlement and will calculate your remaining leave balance. This information is available to you and your manager via Sedgwick's leave portal. If you are absent for a full day, and choose to use your earned sick pay and/or accrued vacation to receive pay for that day, you must indicate that via myPage at mypage.apple.com.

Overview of Legislation and Apple Leave Policies

This section provides an overview of legislation and policies regarding paid and unpaid leave.

When you know you will be unable to work due to any reason described in this section, you should notify your manager and you may contact Sedgwick.

If Apple becomes aware that you are incapacitated and unable to provide any otherwise required notice described in this section that you will be unable to work, Apple will take steps to contact your emergency contact that you have on record with Apple. You should periodically review your emergency contact information to ensure Apple can contact your loved ones in case of an emergency. Contact the HR Helpline at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411 for assistance or visit myPage at mypage.apple.com.

Family and Medical Leave Act

The federal Family and Medical Leave Act (FMLA) allows you to take unpaid leave with job protection for up to a maximum of 12 weeks within a rolling 12-month period. The 12-month period is measured backward from the date you first take a medical or family leave. FMLA may be taken on a reduced schedule or intermittent basis when accompanied by a certification from your medical provider.

A medical or family leave under the FMLA may be requested for:

- Your own serious health condition
- The serious health condition of your spouse, parent (excluding parent-in-law), or child (including your adopted or foster child and your spouse's child)
- The birth or adoption of your child or the placement of a foster child with you with the intent to adopt
- The need to deal with any qualifying exigency that arises from a spouse's, child's, or parent's active duty in the US military, including an order or call to duty. There are eight different circumstances that will qualify as an exigency:
  - Short-term notice deployment, when a covered military member is notified of an impending call to duty seven or fewer calendar days prior to the date of deployment—in such circumstances, an employee is entitled to up to seven days of leave for this purpose
  - Military events and related activities, including official ceremonies, programs, or events sponsored by or promoted by the military, military service organizations, or the American Red Cross
  - Child care and school activities, including the arrangement of alternative child care and attendance at school meetings
  - Time away to make or update financial and/or legal arrangements for the covered military member or to act as his or her representative before a government agency
  - Counseling for oneself, for the covered military member, or for a child of the covered military member
  - Rest and recuperation to spend time with a covered military member who is on short-term leave during the period of deployment (up to five days for each leave)
  - Post-deployment activities, including arrival ceremonies and funeral arrangements
  - Additional activities to address other events that arise out of the covered military member's active duty or call to active duty status, provided that the employer and employee agree that such activities shall qualify as an exigency and agree to both the timing and duration of such leave
- The care of a spouse, parent, child, or next of kin who is seriously injured or ill as a result of active duty as a member of the US military. This injured servicemember leave allows up to a maximum of 26 weeks of leave within a 12-month period. Next of kin is defined as the nearest blood relative, other than the covered servicemember's spouse, parent,

son, or daughter, in the following order of priority:

- Blood relatives who have been granted legal custody of the servicemember by court decree or statutory provisions
- Brothers and sisters
- Grandparents
- Aunts and uncles
- First cousins

If the covered servicemember has specifically designated in writing another blood relative as his or her nearest blood relative for purposes of caregiver under FMLA, that family member will be deemed next of kin. In such circumstances, only that designated next of kin may take family leave to care for the covered servicemember.

When a covered servicemember does not make a designation and there are multiple family members with the same level of relationship to the covered servicemember, all such family members shall be considered the covered servicemember's next of kin.

When the need for a leave is foreseeable, you should give your manager at least 30 days' advance notice of your leave. When the leave is unexpected, give your manager as much notice of your leave as possible. You should make every effort to schedule any planned medical treatments or appointments to minimize disruption to the business.

Who's eligible: Employees, interns, and flexible workforce employees paid from Apple's or its designated affiliates' W-2 payroll who have worked for Apple for at least 12 months prior to the date on which the leave is to begin and who have worked at least 1250 hours in the 12 months immediately preceding commencement of the leave are eligible.

If you were assigned to work at Apple as a temporary agency worker immediately prior to your date of hire as a standard Apple employee, those hours worked will be included in the calculation of the 1250-hour requirement.

If you are rehired by Apple, any periods of prior service where not more than seven years elapse between termination and rehire will count toward the 12-month service requirement.

If you take a military leave of absence from Apple and return to work following the leave, you will be credited with the hours and length of service that would have been completed if you had not taken a military leave of absence, in the calculation of the 12-month and 1250-hour eligibility requirements.

As allowed by FMLA, certain key employees may be denied reinstatement after a medical or family leave if their absence or reinstatement would cause substantial and grievous economic injury to Apple. Apple will notify you of your status as a key employee upon your request for a leave, and of any intention to deny job restoration, as soon as Apple believes there is a possibility you will not be reinstated at the end of the leave. If this notice is provided after the leave has commenced, you will be given a reasonable opportunity to return to work.

Not eligible: Independent contractors, consultants, and temporary agency workers, as well as employees, interns, and flexible workforce employees who do not meet the service requirements described earlier, are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Pay options and benefits: A leave covered by FMLA is unpaid. However, you may be eligible

for income protection through state and/or Apple disability or paid family leave benefits. Additionally, you may elect to use your earned sick pay and/or vacation to receive up to 100 percent of your pay during the first 26 weeks of your approved leave when you are receiving less than full pay. Integration pay is calculated based on a seven-day workweek. In some cases, Apple may require you to use your available sick pay and/or vacation. For information regarding disability benefits or paid family leave benefits, refer to the *Disability and Paid Leave of Absence* section on page 136.

You have four options regarding integration:

- **Sick pay only.** Apple uses your earned sick pay until it is exhausted.
- **Vacation only.** Apple uses any accrued vacation until it is exhausted.
- **Sick pay and vacation.** When you integrate sick pay and vacation, sick pay is used first until exhausted, and then any accrued vacation is used until exhausted.
- **No integration.** Neither your earned sick pay nor accrued vacation will be used to receive or supplement pay during your leave of absence.

When you initiate your claim, you must advise Sedgwick if you wish to integrate with sick pay, vacation, or both. You cannot change your decision about integration once your claim has been approved.

The use of earned sick pay and/or vacation while on a leave of absence does not extend the total duration of your leave. For example, if you have a balance of four weeks of vacation at the time of the request for a medical leave under FMLA and you integrate the medical leave with the vacation, the vacation will run concurrently with the 12 weeks provided under FMLA, thereby providing you with four weeks of paid leave and up to eight weeks of unpaid leave.

You will not earn sick pay and/or accrue vacation while on leave. Corporate employees will receive holiday pay during the winter holiday shutdown. Corporate and retail employees will not receive holiday pay for any other Apple holidays. If a holiday occurs during your time away (excluding the winter holiday shutdown for corporate employees) and you elect to integrate sick pay or vacation, you will continue to receive integration pay, rather than holiday pay, as long as you remain eligible. Your total pay on leave will not exceed 100 percent of your regular pay.

Interns are not eligible for vacation or the winter holiday shutdown.

Benefits Coverage and Deductions

If you are enrolled in any of the following benefits, your coverage will continue during your time away and deductions will be taken, if applicable, from your disability/paid family leave payments and integration pay: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your disability/paid family leave payments and/or integration pay is not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay while on leave, if possible, or from your regular pay upon your return to work.

Contributions to your 401(k) Employee Stock Purchase Plan (ESPP), Health Savings Account (HSA), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from your disability/paid family leave payments and integration pay, if applicable, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued

and your disability/paid family leave payments and/or integration pay is not enough to cover them, contributions will end and restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay while on a leave of absence.

To make updates to your benefit selections due to a qualified family status change during your time away, or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your leave.

Job reinstatement rights: As long as you do not exceed the amount of FMLA leave available to you, you are entitled to reinstatement to the same or a comparable position upon return from FMLA leave, unless the same and any comparable positions have ceased to exist due to legitimate business reasons unrelated to your leave.

The total of all time away taken for FMLA leave during a rolling 12-month period counts toward the 12-week entitlement period. For example, if during a 12-month period you take six weeks of FMLA leave to care for the serious medical condition of your spouse, and then you take FMLA leave due to your own serious health condition, you are entitled to reinstatement to your same position or a comparable position if you return from your second leave within six weeks, for a total of 12 weeks of leave.

To the extent required by law, and as necessary and appropriate based on the facts of a given situation, some extensions to the FMLA entitlement period may be granted when the leave is necessitated by a disability as defined under the federal Americans with Disabilities Act, the California Fair Employment and Housing Act, and other similar state and local laws. If you feel that you may qualify for such an extension, contact Sedgwick.

California Family Rights Act

The California Family Rights Act (CFRA) allows you to take unpaid leave with job protection for up to a maximum of 12 weeks within a rolling 12-month period. The 12-month period is measured backward from the date you first take CFRA leave. Apple extends the provisions of CFRA to all eligible employees, regardless of the state you work in. CFRA leave may be taken on a reduced schedule or intermittent basis when accompanied by a certification from your medical provider.

CFRA and FMLA are very similar, but not identical, in the terms, duration of leave, and job protection. In most cases, CFRA and FMLA leave run concurrently to the extent you are eligible for leave under both statutes.

A leave covered by CFRA may be requested for:

- Your own serious health condition
- The serious health condition of your spouse/qualified domestic partner, parent (excluding parent-in-law), or child (including your adopted or foster child or your spouse's/qualified domestic partner's child)
- The birth or adoption of your child or the placement of a foster child with you with the intent to adopt

When the need for a leave is foreseeable, you should give your manager at least 30 days' advance notice of your leave. When the leave is unexpected, give your manager as much notice of your leave as possible. You should make every effort to schedule any planned medical treatments or appointments to minimize disruption to the business.

Who's eligible: Employees, interns, and flexible workforce employees paid from Apple's or its designated affiliates' W-2 payroll who have worked for Apple for at least 12 months prior to the date on which the leave is to begin and who have worked at least 1250 hours in the 12 months immediately preceding commencement of the leave are eligible.

If you were assigned to work at Apple as a temporary agency worker immediately prior to your date of hire as a standard Apple employee, those hours worked will be included in the calculation of the 1250-hour requirement.

Not eligible: Independent contractors, consultants, and temporary agency workers, as well as employees, interns, and flexible workforce employees who do not meet the service requirements described earlier, are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Pay options and benefits: A leave covered by CFRA is unpaid. However, you may be eligible for income protection through state and/or Apple disability or paid family leave benefits. Additionally, you may elect to use your earned sick pay and/or vacation to receive up to 100 percent of your pay during the first 26 weeks of your approved leave when you are receiving less than full pay. Integration pay is calculated based on a seven-day workweek. In some cases, Apple may require you to use your available sick pay and/or vacation. For information regarding disability benefits, refer to the *Disability and Paid Leave of Absence* section on page 136.

You have four options regarding integration (the policy varies slightly for bonding, as noted below):

- **Sick pay only.** Apple uses your earned sick pay until it is exhausted.
- **Vacation only.** Apple uses any accrued vacation until it is exhausted.
- **Sick pay and vacation.** When you integrate sick pay and vacation, sick pay is used first until exhausted, and then any accrued vacation is used until exhausted.
- **No integration.** Neither your earned sick pay nor accrued vacation will be used to receive or supplement pay during your leave of absence.

When you initiate your claim, you must advise Sedgwick if you wish to integrate with sick pay, vacation, or both. You cannot change your decision about integration once your claim has been approved.

The use of earned sick pay and/or vacation while on a leave of absence does not extend the total duration of your leave. For example, if you have a balance of four weeks of vacation at the time of the request for a medical leave under CFRA and you integrate the medical leave with vacation, the vacation will run concurrently with the 12 weeks provided under CFRA, thereby providing you with four weeks of paid leave and up to eight weeks of unpaid leave.

You will not earn sick pay and/or accrue vacation while on leave. Corporate employees will receive holiday pay during the winter holiday shutdown. Corporate and retail employees will not receive holiday pay for any other Apple holidays. If a holiday occurs while you are out on leave (excluding the winter holiday shutdown for corporate employees) and you elect to integrate sick pay or vacation, you will continue to receive integration pay, rather than holiday pay, as long as you remain eligible. Your total pay on leave will not exceed 100 percent of your regular pay.

Interns are not eligible for vacation or the winter holiday shutdown.

Benefits Coverage and Deductions
If you are enrolled in any of the following benefits, your coverage will continue during your leave of absence, and deductions will be taken, if applicable, from your disability/paid family leave payments and integration pay: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your disability/paid family leave payments and/or integration pay is not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay while on leave, if possible, or from your regular pay upon your return to work.

Contributions to your 401(k) Employee Stock Purchase Plan (ESPP), Health Savings Account (HSA), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from your disability/paid family leave payments and integration pay, if applicable, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your disability/paid family leave payments and/or integration pay is not enough to cover them, contributions will restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay while on a leave of absence.

To make updates to your benefit selections due to a qualified family status change during your time away, or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your leave.

Job reinstatement rights: As long as you do not exceed the amount of leave available to you, you are entitled to reinstatement to the same or a comparable position upon return from CFRA leave, unless the same and any comparable positions have ceased to exist due to legitimate business reasons unrelated to your leave.

The total of all time away taken for CFRA leave during a 12-month period counts toward the 12-week entitlement period. For example, if during a 12-month period you take six weeks of CFRA leave to care for the serious medical condition of your spouse, and then you take CFRA leave due to your own serious health condition, you are entitled to reinstatement to your same position or a comparable position if you return from your second leave within six weeks, for a total of 12 weeks of leave.

To the extent required by law, and as necessary and appropriate based on the facts of a given situation, some extensions to the CFRA entitlement period may be granted when the leave is necessitated by a disability as defined under the federal Americans with Disabilities Act, the California Fair Employment and Housing Act, and other similar state and local laws. If you feel that you may qualify for such an extension, contact Sedgwick.

Apple Medical Leave of Absence
Apple provides an unpaid Apple medical leave of absence for your own serious medical condition for up to 52 weeks in a rolling 18-month period for corporate and full-time retail store employees or 60 days in a rolling 12-month period for part-time employees. The rolling 12- or 18-month period is measured

backward from the first day of your leave of absence.

The leave must be certified by your doctor or other qualified health care provider and, if necessary, a doctor or other qualified health care provider selected by Apple. Your health care provider must certify that you have a serious health condition that prevents you from performing one or more of the essential functions of your job. Once you exhaust 52 weeks in a rolling 18-month period or 60 days in a rolling 12-month period, Apple will assess, on a case-by-case basis, whether employment should be terminated.

An Apple medical leave of absence does not provide job protection. However, if you meet the eligibility requirements of FMLA, CFRA, or another state leave, your Apple medical leave of absence will run concurrently with the time you have available under those policies, and may provide job protection under those policies. Once the federal and state leave policies have been exhausted, you will no longer have job protection.

An Apple medical leave of absence cannot be taken on a reduced or intermittent basis.

Who's eligible for a 52-week Apple medical leave of absence: An Apple medical leave of absence allows up to 52 weeks of unpaid leave in a rolling 18-month period for the following:

- **Corporate.** Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.
- **Retail.** Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Interns and flexible workforce employees are eligible for an Apple medical leave of absence only due to pregnancy, childbirth, or related medical conditions.

Not eligible: Independent contractors, consultants, and temporary agency workers are not eligible.

Who's eligible for a 60-day Apple medical leave of absence: An Apple medical leave of absence allows up to 60 days of unpaid leave in a rolling 12-month period for the following:

- **Corporate.** Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours are eligible.
- **Retail.** Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 30 hours are eligible.

Interns and flexible workforce employees are eligible for an Apple medical leave of absence only due to pregnancy, childbirth, or related medical conditions.

Not eligible: Independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Pay options and benefits: An Apple medical leave of absence is unpaid. However, you may be eligible for income protection through state and/or Apple disability benefits. Additionally,

you may elect to use your earned sick pay and/or vacation to receive up to 100 percent of your pay during the first 26 weeks of your approved leave when you are receiving less than full pay. Integration pay is calculated based on a seven-day workweek. In some cases, Apple may require you to use your available sick pay and/or vacation. For information regarding disability benefits, refer to the *Disability and Paid Leave of Absence* section on page 136.

You have four options regarding integration:

- **Sick pay only.** Apple uses your earned sick pay until it is exhausted.
- **Vacation only.** Apple uses any accrued vacation until it is exhausted.
- **Sick pay and vacation.** When you integrate sick pay and vacation, sick pay is used first until exhausted, and then any accrued vacation is used until exhausted.
- **No integration.** Neither your earned sick pay nor accrued vacation will be used to receive or supplement pay during your leave of absence.

When you initiate your claim, you must advise Sedgwick if you wish to integrate with sick pay, vacation, or both. You cannot change your decision about integration once your claim has been approved.

The use of earned sick pay and/or vacation while on a leave of absence does not extend the total duration of your leave. For example, if you have a balance of four weeks of vacation at the time of the request for an Apple medical leave and you integrate this medical leave with vacation, the vacation will run concurrently with the leave.

You will not earn sick pay and/or accrue vacation while on leave. Corporate employees will receive holiday pay during the winter holiday shutdown. Corporate and retail employees will not receive holiday pay for any other Apple holidays. If a holiday occurs while you are out on leave (excluding the winter holiday shutdown for corporate employees) and you elect to integrate sick pay or vacation, you will continue to receive integration pay, rather than holiday pay, as long as you remain eligible. Your total pay on leave will not exceed 100 percent of your regular pay.

Interns are not eligible for vacation or the winter holiday shutdown.

Benefits Coverage and Deductions

If you are enrolled in any of the following benefits, your coverage will continue during your leave of absence, and deductions will be taken, if applicable, from your disability and integration pay: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your disability payments and/or integration pay is not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay while on leave, if possible, or from your regular pay upon your return to work.

Contributions to your 401(k) Employee Stock Purchase Plan (ESPP), Health Savings Account (HSA), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from your disability payments and integration pay, if applicable, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your disability payments and/or integration pay is not enough to cover them, contributions will restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay while on a leave of absence.

To make updates to your benefit selections due to a qualified family status change during your

time away, or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your leave.

Pregnancy Disability Leave

California's Pregnancy Disability Leave (PDL) allows you to take unpaid leave with job protection when you are disabled or have a medical condition due to pregnancy, childbirth, or related conditions, as certified by a health care provider. Apple extends the provisions of PDL to all eligible employees, regardless of work state, unless the state in which you work requires a more generous leave.

You can take up to a maximum of four months (four months is defined as one-third of a year equaling 17-1/3 weeks) per pregnancy for PDL. (An employee who normally works fewer than 40 hours per week will be eligible for a prorated amount of leave.) This time will run concurrently with an FMLA leave, if applicable, and an Apple medical leave of absence. You may be entitled to an additional 12 weeks of leave through CFRA to bond with your child after your PDL ends.

PDL may also be taken on a reduced schedule or intermittent basis when accompanied by a certification from your health care provider. If a pregnant employee requests a reasonable accommodation, that request will be granted as long as it was made with the advice of a health care provider.

If you are enrolled in an Apple Medical Plan, your enrollment in that plan will continue for the duration of your PDL. Apple will pay for your medical coverage during this period, but may recover that amount from you in certain situations if you do not return from work after your PDL is exhausted.

Who's eligible: Employees, interns, and flexible workforce employees paid from Apple's or its designated affiliates' W-2 payroll are eligible.

Not eligible: Independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Pay options and benefits: A leave covered by PDL is unpaid. However, you may be eligible for income protection through state and/or Apple disability benefits. Additionally, you may elect to use your earned sick pay and/or vacation, to receive up to 100 percent of your pay during any portion of your approved leave when you are receiving less than full pay. Integration pay is calculated based on a seven-day workweek. In some cases, Apple may require you to use your available sick pay and/or vacation. For information regarding disability benefits, refer to the *Disability and Paid Leave of Absence* section on page 136.

You have four options regarding integration:

- **Sick pay only.** Apple uses your earned sick pay until it is exhausted.
- **Vacation only.** Apple uses any accrued vacation until it is exhausted.
- **Sick pay and vacation.** When you integrate sick pay and vacation, sick pay is used first until exhausted, and then any accrued vacation is used until exhausted.

- **No integration.** Neither your earned sick pay nor accrued vacation will be used to receive or supplement pay during your leave of absence.

When you initiate your claim, you must advise Sedgwick if you wish to integrate with sick pay, vacation, or both. You cannot change your decision about integration once your claim has been approved.

The use of earned sick pay and/or vacation while on a leave of absence does not extend the total duration of your leave. For example, if you have a balance of four weeks of vacation at the time of the request for a medical leave under PDL and you integrate this medical leave with vacation, the vacation will run concurrently with the leave.

You will not earn sick pay and/or accrue vacation while on leave. Corporate employees will receive holiday pay during the winter holiday shutdown. Corporate and retail employees will not receive holiday pay for any other Apple holidays. If a holiday occurs while you are out on leave (excluding the winter holiday shutdown for corporate employees) and you elect to integrate sick pay or vacation, you will continue to receive integration pay, rather than holiday pay, as long as you remain eligible. Your total pay on leave will not exceed 100 percent of your regular pay.

Interns are not eligible for vacation or the winter holiday shutdown.

Benefits Coverage and Deductions

If you are enrolled in any of the following benefits, your coverage will continue during your leave of absence, and deductions will be taken, if applicable, from your disability and integration pay: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your disability payments and/or integration pay is not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay while on leave, if possible, or from your regular pay upon your return to work.

Contributions to your 401(k) Employee Stock Purchase Plan (ESPP), Health Savings Account (HSA), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from your disability payments and integration pay, if applicable, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your disability payments and/or integration pay is not enough to cover them, contributions will restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay while on a leave of absence.

To make updates to your benefit selections due to a qualified family status change during your time away, or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your leave.

Job reinstatement rights: As long as you do not exceed the total amount of PDL leave available to you, you will be reinstated to the same position upon return from PDL unless the same and any comparable positions have ceased to exist due to legitimate business reasons unrelated to your leave. You will have no greater right to reinstatement than if you had been employed continuously instead of on leave.

California's Military Spouse Leave

California's Military Spouse Leave allows you to take 10 calendar days of unpaid leave, with job protection, when your spouse/domestic partner is on leave from the US Armed Forces, National Guard, or Reserves while the spouse/domestic partner is deployed during a period of military conflict (and, in the case of a spouse/domestic partner who is a member of the US Armed Forces, such deployment is to a combat theater or combat zone). This leave applies per occurrence of your spouse's/domestic partner's leave from military service. Apple extends this leave to all eligible employees, regardless of work state, as described in the following section.

Who's eligible: Employees, interns, and flexible workforce employees paid from Apple's or its designated affiliates' W-2 payroll who work an average of 20 or more hours per week are eligible.

Not eligible: Independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Pay options and benefits: A leave covered by California's Military Spouse Leave is unpaid.

However, you may be eligible to use your accrued sick and vacation to receive up to 100 percent of your pay. Integration pay is calculated based on a seven-day workweek. In some cases, Apple may require you to use your available vacation.

You have four options regarding integration:

- **Sick pay only.** Apple uses your earned sick pay until it is exhausted.
- **Vacation only.** Apple uses any accrued vacation until it is exhausted.
- **Sick pay and vacation.** When you integrate sick pay and vacation, sick pay is used first until exhausted, and then any accrued vacation is used until exhausted.
- **No integration.** Any accrued vacation will not be used to receive or supplement pay during your leave of absence.

When you initiate your claim, you must advise Sedgwick if you wish to integrate your unpaid leave of absence with vacation. You cannot change your decision about integration once your claim has been approved.

The use of earned vacation while on a leave of absence does not extend the total duration of your leave. For example, if you have a balance of five days of vacation at the time of the request for a leave under California's Military Spouse Leave and you integrate this leave with vacation, the vacation will run concurrently with the leave.

You will not earn sick pay and/or accrue vacation while on leave. Corporate employees will receive holiday pay during the winter holiday shutdown. Corporate and retail employees will not receive holiday pay for any other Apple holidays. If a holiday occurs while you are out on leave (excluding the winter holiday shutdown for corporate employees) and you elect to integrate vacation, you will continue to receive integration pay, rather than holiday pay, as long as you remain eligible. Your total pay on leave will not exceed 100 percent of your regular pay.

Interns are not eligible for vacation or the winter holiday shutdown.

Benefits Coverage and Deductions
If you are enrolled in any of the following benefits, your coverage will continue during your leave of absence: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your integration pay is not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay while on leave, if possible, or from your regular pay upon your return to work.

Contributions to your 401(k), Employee Stock Purchase Plan (ESPP), Health Savings Account (HSA), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from integration pay, if applicable, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and integration pay is not enough to cover them, contributions will restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay while on a leave of absence.

To make updates to your benefit selections due to a qualified family status change during your time away, or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your leave.

State and Local Leave Policies

Some jurisdictions have state or local leave policies. Sedgwick, Apple's leave and disability administrator, will inform you of any policies that may apply to your leave.

Pay Options and Benefits
State and local leaves may be paid or unpaid. You may be eligible for income protection through state and/or Apple disability or paid family leave benefits. Additionally, you may elect to use your earned sick pay and/or vacation, to receive up to 100 percent of your pay during the first 26 weeks of your approved leave when you are receiving less than full pay. Integration pay is calculated based on a seven-day workweek. In some cases, Apple may require you to use your available sick pay and/or vacation. For information regarding disability benefits or paid family leave benefits, refer to the *Disability and Paid Leave of Absence* section on page 136.

The use of earned sick pay and/or accrued vacation while on a leave of absence does not extend the total duration of your leave.

You will not earn sick pay and/or accrue vacation while on leave. Corporate employees will receive holiday pay during the winter holiday shutdown. Corporate and retail employees will not receive holiday pay for any other Apple holidays. If a holiday occurs while you are out on leave (excluding the winter holiday shutdown for corporate employees) and you elect to integrate sick pay or vacation, you will continue to receive integration pay, rather than holiday pay, as long as you remain eligible. Your total pay on leave will not exceed 100 percent of your regular pay.

Interns are not eligible for vacation or the winter holiday shutdown.

Benefits Coverage and Deductions
If you are enrolled in any of the following benefits, your coverage will continue during your leave of absence and deductions will be taken, if applicable, from your disability/paid family leave payments and integration pay: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your disability/paid family leave payments and/or integration pay is not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay while on leave, if possible, or from your regular pay upon your return to work.

Contributions to your 401(k) Employee Stock Purchase Plan (ESPP), Health Savings Account (HSA), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from your disability/paid family leave payments and integration pay, if applicable, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your disability/paid family leave payments and/or integration pay is not enough to cover them, contributions will restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay while on a leave of absence.

To make updates to your benefit selections due to a qualified family status change during your time away, or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com.

Your Apple stock options and restricted stock units will continue to vest during your leave.

Legislation That Provides Paid Time Away

The following legislation provides time away with pay.

Uniformed Services Employment and Reemployment Rights Act
Apple proudly supports employees who enlist in the US uniformed services. A military leave will be granted to employees who are absent from work for more than 30 consecutive business days because of voluntary or involuntary service in the US uniformed services. Advance notice of military service is required, unless military necessity prevents notice or it is otherwise impossible or unreasonable. This leave provides job protection. At a minimum, Apple provides the pay, benefits, and reemployment rights mandated by state and federal law.

Time away for military reserve duty of 30 or less consecutive business days will be granted to employees who are in the military reserves and are required to report for military training or duty. Employees are eligible to receive military differential pay for the time missed during their normal work schedule.

Who's eligible: Employees, interns, and flexible workforce employees paid from Apple's or its designated affiliates' W-2 payroll, pursuant to applicable state and federal laws, are eligible.

Not eligible: Independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Pay options and benefits while on military leave: Military leave is partially paid. Specifically, Apple will pay the difference between your military pay and your Apple salary for up to one year during your military leave. This is referred to as "differential pay." For employees paid on commission, Apple will pay the difference between your military pay and your Apple salary plus your on-target variable for up to one year during your military leave. Any actual commissions or performance incentive bonuses in excess of your on-target variable will be paid by Apple during the first three months of military leave. Refer to HRWeb for more information about how earned commissions are paid while on military leave.

Benefits Coverage and Deductions
If you are enrolled in any of the following benefits, your coverage will continue and deductions will be taken from your Apple pay while on military leave: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your differential pay is not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay while on leave, if possible, or from your regular pay upon your return to work.

Contributions to your 401(k), Employee Stock Purchase Plan (ESPP), Health Savings Account (HSA), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from your differential pay, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your differential pay is not enough to cover them, contributions will restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay while on a leave of absence.

To make updates to your benefit selections due to a qualified family status change during your time away, or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com. Furthermore, upon your re-employment following qualified military service, you may have the option to make up missed employee contributions to the Apple 401(k) Plan for all or part of the period you were on military leave, and receive the corresponding Apple Match, subject to certain limitations. You can contact Empower Retirement, the Apple 401(k) recordkeeper, for further information at 844-277-4401.

You will continue to earn vacation while on military leave. You will receive holiday pay during the paid portion of your military leave.

Your Apple stock options and restricted stock units will continue to vest during your leave.

If you remain on military leave for longer than one year, your health care benefits, life, AD&D, and long-term disability coverage will continue, and upon your return from active military service, any premiums owed will be deducted

from your initial pay. If you choose to voluntarily end your benefits, you may reinstate coverage upon return from your call to active military service. When your health care, life, AD&D, and long-term disability coverage ends, you will be advised at that time of your health care continuation rights. See "Continuing Your Health Care Coverage Through COBRA" on page 287 in the *When Benefits End* section for more information. Even if you do not elect to continue your health care coverage at that time, you generally will have the right to be reinstated in your health care coverage upon reemployment, without being subject to any waiting periods or preexisting-condition exclusions.

Reemployment rights: Employees returning from military leave within five years (unless state law requires a different time frame) will be placed in the position they would have attained had they remained continuously employed, or in a comparable position, depending on the length of military service. They will be treated as if they were continuously employed for the purpose of determining benefits based on length of service.

California's Organ and Bone Marrow Donation Leave

California's organ and bone marrow donation legislation allows you to take up to 30 business days off per rolling 12-month period, with pay, for organ donation, and up to 5 business days off per rolling 12-month period, with pay, for bone marrow donation. The rolling 12-month period is measured backward from the first day of the current leave of absence. This time may be taken consecutively or intermittently and may include time away to prepare for organ or bone marrow donation. Apple extends the provisions of this legislation to all eligible employees, regardless of the state you work in, unless the state in which you work requires a more generous leave.

This time away provides job protection. Organ donation leave does not run concurrently with the Family and Medical Leave Act (FMLA) or the California Family Rights Act (CFRA). If you take 30 business days for organ donation, you may be eligible to take another 12 weeks under FMLA and/or CFRA within the same one-year period for qualified events.

Who's eligible: Employees, interns, and flexible workforce employees paid from Apple's or its designated affiliates' W-2 payroll are eligible.

Not eligible: Independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Organ Donation

Eligible employees may take up to 30 business days off, with pay, for organ donation. You must first apply for short-term disability (STD) benefits through Sedgwick, Apple's leave and disability administrator. Medical documentation must be provided to Sedgwick to certify a claim for organ donation.

During an organ donation leave, you will be eligible to receive up to 100 percent of your pay, using a combination of sick pay, vacation, disability benefits, and/or regular pay, as applicable.

When you request a leave for organ donation, you must satisfy a waiting period of seven calendar days. If you have any earned sick pay and/or vacation, you must use this time during the waiting period. If you do not have earned sick pay and/or vacation or you exhaust your sick pay and vacation balances during the waiting period, Apple will make up the difference with regular pay.

Once you satisfy the seven-day waiting period, you will receive up to 100 percent of your pay, using a combination of disability benefits and/or regular pay.

Pay options and benefits while on a leave for organ donation: If eligible, you may receive both Apple and state disability benefits while on a leave for organ donation.

Short-term disability benefits: If you are eligible and qualify for Apple STD Plan benefits and/or state disability benefits, you may receive a weekly benefit of up to 100 percent of your regular weekly pay.

Disability benefits are based on your regular weekly pay effective the day before you took your leave. Regular weekly pay includes base pay plus shift differential, if applicable. If you are a commissioned employee, your regular weekly pay includes base pay and on-target variable. Overtime and bonuses are excluded.

If your leave exceeds 30 business days, you have the option to use earned sick pay and/or accrued vacation to supplement your disability benefits. If you choose not to use earned sick pay and/or vacation, you may receive disability benefits for the remainder of your leave, as long as you continue to qualify for disability benefits.

If you are not eligible for the Apple Short-Term Disability Plan or state disability benefits: If you are not eligible for the Apple STD Plan or state disability benefits, Apple will pay 100 percent of your regular salary during your leave for up to 30 business days.

If your leave exceeds 30 business days, you have the option to use earned sick pay and/or accrued vacation to supplement your leave. If you choose not to use earned sick pay and/or vacation, the remainder of your leave will be unpaid.

Benefits Coverage and Deductions

If you are enrolled in any of the following benefits, your coverage will continue during your leave of absence, and deductions will be taken from your disability payments, integration pay, and/or regular pay: health care coverage, life and AD&D insurance, and long-term disability (LTD). Coverage is subject to the terms, conditions, and limitations of the plans for which you are eligible.

If your pay is not sufficient to cover your deductions, any uncollected deductions will be taken from subsequent pay while on leave, if possible, or from your regular pay upon your return to work.

Contributions to your 401(k), Employee Stock Purchase Plan (ESPP), Health Savings Account (HSA), Health Care Flexible Spending Account or Limited Purpose Health Care Flexible Spending Account, and Dependent Day Care Flexible Spending Account will continue to be taken from your pay, unless you elect to stop these contributions. Note that there may be tax limitations on the use of Dependent Day Care Flexible Spending Account funds while you are not actively working. Consult with your tax advisor. If your contributions are continued and your pay is not enough to cover them, contributions will restart when sufficient pay is available.

401(k) loan payments will not be taken from any pay while on a leave of absence.

To make updates to your benefit selections due to a qualified family status change during your time away, or to opt out of your 401(k) contributions while on leave at any time, see How and When to Change Your Benefits on HRWeb.

Upon your return to work, if you have opted out of 401(k) participation while on leave, you may opt in again by logging into your account at www.myapple401k.com.

You will continue to earn vacation, sick pay, and holiday pay during the paid portion of your organ donation leave.

Your Apple stock options and restricted stock units will continue to vest during your leave.

Bone Marrow Donation
Eligible employees and interns may take up to five business days off, with pay, for bone marrow donation. Employees must notify Sedgwick, Apple's leave and disability administrator, of their need for time away for bone marrow donation. Medical documentation must be provided to Sedgwick to certify a claim for bone marrow donation.

Pay options and benefits while on a leave for bone marrow donation: If you have earned sick pay or accrued vacation, you are required to use either earned sick pay and/or vacation during this time away. When taking time for bone marrow donation, you are responsible for reporting sick pay and/or vacation on myPage at mypage.apple.com. Include a comment noting "bone marrow donation." If you do not have earned sick pay and/or vacation or you exhaust your sick pay and vacation balances before your leave ends, Apple will make up the difference with regular pay.

7 Financial Programs

Apple 401(k) Plan

The Apple 401(k) Plan is a valuable program that helps you save for your future. The money you set aside can be deducted from your pay either before taxes as Traditional 401(k) contributions or on an after-tax basis as Roth 401(k) contributions or non-Roth after-tax contributions. And you choose how to invest your contributions in a broad range of investment options. To help your savings grow even faster, Apple matches a percentage of your contributions.

Advantages of participation:

- Apple Match contributions
- Before- and After-tax savings options[1]
  - Your contributions, Apple Match contributions, and related investment earnings grow tax-deferred. You pay taxes on your Traditional 401(k) contributions, Apple Match contributions, and related investment earnings when you withdraw them.
  - If required conditions are met, both Roth 401(k) contributions and their related earnings will be tax-free when you withdraw them.
  - After-tax contributions are also tax-free when you withdraw them, but the related earnings are taxable.

Contribution Options

You have various contribution options available to you within the Apple 401(k) Plan. You can elect to make Traditional 401(k) and/or Roth 401(k) contributions, as explained below. You also have catch up, After-tax, and rollover contribution options. See "Catch-Up Contributions" on page 238, "After-Tax Contributions" on page 238, and "Rollover Contributions" on page 239 for more information.

Traditional 401(k) Contributions

With Traditional 401(k) contributions, your contributions and related investment earnings are tax-deferred. This means you defer paying federal and state income taxes (unless you live in Pennsylvania) until you withdraw these funds.

Social Security taxes will still be withheld on the full amount of your pay, up to the annual Social Security wage base. This means that making Traditional 401(k) contributions will not reduce your future Social Security benefits. Saving on a before-tax basis lets you take home more pay than if you were saving the same amount after taxes. Tax-deferred earnings help your account grow faster than earnings from most other types of investments, which are taxed as you save.

[1] This information describes only the federal tax implications of Traditional and Roth 401(k) contributions. State and local tax treatment may differ.

Contact Information

Empower Retirement
Representatives:
844-277-4401
Monday through Friday
5:00 a.m. to 7:00 p.m.
Pacific time
TDD: 800-830-9017

www.myapple401k.com

Roth 401(k) Contributions

You may elect to make Roth 401(k) contributions instead of, or in addition to, any Traditional 401(k) contributions you make. The sum of your Traditional and Roth 401(k) contributions to the plan cannot exceed plan limits or, if less, the annual 401(k) dollar limit (see "Contribution Limits" on page 240).

Roth 401(k) contributions are similar to the Traditional 401(k) contributions that you make to the plan. However, Roth 401(k) contributions are after-tax contributions. Since Roth 401(k) contributions are made with money that you have already paid federal and state income taxes on, they will not be subject to federal and state income taxes when distributed to you. In addition, earnings on your Roth 401(k) contributions also may be distributed to you tax-free as part of a qualified distribution from your Roth 401(k) account. See "Taxation of Withdrawals" on page 255 for more information on distributions.

The decision whether to take advantage of the Roth 401(k) contribution option requires careful consideration, and your personal financial and tax situation must be considered. Although Traditional 401(k) contributions generate an immediate tax savings, you pay regular income taxes on these contributions and related earnings when you eventually receive a distribution. The contributions and investment growth are tax-deferred. Roth 401(k) contributions may, depending on your personal situation, generate greater tax savings in the long run if paid as part of a qualified distribution. When paid as a qualified distribution, both the Roth 401(k) contributions and related earnings are tax-free.

The tax implications of making Roth 401(k) contributions and withdrawing those amounts are complex and are not described fully in this Benefits Book. Before deciding whether (and how) to allocate your contributions between Traditional and Roth 401(k) contributions, you should consult with a qualified tax, legal, and/or investment advisor.

Who's Eligible

Employees paid from Apple's or its designated affiliates' W-2 payroll are eligible.

Employees transferring to the US payroll from other countries may be eligible.

Not Eligible

Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

How to Enroll

The record keeper for the Apple 401(k) Plan is Empower Retirement. You can enroll in the Apple 401(k) Plan at www.myapple401k.com, or by calling Empower Retirement at 844-277-4401.

Once your account has been set up, you can access it at any time to view your account details, change your contribution rate or type (Traditional 401(k), Roth 401(k), or After-tax), change your investments, model or apply for a loan, or take advantage of the many educational tools available.

When you enroll, you will need to:

- Decide how much you want to contribute from your eligible pay

- Designate your contributions as Traditional 401(k) contributions (before-tax), Roth 401(k) contributions (after-tax), or a combination of these contribution types
- Choose how you would like to invest your savings in the available investment options
- Designate your beneficiary

Your payroll contributions will begin within two to four weeks after you have completed the enrollment process. For more information, see the Payroll Calendar in the Paycheck Contributions section on the Empower Retirement website at www.myapple401k.com or on HRWeb.

You will receive a confirmation statement from Empower Retirement to confirm that your enrollment was completed. You can receive your confirmation online or request that a confirmation statement be mailed to your home address. You should carefully check your confirmation statement and report any errors to Empower Retirement immediately at 844-277-4401. You should also check your pay stub regularly to ensure that your contributions are made in accordance with your elections.

Automatic Enrollment

The Apple 401(k) Plan includes an automatic enrollment feature to encourage you to save for your future.

Initial Enrollment
As a convenience, eligible new hires and rehires will be automatically enrolled in the Apple 401(k) Plan with a Traditional 401(k) contribution of 3 percent of eligible pay (not including commission pay), and contributions will start approximately 30 days after your employment with Apple begins.

Employees transferring to the US payroll from other countries are not subject to automatic enrollment.

Contributions and the related Apple Match will be invested in the LifePath Index Fund with a target retirement date closest to your assumed retirement age of 65.

If you wish to contribute a different percentage of eligible pay, contribute any portion of your commission pay (if applicable), make Roth 401(k) or After-tax contributions, or make a change to your investment direction, or if you do not wish to be automatically enrolled in the Apple 401(k) Plan, you may elect a different contribution percentage, contribution type, or investment direction, or you may opt out at any time. If you make an election or opt out within the first 30 days of hire, you will avoid being automatically enrolled. If you opt out but at a later time wish to join the plan, go to Empower Retirement's website at www.myapple401k.com to enroll, or call Empower Retirement at 844-277-4401. Information about the LifePath Index Funds is available on the Investment Options page of HRWeb, on the Empower Retirement website at www.myapple401k.com, or by calling Empower Retirement at 844-277-4401. Review the LifePath Index Funds fact sheets for information about the funds' investment objectives, risk and return characteristics, and fees and expenses.

You may change how your future contributions are invested, and you may transfer any balances from a LifePath Index Fund to any of the other available investment options, including another LifePath Index Fund, at any time. See "Choosing Your Investment Options" on page 244 for information about investing your Apple 401(k) Plan account.

Automatic Increase

If you are automatically enrolled in the Apple 401(k) Plan with an initial 3 percent Traditional 401(k) contribution, your contribution percentage will automatically increase by 1 percent each year on or shortly after each anniversary of your automatic enrollment date, until you reach a 6 percent Traditional 401(k)

contribution level, unless you opt out of the automatic increase program. You will also have the option to continue participation in the automatic increase program after you've reached 6 percent.

The automatic increase option is available to all Apple 401(k) Plan participants, including those who are not automatically enrolled and those who had previously opted out of automatic increases.

Tools to Help You Decide

Tools are available on the Empower Retirement website at www.myapple401k.com to help you evaluate and calculate a 401(k) contribution rate suitable for your personal needs, model the impact of Traditional 401(k) versus Roth 401(k) contributions, and make other plan-related decisions.

The Maximizer tool is designed to help you decide what percentage of eligible pay to contribute to the Apple 401(k) Plan each pay period, with the goal of maximizing both your annual 401(k) contributions and the Apple Match. (Please see "Maximizing Your Apple Match" on page 243 for more information.) The Maximize Me Always feature of the Maximizer Tool is designed to automatically adjust the contribution percentages of those employees who want to contribute the annual 401(k) contribution limit ($19,000 for 2019) so that they can maximize the Apple Match. Maximize Me Always adjusts an employee's future contribution percentage by taking into account the employee's year-to-date regular contributions, as well as the employee's expected pay and the number of pay periods for the remainder of the year. Because these adjustments occur automatically, however, it is important that you consider how any future changes in your pay or other factors may affect you while enrolled in Maximize Me Always because your contributions to the plan cannot be returned to you. Please visit the Empower Retirement website at www.myapple401k.com for details about the Maximize Me Always tool.

Whether your goal is to maximize your Apple Match potential, reach the annual 401(k) contribution limit, or achieve a combination of these goals, these tools can help.

It is important to note that the Maximizer tool only considers your eligible base pay. You should not use this feature if you are eligible for and/or making contributions from Commission pay. Also, After-tax (non-Roth) contributions are not taken into consideration in the recommendations provided by the Maximizer tool or the Maximize Me Always feature.

Your Contributions

You can make regular, catch-up (if you are age 50 or older), After-tax, and rollover contributions to your Apple 401(k) Plan account.

Regular Contributions

You decide how much of your pay to contribute to your Apple 401(k) Plan account. All eligible employees can contribute from 1 percent to 75 percent (Traditional 401(k) combined with Roth 401(k) contributions) of eligible pay (in increments down to hundredths of a percentage point, if they wish), up to the maximum annual contribution limits as allowed by the Internal Revenue Service (IRS). For 2019, the annual 401(k) contribution is $19,000 and applies to the total of your Traditional 401(k) and Roth 401(k) contributions. Commissioned employees who want to make 401(k) contributions from commission pay must designate a separate contribution rate, from 1 percent to 75 percent of commission pay. Again, this limit applies to Traditional 401(k) combined with Roth 401(k) contributions.

Eligible pay includes the following, if applicable:

- Base pay
- Overtime

- Shift differential
- Commission
- Vacation
- Sick pay
- Short-term disability or other similar leave of absence pay paid from Apple's or its designated affiliate's W-2 payroll
- Holiday pay

Bonuses are not included in eligible pay, nor are any amounts not listed above (such as unused vacation, long term disability, severance pay, or workers' compensation pay).

You can make your contribution election by logging in to your account on the Empower Retirement website at www.myapple401k.com, or by calling Empower Retirement at 844-277-4401.

You can start, stop, or change your contributions at any time. Traditional 401(k) and Roth 401(k) contributions based on both regular and commission pay are eligible for the Apple Match. See "Apple Match" on page 242 for more information.

Catch-Up Contributions

Participants who will be age 50 or older by the end of the year can accelerate their savings, subject to a separate annual contribution limit, by making additional contributions called catch-up contributions.

Catch-up contributions may be made on a before-tax basis as Traditional 401(k) catch-up contributions, or on an after-tax basis as Roth 401(k) catch-up contributions, or a combination of both, and in total, generally can be from 1 percent to 75 percent of eligible pay. If your pay consists of regular pay and commission pay, you designate one catch-up contribution rate that applies to regular pay and commission pay combined. For 2019, the maximum annual catch-up contribution (Traditional 401(k) plus Roth 401(k)) is $6000.

Apple does not match catch-up contributions.

Catch-up contributions are invested in the same investment options as your regular contributions. You can start, change, or stop catch-up contributions at any time during the year.

The following conditions must be satisfied before you can make catch-up contributions:

- You will be age 50 (or older) before December 31 of the current calendar year.
- You elect to contribute (Traditional 401(k) and/or Roth 401(k)) at least 6 percent of your regular pay and, if applicable, 6 percent of your commission pay, or you have reached the IRS annual 401(k) contribution limit ($19,000 for 2019).

If, at the end of the calendar year, your regular Traditional 401(k) and/or Roth 401(k) contributions have not reached your annual 401(k) contribution limit or the plan's contribution limit (75 percent of eligible pay), some or all of your catch-up contributions will be re-characterized as regular contributions. There is no Apple Match for re-characterized contributions.

After-Tax Contributions

You may elect to make After-tax contributions to the Apple 401(k) Plan at any time.

After-tax contributions generally can be from 1 percent to 10 percent of eligible pay. If your pay consists of regular pay and commission pay, you designate one After-tax contribution rate that applies to regular pay and commission pay combined. While After-tax contributions are not subject to the annual 401(k) contribution limit, they are subject to other IRS contribution limits (see "Contribution Limits" on page 240).

Apple does not match After-tax contributions. Keep in mind that selecting an After-tax rate that is too high may cause you to reach the annual additions limit before the year is over and you may miss out on the ability to maximize your regular contributions and Apple Match.

After-tax contributions might be considered by employees who want to contribute more than the annual 401(k) contribution limit for the year. Although After-tax contributions are like Roth 401(k) contributions in that they are made with money that you have already paid federal and state income taxes on, there are important differences. Unlike Roth 401(k) contributions, After-tax contributions may be withdrawn from the Apple 401(k) Plan at any time, even before age 59-1/2. Also, the earnings on your Roth 401(k) contributions may be distributed to you tax-free as part of a qualified distribution, but earnings on your After-tax contributions are taxable to you upon distribution.

Rollover Contributions

The Apple 401(k) Plan accepts eligible rollover contributions from other employer-sponsored retirement plans (including direct rollovers of Roth 401(k) funds) and non-Roth Individual Retirement Accounts (IRAs). If you have an account in another employer's retirement plan or an IRA, a rollover check can be issued from that plan or IRA to the Apple 401(k) Plan. Follow the detailed instructions on how to complete a rollover on the Incoming Rollover Election form that can be found on the Empower Retirement website at www.myapple401k.com under the Plan Forms section.

Before you roll over your money into the Apple 401(k) Plan, you must verify that the rollover amount is an eligible rollover distribution being withdrawn from an eligible retirement plan or IRA. Review the Incoming Rollover Election form to verify whether your rollover qualifies as an eligible rollover. The verification process and receipt of the rollover amount by Empower Retirement must occur within 60 days of receiving your funds from your prior employer's plan or from an IRA.

If you already received a lump-sum distribution check made out in your name from a former employer's plan, you have 60 days from the date you receive the check to roll over these funds, as well as any taxes withheld, into the Apple 401(k) Plan. (Please note, however, that federal tax law places certain restrictions on your ability to roll over Roth funds after they have been paid to you.) If you do not make up the amount of taxes that were withheld, that amount will be considered a withdrawal from the prior plan and will be subject to ordinary taxes and possibly a 10 percent early withdrawal penalty.

In general, your rollover amount does not count toward the annual contribution limits. However, if you contributed to another qualified plan in the same tax year, those contributions must be counted toward the annual 401(k) contribution limit.

Rollovers do not qualify for the Apple Match.

To have your eligible rollover money transferred to the Apple 401(k) Plan:

- Complete the Incoming Rollover Election form, including the Investment Elections section. The form is available on the Empower Retirement website at www.myapple401k.com. The initial investment of your rollover contribution can be different from your investment elections for your future contributions.
- Ask your former employer or IRA institution to make your distribution check payable to "the Apple 401(k) Plan FBO (Your Name)."
- Send the completed Incoming Rollover Election form and check to Empower Retirement at the address shown on the form.

For more information, contact Empower Retirement at 844-277-4401.

Roth Conversions

You may elect to convert all or part of your Apple 401(k) Plan account balance attributable to Traditional 401(k) contributions, After-tax contributions, Apple Match, and rollover contributions into Roth contributions, excluding any portion of your account balance that is used to secure a plan loan and any amounts invested in the plan's self-directed brokerage option (PCRA) (see "Self-Directed Brokerage Option" on page 245). The conversion will not change the conditions under which you may withdraw that portion of your Apple 401(k) Plan account. For example, if you convert Traditional 401(k) contributions to Roth amounts, the converted portion cannot be withdrawn from the plan while you're employed with Apple unless you have reached age 59-1/2 or incurred a financial hardship. If you convert a portion of your account balance to Roth amounts, you will owe taxes on the amount you convert for that year (other than after-tax amounts). The taxable amount will be shown on a Form 1099-R that will be provided to you by Empower Retirement (generally in January of the following year). You will be responsible for paying these taxes and accordingly, you may want to consider adjusting your payroll withholdings or making an estimated tax payment. However, the conversion amounts will not be subject to taxes when distributed to you. In addition, earnings on your Roth conversion amounts may also be distributed to you tax-free as part of a qualified distribution. See "Taxation of Withdrawals" on page 255 for more information on distributions.

Roth conversions made within a 401(k) plan are irrevocable (unlike Roth IRA conversions). The decision whether to convert amounts into Roth amounts requires careful consideration, and your personal financial and tax situation must be considered. **The tax implications of having Roth savings and withdrawing those amounts are complex and are not described fully in this Benefits Book. You should consult with a qualified tax, legal, and/or investment advisor before making this decision.**

Making Changes to Your Contributions

Once you are enrolled in the Apple 401(k) Plan, your contributions are deducted automatically from each biweekly paycheck. You can increase, decrease, stop, or restart your contributions, or change your contribution type (Traditional 401(k), Roth 401(k), or after-tax) at any time. Check the Payroll Calendar in the Paycheck Contributions section on the Empower Retirement website at www.myapple401k.com, or on HRWeb, to better understand when your changes will take effect.

To make a contribution change, log in to your account at www.myapple401k.com, or call Empower Retirement at 844-277-4401. You will receive a confirmation statement from Empower Retirement to confirm that your change was completed. You can receive your confirmation online or request that a confirmation statement be mailed to your home address. You should carefully check your confirmation statement and report any errors to Empower Retirement immediately. You should also check your pay stub regularly to ensure that your contributions are made in accordance with your elections.

Contribution Limits

The Apple 401(k) Plan allows you to contribute a percentage of your eligible pay, as follows:

- 1 percent to 75 percent of your eligible pay as regular contributions (combined Traditional 401(k) and Roth 401(k) contributions)
- 1 percent to 75 percent of your eligible pay as catch-up contributions
- 1 percent to 10 percent of your eligible pay as After-tax contributions

(Please see "Your Contributions" on page 237 for more information about each type of contribution.) However, your contributions may not exceed the limits established under federal law described below.

In exchange for tax advantages, the Internal Revenue Code limits both the amount of your contributions and the amount of eligible pay that qualifies as the basis for your contributions.

Type of limit	**IRS annual limits for calendar year 2019**
Annual 401(k) contribution limit *Applies to combined Traditional 401(k) and Roth 401(k) contributions*	$19,000
Additional annual catch-up contribution limit if age 50 or older *Applies to combined Traditional 401(k) and Roth 401(k) contributions*	$6,000
Annual plan contribution limit *Applies to combined Traditional 401(k) and Roth 401(k) contributions, plus Apple Match and After-tax contributions*	$56,000
Maximum annual eligible pay *Applies to combined Traditional 401(k) and Roth 401(k) contributions, plus Apple Match and After-tax contributions*	$280,000

Your annual 401(k) contribution limit for your combined Traditional 401(k) and Roth 401(k) contributions is $19,000 for 2019. Starting in the year you turn 50, you can make an additional catch-up contribution of up to $6000 (combined Traditional 401(k) and Roth 401(k)).

The Apple Match, After-tax contributions, and rollover contributions do not apply to the annual 401(k) contribution limit. The limits do apply, however, to all Traditional 401(k) and Roth 401(k) dollars contributed to any employer's qualified plan during the calendar year, including contributions made to another company's 401(k) plan before you began working at Apple.

If you contributed to another employer's plan in the same year you were hired by Apple, complete the Previous Plan Contribution worksheet available on the Empower Retirement website at www.myapple401k.com. Your contributions to the Apple 401(k) Plan will be stopped when the annual 401(k) contribution limit is reached.

If you exceed the annual 401(k) contribution limit because you participated in another 401(k) plan during the year, you must notify the HR HelpLine no later than February 15 of the following year if you wish to receive a refund from the Apple 401(k) Plan.

If you notify the HR HelpLine by the February 15 deadline, you will receive a refund of any excess contributions, so you can avoid paying any tax penalties. If you made both Traditional 401(k) and Roth 401(k) contributions, Traditional 401(k) contributions will be distributed first. The Apple Match and applicable earnings will be adjusted as required.

If you don't notify the HR HelpLine by February 15, you will not receive a refund of any excess contributions. If this occurs, you should check with your other employer's 401(k) plan to see if that plan allows refunds of excess contributions. If you are unable to receive a refund of excess contributions, you'll need to account for the excess contributions on your income tax filing. For more information, see HRWeb or contact your tax advisor.

Your annual plan contribution limit (combined Traditional 401(k) and Roth 401(k) contributions, Apple Match and any After-tax contributions) is $56,000 for 2019. Catch-up contributions and rollover contributions do not count toward your annual plan contribution limit.

The Internal Revenue Code also limits the amount of eligible pay that may be considered for purposes of making contributions to a 401(k) plan. In 2019, the limit is $280,000.

Additional limits may apply to contributions made by higher-paid individuals to ensure that the plan does not discriminate in favor of this group. If you are a highly compensated employee, as defined by the IRS, your contributions to the Apple 401(k) Plan may be reduced or suspended to the extent necessary to comply with applicable tax rules. Apple Benefits will notify you if your contributions are subject to these IRS limitations, and Empower Retirement will process a refund of your excess contributions, if necessary. The Apple Match and applicable earnings will be adjusted as required.

Contributions: Military Leave

Upon your re-employment following qualified military service, you may have the option to make up missed employee contributions to the Apple 401(k) Plan for all or part of the period you were on military leave, and receive the corresponding Apple Match, subject to certain limitations. You can contact Empower Retirement, the Apple 401(k) recordkeeper, for further information at 844-277-4401.

Apple Match

Apple matches your Traditional 401(k) and Roth 401(k) contributions to the Apple 401(k) Plan each pay period, up to a maximum of 6 percent of your eligible pay for the pay period, generally until your contributions reach the annual 401(k) contribution limit. If you make both Traditional 401(k) and Roth 401(k) contributions, the Apple Match is based on your combined Traditional and Roth contribution amounts. Regardless of your contribution type, the Apple Match and related earnings are tax-deferred. This means you defer paying federal and state income taxes until you withdraw these funds.

In general, your match rate is based on your completed years of service at Apple as an eligible employee.

Completed years of service	Apple Match rate
Fewer than two	50%
At least two, but fewer than five	75%
Five or more	100%

Your completed years of service are not determined by the number of hours you work each year. If you leave Apple and are rehired, your years of service for calculating the Apple Match may be based on your actual rehire date or an earlier adjusted hire date, depending on whether you qualify to have your prior service counted. If you leave Apple and are rehired as an eligible employee within two years, your prior service will be counted when calculating the Apple Match. In addition, beginning with the June 22, 2012 pay date, your prior service as an intern or flexible workforce employee may be taken into account if you qualify to have that prior service counted.

The Apple Match rate is determined each pay period based on your completed years of service as of the actual pay date.

Your contributions and Apple Match contributions are transferred to Empower Retirement and credited to your account on, or shortly after, each pay date.

If you have questions about the Apple Match amount that appears on your 401(k) statement, contact Empower Retirement at 844-277-4401.

Match Example 1

If you earn $1000 each pay period and you contribute 5 percent to your Apple 401(k) Plan account, your contribution would be $50. If you've been with Apple for fewer than two years, you would be eligible for the 50 percent match rate. Since the Apple Match is based on your contributions, up to 6 percent of eligible pay, your match would be $25. Here's how the match would be calculated:

Your contribution	$50 ($1000 pay × 5%)
Apple Match	$25 ($50 × 50%)
Total contributions	$75 ($50 + $25)

Match Example 2: Commission Pay

If you earn $1000 each pay period and contribute 6 percent to your Apple 401(k) Plan account, your contribution would be $60. If you also earn $1000 in commission pay each pay period and contribute 9 percent of commissions to your Apple 401(k) Plan account, your contribution from commission pay would be $90. If you have three years of service with Apple, you would be eligible for the 75 percent match rate on up to 6 percent of eligible pay. Here's how the match would be calculated:

Your contribution	$150 ($1000 pay × 6% = $60) + ($1000 commission × 9% = $90)
Amount for Apple Match	$120 (6% of $1000 pay = $60) + (6% of $1000 commission = $60)
Apple Match	$90 ($120 × 75%)
Total contributions	$240 ($150 + $90)

Match Example 3: Traditional 401(k) and Roth 401(k) Contributions

If you earn $1000 each pay period and you contribute 10 percent to your Apple 401(k) Plan account (5 percent as Traditional 401(k) contributions and 5 percent as Roth 401(k) contributions), your contribution would be $100. If you've been with Apple for five years, you would be eligible for the 100 percent match rate. Since the Apple Match is based on your contributions, up to 6 percent of eligible pay, your match would be $60. Here's how the match would be calculated:

Your Traditional 401(k) contribution	$50 ($1000 pay × 5%)
Your Roth 401(k) contribution	$50 ($1000 pay × 5%)
Combined Traditional 401(k) and Roth 401(k) contribution	$100 ($50 + $50)
Amount for Apple Match	$60 (6% of $1000 pay)
Apple Match	$60 ($60 × 100%)
Total contributions	$160 ($100 + $60)

Maximizing Your Apple Match

To receive the maximum Apple Match, you will need to contribute at least 6 percent of eligible pay (for example, 6 percent of regular pay and 6 percent of commission pay, if applicable) each pay period during the year. The Apple Match is calculated on a per-pay-period basis, so to maximize your match, you may wish to ensure that you contribute a minimum of 6 percent per pay period for all pay periods that you are eligible to participate in the Apple 401(k) Plan. If you meet the annual 401(k) contribution limit early in the year by contributing more than 6 percent per pay period, you may not receive the maximum Apple Match.

Use the tools on the Empower Retirement website at www.myapple401k.com to calculate a contribution rate for the calendar year that will help enable you to receive the maximum Apple Match. Please see "Tools to Help You Decide" on page 237 for more information about these tools.

Vesting

You are 100 percent vested in your contributions and Apple Match contributions right away. This means you receive all of your contributions, the Apple Match contributions, and any investment gains or losses on this amount when your account is paid out to you.

Choosing Your Investment Options

The Apple 401(k) Plan offers you a broad spectrum of investment options. Refer to the Investment Options page on HRWeb or the My Investments page on the Empower Retirement website at www.myapple401k.com, or call Empower Retirement at 844-277-4401 for the latest investment options offered in the plan. You have the flexibility to choose how your contributions and the Apple Match contributions are invested. You are at all times responsible for the investment of your Apple 401(k) Plan account. You may instead choose to have your Apple 401(k) Plan account invested through Professional Management, powered by Financial Engines (through AAG). See "Online Advice and Professional Management, powered by Financial Engines" on page 261 for more information.

You can invest in one or more of the Apple 401(k) Plan investment options. You can invest in 1 percent increments in a combination of options, as long as your investment elections total 100 percent. The Apple Match contributions are invested in accordance with the investment elections that you set up for your Traditional 401(k) contributions. You may make separate investment elections for other contribution types (such as After-tax contributions and rollover contributions). Please visit the Empower Retirement website at www.myapple401k.com for more information.

Each investment option has an investment objective and varying levels of risk and return. It is important to understand each investment option before you make an investment decision.

Mutual funds and other retirement savings vehicles have various fees and expenses associated with investing in them. These include, but are not limited to, management fees, operating expenses, revenue sharing, and short-term trading fees, if applicable. For any investment option in the Apple 401(k) Plan that has revenue sharing fees, Apple has arranged for these revenue sharing amounts to be reallocated to you. As a result, if you're invested in a fund that has revenue sharing, these fees will be periodically reallocated to your Apple 401(k) Plan account. You will see this rebate shown as a "revenue credit" on your quarterly statement. This reallocation does not apply to investments offered through the self-directed brokerage accounts.

For detailed information, be sure to read the prospectuses (where applicable), disclosure documents, or fund fact sheets before making an investment decision. You can download or request to have the documents for any investment option in the plan mailed to your home address by logging in to your account on the Empower Retirement website at www.myapple401k.com, or by calling Empower Retirement at 844-277-4401.

Most investment options report performance information net of fees, so it is important for you to understand the underlying expenses. Examine an option's expense ratios to determine how its administrative and management fees may affect its return.

Investment options that are actively managed (for example, options with a portfolio manager who continually researches, monitors, and actively trades the holdings of the fund to seek a higher return than the market) generally have higher fees. The higher fees are associated with the active management provided and sales charges from a higher level of trading activity.

Although actively managed options seek to provide higher returns than the market, neither active management nor higher fees necessarily guarantee higher returns.

Investment options that are passively managed generally have lower management fees. Passively managed options seek to obtain the investment results of an established market index, such as the S&P 500, by duplicating the holdings included in the index. Thus, passively managed options typically require less research or trading activity.

Be sure to research the investment options available in the Apple 401(k) Plan and read the prospectuses (where applicable), fund fact sheets, and/or other available literature before making an investment decision. On the Empower Retirement website at www.myapple401k.com, you can find information for all of the options in the Apple 401(k) Plan—including performance history, specific fund holdings, and information about the fund managers. You can order a prospectus (where applicable), fund fact sheets, and/or other available literature for all options in the Apple 401(k) Plan through your account at www.myapple401k.com, or by calling Empower Retirement at 844-277-4401.

The Apple 401(k) Plan provides for the appointment of an investment committee with authority to select and monitor the investment options made available under the Apple 401(k) Plan.

The Apple 401(k) Plan is designed to be compliant with Section 404(c) of the Employee Retirement Income Security Act (ERISA). This means that you are permitted to exercise control over the investment of assets in your account (and have the responsibility to do so), and as a result, neither Apple, the Plan trustee, the Plan Administrator, the investment committee, nor any other plan fiduciary will be responsible for your investment losses as a result of your investment elections. Because your investment needs may vary depending on your personal situation, you should talk with your investment advisor about the investment strategy most appropriate for you before making your decision.

Past performance is not necessarily an indicator of an investment's future rate of return.

Self-Directed Brokerage Option

The Apple 401(k) Plan offers a self-directed brokerage option through the Charles Schwab Personal Choice Retirement Account (PCRA). You can elect to invest up to 95 percent of your Apple 401(k) Plan assets in a large universe of mutual funds, individual stocks, bonds, and other investment choices through the PCRA (excluding Apple securities, and limited partnerships and other securities that could generate unrelated business taxable income).

The PCRA option is designed for knowledgeable investors who understand the risk associated with the many investment choices available through the PCRA and who are seeking more flexibility, increased diversification, and a greater role in managing their retirement savings. You can access the PCRA option through www.myapple401k.com.

Investment Advisory and Investment Management Services

The Apple 401(k) Plan offers investment advisory services (Online Advice) and investment management services (Professional Management) through Advised Assets Group, LLC (AAG), powered by Financial Engines, an independent investment advisory firm and designated investment manager for the Plan. See "Online Advice and Professional Management, powered by Financial Engines" on page 261 for more information.

Making Changes to Your Investments

You can change how your money is invested as often as you like. A few investment options may include short-term trading fees. Be sure to read the prospectus (where applicable) and/or other available literature carefully before making an investment decision.

You can change how your future contributions as well as how your existing account balances are invested by accessing your account on the Empower Retirement website at www.myapple401k.com, or by calling Empower Retirement at 844-277-4401.

Generally, requests made by 1:00 p.m. Pacific time (before the stock market closes) on any business day will begin processing that day. Requests made after 1:00 p.m. Pacific time will begin processing at the end of the next business day. The stock market may close before 1:00 p.m. Pacific time on the eve of major holidays. You can choose to receive an online confirmation statement or request that a confirmation statement be mailed to your home address.

Selecting a Beneficiary

When you enroll in the Apple 401(k) Plan, you need to choose a beneficiary. You can name your Apple 401(k) Plan beneficiaries by going to the Empower Retirement website at www.myapple401k.com.

If you are married at the time of your death and had not properly designated a beneficiary, your spouse will be your sole beneficiary unless he or she has properly waived this right. If you are not married at the time of your death and do not have a valid beneficiary designation on record with the Apple 401(k) Plan, your estate will be your sole beneficiary.

If you are married and you want to elect someone other than, or in addition to, your spouse as your primary beneficiary, your spouse must consent in writing. Your spouse must complete the Spousal Consent section of the Beneficiary Designation form. (Go to the Empower Retirement website at www.myapple401k.com and print the form.) Your spouse's signature must be witnessed by a notary public for the document to be valid. Even if you elect someone other than your spouse as your primary beneficiary, your Apple 401(k) Plan death benefit will be paid to your spouse if Empower Retirement does not have a completed and notarized Spousal Consent on file at the time of your death.

You can designate a primary and a secondary beneficiary. The primary beneficiary receives the benefit after your death. The secondary beneficiary receives the benefit only if the primary beneficiary is no longer living at the time of your death. Any beneficiary chosen must have a valid Social Security number or individual taxpayer identification number. Before naming a minor child as a beneficiary, you may want to seek legal advice.

Check periodically to ensure that your beneficiary designation information is current and complete. Consider whether any life events affect who you have designated as your beneficiary. For example, if you had designated your spouse as beneficiary, but later divorce, your former spouse will remain your beneficiary until/unless you make a new beneficiary designation or remarry. You can change your beneficiary at any time via the Empower Retirement website at www.myapple401k.com.

If you have any questions about selecting or changing your Apple 401(k) Plan beneficiary, contact Empower Retirement at 844-277-4401.

Three Ways to Manage Your Apple 401(k) Plan Account

Empower Retirement offers you three ways to manage your Apple 401(k) Plan account:

- Visit the Empower Retirement website at www.myapple401k.com
- Call Empower Retirement's automated voice response system
- Contact an Empower Participant Services Representative by calling 844-277-4401

Account inquiries can be made 24 hours a day, 7 days a week online or by calling the voice response system. Or you can speak to an Empower Participant Services Representative between 5:00 a.m. and 7:00 p.m. Pacific time, any business day.

Your Account Statement

Your personal Apple 401(k) Plan account statement is available to you online at any time. You can access it by logging in to the Empower Retirement website at www.myapple401k.com.

You will receive an email notice from Empower Retirement when your quarterly account statements are available online or you can choose to have them mailed to your address on record.

Your account statement includes:

- Your account balance
- Your estimated monthly income at retirement
- Your contributions
- Apple Match contributions
- Any rollover contributions
- Investment option asset allocation
- Your investment gains or losses
- Investment performance
- Any loans or withdrawals made from your account
- Any loan fees and loan repayments
- Your beneficiary information

Empower Retirement calculates your account balance daily. You can receive up-to-date account information at any time on the Empower Retirement website at www.myapple401k.com, or by calling Empower Retirement at 844-277-4401.

You should carefully check your account statement and report any errors to Empower Retirement immediately at 844-277-4401.

Access to Your Money: Loans

The Apple 401(k) Plan is designed to help you meet your long-term savings and retirement goals. For this reason, you are discouraged from taking money out of your account until retirement. However, there may be times when you need money before you retire. At these times, you may be able to borrow from your Apple 401(k) Plan account and repay the loan with interest back to your own account. In addition, you may take withdrawals from your After-tax and rollover accounts at any time and, in the event of certain immediate financial hardships, you also may be able to withdraw a portion of your account balance.

Loans from Your Account

The Apple 401(k) Plan loan guidelines and instructions for requesting a loan are available on the Empower Retirement website at www.myapple401k.com or on HRWeb, or by calling Empower Retirement at 844-277-4401. You are eligible to take a loan from your Apple 401(k) Plan account if you have a minimum balance of $2000 in your Apple 401(k) Plan account.

There is a one-time setup fee of $50 per loan. This fee will be deducted from your account automatically.

You also may be eligible to take a loan from your account after you leave Apple, depending upon your balance. Beneficiaries are not eligible to take loans.

How Much Can You Borrow?
The amount you can borrow depends on your total account balance as of the date your loan is requested. Your total account balance includes your contributions (both Traditional 401(k), Roth 401(k), and After-tax), Apple Match contributions, and any money you've rolled over into the plan. The amount available will be reduced by any outstanding loans and/or investment losses.

Minimum and Maximum
The minimum loan is $1000. The maximum amount (aggregated with all outstanding loans under the plan) is generally the lesser of:

- 50 percent of your entire account balance
- $50,000

The $50,000 maximum is reduced by the amount of your highest outstanding aggregate loan balance, whether repaid or not, in the preceding 12 months.

Types of Loans
There are two types of 401(k) loans:

- General-purpose loan, with a repayment term of 12 to 60 months
- Primary-residence loan, with a repayment term of 12 to 180 months

You can have only one general-purpose loan and one primary-residence loan outstanding at any one time.

Interest Rate
The interest rate charged for loans is set each month. The rate is based on 1 percent plus the prime rate as reported by the Federal Reserve as of the close of business on the last business day of the month preceding the month in which your loan is requested. To obtain the current month's 401(k) loan interest rate, go to the Empower Retirement website at www.myapple401k.com, or call Empower Retirement at 844-277-4401. The interest rate is fixed for the life of the loan. The interest you pay is not tax-deductible.

How Do You Repay the Loan?
When you borrow from your account, the amount you borrow is treated as a loan and is not taxed as income to you. You repay your loan with after-tax dollars deducted from your paycheck, or through Automated Clearing House (ACH) transfers, as applicable (see below). Repayment of the borrowed amount, plus interest, is deposited back into your account according to your current investment elections (excluding any PCRA investments). You can prepay a loan in full or in part at any time, unless your loan's grace period has ended.

If your account balance is:	The total you can borrow is:
Less than $2000	$0
$2000–$100,000	50% of your account balance
$100,001 or more	$50,000[1]

[1] The $50,000 maximum must be reduced by the amount of your highest aggregate outstanding loan balance in the preceding 12 months.

Keep in mind that the amount you borrow is withdrawn from your account and is not subject to investment gains and losses.

Defaulting on a 401(k) Plan Loan
If you fail to make timely loan payments, you will default on your Apple 401(k) Plan loan. IRS regulations require that the outstanding principal balance, plus interest accrued through the date of default, generally will be treated as a taxable withdrawal and will be reported to the IRS as a taxable event (special rules apply to Roth amounts). Empower Retirement will mail you a Form 1099-R reflecting this loan default. If you default on a loan, you will not be able to take out another loan.

Defaulting on a loan can have serious tax consequences. Consult with your tax advisor to determine how a defaulted loan can affect your personal situation. Defaulting on amounts borrowed against Roth contributions (these include Roth 401(k) contributions, Roth rollover contributions, and Roth conversion amounts) may result in a non-qualified distribution. Refer to the loan guidelines.

If your employment with Apple ends and you have an outstanding loan balance, see "If You Leave Apple" on page 252 for repayment options.

Loans While on Leave of Absence
If you are on an approved leave of absence without pay or at a rate of pay (after income and employment tax withholding) that is less than the amount of your required loan payment, you may suspend your loan payments for up to one year, but no longer than the leave period. If you are on a leave of absence and receiving short-term disability or other leave of absence pay paid from Apple's or its designated affiliate's W-2 payroll, your loan repayments will automatically be suspended.

A suspension will not extend the term of the loan, and interest will continue to accrue on the unpaid balance. Upon return from a leave of absence (or end of the one-year suspension, if sooner), the unpaid balance and accrued interest will be re-amortized to ensure payment of the entire loan balance by the original due date of the loan. This means that your regular payment amount will increase when you come back to work (or the loan suspension period ends, if sooner) in order for you to repay the loan within its original term.

If you do not want to suspend your loan payments while on an approved leave of absence, you can elect to make ongoing loan payments by direct debit from your bank account through Automated Clearing House (ACH) transfers. Contact Empower Retirement at 844-277-4401 for more information.

Loans While on Military Leave of Absence
If you are on a military leave of absence, your payments may be suspended for the full length of the military leave. Interest will accrue during your leave at no more than 6 percent.

Upon your return from military leave, your general-purpose loan term may be extended up to 60 months from the original date of the loan, plus any additional suspension time permitted for the full length of the military leave of absence. Your residential loan term may be extended up to no more than 180 months from the date of the loan, plus any additional suspension time permitted for the full length of the military leave of absence. Your re-amortized biweekly loan payments due after your return from leave cannot be less than the biweekly loan payments due prior to the leave.

If you do not want to suspend your loan payments while on military leave, you can elect to make ongoing loan payments by direct debit from your bank account through Automated Clearing House (ACH) transfers. Contact Empower Retirement at 844-277-4401 for more information.

Access to Your Money: Withdrawals

There are a number of circumstances when you can withdraw funds from your account. Generally, you or your beneficiary can receive funds from your Apple 401(k) Plan account if you:

- Have After-tax or rollover contributions
- Have a financial hardship while still at Apple
- Are a qualified reservist called to active service
- Reach age 59-1/2
- Divorce

- Leave Apple
- Become permanently disabled
- Reach age 70-1/2 (Minimum Required Distribution)
- Die

Withdrawals of After-Tax and Rollover Contributions

Special tax advantages are given to 401(k) plans to encourage you to save. To help ensure that the money is there when you need it for retirement, current tax laws generally restrict withdrawals during your working years. However, you can withdraw all or part of your After-tax contributions (and related earnings) and/or your rollover contributions (and related earnings) if you are still employed by Apple. You may make up to four withdrawals of each type per year. The minimum withdrawal is generally $1000.

Hardship Withdrawals

You can withdraw a portion of your account to meet an immediate and heavy financial need. This is called a hardship withdrawal.

You will need to apply for any available 401(k) loans, and all available withdrawals, including an age 59-1/2 withdrawal and withdrawals from any After-tax contribution and rollover contribution amounts, as applicable, before applying for a hardship withdrawal. You may withdraw only the amount necessary to meet your immediate financial need. Only your Traditional 401(k) contributions (including any portion that you have converted to Roth amounts), Roth 401(k) contributions (excluding earnings), and any remaining After-tax and rollover contribution amounts (including any related Roth conversion amounts) are eligible for a hardship withdrawal. If the amount available is less than the amount requested, you will receive only the amount available. All hardship withdrawal requests are reviewed by Empower Retirement on a case-by-case basis.

Hardship withdrawals are allowed only for the following reasons:

- Certain medical expenses necessary for you, your spouse, or your dependents, or a primary beneficiary of your 401(k) account
- The purchase of your primary residence, excluding mortgage payments
- Payment of tuition, related educational fees, and room and board expenses for the next 12 months of post-secondary education for you, your spouse, your children or dependents, or a primary beneficiary of your 401(k) account
- The need to prevent eviction from your primary residence or to prevent foreclosure on a mortgage of your primary residence
- Funeral expenses for your deceased parents, spouse, children or dependents, or a primary beneficiary of your 401(k) account
- Expenses attributable to a disaster declared by the President

Examples of expenses that are not eligible for a hardship withdrawal include:

- Credit card debt
- Unpaid taxes
- House payments or rent (unless needed to prevent eviction or foreclosure on your primary residence)
- Car payments and repairs
- Personal loan payments
- Utility bills
- Other personal expenses

Taxes and Penalties on a Hardship Withdrawal

Hardship withdrawals from the Apple 401(k) Plan are not considered eligible for a rollover distribution. All hardship withdrawals of your Traditional 401(k) and before-tax rollover contributions will be taxed as ordinary income for federal and state income tax purposes, and you may be subject to a 10 percent early withdrawal penalty when you file your income

tax return. In the event you withdraw After-tax or Roth contributions (including any Roth conversion amounts), the withdrawal will be treated for tax purposes as if you withdrew both contributions and earnings, and the earnings portion will be taxable unless you are withdrawing Roth amounts and the withdrawal meets the definition of a qualified distribution. The earnings may also be subject to a 10 percent early withdrawal penalty.

Because tax laws are complicated and subject to change, you may wish to talk to your tax advisor about your personal situation. For more information about the tax consequences of a 401(k) withdrawal or payout, refer to the notices "Your Rollover Options—Traditional 401(k) Contributions, Apple Match, and Rollover Contributions" and "Your Rollover Options—Roth 401(k) Contributions and Roth Rollover Contributions" available on the Empower Retirement website at www.myapple401k.com or on HRWeb, or contact Empower Retirement at 844-277-4401.

A hardship withdrawal from your Apple 401(k) Plan account is a last-resort option. If, after reading about the rules and tax implications, you want to pursue a hardship withdrawal, you can apply on the Empower Retirement website at www.myapple401k.com, or call Empower Retirement at 844-277-4401. The Empower Retirement representative will verify your eligibility and the amount available to you.

You cannot take a hardship withdrawal from your account after you leave Apple.

Qualified Reservist Distributions

If you are a reservist or National Guardsman (as defined in 37 U.S.C. 101(24)) ordered to active military duty, and your active duty is expected to last 180 days or more, or for an indefinite period, you may withdraw all or a portion of your Apple 401(k) Plan account balance. You can request a withdrawal at any time during the period between the date of your order to active duty and the date your active duty ends.

Call Empower Retirement at 844-277-4401 for more information. The Empower Retirement representative will work with Apple to verify your eligibility, including the amount available to you, and discuss the process for applying for a qualified reservist distribution.

When You're Age 59-1/2

Once you reach age 59-1/2, if you are still employed by Apple, you can make up to four withdrawals each year from the portion of your Apple 401(k) Plan account attributable to contributions other than After-tax contributions and rollover contributions. (Withdrawals of your After-tax contributions and rollover contributions are separately available, as described under "After-Tax Contributions" on page 238 and "Rollover Contributions" on page 239.) The minimum withdrawal is $1000, or your entire available account balance if it is less than $1000. The maximum withdrawal amount is your entire available account balance. Consult with a tax advisor to determine whether special tax treatment is available to you.

For more information about age 59-1/2 withdrawals, visit the Empower Retirement website at www.myapple401k.com, or contact Empower Retirement at 844-277-4401.

If You Divorce

If you divorce, your spouse may be eligible to receive part of your Apple 401(k) Plan account according to a qualified domestic relations order (QDRO). Upon receipt of an order designated as a QDRO, the plan's procedures for reviewing and implementing such orders will be followed. You may view a copy of the procedures on the Empower Retirement website at www.myapple401k.com or on HRWeb, or call Empower Retirement at 844-277-4401 for more information. The information and materials are

not a substitute for legal advice. Consult with legal counsel regarding your personal situation.

If You Leave Apple

Approximately 30 days after the date your employment ends, you can request a direct rollover or a cash distribution on the Empower Retirement website at www.myapple401k.com or by calling Empower Retirement at 844-277-4401.

You may request a distribution of all of your Apple 401(k) Plan account, or you may request a partial withdrawal. You can request up to four partial withdrawals each year. The minimum withdrawal is $1000, or your entire account balance if it is less than $1000. The maximum withdrawal amount is your entire account balance. If you have requested four partial withdrawals during a year, you may request a fifth withdrawal in that year for the remainder of your Apple 401(k) Plan account balance. If you wish to take a partial withdrawal while you have an outstanding loan, you must make your withdrawal request by calling Empower Retirement at 844-277-4401 to prevent your loan from going into default.

Participants who are invested in the PCRA and request a direct rollover may be able to elect some, or all, of that portion of their withdrawal in kind rather than in cash.

If you have more than $1000 in your account, you can leave your funds in the Apple 401(k) Plan. You may continue to invest your account and use the services provided through Advised Assets Group, LLC (AAG), powered by Financial Engines if you choose to do so, until your account is distributed to you. You will remain eligible to make rollover contributions into your Apple 401(k) Plan account (see "Rollover Contributions" on page 239) and to borrow from your account (see "Access to Your Money: Loans" on page 247).

If you leave your money in the plan, your account will be assessed an administrative fee each quarter. If your employment ends within 30 days of the end of a quarter, you will not be assessed that quarter's fee. Fees will begin the following quarter. Your funds will remain in the plan until you contact Empower Retirement to indicate how you want to receive your funds. If you remain in the plan until you reach age 70-1/2, you will be subject to IRS regulations related to Minimum Required Distributions. See "When You're Age 70-1/2: Annual Minimum Required Distribution" on page 254 for more information.

If you have $1000 or less in your account after you have left Apple, and you have not elected to receive a distribution or roll over your funds to an IRA or another eligible retirement plan, your account balance will be distributed directly to you. You will automatically receive a check from Empower Retirement minus the required federal tax withholding and any applicable penalty. State taxes may also be withheld. Participants with account balances of $1000 or less do not have the option of leaving their funds in the plan.

After your Apple employment ends, if you remain in the Apple 401(k) Plan, it is your responsibility to keep your address up to date. Contact Empower Retirement at 844-277-4401 with any address changes.

If You Leave Apple with an Outstanding Loan
If you have an outstanding Apple 401(k) Plan loan when your employment with Apple ends, you have three options based on your account balance:

- **Option 1.** You have the option of paying off your loan balance in full. If you do not pay off the loan balance in full within 90 days of your termination date (and you are not eligible for or you do not select options 2 or 3), the loan will be considered in default and result in a taxable event and the issuing of a Form 1099-R by Empower Retirement. Contact

Empower Retirement directly at 844-277-4401 if you wish to pay off your loan balance in full.

If you pay off a loan, be sure to confirm that your final loan payment is posted to your account before requesting a distribution. Log in to your account on the Empower Retirement website at www.myapple401k.com, or call Empower Retirement at 844-277-4401, to confirm that your loan balance is zero.

- **Option 2.** If your account balance at the time of your termination is greater than $1000, you have the option of continuing to make your loan payments directly to Empower Retirement. If you wish to pay back your loan over time, you must leave funds in the Apple 401(k) Plan during the time you are making loan payments. You may continue making these payments for the life of your loan, per the original amortization schedule, or as long as you keep an eligible balance in your Apple 401(k) Plan account. If at any time your account balance is $1000 or less, or if you decide to take a distribution of your entire account, then your only option will be paying off your loan balance in full (option 1), or your loan will default. If you wish to take a partial withdrawal from your Apple 401(k) Plan account, you must make your withdrawal request by calling Empower Retirement at 844-277-4401 to prevent your loan from going into default.

  If you choose to pay back your loan over time but 90 days lapses between your payments, your outstanding loan balance will be defaulted at that time. If you have questions about this process, contact Empower Retirement at 844-277-4401.

  If you pay back your loan over time, be sure to confirm that your loan payments are posted to your account before requesting a distribution. Log in to your account on the Empower Retirement website at www.myapple401k.com, or call Empower Retirement at 844-277-4401, to confirm that your loan balance is zero.

- **Option 3.** If you have an outstanding loan and you elect a direct rollover into your new employer's plan, you may be able to roll over the outstanding loan balance as well. Check with the receiving plan, and confirm whether the outstanding loan balance can be rolled over along with your account balance. If it can, and you wish to pursue this option, log in to your account on the Empower Retirement website at www.myapple401k.com, or call Empower Retirement at 844-277-4401, to obtain the appropriate form.

  You must return your completed form to Empower Retirement to request a rollover of your account balance and outstanding loan balance to a new employer's plan. The rollover check made payable to the new trustee and the loan documentation will be mailed to you for delivery to your new employer. Keep a copy of the completed form for your records.

A distribution initiated through the Empower Retirement website at www.myapple401k.com or over the phone without completion of the appropriate form will cause your loan to default automatically.

If You Leave Apple After Age 55

If you leave Apple after age 55, you can receive a distribution from the Apple 401(k) Plan without a federal tax penalty.

For more information about your Apple 401(k) Plan account when your Apple employment ends, refer to the *When Benefits End* section on page 286 and the notices "Your Rollover Options—Traditional 401(k) Contributions, Apple Match, and Rollover Contributions" and "Your Rollover Options—Roth 401(k) Contributions and Roth Rollover Contributions"

on the Empower Retirement website at www.myapple401k.com or on HRWeb. You will also receive information in the benefits termination packet that will be mailed to your home address.

If You Become Permanently Disabled

If you become permanently disabled, you can elect to have your entire Apple 401(k) Plan account balance paid to you. For this purpose, you are considered permanently disabled if you qualify for disability payments from Social Security or long-term disability benefits under the Apple Health and Welfare Benefit Plan. For more information, contact Empower Retirement at 844-277-4401.

When You're Age 70-1/2: Annual Minimum Required Distribution

A Minimum Required Distribution (MRD) is the minimum amount of money the IRS requires you to withdraw from your account each year once you reach age 70-1/2. MRDs are calculated based on life expectancy tables provided by the IRS. For more information, refer to the notices "Your Rollover Options—Traditional 401(k) Contributions, Apple Match, and Rollover Contributions" and "Your Rollover Options—Roth 401(k) Contributions and Roth Rollover Contributions" on the Empower Retirement website at www.myapple401k.com or on HRWeb, or contact Empower Retirement at 844-277-4401.

If you are still employed by Apple when you reach age 70-1/2, you are not required to begin receiving MRDs until your employment with Apple ends.

If you are not employed by Apple when you reach age 70-1/2 and you have elected to remain in the plan, your MRD will begin no later than April 1 of the calendar year following the year you reach age 70-1/2.

Once you begin receiving MRDs, the deadline for taking MRDs in subsequent years is December 31. If you don't take your full MRD each year as required, you may face a tax penalty.

If You Die

If you die while you still have an account balance in the Apple 401(k) Plan, your beneficiary may request a distribution of all of your account, or a partial withdrawal. Your beneficiary can request up to four partial withdrawals each year. The minimum withdrawal is $1000, or your entire account balance if it is less than $1000. The maximum withdrawal amount is your entire account balance. If your beneficiary has requested four partial withdrawals during a year, he or she may request a fifth withdrawal in that year for the remainder of your Apple 401(k) Plan account balance.

If your beneficiary is not your spouse, your account balance generally must be distributed in full to your beneficiary no later than the end of the calendar year that contains the fifth anniversary of your death. If your beneficiary is your surviving spouse, distribution may be further deferred until the end of the calendar year in which you would have turned age 70-1/2.

After your (the participant's) death, the payment to a surviving spouse, alternate payee, or other beneficiary is generally not subject to the 10 percent early withdrawal penalty that applies to participants, even if the recipient of the payment is younger than age 59-1/2. A spouse may choose to have the proceeds of the participant's account rolled over into another employer-sponsored retirement plan or IRA. A non-spouse beneficiary may choose to have the proceeds of the participant's account rolled over into an inherited IRA.

It is very important that you elect a beneficiary to receive your Apple 401(k) Plan benefit. If Apple doesn't have a properly completed beneficiary designation for you on file and you do not have a surviving spouse, your benefit will generally be paid to your estate. See "Selecting a Beneficiary" on page 246 for information on how to elect beneficiaries.

Your beneficiary will be notified of what he or she needs to do to request the payout. For tax information, read the "If you are not a plan participant" section in the notices "Your Rollover Options—Traditional 401(k) Contributions, Apple Match, and Rollover Contributions" and "Your Rollover Options—Roth 401(k) Contributions and Roth Rollover Contributions" available on HRWeb or on the Empower Retirement website at www.myapple401k.com.

Taxation of Withdrawals

Unless you roll over your funds into an IRA or an employer-sponsored retirement plan, withdrawals are generally taxed as ordinary income in the year they are received. Some withdrawals are also subject to early withdrawal penalties. When paid as a qualified distribution, however, Roth contributions (these include Roth 401(k) contributions, Roth rollover contributions, and Roth conversion amounts) and related earnings are not taxed at withdrawal. After-tax contributions may be withdrawn tax-free, but the related earnings are taxable as ordinary income. When you withdraw any After-tax contributions, IRS rules require you to withdraw a proportional amount of the related earnings.

Qualified Distribution: Roth 401(k) Contributions

Distributions from Roth 401(k) sources can be considered a qualified distribution after a period of five years from when the first Roth 401(k) contribution was made to the Apple 401(k) Plan if the distribution is made on or after the date you reach age 59-1/2, die, or become disabled. When counting the five-year period, year one starts with the first year in which you make a Roth 401(k) contribution to the Apple 401(k) Plan (or the first year you made a Roth 401(k) contribution to another employer's plan, which you then rolled over to the Apple 401(k) Plan, or the first year you converted amounts in the Apple 401(k) Plan into Roth amounts). If a distribution is qualified, neither your contributions nor the related investment earnings will be included in your gross income. If the distribution is not a qualified distribution, the earnings on your Roth 401(k) contributions will be included in your gross income in the year you receive them, and you may be subject to an early distribution penalty unless you roll them over.

For additional information, refer to the notice "Your Rollover Options" available on the Empower Retirement website at www.myapple401k.com. You may also want to talk with a tax advisor about how a withdrawal may affect your personal situation.

How to Appeal a Denied Claim

Requests for benefits from the Apple 401(k) Plan should be directed to Empower Retirement. If your request is denied and you disagree with the decision, you should submit a written claim for benefits to Apple. See "How to File a Claim for Apple 401(k) Plan Benefits" under "Claims Information" on page 302 in the *General Information* section.

Apple Employee Stock Purchase Plan

The Apple Employee Stock Purchase Plan (ESPP) allows eligible employees to buy Apple stock at a discounted price. The purchase price is set at 15 percent below the market price of Apple's common stock at the beginning or end of each six-month purchase period, whichever is lower.

The terms of the plan and the potential tax consequences from the sale or transfer of your shares are set forth in the Plan Prospectus, which is available on HRWeb.

Who's Eligible

Employees of Apple and its designated subsidiaries are eligible.

Not Eligible

Independent contractors, consultants, and temporary agency workers are not eligible, as well as employees of subsidiaries that are not designated to participate. If during a purchase period you change your employment classification from an eligible employee to an ineligible employee, you will be ineligible to participate, and you will be withdrawn from the plan.

How the ESPP Works

The ESPP makes it easy for you to become a shareholder by purchasing Apple stock through convenient payroll deductions.

Payroll Contributions

You can contribute from 1 percent to 10 percent of your eligible pay, in whole percentages, during each purchase period. Your eligible pay includes your regular base salary plus shift differential and overtime wages. If you are a commissioned employee, your eligible pay includes your regular base salary plus your regular commission. Your eligible pay does not include any bonuses. Your ESPP contributions are calculated based on gross pay but deducted from after-tax dollars.

Purchase Periods

Your payroll contributions accumulate during each six-month purchase period. Shares of Apple stock are purchased at the end of each purchase period in January and July.

For example, payroll contributions accumulated during the purchase period beginning February 1, 2019, and ending July 31, 2019, will be used to purchase Apple stock on July 31, 2019. Subsequent purchase periods and purchase dates will occur approximately every six months thereafter. For specific dates, visit myPage at mypage.apple.com, select the myMoney tab, and then select ESPP.

Open enrollment	Purchase period	Your contributions begin	Shares are purchased
January	February–July	February	July
July	August–January	August	January

Purchase Price

At the end of each purchase period, your total contributions during the period are used to buy Apple stock. Your purchase price is 15 percent below the market price of Apple's stock on the first or last day of the purchase period, whichever is lower.

For example, if Apple's stock price was $200 at the beginning of the purchase period and increased to $210 at the end of the purchase period, your purchase price would be 15 percent below the market price of $200, or $170.

If, however, the stock price decreased from $200 to $190, your purchase price would be 15 percent below the market price of $190, or $161.50.

If you are a current participant, your contributions automatically continue in the next purchase period at your current contribution rate unless you choose to withdraw or change your contribution percentage. If you decrease your contribution rate to zero and don't increase it during the open enrollment for the next purchase period, you will be withdrawn from the plan.

Number of Shares Purchased

The number of shares that you purchase is calculated by dividing your total contributions during the purchase period by the purchase price. Your contributions will buy only whole shares of Apple common stock. Contributions that are less than the purchase price of one whole share are automatically rolled over into the next purchase period.

The ESPP has certain limitations on the number of shares that can be purchased. In addition, the IRS limits the amount of stock you can purchase each year to $25,000. The $25,000 limit is calculated based on Apple's stock price at the beginning of each purchase period.

If your purchase of ESPP shares is restricted, any excess contributions will be refunded to you and will not be carried into a subsequent purchase period. Refer to the ESPP plan document on HRWeb for additional information on plan limitations regarding the number of shares available for purchase.

For more information, contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

Four Simple Steps to Acquiring Apple Shares Through the ESPP

Step 1. Your Contributions
Starting at the beginning of each purchase period, the amount you elect to contribute is deducted from each paycheck.

Step 2. Accumulation
Your payroll contributions accumulate through the purchase period.

Step 3. Purchasing
Shares are purchased at the end of each purchase period. Your purchase price is 15 percent below the market price of Apple's stock on the first or last day of the purchase period, whichever is lower.

Step 4. Account Deposit
The shares are then deposited into your E*TRADE account, where you can hold them or sell them.

How to Enroll

To enroll in the ESPP, access the ESPP tab on myPage at mypage.apple.com during the ESPP open enrollment period. The ESPP open enrollment period is announced on AppleWeb and HRWeb about six weeks prior to the beginning of each purchase period.

Once you enroll, you will remain in the ESPP until you withdraw or become ineligible. To withdraw, access the ESPP tab on myPage at mypage.apple.com before the last calendar month of each purchase period. Specific deadlines for the purchase period are indicated on the ESPP online tool.

You may elect to decrease your specified contribution percentage prior to the first day of the last calendar month of the purchase period. Your contribution will decrease as soon as administratively possible after you change your contribution percentage. You may increase your contribution election only during an ESPP open enrollment period. Your increased contribution rates generally will be effective in the first payroll of the next six-month purchase period.

You may withdraw from the ESPP prior to the first day of the last calendar month of the purchase period. If you choose to withdraw from the ESPP, all accumulated ESPP contributions will be refunded to you. If, during a purchase period, you decrease your contribution percentage to zero, all of your accumulated contributions will be used to purchase Apple stock at the end of the purchase period. If you withdraw from the ESPP, you will need to re-enroll during a subsequent open enrollment period to participate in the ESPP again.

Participating in the ESPP is an investment decision. The value of your shares can increase or decrease, including below the price you paid for the shares. Consult a financial advisor before deciding whether to participate in the ESPP.

Your E*TRADE Account

The shares purchased at the end of each purchase period are deposited directly into an account in your name with E*TRADE. Shares are credited to your account as soon as reasonably practicable after the purchase.

You will receive a notice from E*TRADE after the shares are credited to your account. Once the shares are in your account, they are your assets. You can hold or sell them, subject to the insider trading policy and blackout periods. Refer to Apple's Insider Trading Policy on HRWeb if you have questions about whether you are permitted to sell your shares.

To sell your shares, your E*TRADE account must be activated. Refer to HRWeb for information about how to activate your account.

Beneficiary Choice

To name a beneficiary for your E*TRADE account, you must register the account as a Transfer on Death (TOD) account. Log into E*TRADE and select Account Preferences > Account Beneficiaries > View/Edit. Consult your legal or tax advisor before registering your account as a TOD account.

Dividends

The shares you purchase through the ESPP are eligible for dividends if you continue to hold the shares on the dividend record date. For more information about dividends, see Dividends on HRWeb.

Tax Considerations

There are certain tax considerations you should keep in mind when buying or selling Apple stock.

Contact Information

E*TRADE Securities LLC
P.O. Box 484
Jersey City, NJ 07303-0484

Overnight mail:
Harborside 2
200 Hudson Street, Suite 501
Jersey City, NJ 07311

For customer service:
800-320-1863 (US only)
650-599-0125 (outside US)
Monday through Friday
24 hours a day

www.etrade.com

When You Buy Apple Stock

The Apple ESPP is intended to be a qualified plan under Internal Revenue Code Section 423. For employees in the United States, the gain associated with purchasing shares is not taxed at the time of purchase. Rather, tax consequences are determined based on when you sell or otherwise dispose of your shares. In your E*TRADE account, you can find details (for example, your purchase price, purchase period commencement date, and purchase date) to calculate your taxes when you sell or transfer your ESPP shares.

When You Sell Apple Stock

The federal income tax consequences of selling shares you obtain from the ESPP will depend on the length of time that you hold the stock.

If you hold your shares for at least two years after the first day of the purchase period, the sale is considered a qualifying disposition. If you have a qualifying disposition and you sell the shares at a price in excess of the purchase price you paid for the shares, the gain on the sale of the shares will be composed of a capital gain component and an ordinary income component.

The lesser of the following is taxed as ordinary income:

- 15 percent of the market price on the beginning of the purchase period in which you purchased your shares (regardless of the actual purchase price)
- The difference between the purchase price and the price at which you sell the shares

The difference between the sale price and the amount treated as ordinary income will be taxed as a long-term capital gain.

The following example illustrates how a portion of the gains from the sale of your Apple stock might be taxed as ordinary income versus long-term capital gains. For this example, assume the price of Apple stock goes up during the initial 2019 purchase period.

Example: How Stock Sale Income Is Calculated for Taxes

- $200 at the beginning of the purchase period (February 1)
- $210 at the end of the purchase period (July 31)

If you purchase 15 shares at the end of the purchase period, your purchase price would be 15 percent below the market price of $200 (the lower of the two offering period prices), or $170 per share.

If you sold these 15 shares four years later, assuming Apple stock is valued at $225 per share at the time of sale, you'd have a total gain of $825. To calculate your total gain, take the difference between the $225 sales price and the $170 purchase price, and then multiply it by the number of shares sold:

($225 - $170 = $55) × (15) =
Total gain: $825

To calculate your ordinary taxable income, you'd take 15 percent of the $200 price at the beginning of the purchase period, and then multiply that amount by the number of shares sold:

($200 × 15% = $30) × (15) =
Ordinary taxable income: $450

To calculate your long-term capital gain, subtract $450, the amount of your ordinary taxable income, from $825, the amount of your total gain:

$825 - $450 =
Long-term capital gain: $375

If you hold shares acquired under the plan for at least two years after the first day of the purchase period (qualifying disposition) but sell the shares at a price less than the purchase price you paid for the shares, you will recognize no ordinary income, and the loss on the sale will be treated as a long-term capital loss.

If you sell shares within two years of the first day of the purchase period in which you purchased them, the sale is considered a disqualifying disposition. With a disqualifying disposition, the difference between the purchase price and the fair market value of the shares on the date of purchase is taxed as ordinary income, and this amount is reported as compensation on your W-2.

In addition to the ordinary income, if you make a disqualifying disposition at a price in excess of the value of the shares on the day you purchased them, you will recognize a capital gain in an amount equal to the difference between the sale price and the value of the shares on the purchase date. The gain will be considered either a short-term or long-term capital gain, depending on how long you hold the shares prior to disposing of them.

The preceding discussion is a general one and should not be interpreted as individual tax advice.

For more information, see ESPP and Taxes on HRWeb.

A Tax Advisor Can Help

Tax rules are complex and subject to change. We recommend that you consult with a tax advisor to determine the actual tax implications associated with the purchase and sale of shares you obtain from the ESPP.

If You Leave Apple

If you leave Apple or become ineligible to participate before the end of a purchase period, your accumulated contributions for the current period will be refunded to you without interest. Your E*TRADE account will remain open as long as you maintain a balance, and any shares you have already purchased will remain in your account. Notify E*TRADE if you change your address or email.

If You Die

If you die before the end of a purchase period, your beneficiary will receive a refund of your accumulated contributions for the current purchase period without interest. E*TRADE will distribute your shares and cash balances held in your E*TRADE account to your named beneficiary. Your beneficiary should contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411 for assistance. If you have not named a beneficiary, the refund, as well as the distribution of your shares and account balance, will be made to your estate.

Online Advice and Professional Management, powered by Financial Engines

Contact Information

Advised Assets Group, LLC (AAG), Powered by Financial Engines
For customer service:
844-277-4401 (US only)
800-830-9017 (TDD)
Monday through Friday
5:00 a.m. to 6:00 p.m.
Pacific time

AAGFE@advisedassetsgroup.com

www.myapple401k.com

Advised Assets Group, LLC (AAG), powered by Financial Engines offers an online investment advisory service (Online Advice) and investment management service (Professional Management) to employees who are eligible to participate in the Apple 401(k) Plan.

Online Advice provides investment fund recommendations for your Apple 401(k) Plan account.

Professional Management allows you to partner with an expert who, for a fee, will build an investment plan for your Apple 401(k) Plan account and put it into action for you. This means that you give Financial Engines (through AAG) full authority to make investment decisions on your behalf.

Financial Engines (through AAG) charges an advisory fee to participants who enroll in Professional Management. The fee is based on the average assets under management at the end of each calendar quarter, as follows:

Managed assets in 401(k) Plan account	Annual program fees
First $100,000	0.50%
Next $150,000	0.40%
Portion over $250,000	0.30%

Fees are deducted directly from the participant's account on a quarterly basis, in arrears.

Online Advice and Professional Management give you the option to receive advice and management services on your total portfolio, including your assets outside the Apple 401(k) Plan, such as an Individual Retirement Account (IRA), a brokerage account, stock, or other assets.

Note that Apple does not endorse or guarantee any information provided through Online Advice or Professional Management. You are at all times responsible for your decision to use these services.

Who's Eligible

Employees who are eligible to participate or have a balance in the Apple 401(k) Plan are eligible.

How to Enroll

To enroll, log on to your Apple 401(k) Plan account on the Empower Retirement (Apple 401(k) Plan record keeper) website at www.myapple401k.com.

Using Online Advice or Professional Management

You can log in to your account on the Empower Retirement website at www.myapple401k.com at any time. Once you enroll in Online Advice or Professional Management, your Apple 401(k) Plan account information and Apple Stock and/or RSU information, if applicable, is automatically loaded into the Financial Engines database on a regular basis.

For additional information regarding Online Advice or Professional Management, you may contact Empower Retirement at 844-277-4401 or visit the Empower Retirement website at www.myapple401k.com.

If You Leave Apple

You remain eligible to use Online Advice and Professional Management as long as you have a balance in your Apple 401(k) Plan account.

Customer Support

Questions related to the Online Advice or Professional Management services should be addressed by calling 844-277-4401. Representatives are available Monday through Friday, 5:00 a.m. to 6:00 p.m. Pacific time.

Financial Education

Throughout the year, Apple offers financial education seminars on a variety of topics, such as tax-saving strategies, investing basics, saving for retirement, building a household budget, and basic stock information.

Seminars are provided by a variety of sources, such as Financial Knowledge, E*TRADE, and Empower Retirement.

Financial education seminar details will be posted in advance on HRWeb and will also be announced on AppleWeb. You can attend as many seminars as you like.

Any decision to attend a seminar or use the information provided is entirely up to you. Note that Apple does not endorse or guarantee any information provided during the seminars.

Who's Eligible

Employees paid from Apple's or its designated affiliates' W-2 payroll are eligible.

Not Eligible

Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

Registration

Advance registration is required for some seminars, such as Financial Knowledge seminars. Space may be limited.

Detailed registration information will be included in the seminar announcements on HRWeb.

Webcast Availability

Some seminars are available via webcast and are noted in the seminar schedule. If you wish to attend a seminar webcast, follow the instructions available on HRWeb. It is best to ensure you are aware of the steps and system requirements at least a day before the seminar. Technical assistance may not be available on the day of a seminar.

If You Leave Apple

If you leave Apple, you are no longer eligible to attend any of Apple's financial education seminars.

Educational Assistance Program

Apple employees' talents and resources are vital to the company's success. The Educational Assistance Program supports your professional development by reimbursing you, on a tax-free basis (state taxes may apply), for up to $5250 of eligible expenses in a calendar year. The Educational Assistance Program is not intended to fully reimburse all educational expenses.

Who's Eligible

Eligible employees can participate in the program after they have completed 6 months of service with Apple. Rehired employees must complete 6 months of service after rehire.

Employees paid from Apple's or its designated affiliates' W-2 payroll are eligible for the Educational Assistance Program, provided they meet certain hours requirements.

Not Eligible

Interns, flexible workforce employees, independent contractors, consultants, temporary agency workers, and corporate employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 20 hours, even if the employee works 20 or more hours a week on an infrequent or short-term basis, are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

How the Educational Assistance Program Works

The Educational Assistance Program is administered by GP Strategies Corporation (GP). This benefit supports your professional development by reimbursing you for job-related courses taken from an accredited college, university, or other Apple-approved institution.

Courses must meet all of the following criteria to be eligible:

- **Courses must be directly related to either your current job at Apple or another job that relates to your future growth at Apple that you aspire to.** Courses must maintain or improve the skills required in either your current job or the job you aspire to. You will not receive reimbursement for classes, elective or otherwise, that do not directly relate to an Apple job. For example, if you take a physical education course, you would not be reimbursed unless the activity was required for your current job or Apple job you aspire to. English or job-related language courses at any type of institution, including

Contact Information

GP Strategies Corporation
Member services:
866-792-3840
Monday through Friday
8:00 a.m. to 8:00 p.m.
Eastern time

appleedassist.
gpworldwide.com

appleedassist@
gpworldwide.com

community courses, are also now eligible for reimbursement through the Educational Assistance Program.

- **Courses must be preapproved.** Courses must be preapproved by your manager, who will confirm the course is related to your job or future growth at Apple and that you are in good standing. Upon completion of the course, your reimbursement request must also be approved by your manager, who will confirm you are in good standing at the time of reimbursement.
- **Courses must begin and end while you are working at Apple.** You must be on Apple's US payroll and meet the eligibility requirements described under "Who's Eligible" on page 264 at the time your courses begin. Changes to your employment, such as taking a personal leave, can affect your eligibility status. If you leave Apple, you will not be reimbursed for expenses you incur for courses that are not completed and paid by the date your Apple employment ends. In addition, if you lose your benefits eligibility status after you begin a course, you will not be eligible for reimbursement.

  The only exception to this rule is for employees who lose their jobs due to business reasons. These employees may be reimbursed for courses that end after their termination date as long as such courses meet the same reimbursement criteria that apply to active employees and the reimbursement application is submitted within one year of course completion. These employees are not eligible for reimbursement for any courses that begin after their business termination notice date.
- **Courses must be taken at accredited schools or Apple-approved institutions.** Courses must be offered through colleges and universities that hold either regional or national career-related accreditation recognized by either the Council for Higher Education Accreditation (CHEA) or the US Department of Education (USDE). In addition, specific institutions that are preapproved for English language or other job-related language courses may also qualify. To be sure the school is accredited as outlined here, call or email GP or use GP's online application tool to confirm the school's accreditation.
- **Courses must have academic grades or the equivalent.** You must receive a grade of B- (B minus) or better to be eligible for reimbursement. Equivalent ratings, such as Pass, Satisfactory, Credit, and Continuing (for Ph.D. courses) are acceptable for courses only if the school reports grades in that manner.
- **Courses must earn academic college credits, certificates, or Continuing Education Units (CEUs).** Courses that do not meet the criteria (such as short courses, conferences, seminars, or other training courses that produce a certificate of completion without an accompanying academic grade and college credit, and so forth), except job-related language courses, are not reimbursable under this program. Job-related language courses require a certificate of completion to be eligible for reimbursement. If your course does not meet reimbursement criteria, speak to your manager about the possibility of reimbursement from the department budget.

How to Apply

All applications and reimbursement requests are completed and submitted online. Complete the Educational Assistance Program application on GP's website at appleedassist.gpworldwide.com.

The application requests specific information about each course for which you seek approval. Be sure to list the course numbers and titles as they appear in the school catalog. Include the tuition costs, required book costs, and eligible fees for the current term or billing period only. Also complete the Tax Determination/Job-Related questionnaire portion of the application.

If you need help completing the application, contact GP at appleedassist@gpworldwide.com or call 866-792-3840. After you submit your application, your manager will be notified via email that an application is pending his or her review.

When Your Application Has Been Reviewed

GP will notify you via email once your application has been reviewed by your manager. The email will contain information regarding the approval and/or denial of each course, and the appeal process if a course was denied.

Reimbursement and Payment Limits

The program will reimburse 100 percent of your eligible expenses for approved courses meeting the course criteria, as determined by GP, up to $5250 in a calendar year. GP will review reimbursement requests to determine the eligibility of expenses.

Eligible expenses include:

- Tuition (required course fees)
- Required books
- Required software
- Fees unless stated in the list that follows

Examples of ineligible expenses include (you will not be reimbursed for these):

- Admission test fees
- Application fees
- Insurance fees
- Parking fees
- Transcript fees
- Review classes and related exam fees for tests such as the GMAT, SAT, CPA, bar exam, or CLEP exams
- Late fees
- Deferred-payment fees
- Shipping and mailing charges
- Tutoring
- Transportation
- Lodging
- Course supplies, such as art supplies
- Equipment, such as computers and cameras

Apple uses the date you are reimbursed to determine in which calendar year to apply your annual maximum. For example, eligible expenses not submitted by the communicated December deadline in any year will be reimbursed in the next calendar year. That reimbursement will then count toward the next calendar-year maximum.

Once you have received partial payment for a course, you cannot resubmit any remaining charges for that course in any following calendar year.

How to Get Reimbursed

After you have completed the course(s) and received your grades, you can request reimbursement. The following items are required:

- Your official grade report for each course for which you are requesting reimbursement
- Itemized receipts for out-of-pocket tuition, books, and eligible fees. If financial aid was used, your receipt should also indicate the type of aid applied. Grants and scholarships are not reimbursable. Receipts must include your name and Apple employee ID number written at the top of each receipt.
- Course syllabus listing required books and software if you are requesting reimbursement for these items

Submit the items to GP before the reimbursement deadline by utilizing the reimbursement request feature on the GP website or fax:

- Website: appleedassist.gpworldwide.com
- Fax: 866-792-3845

Depending on when you submit your request, your reimbursement may take from two to four weeks. You can check the status of your reimbursement at any time by viewing the Application tab on the GP website. Reimbursements will be included in your Apple paycheck.

In order to be eligible for reimbursement under the educational assistance benefit, you must be employed at Apple at the time the reimbursement payment is made.

Apple reserves the right to reclaim any payments made within 12 months of the termination date from employees who voluntarily terminate their employment, subject to local requirements.

Reimbursement Deadlines

Request for payment must be submitted no later than 12 months from the date your course was completed.

How to Appeal a Denied Claim

See “Claims Information” on page 302 in the *General Information* section for information on appealing denied Educational Assistance Program claims.

When Coverage Ends

Coverage under the Educational Assistance Program ends on your last day of employment or eligibility. You will not be reimbursed for expenses you incur for courses not completed by the date your Apple coverage ends.

Employees who lose their jobs for business reasons may receive special consideration in regard to reimbursement deadlines. These employees may be reimbursed for courses that end after their termination date as long as such courses meet the same reimbursement criteria that apply to active employees and the reimbursement application is submitted within one year of course completion. Former employees will not be eligible for reimbursement for any courses that begin after their employment ends.

Student Loan Refinancing Program

Who's Eligible

Employees paid from Apple's or its designated affiliates' W-2 payroll are eligible.

Eligible employees can participate in the program after they have completed 90 days of service with Apple. Rehired employees must complete 90 days of service after rehire.

Not Eligible

Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible.

How the Student Loan Refinancing Program Works

Apple has partnered with the financial services company SoFi to offer the Student Loan Refinancing Program. The program is designed to help you and your spouse or domestic partner consolidate and refinance your own student loans or student loans you took out on behalf of your children. Loans must be for Title IV schools you have attended or where you are currently enrolled that offer a bachelors or graduate degree. If your school is not listed in the SoFi application portal, choose Other or call SoFi.

SoFi is responsible for the review, underwriting, and approval or denial of your loan application. If approved, you have the opportunity to receive a discounted interest rate from SoFi along with a rate subsidy from Apple. You are eligible to receive the discount and subsidy for yourself or on behalf of your children as long as you're an Apple employee and your loan is not delinquent. If the loan is on behalf of your children, you as the Apple employee must be the one to refinance the loan. Your spouse or domestic partner is eligible to receive the discount and subsidy on his or her own loan as long as you're an Apple employee, you remain married or in a domestic partnership, and the loan is not delinquent.

SoFi will approve or deny your loan and will determine your interest rate based on your credit history and other factors, such as your additional debt payments like car or credit card payments. Loan approval is based on factors such as:

- **Your ability to pay.** Your total monthly debt payments (including credit cards, car payments, and other monthly debt payments) should not exceed your monthly income.
- **Your current loan status.** Your current student loans must be in good standing.
- **Your financial history.** You must have no history of delinquencies, collections, bankruptcy, or foreclosures.

Contact Information

SoFi
855-414-2275
Monday through Thursday:
7:00 a.m. to 8:00 p.m.
Pacific time
Friday: 7:00 a.m. to 4:00 p.m.
Pacific time
Saturday and Sunday:
7:00 a.m. to 2:00 p.m.
Pacific time

apple@sofi.com

Loan Terms

You can choose from a variety of loan options. Loan terms are as follows:

- $5,000 minimum; no maximum
- Fixed or variable rate loans
- 5-year, 10-year, 15-year, or 20-year terms

Pay through ACH (auto-pay) and receive an additional 0.25 percent discount on your loan rate.

For information about current refinancing rates, visit HRWeb.

Taxation

The Apple subsidized portion of your loan is considered a benefit. The value of this benefit will be added to your income, and will be subject to federal, and in some cases, state income tax. Apple will gross up your income to cover the tax for this benefit.

When Coverage Ends

Coverage under the Student Loan Refinancing Program ends on your last day of employment. You will no longer receive the Apple rate subsidy or the SoFi discount for your loans or the loans you took out on behalf of your children. You will then be responsible for paying the subsidized portion of the loan as per your loan agreement. The Apple rate subsidy and the SoFi discount will end for your spouse or domestic partner on your last day of employment with Apple or, if sooner, upon the date of your divorce or the termination of your domestic partnership, and he or she will be responsible for paying the subsidized portion of the loan as per the loan agreement.

It is your responsibility to notify Apple that your spouse or domestic partner has ceased to be eligible for the Student Loan Refinancing Program within 30 days of the date of divorce or the termination of domestic partnership. Providing false information as part of this program, such as including ineligible individuals or failing to notify Apple of a divorce or domestic partnership termination, could result in disciplinary action up to and including termination of employment.

For more information, visit HRWeb.

8 Additional Services and Programs

Employee Assistance Program (EAP)

The Apple Employee Assistance Program (EAP) provides short-term counseling and a variety of services to help you and your eligible family members balance work and life and resolve typical daily living problems. The program is administered by ComPsych.

The EAP helps support you in every aspect of your personal and professional life: from financial and legal needs, to child care and parenting issues, to physical and emotional needs, to health and well-being. The program offers a broad range of services designed to help you get the right resources in a timely way.

Who's Eligible

Employees and interns paid from Apple's or its designated affiliates' W-2 payroll. Employee's dependents and spouse or domestic partner who are enrolled in a medical plan offered by Apple are also eligible.

Not Eligible
Flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

When Coverage Begins

Coverage under the EAP begins for you on your first day of active employment or eligibility with Apple. Coverage under the EAP for your dependents begins on the same day their Apple medical coverage begins, if applicable.

How the EAP Works

All it takes is a phone call to take advantage of ComPsych's services, which are available 24 hours a day, seven days a week by calling 844-862-0889.

After you provide some basic identifying details and information about the situation you're facing, ComPsych will guide you to the support that's right for you.

The EAP uses a national network of professionals to provide confidential counseling services, advice, and referrals for:

- Marital and family tension
- Difficulty with relationships
- Emotional stress
- Alcohol or drug problems affecting your family
- Job stress
- Death or other loss
- Difficulty adjusting to a new culture

Counseling
Counseling services are face-to-face sessions, and appointments can be scheduled with an EAP counselor near either your work or home. Experienced and compassionate counselors use a problem-solving approach to understand your personal issue and suggest practical solution strategies.

Apple pays 100 percent of the cost for up to eight visits with an EAP counselor per issue for you and each of your covered dependents in a 12-month period.

If a mental health or substance abuse issue is beyond the scope of the services the EAP provides, you will be referred to your medical plan for mental health and chemical dependency services.

You and your counselor will decide on the most appropriate next step.

Contact Information

ComPsych
844-862-0889
24 hours a day, 7 days a week

guidanceresources.com

Qualified staff: All of ComPsych's counselors are mental health professionals, not Apple employees. ComPsych requires counselors to have master's degrees in counseling, social work or other related behavioral areas. In addition, they have broad-based clinical skills and experience in assessing issues such as alcohol/drug use, suicide, emergency responses and work-life concerns.

You may be referred to a counselor outside of the ComPsych network. All counselors have been favorably evaluated by ComPsych staff members and often by clients. Keep in mind, though, that the most important evaluation is your own and that neither ComPsych nor Apple can offer guarantees. If for any reason you are uncomfortable with a counselor you have been referred to, don't hesitate to ask for another referral.

Enhanced EAP Support

ComPsych can help you get the resources you need to navigate through sudden and significant change or loss in your life due to events such as the death of a dependent, serious accident, severe injury, terminal illness, or military deployment of a spouse or domestic partner. Eligible employees and dependents have access to a dedicated ComPsych care manager who partners with you to first identify immediate and long-term needs and then research, refer, and coordinate resources to support the identified needs.

Resources

In addition to counseling services, the EAP provides other resources to assist with your day-to-day needs.

Legal Services
Legal services can take the guesswork out of selecting an attorney. You have access to qualified lawyers who can provide information and recommend appropriate options for:

- Adoption
- Bankruptcy
- Child custody/support
- Contract disputes
- Consumer protection
- Estate planning
- Landlord/tenant issues
- Personal injury

For each legal issue, the EAP offers you unlimited consultations over the phone. For more complex issues, you may receive a referral for up to one 30-minute consultation with an attorney specializing in that area.

If you need an attorney to represent you and you decide to work with the attorney you've met through ComPsych, you'll receive a 25 percent discount on the attorney's hourly rate.

You also have unlimited access to an online legal resource center for free and customizable legal forms and an information library to help you understand and create legal documents such as a will or power of attorney.

Legal services and legal referrals are not available through the EAP for matters involving criminal felony matters, claims against Apple, or any business interest in conflict with Apple's interest.

Financial Consultations
Your benefit includes unlimited consultations over the phone to address your financial questions. For more complex issues, you may receive a referral for up to two 30-minute consultations per topic per year with a financial professional within the ComPsych network. You also have unlimited access to guidanceresources.com to get answers to common questions about money and personal finance, including:

- Debt-reduction strategies
- Common income tax questions
- Saving versus investing

Parenting and Child Care
Qualified referrals are available for a wide variety of child care needs including services for prenatal planning, adoption, summer care, sick care, 24-hour care, and specialized care for dependents with special needs. If you call ComPsych and identify yourself as a new parent or grandparent, a New Baby Kit that includes a variety of parenting information will be mailed to you.

Elder Care Services
If you are caring for an elderly relative or for an adult relative with special needs, you may want to speak with a gerontologist to help you:

- Clarify and prioritize your specific needs
- Develop an action plan
- Find groups or programs in your community that offer support to families of ill or dependent elders
- Evaluate financial circumstances and insurance options

Pet Care Referrals
ComPsych can provide referrals to veterinarians, grooming services, obedience trainers, board and care kennels, and pet sitters.

Workplace Support for Managers
Workplace support services include:

- Consultation to managers and supervisors regarding employee challenges
- Seminars for employees and managers
- Onsite crisis support for workgroups
- Conflict resolution and organizational development services
- Assistance with organizational change issues

Managers can contact ComPsych for more details regarding services at work.

Online Services

ComPsych's website at guidanceresources.com offers articles on a wide range of topics including health and wellness, planning for your future, introduction to mindfulness, and resources to coping with stress, dealing with grief, divorce and child custody, and parenting. You will also be able to access resource guides, on demand training, mobile apps, and other media that may assist your needs. First-time users are required to register and create a username and enter "Apple" as the Organization Web ID.

You can also email for general assistance or chat with a counselor during normal business hours for referrals or general inquiries.

You may have questions about whether ComPsych will keep your private life private. The EAP program ensures your privacy in several ways:

- Your contact with ComPsych and your counselor is voluntary and confidential.
- With few exceptions, no one will be given information without your knowledge and consent. The exceptions occur in states that require counselors, doctors, teachers, and others to report any instance of child or elder abuse or potential suicide to local authorities.

Contact Information

Apple Matching Gifts Program
support@benevity.com
Monday through Friday
8:00 a.m. to 8:00 p.m.
Eastern time

apple.benevity.org

In some states, counselors are also required to warn a potential victim of a violent threat.

- Your records are kept by ComPsych and are not part of your employee file or medical file.
- ComPsych gives general demographic information to Apple about the people who use the program—such as what the common problems are and how many men versus women use the program. No personal information is reported that would identify you, such as a name, job title, or department. If you want ComPsych to notify anyone that you are getting counseling, you will need to sign a release that specifies what information you want revealed and to whom.

When Coverage Ends

EAP coverage ends on the day you become ineligible for coverage. See "When Coverage Ends" on page 18 in the *Participating in Apple's Benefits* section.

Your dependents become ineligible for the EAP when their medical coverage through Apple ends.

When coverage ends, you and/or your dependents may be eligible to continue coverage at your own expense through COBRA health care continuation. See the *When Benefits End* section on page 286 for more information.

Apple Matching Gifts Program

Apple supports employees who make personal contributions to causes they care about most. The Apple Matching Gifts Program will match your charitable donations of time, money, or Apple products to qualifying organizations.

Who's Eligible

Employees paid from Apple's or its designated affiliates' W-2 payroll are eligible.

Not Eligible
Interns, flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

How the Program Works

The Apple Matching Gifts Program will match your monetary donations dollar for dollar, your Apple product donations in the amount equivalent to the amount paid for the products, and your volunteer time at US$25 per hour up to a maximum of $10,000 per calendar year.

The organizations listed on the Employee Giving portal with a "Matching Offer" banner have been prequalified as eligible. If your preferred organization is not eligible, you can nominate it. Nomination requests will be reviewed, and if approved, the organization will be vetted. Successfully vetted organizations will be invited to accept the Apple certification terms required to receive an Apple match.

To be eligible, an organization must meet all of the following criteria:

1. The organization has all the licenses and registrations that are required of it by all relevant regulatory authorities in its governing jurisdiction and the organization is in compliance with the laws and regulations applicable to it.

2. The organization does not discriminate* against any person or group of people in its hiring and employment practices, codes of conduct, programs, or services or in any other aspect of its operations or activities, on the basis of that person or group of people's personal characteristics or attributes.

   Discrimination includes (but is not limited to) hiring and employment policies or practices that discriminate against a person or group of people on the basis of their sexual orientation or gender identity, even if such policies and practices are permitted under applicable law.

* "Discriminate" means the differential treatment of a person or group of people on the basis of a personal characteristic or attribute, including but not limited to, age, disability, ethnicity, gender, sexual orientation, gender identity characteristics or expression, marital status, national origin, political affiliation, veteran status, race, color, religion, religious observations, beliefs, practices, pregnancy or medical condition. Discrimination is usually (but not always) prohibited by law, as anti-discrimination laws differ from jurisdiction to jurisdiction.

For clarity, discrimination does not include programs, practices or policies that require the differential treatment of a person or group in order for the organization to carry out its social mission (sometimes known as a bona fide operational or occupational requirement). For example, an organization that provides assistance to people with mental or physical disabilities that does not offer the same services to those people who do not have mental or physical disabilities would not be engaging in discrimination. Similarly, a women's shelter that excludes men from employment in certain positions in order to provide effective services to female victims of domestic violence would not be engaging in discrimination.

3. The organization will apply support *only* to secular (non-religious) projects or programs.
4. The organization does not support or sponsor political campaigns or otherwise advocate for (or against) political candidates.
5. The organization will not lobby a federal, state, or local government agency or government official except where and only to the extent permitted under applicable laws.
6. The organization will not use support to bribe any government or public official, unlawfully gain an advantage in political or legal proceedings or unlawfully solicit business.
7. The organization will not attempt to unlawfully or improperly influence any organization or individual donor.
8. The organization will not identify Apple as a donor or use the Apple logo or brand for promotional purposes without prior written consent from Apple.
9. The organization will refuse and/or return support that it knows or should know is ineligible under applicable law or Apple guidelines or were provided in error.
10. The organization does not employ or engage any person or entity who appears or has appeared on any restricted party list, including without limitation, anti-terrorism, anti-money laundering, anti-bribery or other similar watch list such as the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), Specially Designated Nationals List, the EU Consolidated List and the OSFI Consolidated List. The organization agrees to notify Apple as soon as possible if it is no longer able to make this statement.
11. If Apple or an Apple employee requests that Support be used for a particular charitable purpose or project that is among the organization's existing programs or projects, the organization agrees to honor such request when possible.
12. The organization will not regrant Apple support to organizations that are not able to confirm compliance with these terms.

The following are examples of organizations that could qualify for the Apple Matching Gifts Program:

- Accredited colleges and universities
- Private elementary and secondary schools
- Youth organizations
- Museums
- Libraries

- Hospitals
- Community service agencies
- Environmental organizations

The following are examples of donations that would not qualify for the Apple Matching Gifts Program:

- Cumulative donations from several individuals reported as one contribution
- Donations made to community trusts or similar organizations, including charitable remainder trusts, or family foundations
- Donations made in lieu of fees for service or tuition payments
- Membership fees for which benefits are received
- Dues to alumni or similar groups
- Gifts or payments for primarily political or religious purposes unless specified for a community outreach program, such as a soup kitchen or homeless shelter
- Subscription fees for publications
- Insurance premiums
- Bequests or life income trust arrangements
- Gifts of real or personal property (other than Apple stock)

Requests for matching funds must be:

- Made from your personal funds or a charitable gift fund in your name
- Given to a qualified organization or cause
- Donated through Benevity, the employee giving portal, or submitted as a match request along with an electronic receipt within 12 months of the date of your donation
- Paid in full—not pledged—via cash, personal check, credit card, PayPal or Apple stock. You can only use your credit card or PayPal to make direct donations through Benevity.

To submit a request to the Apple Matching Gifts Program, log in to apple.benevity.org. If you're a new user, create a new account and request a password using your Apple email address. If you have already created an account, go directly to Benevity, the Matching Gifts portal to log in. Match payments are processed monthly by the end of the month following the date of your match request approval.

Employee terms of use: To participate in the Apple Matching Gifts Program, you must agree to the following terms of use:

- You have read and understood the Apple Matching Gifts Program Guidelines posted on this page.
- Your monetary donations, Apple product donations, and volunteer time are voluntary contributions. They do not represent fees for services or benefits, and you will not be reimbursed or compensated for them. Neither you nor your family will receive any direct or indirect financial or material benefit in exchange for your contributions.
- You understand that you must disclose significant personal relationships with any employee or agent including founders and board members of organizations for which you are requesting an Apple matching gift. Significant personal relationships include, but are not limited to, spouses, domestic partners, family members, dating or physical relationships, close friends, and business relationships outside of Apple.
- Your donations of money, Apple products, or volunteer time do not fall into any of the following ineligible categories:
  - Cumulative donations from several individuals reported as one contribution
  - Donations made to organizations that do not comply with the USA Patriot Act
  - Donations made to community trusts or similar organizations, including charitable remainder trusts, or family foundations

  - Donations made in lieu of tuition payments
  - Fees for service or tuition payments
  - Membership fees for which benefits are received
  - Dues to alumni or similar groups
  - Donations or payments for primarily political or religious purposes
  - Subscription fees for publications
  - Insurance premiums
  - Bequests or life income trust arrangements
  - Gifts of real estate or personal property (other than Apple stock and Apple products)
  - Payment for the fair market value of auction items. Only money donated above the fair market value of the item is eligible for matching
  - Donations including volunteer time where you received something of value – for example, sports or event tickets or merchandise
- You authorize the recipient organizations to report your monetary donations, product donations, and volunteer time to Apple Inc. for the sole purpose of applying for matching gifts under the Apple Matching Gifts Program.
- You understand that any misrepresentation by yourself regarding your donations, including volunteer time, could result in disciplinary action, up to and including termination of your employment.
- You understand that you may not publicize your requests for matching gifts from the Apple Matching Gifts Program, or otherwise use the Apple name or logo, or your position at Apple, to raise funds for any organization.
- You understand that the recipient organizations shall not reference Apple in their marketing, promotional, acknowledgement or development communications, or otherwise use the Apple name or logo to acknowledge donations, solicit donations, support, or clientele.

Your personal donation and request for Apple Matching Gifts Program funds must be completed and submitted while you are an eligible employee. Requests submitted after your termination date, after a change in your employment status makes you ineligible for the program, or after you start a personal leave of absence will not be honored. Apple reserves the right to determine whether a gift will be made based on eligibility.

If you have questions about the Apple Matching Gifts Program, contact the program administrator, Benevity, at support@benevity.com.

Wellness

No matter how healthy you are, a great way to learn more is to visit Wellness online at wellness.apple.com. Wellness offers a wealth of onsite and online health- and fitness-related information and activities to employees who are on Apple's or its designated affiliates' W-2 payroll. Wellness encourages positive lifestyle changes to enhance the quality of life for Apple employees and their families.

Apple Wellness Centers

Apple Wellness Centers located on Apple's campuses in Santa Clara Valley, Austin, and Elk Grove offer a wide variety of health care services. Employees and their eligible dependents can use the Apple Wellness Center to obtain comprehensive, confidential medical evaluations and certain other health care services. Dental services are available at some locations but eligibility is only for Corporate employees who participate in the Apple Dental Plan.

If you are enrolled in any of the health care plans offered by Apple, preventive care services are free. If you're enrolled in the Apple Plus PPO Plan, Cigna Global Health Plan, or Kaiser Permanente, most services offered through the Apple Wellness Center require you to pay a $10 copay. If you're enrolled in the Apple Saver PPO Plan or you're not enrolled in an Apple Medical Plan, you will also be eligible for lower health care costs because the charges will be based on Medicare rates, which are significantly lower than what other providers in the community charge members without insurance coverage.

Who's Eligible
Corporate and retail employees and interns who are paid from Apple's or its designated affiliates' W-2 payroll, irrespective of whether they are enrolled in an Apple Medical Plan, and their dependents, age 12 or older, who are enrolled in an Apple Medical Plan, are eligible for general services. For dental services, only Corporate employees enrolled in the Apple Dental Plan are eligible for dental services provided at their work location Wellness Center.

Not Eligible
Flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible.

Using an Apple Wellness Center
To make an appointment, visit wellness.apple.com, or contact your local Apple Wellness Center:

- Santa Clara Valley: 408-783-4000
- Austin: 512-526-1776
- Elk Grove: 916-399-5261

Wellness also offers other preventive services, such as flu vaccines, nutritional counseling, and tobacco-cessation through the Quit for Life Program (866-784-8454).

For more information, visit wellness.apple.com or see "Additional Services for the Apple Medical Plans" on page 49.

You may be able to continue receiving your health care services at the Apple Wellness Center (where available) at your own expense after you leave Apple by enrolling in the Apple Wellness Center under the provisions of COBRA health care continuation. See "Continuing Your Health Care Coverage Through COBRA" on page 287 in the *When Benefits End* section for more information.

Fitness Benefits

Apple supports your commitment to a healthy lifestyle by sponsoring Fitness Centers at four major Apple sites and by offering a reimbursement program for those eligible employees who work too far from an onsite Fitness Center.

Fitness Centers
Who's Eligible: Employees and interns paid from Apple's or its designated affiliates' W-2 payroll are eligible.

- **Corporate:** Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and their spouse/qualified domestic partner and their unmarried dependent children age 16 to 26 are eligible.
- **Retail:** Employees paid from Apple's W-2 payroll who work in a retail store and their spouse/qualified domestic partner and their unmarried dependent children age 16 to 26 are eligible.
- **Not eligible:** Flexible workforce employees, independent contractors, consultants, temporary agency workers, and any dependents under age 16 are not eligible. Note that for safety and liability reasons, children under the age of 16 are not permitted inside the Fitness Center.
- **Eligible dependents:** An eligible dependent is defined as 16 to 26 years old, until his or her 26th birthday. (Children over age 18 who are enrolled in health care coverage with

their own employer are not eligible.) Dependents can be your natural children, legally adopted children, stepchildren or qualified domestic partner's children, children for whom you are the legal guardian, and children for whom you have legal custody and who are primarily dependent on you for support.

Apple Fitness Center location: Currently, there are Apple Fitness Centers in Austin, Elk Grove, Santa Clara Valley, and at FileMaker in Santa Clara. All Apple Fitness Centers offer state-of-the-art cardiovascular and resistance training equipment, group exercise classes, locker rooms, and towel service. Other amenities and services vary by site. For more information regarding specific services, go to wellness.apple.com.

Signing up: Members are required to complete a health assessment and orientation before using the fitness facilities. Membership fees are deducted from your biweekly paycheck. Information regarding membership fees is available at Fitness at wellness.apple.com.

Fitness Assistance
Eligible employees (excluding interns) whose work location is more than 15 miles from an onsite Apple Fitness Center may be eligible for financial assistance to pay for health and fitness services. Under the fitness assistance program, Apple will reimburse eligible employees up to $300 each calendar year (January through December) for expenses associated with the following:

- Health club memberships or renewals
- Aquatic centers and recreational courts
- Exercise classes purchased separately from a health club membership, such as yoga or Jazzercise

The fitness assistance application and more detailed information are available at wellness.apple.com.

Tax considerations: Reimbursement of fitness programs that are not provided at an Apple location are not eligible for favored tax treatment under the Internal Revenue Code. Therefore, any fitness reimbursement you receive will be subject to federal and state income tax withholding, Social Security, and Medicare taxes, where applicable. Detailed information and a fitness assistance application are available on the Wellness site at wellness.apple.com.

Employee Services

Apple offers a variety of discounts and personal services to help make your life easier. You can save money with discounts on items from high-tech gear and movie tickets to discounted Apple products. You can also save time with onsite personal services at various Apple sites and find information on local commuting resources.

Who's Eligible

Employees and interns paid from Apple's or its designated affiliates' W-2 payroll are eligible.

Not Eligible
Flexible workforce employees, independent contractors, consultants, and temporary agency workers are not eligible.

The Source

Apple offers all US employees hundreds of discounts on everything from high-tech gear to entertainment and dining. Find these offers on The Source at source.apple.com.

Employee Purchase Plan (EPP)

The Apple Employee Purchase Plan (EPP) provides substantial discounts on hardware and accessories purchased for yourself and your family and friends. And after you've been employed by Apple for at least 90 days, EPP+ provides an additional credit on either a Mac,

unlocked iPhone, iPad or iPad mini once every three years to help you save even more. (If your employment at Apple ends and you are rehired within two years, your prior service will be included when calculating your length of employment.)

For more information about EPP, how to make purchases, and annual purchase limits, visit HRWeb.

Family Care

Backup Care
Backup care, provided by Bright Horizons, offers high-quality and affordable backup child and adult/elder care options when and where you need it. You are eligible for up to 10 days of backup care per calendar year. For more information, visit HRWeb.

Care Advantage
Care Advantage, administered by Bright Horizons, provides access to online programs to help you find care for your family—from finding a nanny for your child care needs to helping assess the needs of your elder family members to finding high-quality tutoring and test-prep for your school-aged children. For more information, visit HRWeb.

Concierge

Apple offers a concierge service to help you plan travel and entertainment, schedule personal appointments, research products, shop for gifts, and more. For more information, visit source.apple.com, email apple@lesconcierges.com or call 877-639-0931.

Auto, Home, and Pet Insurance

MetLife offers Apple employees group discounts on auto, home,[1] and pet insurance. Visit www.metlife.com/mybenefits for more information.

[1] MetLife may not be able to offer you a policy if your home is located in an area that is at increased risk for earthquakes, brush fires, and other catastrophic events.

Commute Alternatives Program

Apple's Commute Alternatives program provides services to encourage employees to use a commute alternative rather than drive alone to work. Some of these services include carpool matching, vanpool organization assistance, and support for carbon-free commuters. For more information, visit commute.apple.com (if you are behind the Apple firewall) and see what services are available at your location.

US Transit Subsidy

Apple offers a nationwide transit subsidy worth up to $100 per month, tax-free, for eligible employees who ride public transportation to work on a regular basis, typically two or more days per week. For detailed information, see commute.apple.com (if you are behind the Apple firewall).

Banking and Credit Unions

Apple is committed to providing a variety of financial services to employees and their family members. Partnerships have been established with Bank of America and KeyPoint Credit Union. For information regarding the full range of services offered and locations near you, visit source.apple.com, Bank of America's website at https://promo.bankofamerica.com/AppleEmployee or KeyPoint's website at www.keypointcu.com.

Adoption Assistance Program

The Adoption Assistance Program will reimburse 100 percent of eligible expenses associated with the legal adoption of a child, up to a maximum of $5,000. If both parents are Apple employees, the reimbursement is limited to $5,000.

Who's Eligible

Employees paid from Apple's or its designated affiliates' W-2 payroll are eligible for the Adoption Assistance Program, provided they meet certain hours requirements.

Corporate
Employees paid from Apple's or its designated affiliates' W-2 payroll who do not work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 20 hours are eligible.

Retail
Employees paid from Apple's W-2 payroll who work in a retail store and whose standard weekly hours as shown in Merlin (Apple's HR information system) are at least 30 hours are eligible.

Not Eligible
Interns, flexible workforce employees, independent contractors, consultants, temporary agency workers, and retail store employees whose standard weekly hours as shown in Merlin (Apple's HR information system) are fewer than 30 hours, even if the employee works 30 or more hours on an infrequent or short-term basis, are not eligible.

In the event the classification of an individual who is excluded from eligibility is determined to be erroneous or is retroactively revised, the individual will nonetheless be excluded from eligibility for all periods prior to the date the classification is determined to be erroneous or is revised, and shall continue to be excluded from eligibility for future periods, unless otherwise determined by Apple.

What's Covered

Adoption expenses eligible for reimbursement include reasonable and necessary:

- Attorney fees
- Court costs
- Adoption agency fees, including foreign adoption fees
- Pregnancy medical expenses for the birth of the child, if not covered by another source
- Expenses for adopting children related to either parent, such as stepchildren, domestic partner's children, nephews, nieces, cousins, brothers, or sisters
- Temporary foster care expenses
- Fees associated with the adoption of a child through a legally recognized gestational or traditional surrogate arrangement

What's Not Covered

Adoption expenses that are not eligible for reimbursement include:

- Adoptions that are not legally recognized
- Expenses for adopting an individual age 18 or older
- Travel expenses for the child or adoptive parents
- Voluntary donations or contributions
- Costs for personal items, such as food and clothing for the parents or child, during or after the adoption

How the Program Works

Once the adoption is finalized, complete an Adoption Assistance Reimbursement form available on the Adoption Assistance page on HRWeb. Send the completed form with copies of itemized bills and the final adoption decree or other legal court documentation (for example, pre-birth order) for gestational surrogacy arrangements where an adoption is not required to:

HR HelpLine
12545 Riata Vista Circle
MS 183-EHR
Austin, TX 78727

Fax: 512-674-7877

Expenses may be submitted only after the date the adoption is finalized.

If your eligibility or employment ends before the adoption is finalized, you will not be eligible for this benefit.

Tax Considerations

Reimbursement of most adoption expenses are exempt from federal and state income tax withholding up to the statutory limits, but are subject to Social Security, Medicare, federal unemployment taxes, and possibly state taxes. Reimbursement of adoption expenses for stepchildren and surrogate fees are subject to federal and state tax withholding as well as withholding for Social Security and Medicare. Apple will reimburse you so that your estimated net benefit equals the amount of eligible expenses, up to US $5,000. Please note depending on your household income and other personal circumstances, your adoption credit/exemption may change and you may owe additional taxes when you file your tax return. Apple will not reimburse any differences reconciled via the tax return. The reimbursement amount will be included in your W-2 earnings statement.

Benefits Coverage

Your adopted child is eligible to be added as a dependent to your health care and life and AD&D insurance coverage as of the placement date—the date the child becomes a member of the household (or, if earlier, the date you assume the legal obligation for total or partial support of the child in anticipation of adoption). You have 30 days from the date of placement to add the child to your benefits coverage by using the Benefits Enrollment Tool at benefits.apple.com.

9 When Benefits End

When Benefits End

Certain events will cause your benefits eligibility to end. This section reviews those events and the effect they may have on you and your enrolled dependents. It also provides an overview of your options for continuing certain benefits, if you choose to do so.

In general, your benefits eligibility may end when one or more of the following occurs:

- Your employment ends.
- You no longer qualify as an eligible employee.
- Apple discontinues offering the coverage.
- You begin a personal leave of absence.
- You fail to make any required contributions, unless you are on an approved, eligible leave of absence.

In addition, your coverage could end if you:

- Provide false information or make a misrepresentation in connection with a claim for benefits
- Permit a non-eligible individual to use a membership or other identification card for the purpose of wrongly obtaining benefits
- Obtain or attempt to obtain benefits by means of false, misleading, or fraudulent information, acts, or omissions
- Engage in any other action or activity that the plan administrator deems contrary to the requirements of the plans

If your coverage ends due to any of these circumstances, Apple may take disciplinary action, up to and including termination of employment.

Your dependents' benefits eligibility ends when one or more of the following occurs:

- Your eligibility ends.
- The dependent no longer meets the eligibility requirements.
- You remove the dependent during Open Enrollment or in connection with a qualified family status change event.

Your benefits under Apple's health and welfare plans, with the exception of Kaiser and HMSA PPO Plan coverage, end at midnight on the day your employment or eligibility for coverage ends. Benefits for a child who turns 26 will end on the last day of the month in which their 26th birthday occurs.

These benefits include:

- Health care benefits, including medical, vision, and dental coverage
- Employee Assistance Program (EAP) for dependents
- Health Care and Dependent Day Care Flexible Spending Accounts
- Employee and Dependent Life Insurance
- Accidental Death & Dismemberment (AD&D) Insurance
- Business Travel Accident (BTA) Insurance
- Short- and long-term disability coverage

Contact Information

BenefitConnect | COBRA
877-292-6272

Monday through Friday
6:00 a.m. to 4:00 p.m.
Pacific time

Automated voice
response system:
24 hours a day, 7 days a week

https://cobra.ehr.com

P.O. Box 929051
San Diego, CA 92191-9863

Kaiser and HMSA PPO Plan coverage ends at midnight on the last day of the month in which your employment or eligibility for coverage ends, unless you enroll to continue coverage through COBRA.

Your eligibility for the following financial programs will end in accordance with the terms and conditions of those programs. See the *Financial Programs* section on page 233 for more information.

- Apple 401(k) Plan
- Apple Employee Stock Purchase Plan
- Health Savings Account (HSA)
- Educational Assistance Program
- Financial Education

Your eligibility for the following programs will end in accordance with the terms and conditions of those programs. See the topic-specific sections of this book for more information.

- Short- and long-term disability coverage
- Employee Purchase Plan
- Apple Matching Gifts Program
- Vacation
- Sick pay
- Auto, home, and pet insurance

Extended Coverage During Hospitalization

If you or a covered family member is hospitalized or is staying in an extended care facility when your medical coverage ends, medical coverage will be extended to cover the hospitalization until one of the following occurs:

- You or your family member is discharged.
- Treatment is no longer medically necessary.

Extended Coverage for Deceased Employee's Dependents

If you die while you are employed by Apple, medical, vision, dental, and Employee Assistance Program (EAP) coverage will continue at Apple's expense for up to 12 months for dependents who are enrolled for coverage at the time of your death. Your Health Care Flexible Spending Account may also be continued through the end of the plan year. Coverage may end before 12 months if your dependent gains other health care coverage or no longer meets the definition of an eligible dependent. The 12 months of Apple-paid coverage is separate and independent of his or her eligibility for COBRA health care continuation coverage. This chapter describes your available options for continuing or converting your eligible benefits.

Continuing Your Health Care Coverage Through COBRA

COBRA refers to the continuation of health care coverage provisions in the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), a federal law. COBRA provides a way for employees and their families who would normally lose group health coverage available through employers to temporarily continue coverage by paying a monthly premium. COBRA applies only to the following Apple plans: medical, vision, dental, Health Care Flexible Spending Account, Apple Wellness Center, and Employee Assistance Program.

Who's Eligible

Your eligibility for COBRA coverage is based on certain qualifying events.

Continuation for up to 18 Months
You and your eligible dependents enrolled in Apple health plans can buy COBRA coverage for up to 18 months if your Apple coverage ends because of one of the following qualifying events:

- Your employment ends (for reasons other than gross misconduct).
- Your work hours are reduced such that you are no longer eligible for benefits.

If you have a child, adopt a child, or marry while you are continuing your Apple health coverage under COBRA, you can also buy coverage for your new dependent for up to 18 months from the date your Apple coverage ended, as long as coverage is requested within 30 days of your child's birth or adoption or your marriage. Any added dependent(s) must have a relationship to you that meets Apple's eligible dependent definition. A dependent child that is born or placed for adoption with you and is added during the COBRA period is considered a qualified beneficiary and has independent COBRA rights.

Continuation for up to 29 Months
If your qualifying event is a termination of employment or reduction in work hours with Apple, you and your eligible dependents may be eligible for an additional 11 months of COBRA coverage after the initial 18-month period (for a total of up to 29 months) if you or any of your eligible dependents qualify for Social Security disability benefits retroactive to any date within the 60-day period beginning on the date you first become eligible for COBRA.

To extend COBRA coverage for the additional 11 months, you or your eligible dependents must notify BenefitConnect | COBRA, Apple's COBRA administrator, at 877-292-6272 within 60 days of the date of the Award Notice from the Social Security Administration and before the end of the first 18 months of COBRA continuation. You must provide a copy of the Social Security Award Notice to BenefitConnect | COBRA.

You must also notify BenefitConnect | COBRA within 30 days of the date Social Security determines you are no longer disabled.

Continuation for up to 36 Months
Your eligible dependents can be eligible for COBRA coverage for up to a maximum of 36 months if their coverage ends because of one of the following qualifying events:

- Your divorce, legal separation, or the end of your relationship with a qualified domestic partner
- Your dependent child no longer meets the definition of an eligible dependent
- Your enrollment in Medicare while you are an active employee
- Your death (see "Extended Coverage for Deceased Employee's Dependents" on page 287 for additional information)

Sometimes multiple qualifying events might allow your eligible dependents to continue coverage under COBRA. For example, if the initial qualifying event is your termination of employment and you and your eligible dependent elect COBRA coverage, you and your dependent can be covered for up to 18 months. If, during the initial 18-month period (or, if applicable, 29-month period), your dependent experiences another COBRA qualifying event that would have caused a loss of coverage, if you had not previously terminated employment, his or her coverage can be continued for a total of up to 36 months from the initial event, as long as he or she notifies BenefitConnect | COBRA within 60 days of the later of the date of the qualifying event or the date that benefits would end as a result of the qualifying event as defined by the health plan.

If you first enroll in Medicare before terminating from Apple or if a reduction in your hours of employment causes you to lose group health coverage, your eligible dependents may continue COBRA coverage until the later of 18 months (or 29 months, if applicable) from the date of your termination or reduction in hours, or 36 months from the date of your Medicare enrollment. However, if you and your dependents elected COBRA as the result of terminating from Apple or a reduction in your hours of employment with Apple, and you subsequently enroll in Medicare, your dependents cannot extend COBRA coverage beyond the original 18-month period (or, if applicable, 29-month period) and your COBRA coverage will terminate as of the effective date of your enrollment in Medicare.

Qualified Domestic Partners
Qualified domestic partners and their children are not eligible for COBRA coverage under federal law. However, Apple offers them continuation coverage that is reasonably comparable to COBRA coverage for up to 18 months (or 29 months, if applicable) if they lose coverage when your employment ends or your hours are reduced, or for up to 36 months if coverage is lost because of the end of the domestic partnership, your enrollment in Medicare while you are an active employee, the child of your qualified domestic partner no longer meeting the definition of an eligible dependent under the plan, or your death. The same enrollment and payment procedures described in the following sections will apply.

How to Enroll in COBRA

The process for enrolling depends on how you become eligible for COBRA.

If Your Employment Ends
Within 44 days of your termination date, you will receive a personalized COBRA enrollment packet that includes an explanation of your COBRA rights and enrollment instructions from BenefitConnect | COBRA, Apple's COBRA administrator. If you do not receive the packet, notify the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411. Your covered dependents will also be notified of their COBRA rights.

You have 60 days from the date you lose eligibility, or 60 days from the date of notification stated in the COBRA enrollment packet—whichever is later—to elect COBRA coverage. You have 45 days from the date you complete your COBRA election to pay the first premium, which will include premiums for months retroactive to the date your health coverage ended. You will not have coverage until the initial payment is made.

The COBRA enrollment packet provides payment instructions. You should complete the enrollment process within the 60-day election period. You can send a check for your first premium when you enroll, or you can send payment within 45 days after you elect to continue coverage. This 45-day period is a grace period required by law, and no further extension will be provided. You are responsible for timely payment regardless of whether you have received your payment coupon from BenefitConnect | COBRA. Complete the enrollment and payment within the specified time frame in order for coverage to begin.

Within approximately one to two weeks of receipt of the first premium payment, the applicable health care plan administrator will be notified of your COBRA eligibility and will process any claims incurred after your coverage ended through the date your initial COBRA premium covers. If your claims are not processed within 30 days of the receipt of your payment, contact your health care plan.

Subsequent payments for each month's premium are due on the first of the month and must be made within 30 days of the payment due date. This 30-day period is a grace period

required by law, and no payment reminder will be sent nor further extension provided. If you do not send the premium within this grace period, coverage will end with potentially no possibility of reinstatement.

If Only Your Dependent Loses Health Care Benefits Eligibility

If you have a dependent who no longer qualifies for health care coverage as the result of a family status change event such as a legal separation, divorce, end of a domestic partnership, or your child reaching age 26, you must report your dependent's ineligibility as soon as possible following the event that caused the loss of eligibility by using the Benefits Enrollment Tool at benefits.apple.com. For your dependent to qualify for COBRA health care continuation rights, you must report the event within 60 days of the event that caused your dependent to lose eligibility.

If you complete your family status change in the Benefits Enrollment Tool at benefits.apple.com or otherwise notify Apple of the change within the applicable time frame, BenefitConnect | COBRA will send a COBRA enrollment packet to your dependent at the address Apple has on file for you, unless you provide another address to Apple or BenefitConnect | COBRA.

Generally, your dependent has 60 days from the date he or she loses eligibility, or 60 days from the date of notification stated in the COBRA enrollment packet—whichever is later—to elect COBRA coverage. Your dependent has 45 days from the date he or she elects COBRA coverage to pay the first premium, which will include premiums for months retroactive to the date his or her coverage ended. Enrollment is not complete until any premiums that are due are paid in full.

If you do not report a family status change event in the Benefits Enrollment Tool at benefits.apple.com or notify the HR HelpLine within 60 days after your dependent's loss of eligibility, your dependent will lose his or her right to COBRA coverage.

The COBRA enrollment packet provides payment instructions. Your dependent should complete the enrollment process within the 60-day election period. Your dependent can send a check for the first premium when he or she enrolls, or he or she can send payment within 45 days after the date of the COBRA election. When your dependent completes the COBRA election process, BenefitConnect | COBRA will send an invoice. This 45-day period is a grace period required by law, and no further extension will be provided. Your dependent is responsible for timely payment regardless of whether he or she has a payment coupon. The enrollment and payment must be completed within the specified time frame in order for coverage to begin.

Within approximately one to two weeks of receipt of the first premium payment, the applicable health care plan administrator will be notified of your dependent's COBRA eligibility and will process any claims incurred after his or her coverage ended through the date his or her initial COBRA premium covers. If his or her claims are not processed within 30 days of the receipt of the payment, he or she should contact the health care plan.

Subsequent payments for each month's premium are due on the first of the month and must be made within 30 days of the payment due date. This 30-day period is a grace period required by law, and no payment reminder will be sent nor further extension provided. If your dependent fails to send the premium within this grace period, coverage will end with potentially no possibility of reinstatement.

When COBRA Coverage Begins

Once you pay the first premium in full, including any premiums due for prior months retroactive to the date of your termination or the date you or your dependent became ineligible for coverage, coverage will be effective retroactive to the first day after your coverage ended. The 60-day election period is not an extension of benefits. You are not covered during this time unless you elect and pay for coverage. If you delay your decision to elect COBRA, you will be required to pay a retroactive premium as part of your first payment.

Once the premium payment is received, the appropriate health care plan administrator will be notified and will process any claims for services incurred through the date covered by the initial COBRA premium payment.

If you or a dependent waives COBRA coverage during the 60-day election period, and then you or the dependent wants to revoke the waiver within the same period, you must notify BenefitConnect | COBRA in writing of the revocation. Coverage will then be effective on the date the waiver is revoked.

Cost of Continuing Health Care Coverage

The cost of coverage will be included in your personalized COBRA enrollment packet. You can also view current COBRA rates on HRWeb. Generally, you and/or your dependents who elect COBRA coverage will pay 100 percent of the full cost of coverage plus a 2 percent administrative fee.

Your premiums are based on the plans you select, the number of individuals you enroll for COBRA coverage, and their relationship to you. If a single dependent elects COBRA, the individual rate would apply. If you, your spouse, and children elect COBRA, the family rate would apply.

If you or an eligible dependent qualifies for the 11-month extension of COBRA coverage due to qualifying for Social Security disability benefits, you or your eligible dependent will be charged 150 percent of the full cost of coverage for months 19 through 29 if the disabled individual continues coverage.

If there are multiple qualifying events that allow your eligible dependents to continue coverage under COBRA for a total of up to 36 months, then your eligible dependents generally will be charged 100 percent of the full cost of coverage plus a 2 percent administrative fee for the entire COBRA coverage period (provided that the second qualifying event occurs during months 1 through 18 of COBRA coverage). However, where the 11-month extension applies due to you or an eligible dependent qualifying for Social Security disability benefits, and the second qualifying event does not occur until sometime between months 19 through 29 of COBRA coverage, then your eligible dependents will be charged 150 percent of the full cost of coverage for months 19 through 36.

Note that instead of enrolling in COBRA continuation coverage, there may be other coverage options available to you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at www.healthcare.gov.

Health Care Coverage Choices

In most cases, if you were covered by an Apple medical, vision, and/or dental plan, Health Care Flexible Spending Account, Apple Wellness Center, and/or Employee Assistance Program (EAP), you can purchase continuation coverage for the same benefits you had immediately prior to your loss of eligibility for coverage. If you

waived participation in a medical plan, but were covered by an Apple vision and/or dental plan and Employee Assistance Program immediately prior to your loss of eligibility for coverage, you may enroll for vision, dental, and/or Employee Assistance Program coverage under COBRA.

You and your eligible dependents, over the age of 12, may be eligible to elect COBRA for the Apple Wellness Center, where available. If you elect COBRA (and pay the applicable COBRA premium) you will be able to access health services provided at the Apple Wellness Center located in Austin, Elk Grove, and Santa Clara Valley. Note that this enrollment is separate from any COBRA election you or your dependents may make for health coverage and the amount of payment for services received at the Apple Wellness Center will differ depending upon your continuation of health care coverage. If you did not meet the eligibility requirements to qualify for health care coverage prior to your departure from Apple, you may be able to continue EAP coverage at your own expense.

Eligible COBRA participants can make changes to their medical, vision, dental, EAP, and/or Apple Wellness Center coverage, if applicable, and add or drop dependents during the annual Open Enrollment each fall. You can also make changes to your coverage within 30 days of a qualified family status change event described in "Changes During the Plan Year" on page 15 in the *Participating in Apple's Benefits* section. Contact BenefitConnect | COBRA at 877-292-6272 to report a qualified family status change event.

How to File a Claim Under COBRA

Submit health care claims the same way you did as an active employee. See "How to File a Claim" in the applicable health plan section for more information. If you need a claim form, contact your health plan at the phone number on your medical ID card, or contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

When COBRA Coverage Ends

COBRA coverage ends when the earliest of the following occurs:

- After the COBRA election, you or your dependents become covered under another group health plan, unless the other plan contains a limitation or exclusion that prevents you or your dependents from getting the care you need. In this case, coverage can be continued until the date eligibility for COBRA continuation otherwise would end. However, if other group health coverage is obtained prior to the COBRA election, COBRA coverage would not be automatically discontinued.
- After the COBRA election, you or your dependent becomes enrolled in Medicare. However, if Medicare is obtained prior to the COBRA election, COBRA coverage will not be discontinued.
- You or your dependents fail to make required premium payments within the 30-day grace period.
- Apple discontinues its health plans for all employees.
- You or your dependents have reached the end of the applicable COBRA eligibility period.
- You or your dependents are determined by the Social Security Administration to no longer be disabled, if applicable. Continuation coverage ends on the first day of the month that occurs more than 30 days after the date of the determination, or the date COBRA continuation otherwise would end, whichever is later.

Contact Information

Kaiser Permanente
800-464-4000
Monday through Friday
7:00 a.m. to 7:00 p.m.
Saturday
7:00 a.m. to 3:30 p.m.
Pacific time

my.kp.org/ca/apple

Cal-COBRA

California provides the option for additional continuation of coverage for California COBRA beneficiaries enrolled in an insured medical plan.

Who's Eligible

If you reside in California and are enrolled in Kaiser Permanente and are covered under federal COBRA, you may have the opportunity to continue coverage for up to a total of 36 months through a combination of federal COBRA and Cal-COBRA.

Cal-COBRA enables you to continue your Kaiser medical coverage only. The Apple Medical Plans administered by UnitedHealthcare (UHC) and Cigna Global, Apple Vision Plan, Apple Dental Plan, Employee Assistance Program, and Apple Wellness Center coverage cannot be continued under Cal-COBRA.

You will receive notification of the coverage available from Kaiser before the end of your federal COBRA coverage. Apply directly with Kaiser to continue benefits under Cal-COBRA.

The premium under the Cal-COBRA continuation may be more than that under federal COBRA. Kaiser may charge up to 110 percent of the premium or up to 150 percent of the premium if you or your dependents have been found to qualify for Social Security disability benefits. You pay the entire premium for this coverage.

Cal-COBRA coverage is Kaiser's obligation and is not Apple's responsibility. Contact Kaiser for more information.

Not Eligible

You are not eligible for an extension of COBRA under the provisions of Cal-COBRA if:

- You are covered by an Apple Medical Plan other than Kaiser.
- You are enrolled in Medicare.
- You become covered by another group health plan, unless:
  - That other group health plan has an exclusion or limitation that applies to you; or
  - That other group health plan is a group conversion plan (basically the offer of an individual plan) that you choose not to accept.
- You do not choose Cal-COBRA in writing when it is available.
- Your allowed eligibility period ends.

Continuing Your Health Care Flexible Spending Account Through COBRA

If your employment with Apple ends and you participate in the traditional Health Care Flexible Spending Account (HCSA) or the Limited Purpose Health Care Flexible Spending Account (LPHCSA), you have until the following March 31 to submit claims for services received on or prior to your termination date.

If you have contributed more funds to your Health Care Flexible Spending Account than expenses incurred for the year as of your termination date, you can elect to continue your Health Care Flexible Spending Account contributions under the provisions of COBRA through the end of the year. If you choose to continue coverage under COBRA, you must make monthly after-tax contributions to your account for the duration of the plan year. Your required contributions will be equivalent to 102 percent of the monthly Health Care Flexible Spending Account contribution you made as an employee. See "How to Enroll in COBRA" on page 289.

After you complete the COBRA enrollment process and pay any contributions due, you can begin submitting your Health Care Flexible Spending Account claims for reimbursement for

services incurred after your termination date through the end of the plan year, or longer if your unused balance qualifies for HCSA/LPHCSA carry-over. You can continue to submit claims as long as your monthly Health Care Flexible Spending Account COBRA contributions are timely. You will have until March 31 of the following year to file claims for eligible expenses incurred during the plan year.

Conversion and Portability Options

The following benefits plans offer an option to convert coverage to an individual plan upon losing group coverage with Apple.

Kaiser and Hawaii HMSA PPO Plan

If your Kaiser or Hawaii HMSA PPO Plan coverage ends, you and your covered dependents may be eligible to convert to an individual health insurance policy. Contact Kaiser (800-464-4000) or HMSA (808-948-6111) directly for more information.

Life and AD&D Insurance

When your coverage ends, you may be eligible to continue your group term Employee Life and Accidental Death & Dismemberment (AD&D) Insurance coverage.

Minnesota Life offers you two options to continue your life insurance coverage when Apple coverage ends. You may choose to continue Employee and Dependent Life Insurance coverage by converting to individual policies without providing evidence of insurability or by applying for portability, which allows you to retain your current coverage after group coverage ends. You will receive a letter from Minnesota Life with information regarding these options. To convert your coverage to an individual policy, Minnesota Life must receive your completed conversion form within 31 days of the date your Apple coverage ended. The conversion option will be a plan offered by Minnesota Life for group conversions at the time you apply. It will offer benefits in accordance with any law or regulation that applies. If you choose the portability option, Minnesota Life must receive your completed portability form within 90 days of the date your Apple coverage ended.

You may retain your current AD&D Insurance coverage after your group coverage ends by applying for portability. You will receive information about portability from Minnesota Life. To continue your AD&D Insurance coverage, Minnesota Life must receive your completed portability form within 90 days of the date your Apple coverage ended. There is no conversion policy option for AD&D Insurance.

There is no option to continue Business Travel Accident Insurance after your termination date.

When you leave Apple or lose eligibility, you will receive a When Benefits End packet within two weeks after your coverage ends. The packet includes portability and conversion information. If a dependent loses coverage for reasons other than your termination of employment or loss of eligibility, he or she will also be sent information regarding portability and conversion rights. You can contact Minnesota Life or the HR HelpLine at hrhelpline@apple.com, or call 800-473--7411 or 408-974-7411 for additional information on portability and conversion procedures.

Other Health Care Plans

There are no individual conversion policies available for the Apple Medical Plans administered by UnitedHealthcare (UHC), the Cigna Global Medical and Dental Plans, Medical Benefits Abroad Plan, the Apple Vision and Dental Plans, the Apple Wellness Center, or the Employee Assistance Program or the Retiree Health Access Program through Aetna.

Contact Information

Empower Retirement
Representatives:
844-277-4401
Monday through Friday
5:00 a.m. to 7:00 p.m.
Pacific time
TDD: 800-830-9017

www.myapple401k.com

E*TRADE
P.O. Box 484
Jersey City, NJ 07303-0484
Customer service:
800-838-0908 (US only)
650-599-0125 (outside the US)
Monday through Friday
24 hours a day

www.etrade.com

Optum Bank
800-791-9361
Fax: 800-314-9795
Monday through Friday
5:00 a.m. to 5:00 p.m.
Saturday and Sunday
6:00 a.m. to 2:30 p.m.
Pacific time

www.optumbank.com

GP Strategies Corporation
Member services:
866-792-3840
Monday through Friday
8:00 a.m. to 8:00 p.m.
Eastern time

appleedassist.
gpworldwide.com
appleedassist@gpworldwide.com

SoFi
855-414-2275
Monday through Thursday
7:00 a.m. to 8:00 p.m.
Pacific time
Friday: 7:00 a.m. to 4:00 p.m.
Pacific time
Saturday and Sunday
7:00 a.m. to 2:00 p.m.
Pacific time

www.sofi.com

Disability Benefits

There are no individual conversion plans available for disability coverage. All disability coverage ends at midnight on the day your employment or eligibility ends.

If you become disabled after your employment or eligibility with Apple ends and before you find new employment or coverage, you may be eligible for benefits under your state disability insurance plan.

Financial Programs

Your eligibility to participate in Apple's financial programs may change based on your employment status.

Apple 401(k) Plan

After your Apple employment ends, if you remain in the Apple 401(k) Plan, it is your responsibility to keep your address up to date. Contact Empower Retirement at 844-277-4401 with any address changes.

Approximately 30 days after the date your employment ends, you can choose to receive a distribution of all of your Apple 401(k) Plan account, or you may request a partial withdrawal. You can request up to four partial withdrawals each year. The minimum withdrawal is $1000, or your entire account balance if it is less than $1000. The maximum withdrawal amount is your entire account balance. If you have requested four partial withdrawals during a year, you may request a fifth withdrawal in that year for the remainder of your Apple 401(k) Plan account balance.

If you wish to take a partial withdrawal while you have an outstanding loan, you must make your withdrawal request by calling Empower Retirement at 844-277-4401 to prevent your loan from going into default.

You may choose to leave your funds in the plan as long as you have more than $1000 in your account. You may continue to invest your account, and use Online Advice and Professional Management, powered by Financial Engines, if you choose to do so, until your account is distributed to you. You will remain eligible to make rollover contributions into your Apple 401(k) Plan account (see "Rollover Contributions" on page 239) and to borrow from your account (see "Access to Your Money: Loans" on page 247).

If you leave your funds in the plan, your account will be assessed an administrative fee each quarter. If your employment ends within 30 or fewer days of the end of a quarter, you will not be assessed that quarter's fee. Fees will begin the following quarter.

For detailed information, as well as options to pay off an outstanding Apple 401(k) Plan loan, see "Apple 401(k) Plan" on page 234 in the *Financial Programs* section.

Employee Stock Purchase Plan

If your employment or eligibility ends before the end of an offering period, all contributions you made during that period will be returned to you without interest.

Your E*TRADE account will remain open as long as you have shares and/or a cash balance in your account.

Dependent Day Care Flexible Spending Account

If you have a balance available in your Dependent Day Care Flexible Spending Account when your employment or eligibility at Apple ends, you can continue to submit claims for dependent day care expenses incurred from January 1 of the current year or your effective date of coverage, whichever is later, through December 31. You have until the following March 31 to submit claims for the preceding plan year.

Health Savings Account

Funds in your Health Savings Account (HSA) belong to you. After your employment with Apple ends, you may continue to submit claims for current or future eligible health care expenses until the balance is spent. If you elect to continue to be enrolled in the Apple Saver PPO Plan through COBRA, you may be eligible to contribute after-tax dollars to your HSA. Apple does not contribute to your HSA after you leave Apple. You may also choose to leave your account balance with Optum Bank and pay the monthly maintenance fee or transfer it to another HSA administrator. If you choose to transfer the funds to another HSA administrator, you must do so within 60 days of withdrawing the funds to avoid taxes and a 20 percent penalty.

Educational Assistance Program

Coverage under the Educational Assistance Program ends on your last day of employment or eligibility. Employees terminated for business reasons, as determined by Apple, may receive special consideration with regard to reimbursement deadlines. In these limited circumstances, employees may be reimbursed for courses that end after their termination date as long as such courses meet the same reimbursement criteria that apply to active employees, and the reimbursement application is submitted within one year of course completion.

Student Loan Refinancing Program

Coverage under the Student Loan Refinancing Program ends on your last day of employment. You will no longer receive the Apple rate subsidy or the SoFi discount for your loans or the loans you took out on behalf of your children. You will then be responsible for paying the subsidized portion of the loan as per your loan agreement.

The Apple rate subsidy and the SoFi discount will end for your spouse or domestic partner on your last day of employment with Apple or, if sooner, upon the date of your divorce or the termination of your domestic partnership. He or she will be responsible for paying the subsidized portion of the loan as per the loan agreement.

It is your responsibility to notify Apple that your spouse or domestic partner has ceased to be eligible for the Student Loan Refinancing Program within 30 days of the date of divorce or the termination of domestic partnership. Providing false information as part of this program, such as including ineligible individuals or failing to notify Apple of a divorce or domestic partnership termination, could result in disciplinary action up to and including termination of employment.

Other Apple Benefits

The following section summarizes other important tasks and considerations when your benefits eligibility ends.

Employee Purchase Plan

Your eligibility for the Employee Purchase Plan ends on your termination date or the date you no longer meet the definition of an eligible employee.

Apple Matching Gifts Program

Your eligibility for the Apple Matching Gifts Program ends on your termination date or the date you no longer meet the definition of an eligible employee. Requests for matching funds must be completed before you leave Apple.

Vacation

In accordance with Apple's vacation policy, you will be paid for all vacation you have earned but not used when your employment at Apple ends.

Sick Pay

Unused sick pay will be forfeited when you leave Apple.

Auto, Home, or Pet Insurance

MetLife's auto and/or homeowners' insurance policies are portable, which means you can continue coverage after you leave Apple. However, you may lose the group discount, if applicable, at policy renewal time.

MetLife's pet insurance coverage is portable, which means you'll continue to receive the 5 percent group discount if you leave Apple.

10 General Information

General Information

Many laws govern benefits programs. This section contains detailed legal information and other general information that you and your family may need to know. It also includes information about how claims are reviewed, as well as your legal rights under the Employee Retirement Income Security Act (ERISA).

In any given year and during the course of your employment, Apple may make changes in these benefits programs, ranging from minor administrative revisions to larger strategic revisions, including termination of any benefits programs. Apple will notify you, when appropriate, of any changes.

Because of laws, government regulations, and the wide variety of possible exceptions to the situations described in this book, the information presented here is a summary of the most important provisions and most common situations associated with your benefits. While this book highlights the main features of Apple's benefits programs, it is not a comprehensive description.

In addition, since the law is subject to change by Congress and to interpretation by federal agencies and the courts, this summary may not always reflect the current status of the law. In case of any omission or conflict between this book and the official plan documents, contracts, or policies, the applicable plan documents, contracts, or policies, where applicable, will govern.

You are welcome to read the more detailed legal plan documents, contracts, and policies, where applicable, that govern your benefits programs. Contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411 for instructions on how to get these documents.

Administrative Information

Plan Sponsor
Apple Inc. is the employer and plan sponsor.

Plan Administrator
The Benefits Administrative Committee is the plan administrator with authority to control and manage the plans' operations. Communication to the Plan Administrator should be addressed to the following:

Apple Inc.
Benefits Administrative Committee
One Apple Park Way, MS 104-1BEN
Cupertino, CA 95014
Attention: Apple Benefits
800-473-7411
408-974-7411

Apple's Employer Identification Number is 94-2404110.

A list of the Apple-designated affiliates that participate in each of the plans is available by writing to the address listed earlier.

Plan Administration

The Benefits Administrative Committee (or its authorized delegate) is the plan administrator for each plan has the sole and absolute discretionary authority to construe and interpret the plan, supply omissions, correct any defect, and determine all questions regarding the eligibility for as well as the amount of benefits. In this regard, the plan administrator's decisions shall be conclusive and binding on all persons. The failure of the plan administrator to require or enforce the strict performance of any provision of a plan or to exercise any right or authority under the plan will not be construed as a waiver or relinquishment to any extent of the plan administrator's right to assert or rely upon any such provision or right in that or any other instance.

No individual other than the plan administrator and those that have been specifically authorized by the plan administrator to act on its behalf has any authority to interpret any plan, including any provision in this book, or to make any promises to you about any benefits or to change any provision of any plan.

For information regarding delegation of administrative duties, make a written request to:

Apple Inc.
Benefits Administrative Committee
One Apple Park Way, MS 104-1BEN
Cupertino, CA 95014
Attention: Apple Benefits

Plan Amendment and Termination

Although Apple hopes to continue the plans, policies, and programs described here, this may not always be the case. Therefore, Apple reserves the right to change or terminate these plans, policies, and programs at any time, for any reason, without advance notice.

Other Information

The following section describes other important provisions applicable to Apple's benefits plans.

Eligibility and Coverage

If you have any questions about whether you are eligible for any of the benefits described here or the benefits plans themselves, contact the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

Independent contractors, consultants, and temporary agency workers are not eligible for any of the health care plans or financial programs described in this book.

If you were an independent contractor, consultant, or temporary agency worker before being hired as a standard Apple employee or intern, none of your service in that capacity will be taken into consideration for any purpose under any Apple benefits plan or program (with the exception of eligibility for the Family and Medical Leave Act, in some cases).

Protection of Personal Health Information

During the process of administering the Apple Health and Welfare Benefit Plan, Apple Benefits may receive personal health information from you or a family member. Apple recognizes the importance of privacy when this occurs and, in conformance with federal laws, has established policies to limit the amount of information it receives and to protect your personal health information from unauthorized access and use.

See HRWeb to view a copy of the Apple Health and Welfare Benefit Plan Notice of Health Information Privacy Practices, which describes how the plan may use and disclose protected health information (PHI) about you in administering your benefits and your legal rights regarding PHI. You will be notified at least once every three years of the plan's privacy practices. You will also be notified within 60 days of any material change to the plan's privacy practices.

Inspection of Documents

You may examine, without charge, at Apple, all plan documents, including insurance contracts and copies of all documents filed by the plan with the US Department of Labor, such as detailed annual reports and plan descriptions.

You can also get copies of all plan documents and other plan information upon written request to the plan administrator at:

Apple Inc.
One Apple Park Way, MS 104-1BEN
Cupertino, CA 95014
Attention: Apple Benefits

Apple may charge a reasonable fee for the copies.

No Right to Employment

Nothing in Apple's benefits plans gives you a right to remain in employment or affects Apple's right to terminate your employment at any time and for any reason—that right is hereby reserved.

Claims Information

This section provides information on Apple's claims filing and appeals processes.

Claims Filing Procedures for the Apple Health and Welfare Benefit Plan and Educational Assistance Program

A claim is a request for a plan benefit by a participant or beneficiary. The party responsible for processing the claim depends on the benefit option and the nature of the claim. With regard to self-funded plans and Flexible Spending Accounts, the plan administrator has delegated authority to review claims and appeals to the plans' claims administrators:

Medical Claims Administrator:

UnitedHealthcare
Appeals and Grievances
P.O. Box 740800
Atlanta, GA 30374-0800

Dental Claims Administrator:

MetLife Group Claims Review
P.O. Box 14589
Lexington, KY 40512

Vision Claims Administrator:

Vision Service Plan
Attn: Appeals Department
P.O. Box 2350
Rancho Cordova, CA 95741

Short Term Disability Claims Administrator:

Sedgwick Leave Service Center
Appeals Unit
P.O. Box 14424
Lexington, KY 40512-4424

The insurance companies and Kaiser are responsible for processing claims for benefits under their respective benefits, including claims for eligibility for specific benefits. Claim procedures for the insured benefit options or Kaiser, which will be administered in a manner consistent with the claims procedure requirements, are set forth in the applicable insurance policy or evidence of coverage. All

other claims will follow the procedures set forth in this section.

The plan administrator (or its delegate) for each plan has the sole and absolute discretionary authority to construe and interpret the plan, supply omissions, correct any defect, and determine all questions regarding eligibility for as well as the amount of benefits. In this regard, the plan administrator's decisions shall be conclusive and binding on all persons. Decisions shall be made in accordance with the governing plan documents, and where appropriate, plan provisions will be applied consistently with respect to similarly situated claimants in similar circumstances. The plan administrator shall have the discretion to determine which claimants are similarly situated in similar circumstances. Benefits will be paid only if the plan administrator or its delegate determines, in its discretion, that the applicant is entitled to them.

Claims for benefits under the self-funded Apple medical, vision, and dental plans, short-term disability, or the Flexible Spending Accounts should be submitted to the respective claims administrator.

Claims for Kaiser, the Hawaii Medical Service Association (HMSA) PPO Plan, Cigna Global Medical and Dental Plans, the Apple Long-Term Disability Insurance Plan, and Medical Benefits Abroad Plan should be submitted directly to the applicable insurance company.

Contact the HR HelpLine regarding claims and appeals for certain insured benefits, including life insurance, Accidental Death & Dismemberment, and Business Travel Accident Insurance.

See "Plan Information" on page 313 for the list of claims administrators and insurers for Apple's plans.

Denial of Claims and Benefits Appeal Process

The procedures for submitting and receiving determinations on initial claims for benefits are covered in the applicable sections of this book. If a claim is denied and you disagree with the decision, you should review the Health Statement or Explanation of Benefits to see if there is an error. You may contact the appropriate claims administrator's member services or customer service department to discuss how it can be corrected. You may be able to provide additional information over the phone that may help in the review of your claim. See "Plan Information" on page 313 for the chart listing the claims administrator or insurer for each of Apple's plans.

If your claim is denied, you have the right to appeal the decision. This section reviews the process for appealing claims denied under the Apple Health and Welfare Benefit Plan and the Flexible Spending Accounts. These procedures apply unless otherwise specified in this or another section of the Benefits Book.

Claimant Representatives

You may designate an authorized representative, an individual authorized to act on your behalf in pursuing a claim or appeal, for assistance with respect to your claim for benefits. (Note: For urgent care claims, a health care professional with knowledge of your medical condition will be permitted to act as your authorized representative, even without a formal designation from you.) If you wish to do so, contact the claim administrator for more information on what you'll need to do to designate an authorized representative, including executing a written authorization form provided by the Plan. The claim administrator will not respond to any individual or entity who has attempted to file a claim or appeal on behalf of a claimant who has not been validly designated as an authorized representative by

the claims administrator in accordance with the Plan rules.

Initial Claim Determinations

How and when a claim is processed depends on what type of claim it is.

Health Claims
Health claims are generally divided into four categories: postservice claims, preservice claims, urgent care claims, and concurrent care claims.

Postservice claims: Postservice claims are those claims that may be filed for payment of benefits after health care has been received. If your postservice claim is denied, you will generally receive a written/electronic notice from the claims administrator within 30 days of receipt of the claim, as long as all needed information was provided with the claim. The claims administrator will notify you within this 30-day period if additional information is needed to process the claim, and may request a one-time extension not longer than 15 days and pend your claim until all information is received, or if otherwise necessary due to circumstances beyond the claims administrator's control.

Once notified of the extension, you then have 45 days to provide the additional requested information, if applicable. The period for the claims administrator to make a benefit determination will be suspended from the date you are notified of any additional requested information until the date you provide it. If you don't provide the needed information within the 45-day period, your claim may be denied.

Preservice claims: When prior authorization is suggested for health care services, you will need to submit a preservice request to the claims administrator. Obtaining prior authorization enables you to be better informed about what services your health care plan will cover and how much it will pay for these services. If your preservice request was submitted properly with all needed information, you will receive a written notice of the decision from the claims administrator within 15 days of receipt of the request for services. If you filed a preservice request improperly, the claims administrator will notify you of the improper filing and how to correct it within 5 days (24 hours in the case of an urgent care claim) after the preservice request was received. If additional information is needed to process the preservice request, the claims administrator will notify you of the information needed within 15 days after the request for service was received, and may request a one-time extension not longer than 15 days and pend your request for service until all information is received, or if otherwise necessary due to circumstances beyond the claims administrator's control.

Once notified of the extension, you then have 45 days to provide the additional requested information, if applicable. The period for the claims administrator to make a benefit determination will be suspended from the date you are notified of any additional requested information until the date you provide it. If you don't provide the needed information within the 45-day period, your request may be denied.

Urgent care claims that require immediate action: Urgent care claims are claims for service where the attending provider has determined that a delay in treatment could seriously jeopardize your life or health or the ability to regain maximum function or, in the opinion of a health care provider with knowledge of your health condition, could cause severe pain that cannot be adequately managed without the health care or treatment. In these situations:

- You will receive notice of the benefit determination in writing or electronically within 72 hours after the claims administrator receives all necessary information, either via phone or in writing, taking into account the seriousness of your condition.

- Notice of denial may be oral, with a written or electronic confirmation to follow within three days.
- If you filed an urgent request for service improperly, the claims administrator will notify you of the improper filing and how to correct it within 24 hours after the urgent request for service was received. If additional information is needed to process the request for service, the claims administrator will notify you of the information needed within 24 hours after the request for service was received. You then have 48 hours to provide the requested information. You will be notified of a determination no later than 48 hours after one of the following:
  - The claims administrator's receipt of the requested information
  - The end of the 48-hour period within which you were to provide the additional information, if the information is not received within that time frame

You do not need to submit urgent care appeals in writing. You can contact the claims administrator as soon as possible to appeal.

Concurrent care claims: If an ongoing course of treatment was previously approved for a specific period of time or number of treatments and your request to extend the treatment is an urgent care claim as defined earlier, your request will be decided within 24 hours, provided your request is made at least 24 hours prior to the end of the approved treatment.

If an ongoing course of treatment was previously approved for a specific period of time or number of treatments and you request to extend treatment under non-urgent circumstances, your request will be considered a new claim and decided according to postservice or preservice time frames, whichever applies. Your previously approved ongoing course of treatment cannot be denied while the appeal is being reviewed.

If an ongoing course of treatment was previously approved for a specific period of time or number of treatments and that preapproved treatment is reduced or terminated, you will be notified of the reduction or termination sufficiently in advance to allow you to appeal that decision before the reduction or termination occurs.

Apple Short-Term Disability and Long-Term Disability Claims

If the claim is for Apple short-term disability or long-term disability benefits, the claims administrator will notify you of the decision within a reasonable period of time but not later than 45 days after receipt of the claim, unless the claims administrator notifies you that an extension of 30 days is necessary due to circumstances beyond the claims administrator's control. This initial 30-day extension may be extended another 30 days if the claims administrator determines that an extension is needed due to circumstances beyond the claims administrator's control and the claims administrator notifies you of the extension, including the unresolved issues and any additional information needed.

If you prefiled your short-term disability claim by contacting Sedgwick in advance of your disability, your claim will be deemed to have been received on your first day absent from work due to your disability.

Other Claims

If the claim is for benefits other than health care, short-term disability benefits or long-term disability benefits (such as Dependent Day Care Flexible Spending Account, or Educational Assistance), the claims administrator will notify you of the decision within a reasonable period of time but not later than 90 days after receipt of the claim, unless the claims administrator determines that special circumstances require an extension of time of up to an additional 90 days.

Contents of Denial Notices

If a claim is denied, you will be given written notice set forth in a manner calculated to be understood by you and including the following:

- The specific reason or reasons for the adverse benefit determination
- Reference to the plan provisions on which the determination is based
- A description of any additional material or information necessary for you to perfect the claim and an explanation of why the information is necessary, where applicable
- A statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of the entire claim file and other relevant notices and information relevant to your claim
- A description of the plan's review procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on review
- An explanation of the rule, guideline, or protocol, or a statement that the rule, guideline, or protocol will be provided free of charge upon request, if the claim was for health care or disability benefits and an internal rule, guideline, or protocol was applied in making the determination
- For disability benefits, an explanation of the rule, guideline, or protocol if such information was applied in making the determination or, a statement that none were used
- An explanation of the scientific or clinical judgment applied to make the determination or a statement that the explanation will be provided free of charge upon request if the claim was for health care or disability benefits and the determination is based on a medical necessity or experimental exclusion
- For disability benefits, an explanation of the basis for disagreeing with, or not following, any disability determination by the Social Security Administration, treating providers, or other health care or vocational professionals
- A description of the expedited review process applicable to the claim if the determination affects a claim for urgent health care

In addition, if a claim for medical benefits (not including the Health Care Flexible Spending Account) is denied, a notice will be provided that includes the following:

- Information sufficient to identify the claim involved, including the date of service, the health care provider, the claim amount (if applicable), and a statement describing the availability, upon request, of the diagnosis code and its corresponding meaning, and the treatment code and its corresponding meaning (a request for such diagnosis and treatment information will not, in itself, be treated as a request for appeal of the claim denial or for external review)
- The denial code (if any) and its corresponding meaning
- A description of the plan's standard, if any, that was used in denying the claim
- Any new or additional evidence or rationale considered, relied upon, or generated by the plan in connection with the claim
- A description of available internal appeals and external review processes, including information regarding how to initiate an appeal
- The availability of, and contact information for, an applicable office of health insurance consumer assistance or ombudsman established under the Public Health Service Act to assist individuals with the internal claims and appeals and external review processes

Appealing an Initial Claim Denial
If a claim for health care, short-term disability benefits, or long-term disability benefits is denied, you will have 180 days from receipt of notification of an adverse benefit determination to appeal. All issues must be raised on appeal or will be forever waived.

An adverse benefit determination is a denial, reduction, or termination of, or a failure to provide or make payment (in whole or in part) for, a benefit. For medical claims, an adverse benefit determination includes a decision to deny benefits based on (1) the individual's ineligibility to participate in the plan, (2) utilization review, (3) the service's characterization as experimental or investigational or not medically necessary or appropriate, (4) a concurrent care decision, or (5) certain retroactive terminations of coverage (including for disability benefits)—called rescissions—regardless of whether a benefit claim has been filed. Rescissions of coverage are permitted only in cases of fraud or intentional misrepresentation of material fact, and you will receive 30 days' advance written notice before any rescission will take effect. You will lose the right to appeal if the written request is not postmarked within 180 days.

If a claim for any other benefit (such as Dependent Day Care Flexible Spending Account or Educational Assistance benefits) is denied, you will have 60 days from receipt of notification to appeal the determination.

You may submit to the claims administrator written comments and other information relating to the claim for consideration on appeal. You will be provided, upon request and free of charge, other information relevant to your claim.

If the claim involves urgent health care, you may submit a request for an expedited appeal either orally or in writing, in which case all necessary information (including the plan's benefits determination on review) will be transmitted by telephone, facsimile, or other similarly expeditious method.

You will be able to review your file and submit information as part of the review. Where applicable, before making the benefit determination on review, the claims administrator will provide you, free of charge, with any new or additional evidence considered or generated by the plan, as well as any new or additional rationale to be used in reaching the decision. You will be given this information in advance of the date on which the notice of the final appeal decision is made to give you a reasonable opportunity to respond.

The appeals decision will not afford deference to the initial adverse benefit determination and will not be conducted by the individual who made the initial determination or his or her subordinate. The review will take into account all comments, documents, records, and other information submitted, regardless of whether the information was previously considered on initial review. In making a claim determination, the claims administrator is required to interpret plan provisions in good faith in the best interest of plan participants and beneficiaries and is prohibited from taking into account either the amount of benefits that will be paid to you or the financial impact on Apple. The claims administrator will ensure that claims and appeals are handled impartially. The persons involved in making the decisions won't receive compensation, promotion, continued employment, or other similar items based upon the likelihood he or she will support a denial of plan benefits.

If you do not appeal on time, you may lose the right to later object to the decision, as you will not have exhausted your internal appeal rights, which is generally a requirement before you can seek an external review—in the case of certain medical claims—or sue in state or federal court.

Additionally, no lawsuit may be brought against Apple or the claims administrator for any other reason unless you first complete all the steps in the appeal process. After completing that process, if you want to bring a legal action against Apple or the claims administrator, you must do so within 180 days of the date you are notified of our final decision on your appeal, or you will lose any rights to bring such an action against Apple or the claims administrator.

For a copy of the written policies that govern the claims appeal review process, contact:

Apple Benefits
One Apple Park Way, MS 104-1BEN
Cupertino, CA 95014
800-473-7411 or 408-974-7411

hrhelpline@apple.com

Decisions on Appeal
If you appeal an adverse benefit determination under the plan, you will receive notice of the appeals decision as follows:

- If the claim is for urgent health care, you will be notified of the eligibility determination as soon as possible but not later than 72 hours after receipt of the request for review.
- If the claim is a preservice claim for health benefits that does not involve urgent health care, you will be notified of the determination within a reasonable period of time appropriate to the health circumstances but not later than 15 days after receipt of the request for review.
- If the claim is a postservice claim for health benefits, you will be notified of the determination within a reasonable period of time but not later than 30 days after receipt of the request for review.
- If the claim is for short-term or long-term disability benefits, you will be notified of the determination within a reasonable period of time, generally not later than 45 days after receipt of the request for review, unless the claims administrator determines that special circumstances require an extension. If an extension is required, you will be notified in writing of the delay and the expected date of the decision before the end of the 45-day period. In that case, you can generally expect a written determination within 90 days after your request for review is received. Also, for short-term and long-term disability benefits, before a final decision is made on appeal, a comment period will be allowed, where applicable, for the claimant to review and respond to any new or additional information the claim administrator has in connection with the claim.
- If the claim is for any other benefits (such as Dependent Day Care Flexible Spending Account or Educational Assistance benefits), you will be notified of the determination within a reasonable period of time, but not later than 60 days after receipt of the request for review, unless the claims administrator determines that special circumstances require an extension of up to 60 days. If the extension is required, the claims administrator will notify you in writing before the end of the initial 60-day period, indicating the special circumstances requiring an extension and the date by which you can expect a decision.
- If the decision to deny the claim was based in whole or in part on a medical judgment, the reviewing fiduciary will consult with a health care professional who has experience and training in the relevant field and who was not involved in the initial determination. Identification of any such health care professional will be provided to you upon request.

Contents of Notice of Decision on Appeal
Any notice of an adverse benefit determination on appeal shall be set forth in a manner calculated to be understood by you and shall include the following:

- The specific reason or reasons for the adverse benefit determination
- Reference to the plan provisions on which the determination is based
- A statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of the entire claim file, and other documents and other information relevant to your claim
- A statement describing any second-level appeal procedures offered by the plan administrator, where applicable, and your right to obtain information about such procedures, and a statement of your right to bring an action under ERISA Section 502(a)
- An explanation of the scientific or clinical judgment applied to make the determination or a statement that the explanation will be provided free of charge upon request if the determination is based on a medical necessity or experimental exclusion
- An explanation of the rule, guideline, or protocol or a statement that the rule will be provided free of charge upon request if an internal rule, guideline, or protocol was applied in making the determination
- For disability benefits, an explanation of the rule, guideline, or protocol if such information was applied in making the determination, or a statement that none were used
- For disability benefits, an explanation of the basis for disagreeing with, or not following, any disability determination by the Social Security Administration, treating providers, or other health care or vocational professionals
- Any notice of an adverse benefit determination on appeal involving medical benefits (not including the Health Care Flexible Spending Account) will include all of the additional information required to be included in initial claim denials for such benefits, previously described under "Contents of Denial Notices"

Making a Second Appeal for Health Claims Only
Second appeals are required for self-funded medical, vision, dental, and Health Care Flexible Spending Account benefits. If your first appeal for such benefits is denied, in whole or in part, and you want to appeal further, you will have 60 days from receipt of the denial notification to appeal in writing to the plans' claim administrator.

Your second appeal should outline the issues and include any additional information and related documents. The provisions previously described with respect to appealing an initial claim denial (such as "Appealing an Initial Claim Denial," "Decisions on Appeal," and "Contents of Notice of Decision on Appeal") will also apply to second appeals.

If any new or additional evidence or rationale was considered, relied upon, or generated in connection with your claim involving health benefits (not including the Health Care Flexible Spending Account), that evidence or rationale will be provided to you in advance of the date of the plan's decision on your second appeal, to give you a reasonable opportunity to respond prior to that date.

All issues must be raised on appeal or will be forever waived.

If you do not appeal on time, you may lose the right to later object to the decision, as you will not have exhausted your internal appeal rights, which is generally a requirement before you can seek an external review—in the case of certain medical claims—or sue in state or federal court.

For concurrent care claim review, you will continue to be covered pending the outcome of an appeal. This means that the plan will not terminate or reduce any prior approved ongoing course of treatment without providing advance notice and the opportunity for review.

If the plan fails to meet the requirements of the internal claim and appeal process for a claim involving medical benefits (not including the Health Care Flexible Spending Account), you may be allowed to proceed directly to an external review or, for claims that are not eligible for external review, to court, unless the plan's failure is "de minimis" (as defined under applicable federal regulations). See "External Review for Medical Claims."

No lawsuit may be brought against Apple or the claims administrator for any reason unless you first complete all the steps in the appeal process described in this section. After completing that process, if you want to bring a legal action against Apple or the claims administrator, you must do so within 180 days of the date you are notified of our final decision on your appeal, or you will lose any rights to bring such an action against Apple or the claims administrator.

Upon completing all the steps in the appeal process described in this section (including external review, if applicable), if you have any questions or concerns about the final decision on your claim, please feel free to contact the Plan administrator by emailing the HR HelpLine at hrhelpline@apple.com, by calling 800-473-7411 or 408-974-7411, or by writing to the following:

Apple Benefits
One Apple Park Way, MS 104-1BEN
Cupertino, CA 95014

External Review for Medical Claims

The external review process described as follows is applicable only to Apple Medical Plans administered by UnitedHealthcare (UHC) (not including the Health Care Flexible Spending Account). For individuals enrolled in Kaiser, the HMSA PPO Plan, Cigna Global Medical and Dental Plans, Medical Benefits Abroad Plan, or another insured medical plan, the claims administrator or insurer is responsible for processing external reviews.

For the self-funded medical plans, UHC offers external review for covered Apple employees and their dependents following the required internal appeal process, if your request is submitted within four months from the date you receive the final adverse benefit determination. The external review will be conducted by an independent external review organization at no cost to you. Your request for external review will have no effect on other benefits available under your plan. If you wish to pursue an external review, send a written request to the following address:

UnitedHealthcare Central Escalation Unit
Attn: ASO EXTERNAL REVIEW
4316 Rice Lake Road
Duluth, MN 55811

Your written request should include: (1) a specific request for an external review; (2) the enrollee's name, address, and insurance ID number and designated representative's name and address, when applicable; (3) a copy of the adverse benefit determination or final adverse benefit determination at issue; and (4) any new, relevant information that was not provided during the internal appeal. You will be provided more information about the external review process at the time your request is received.

Within five business days following receipt of your external review request, UHC will complete a preliminary review of the request to determine whether:

- You are or were covered under an Apple self-funded medical plan at all relevant times.
- The adverse benefit determination or final adverse benefit determination at issue involves medical judgment or a rescission of coverage.
- You have exhausted the medical plan's internal appeal process, if applicable.
- You have provided all the information and forms required to process an external review.

Within one business day after the preliminary review is completed, UHC will send you (or your authorized representative) a notification. If your request was complete but not eligible for external review, the notification will include the reasons for its ineligibility and contact information for the Employee Benefits Security Administration at 866-444-3272. If your request was not complete, the notification will describe the information or materials needed to make the request complete, and you will be given the chance to perfect your request within the four-month filing period or within 48 hours after you receive the notification, whichever is later.

If, after preliminary review, a determination is made that the request is eligible for external review, the file will be assigned to an unbiased independent review organization (IRO) accredited by the Utilization Review Accreditation Commission or a similar nationally recognized accrediting organization, and the IRO will send you an acknowledgment letter.

The IRO will neither afford any deference to the previous adverse benefit determination(s) nor be bound by any decisions or conclusions reached during the internal appeals process.

The IRO will issue a determination within 45 days after receiving the assignment to review the appeal. The determination is binding on you and the medical plan.

A claimant may file a request for an expedited external review upon receiving either an initial claim denial or final internal appeal denial that involves a medical condition for which the time frame for completing the applicable internal appeal process or standard external review process (as applicable) would seriously jeopardize the life or health of the claimant, or would jeopardize the claimant's ability to regain maximum function (or if the final internal appeal denial concerns an emergency service and the claimant has not been discharged from the relevant facility).

Upon receipt of a notice of a final external review decision reversing the adverse benefit determination or final internal adverse benefit determination, coverage for or payment of the claim will be authorized as applicable.

You also have the right to file civil action under ERISA Section 502(a) upon completing the external review process. If you need assistance in understanding your appeal rights, you can contact the Employee Benefits Security Administration at 866-444-3272.

How to File a Claim for Apple State Disability Insurance Benefits

If you are eligible for the Apple California Voluntary Disability Insurance Plan or the Apple Hawaii Temporary Disability Insurance Plan, requests for benefits should be directed to Sedgwick. If your request is denied and you disagree with the decision, you have the right to appeal the denial within 20 days of the date the denial was mailed or otherwise provided to you. In California, you should contact the California Employment Development Department to file an appeal. In Hawaii, you should contact the Hawaii Department of Labor and Industrial Relations to file an appeal.

How to File a Claim for Apple 401(k) Plan Benefits

Requests for benefits from the Apple 401(k) Plan should be directed to Empower Retirement.

Claim Filing Procedures
If your request for benefits is denied by Empower Retirement and you disagree with the decision, you should submit a written claim for benefits to the plan administrator. See "General Information" on page 300 for contact information.

The plan administrator has full discretion to make factual determinations and to construe and interpret the terms and provisions of the respective benefit plan or program. The plan administrator determination, interpretation, or construction is final and binding on all parties, including but not limited to you, the employer, and any participant or beneficiary.

Decisions shall be made in accordance with the governing plan documents, and where appropriate, plan provisions will be applied consistently with respect to similarly situated claimants in similar circumstances. The plan administrator shall have the discretion to determine which claimants are similarly situated in similar circumstances.

Claimant Representatives
You may designate an authorized representative, an individual authorized to act on your behalf in pursuing a claim or appeal, for assistance with respect to your claim for benefits. If you wish to do so, contact the plan administrator for more information on what you'll need to do to designate an authorized representative, including executing a written authorization form provided by the plan. The plan administrator will not respond to any individual or entity who has attempted to file a claim or appeal on behalf of a claimant who has not been validly designated as an authorized representative.

Initial Claim Determinations
The plan administrator will review the claim for benefits and notify you of a decision within a reasonable time, but not later than 90 days after receipt of the claim, unless the plan administrator determines that special circumstances require an extension of time of up to an additional 90 days. The plan administrator will notify you in writing, within the initial 90-day period, if this extension of time is required. The written notice of extension will indicate the special circumstances requiring the extension, and the date by which the plan expects to render a decision.

If a claim is denied, you will be given written notice set forth in a manner calculated to be understood by you and including the following:

- The specific reason or reasons for the denial
- Reference to the plan provisions on which the denial is based
- A description of any additional material or information necessary for you to perfect the claim and an explanation of why the information is necessary
- A description of the plan's review procedures, the time limits applicable to such procedures, and a statement of your right to bring a civil action under ERISA Section 502(a) following the denial of an appeal

Appealing a Claim Denial
If a claim is denied, you will have 60 days from receipt of notification to appeal the denial by submitting a written request for review to:

Apple Inc.
One Apple Park Way, MS 104-1BEN
Cupertino, CA 95014
Attention: Apple Benefits Review Board

You may submit to the Apple Benefits Review Board (Review Board) written comments and other information relating to the claim for consideration on appeal. You will be provided,

upon request and free of charge, other information relevant to your claim.

Decisions on Appeal
If you appeal a denial under the plan, you will be notified within a reasonable period of time, but not later than 60 days after receipt of the request for review, unless the Review Board determines that special circumstances require an extension of up to 60 days. The Review Board will notify you in writing, within the initial 60-day period, if this extension of time is required. The written notice of extension will indicate the special circumstances requiring the extension and the date by which the plan expects to render a decision.

Notice of a claim denial shall be set forth in a manner calculated to be understood by you and shall include the following:

- The specific reason or reasons for the denial
- Reference to the plan provisions on which the denial is based
- A statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of all documents and other information relevant to your claim
- A statement describing your right to bring an action under ERISA Section 502(a)

Benefits will be paid only if the plan administrator or Review Board, if applicable, determines, in its discretion, that the applicant is entitled to them.

No lawsuit may be brought with respect to plan benefits until the foregoing administrative procedures have been exhausted for each issue raised. Additionally, no lawsuit may be brought more than 180 days following the final decision.

Contact in Case of Legal Action

Legal process may be served on the plan administrator for disputes arising from Apple's self-insured benefits plans. In addition, legal process may be served on the plan trustee in the case of the Apple 401(k) Plan. In all cases, legal process may be served on:

Apple Inc.
One Apple Park Way, MS 169-2CL
Cupertino, CA 95014
Attention: Apple General Counsel

For disputes arising from any insurance contract, contact the Department of Insurance in the state in which you reside for more information.

Plan Information

Plans Subject to ERISA

Plan name and number	Claims administrator or insurer	Method of funding	Type of plan
Apple Inc. Health and Welfare Benefit Plan (510)	UnitedHealthcare (UHC)[1] P.O. Box 30555 Salt Lake City, UT 84130-0555 866-348-1286 Plan #700406	Self-insured Employer and employee contributions	Medical benefits
Apple Inc. Health and Welfare Benefit Plan (510)	Kaiser Foundation Health Plan for Southern California[2] P.O. Box 7004 Downey, CA 90242-7004 800-464-4000 Group #227493	Insured by Kaiser Employer and employee contributions	Medical benefits

Plan name and number	Claims administrator or insurer	Method of funding	Type of plan
Apple Inc. Health and Welfare Benefit Plan (510)	Hawaii Medical Service Association (HMSA)[2] 818 Keeaumoku St. Honolulu, HI 96814 808-948-6111 Plan #98281	Insured by HMSA Employer and employee contributions	Medical benefits
Apple Inc. Health and Welfare Benefit Plan (510)	Medical Benefits Abroad[2] P.O. Box 15111 Wilmington, DE 19850 800-243-1348 Group #04276B for global international travelers	Insured by Cigna Global Employer contributions	Medical benefits
Apple Inc. Health and Welfare Benefit Plan (510)	Cigna Global Medical and Dental Plans for International Assignees[2] P.O. Box 15050 Wilmington, DE 19850 800-441-2668 Group #04276D for US employees on international assignment Group #04276A for non-US employees on international assignment	Insured by Cigna Global Employer and employee contributions	Medical, vision, and dental benefits
Apple Inc. Health and Welfare Benefit Plan (510)	Vision Service Plan (VSP)[1] 3333 Quality Drive Sacramento, CA 95670 877-666-2185	Self-insured Employer and employee contributions	Vision benefits
Apple Inc. Health and Welfare Benefit Plan (510)	MetLife Dental[1] P.O. Box 981282 El Paso, TX 79998-1282 844-222-9105 Group #0300860	Self-insured Employer contributions	Dental benefits
Apple Inc. Health and Welfare Benefit Plan (510)	ComPsych Corporation[1] NBC Tower 455 N. Cityfront Plaza Drive Chicago, IL 60611 844-862-0889	Self-insured Employer and employee contributions	Employee Assistance Program
Apple Inc. Health and Welfare Benefit Plan (510)	Aetna Life Insurance Company 151 Farmington Avenue Hartford, CT 06156 Plan #325998-RHA	Retiree only	Medical, dental, pharmacy
Apple Inc. Health and Welfare Benefit Plan (510)	Advance Medical apple@advance-medical.com 866-724-7783 Fax: 617-987-0633	Employer contributions	Expert Medical Opinion
Apple Inc. Health and Welfare Benefit Plan (510)	Minnesota Life Insurance Company[2] 400 Robert Street North St. Paul, MN 55101 866-293-6047 Group #70104	Insured by Minnesota Life Employer and employee contributions	Term life insurance

Plan name and number	Claims administrator or insurer	Method of funding	Type of plan
Apple Inc. Health and Welfare Benefit Plan (510)	Minnesota Life Insurance Company[2] 400 Robert Street North St. Paul, MN 55101 866-293-6047 Group #70103	Insured by Minnesota Life Employer and employee contributions	Accidental Death & Dismemberment Insurance
Apple Inc. Health and Welfare Benefit Plan (510)	Chubb Group of Insurance Companies[2] P.O. Box 792190 San Antonio, TX 78279 855-830-3719	Chubb Group of Insurance Companies General assets	Business Travel Accident Insurance
Apple Inc. Flexible Benefits Plan (510)	UnitedHealthcare (UHC)[1] P.O. Box 981178 El Paso, TX 79998-1178 866-348-1286 or 800-331-0480 Fax: 915-231-1709 or 866-262-6354 Plan #700451	Employee contributions	Flexible Spending Accounts
Apple Inc. Health and Welfare Benefit Plan (510)	Sedgwick[1] P.O. Box 14424 Lexington, KY 40512-4424 855-702-7753 (855-70APPLE)	Self-insured General assets	Short-term disability benefits
Apple Inc. Health and Welfare Benefit Plan (510)	For disabilities with a disability date prior to 1/1/18: Life Insurance Company of North America (part of Cigna)[2] 1601 Chestnut St. Philadelphia, PA 19192-2235 215-761-1000 Group #FLK-030104 For disabilities with a disability date on or after 1/1/18: Lincoln Financial Group[2] 175 Berkeley Street Boston, MA 02116	Insured by Life Insurance Company of North America (part of Cigna) Employer and employee contributions Insured by Lincoln Financial Group Employer and employee contributions	Long-term disability benefits
Apple Inc. Flexible Benefits Plan (510)	Apple Inc. One Apple Park Way, MS 104-1BEN Cupertino, CA 95014 800-473-7411	Employer and employee contributions	Cafeteria plan
Apple 401(k) Plan (001)	Great-West Financial Retirement Plan Services, LLC, d.b.a. Empower Retirement[3] P.O. Box 173764 Denver, CO 80217-3764 844-277-4401	Trust Trustee: Great-West Trust Company, LLC	Defined contribution 401(k) plan
Apple Wellness Center (510)	Apple Wellness One Apple Park Way, MS 59-A Cupertino, CA 95014 800-473-7411	General assets	Onsite health evaluations

[1] Claims administrator

[2] Insurer

[3] Record keeper

The plan year for all plans is January 1 to December 31.

Plans Not Subject to ERISA

Plan name	Claims administrator or insurer	Method of funding	Type of plan
Health Savings Account (HSA)	Optum Bank P.O. Box 271629 Salt Lake City, UT 84127-1629 800-791-9361 or 866-314-9795	Employer and employee contributions	HSA
Employee Stock Purchase Plan	Apple Inc. 12545 Riata Vista Circle, MS 198-2PC Austin, TX 78727 800-473-7411 E*TRADE 800-320-1863 (US only) 650-599-0125 (outside the US)	Employee contributions	Discount stock purchase plan
Apple Inc. California Voluntary Disability Insurance Plan	Sedgwick[1] P.O. Box 14424 Lexington, KY 40512-4424 855-702-7753 (855-70APPLE)	Employee contributions	Voluntary Disability Insurance Plan for California residents
FileMaker Inc. California Voluntary Disability Insurance Plan	Sedgwick[1] P.O. Box 14424 Lexington, KY 40512-4424 855-702-7753 (855-70APPLE)	Employee contributions	Voluntary Disability Insurance Plan for California residents
Apple Inc. Hawaii Temporary Disability Insurance Plan	Sedgwick[1] P.O. Box 14424 Lexington, KY 40512-4424 855-702-7753 (855-70APPLE)	General assets	Short-term disability insurance for Hawaii residents
GP Strategies Corporation[1]	GP Strategies Corporation[1] 70 Corporate Center 11000 Broken Land Parkway, Suite 200 Columbia, MD 21044 866-792-3840 Fax: 866-792-3845	General assets	Educational Assistance benefits
Social Finance, Inc. (SoFi)	1 Letterman Drive Building C, Suite 250 San Francisco, CA 94129 855-456-7634	General assets	Student Loan Refinancing Program
Adoption Assistance	Apple Inc. One Apple Park Way, MS 104-1BEN Cupertino, CA 95014 800-473-7411	General assets	Adoption Assistance benefits
Business Travel Accident-Personal Property	Chubb Insurance Company of Europe SE[2], CEGA Group Services, Chichester, West Sussex, PO18 8UE, United Kingdom +44 (0) 2078953470	General Assets	Business Travel Accident Insurance
International SOS	International SOS Assistance Inc.[1] 3600 Horizon Boulevard, Suite 300 Trevose, PA 19053 800-523-6586 (US or Canada only) 215-942-8000	General assets	Travel emergencies

Plan name	Claims administrator or insurer	Method of funding	Type of plan
Quit for Life Program	UnitedHealthcare P.O. Box 30555 Salt Lake City, UT 84130-0555 866-784-8454	General assets	Tobacco cessation
Apple Matching Gifts Program	Benevity support@benevity.com	General assets	Matching donations to qualifying 501(c)(3) organizations

[1] Claims administrator

[2] Insurer

Any benefit not specifically listed under "Plans Subject to ERISA" will be treated as a benefit not subject to ERISA.

The plan year for all plans is January 1 to December 31.

Coordination of Benefits

Coordination of benefits (COB) applies whenever you or a covered family member has coverage under more than one plan. Examples of other plans include the following:

- Another employer-sponsored health benefits plan
- A medical component of a group long-term care plan, such as skilled nursing care
- Medical payment benefits or personal injury protection benefits under an auto insurance policy
- Medical payment benefits under any premises liability or other types of liability coverage
- Medicare or other governmental health benefit

Benefit payments are coordinated between the plans so that you do not receive payment for more than 100 percent of the allowable cost of the covered treatment.

How Coordination of Benefits Works

One plan is primary and pays benefits first. The secondary plan pays benefits, if applicable, on the unpaid balance of the covered services. The amount that the secondary plan pays will vary from plan to plan, but total payments will never exceed 100 percent of allowable costs.

Determining Which Plan Is Primary—an Apple Plan and a Non-Apple Plan

If you or your dependents are covered by more than one health plan, here's how to determine which plan is primary:

- A plan that doesn't have a COB provision is always primary.
- A plan that covers you directly (for example, covering you as an employee rather than as someone's dependent) is primary.
- If a child is covered by both parents' plans, the plan of the parent whose birthday falls earlier in the year is primary for that child. If both parents have the same birthday, or if the other plan does not have a birthday rule and the plans do not agree on the order of benefits, the plan that has covered a parent longer is primary.
- For a child of legally separated or divorced parents, the plan of the parent with custody is primary. If the parent with custody is remarried, the custodial parent's plan pays first, the stepparent's plan pays second, and the plan of the parent without custody pays third.

- For a child of legally separated or divorced parents, if there is a court decree setting forth a financial duty toward the child's health expenses, the plan of the parent with such legal responsibility is primary.

If none of the preceding rules applies, the plan that has covered the patient longest is primary.

Determining Which Plan Is Primary—Two Apple Employees

- The Apple plan covering the employee as an employee is primary for that individual and pays benefits first. The Apple plan covering the employee as a dependent of another Apple employee is secondary and pays benefits second.
- The birthday rule, custody, or court-decreed order as outlined previously applies to the covered dependent children of two married Apple employees.

Determining Which Plan Is Primary for Medicare

If you enroll in Medicare while still working and you continue with Apple medical coverage, under Medicare rules the Apple plan will usually continue to be your primary coverage and Medicare will be secondary. However, the rules may be different for your Medicare-eligible spouse, dependent or domestic partner. Apple plan members who are enrolled in Medicare or are entitled to Medicare should consult with Medicare or their local Social Security office to determine what effect Apple health plan coverage may have. For example, if you continue to work at Apple after age 65, you may be eligible for Medicare. You may also find more information about Medicare by visiting medicare.gov.

Methods of Coordination

There are two methods of coordination used by Apple when the Apple plan is secondary. One method coordinates with the primary plan for up to 100 percent of allowed charges, and the other method coordinates so the Apple plan does not duplicate benefit payments, greater than its own plan maximum, already made by the primary plan.

100 Percent Coordination of Benefits

When a plan offers up to 100 percent coordination of benefits, the plan that is primary pays its portion of the claim first. Then the plan that is secondary reviews the claim and the remaining balance. The secondary plan pays the claim according to the rules of the plan, but never more than 100 percent of allowable costs.

Example: Fred is an Apple employee. He provides dental coverage for his wife, Jane, who also has dental coverage with her employer, X Company. She met her deductible for both dental plans early this year and subsequently incurs a $150 charge to have a cavity filled. Her dentist is not a member of the MetLife Preferred Dentist Program (PDP).

As Jane's employer, the X Company's dental plan is primary; X Company's plan covers 80 percent of the $150 charge, or $120. The allowable charge for this service is $130. If Apple had been primary, Apple would have covered 70 percent of the allowable charge of $130, or $91, because the dentist is not a member of the PDP and is charging more than the allowable amount. Therefore, up to a maximum of $91 would be available for coordination of benefits.

As a secondary payer, Apple would pay $10 to supplement the $120 paid by X Company, so the allowable amount of the $130 charge would be covered. Fred and Jane cannot collect more than 100 percent of the allowable charge of $130 from both sources. However, if the allowable charge was $150, then Apple would pay $30 to supplement the $120 paid by X Company's plan.

In general, the following plans may include up to 100 percent coordination of benefits:

- Apple Vision Plan
- Apple Dental Plan
- Kaiser Permanente

- HMSA PPO Plan
- Cigna Global Medical and Dental Plans
- Medical Benefits Abroad Plan

Nonduplication of Benefits
When a plan offers nonduplication of benefits, the plan that is primary pays its portion of the claim first. Then the plan that is secondary reviews the claim. The secondary plan pays benefits only if the amount it would have paid as the primary plan is greater than the benefits already paid by the actual primary plan.

Here are two examples that illustrate nonduplication of benefits.

Example 1: Bill is covered as a dependent under Helen's Apple Plus PPO Plan. Bill's primary coverage through his employer pays a benefit of 75 percent (after the deductible). Bill has paid his deductible for the year. He incurs $200 in expenses for treatment from a provider who is not a member of the PPO network.

	Primary plan (Bill's plan)	Secondary plan (Apple plan)
Total expenses	$200	$200
Primary plan pays at 75%	$150	
If primary, Apple would cover an out-of-network provider at 70%		$140

Since the primary coverage (Bill's plan) has already paid a greater benefit than the Apple plan would pay, the Apple plan will pay no additional benefits as a result of Bill's claim.

Example 2: In this example, Alex is covered as a dependent by Jordan's Apple Plus PPO Plan, and Alex's primary coverage pays a benefit of 80 percent for medical expenses after the deductible. Alex and Jordan have both met their individual deductibles for the year. Alex incurs $200 in expenses for treatment from a provider who is a member of the PPO network.

	Primary plan (Alex's plan)	Secondary plan (Apple plan)
Total expenses	$200	$200
Primary plan pays at 80%	$160	
If primary, Apple would cover an in-network provider at 90%		$180
Benefit difference payable from secondary Apple plan		$2

Because the benefit from the primary plan, Alex's plan, was lower than Apple's benefit, a payment of $2 is due to bring the total benefit payment between the two plans up to the level that would be paid, $160, if the Apple plan were primary.

The Apple Medical Plans administered by UnitedHealthcare follow the nonduplication of benefits method of coordination:

- Apple Saver PPO Plan
- Apple Plus PPO Plan

The formula for nonduplication of benefits is applied to all dependent claims, regardless of whether the other coverage is provided by an Apple plan or a different employer.

Benefits for the Apple Medical Plans will be coordinated between two Apple employees and their dependents. When each employee is enrolled in a different Apple Medical Plan, the total benefit payable will be equal to the greater single benefit available from the two plans.

Filing Claims for Coordination of Benefits

If you are an Apple employee covered by more than one plan, for example, as an employee under an Apple plan and as a dependent under your spouse's/qualified domestic partner's employer's plan, you should first file a claim with your Apple health plan (the primary plan) and

then with your spouse's/qualified domestic partner's plan (the secondary plan). When you file your claim with your spouse's/qualified domestic partner's plan, be sure to include the Health Statement or Explanation of Benefits (EOB) showing what was paid under your Apple health plan.

Conversely, your spouse's/qualified domestic partner's claims should be filed with his or her company's plan first and then with your Apple health plan.

If the claim is for one of your covered children, it should first be sent to the plan of the parent whose birthday falls first in the calendar year. In the case of a legal separation or divorce, the claim should be sent in the order previously explained under "Determining Which Plan Is Primary—an Apple Plan and a Non-Apple Plan."

If you and your spouse/qualified domestic partner are both covered under an Apple health plan, you need to submit a claim only once. It will be processed twice—once under each plan—and you will receive two EOBs.

If you or your covered dependent gains or loses other health care coverage, avoid delays in processing your Apple claims by keeping your and your dependents' coordination of benefits (COB) information current. If you are enrolled in an Apple-sponsored health plan, log in to the plan's website and search for coordination of benefits, or call the toll-free number on your ID card to update your COB information. You will need the name of the other health plan and the policy number.

Right of Recovery

The Apple plans have a right of recovery of certain payments made, or owed, to you by a third party, or to an Apple plan. The following provisions apply to all Apple plans unless otherwise stated in the section of this Benefits Book that describes a particular plan.

Payment from Third Parties

All recoveries you obtain must be used to reimburse the Apple plan in full for benefits paid by the plan. This is the plan's right of reimbursement. In addition, if you do not seek damages for your illness or injury, you must permit the plan to initiate recovery on your behalf (including the right to bring suit in your name). This is the plan's right of subrogation.

For example, suppose you are involved in an auto accident. Immediately after the accident, you seek medical and/or dental care, which is paid by the Apple medical and/or dental plans. Later you recover a monetary award from your auto insurance or another driver's insurance. The Apple medical and dental plans have a right to a portion of your award equal to the medical and dental costs paid by the plans.

The Apple plans exclude benefits for all injuries if a third party is responsible, or if you are responsible and you can obtain benefits from another source; however, the plan can, at Apple's discretion, advance payments solely for your convenience and subject to the plan's rights to reimbursement or subrogation. The plan administrator has the right to require you to provide information and sign an acknowledgment of the plan's right of recovery. Benefits in excess of $10,000 may be held pending receipt of this signed form.

All recoveries you or your representatives obtain (whether by lawsuit, settlement, insurance or benefits program claims, or otherwise), no matter how described or designated, must be used to reimburse the Apple plan in full for benefits paid by the plan. The plan is entitled to be reimbursed for benefit payments even if you are not "made whole" for all of your damages in the recoveries that you receive; however, Apple has the discretion to reduce the plan's share of the recovery if you did not receive the full amount of damages you suffered. Any agreement to a reduction will be effective only if

made in writing. Furthermore, the plan's right of recovery is not subject to reduction for attorney's fees and costs under the common fund doctrine or any other doctrine; however, Apple has the discretion to reduce the plan's share of the recovery to account for your attorney's fees and costs. Any agreement to a reduction will be effective only if made in writing.

You agree to keep in a segregated account that portion of any settlement or award that is equal to any benefits an Apple plan paid for your injuries, until the plan's reimbursement right is satisfied. The plan reserves a first lien upon any such recovery. This right shall apply to the first dollar payable under any form of recovery.

Further, you agree that you will do nothing to prejudice the plan's rights and that you will cooperate fully with Apple or its delegates, including providing prompt notice of any settlement or other recovery. You agree to notify Apple of any facts that may impact the plan's right to reimbursement, including but not limited to the following:

- Filing of a lawsuit
- Making a claim against any third party, for workers' compensation, or against any other potential source of recovery
- Settlement negotiations (with timely advance notification)
- The intent of a third party to make payment of any kind for the benefit of or on behalf of you that is in any manner related to the condition giving rise to the plan's right of recovery (with timely advance notification)

To obtain reimbursement, the plan will take such actions as the plan administrator, in its discretion, determines are appropriate. The plan may seek to have any payment by a third party made payable to the plan in lieu of, or in addition to, you or your assignees or representatives. The plan may offset future payments to or on behalf of you (or other covered members of your family) to collect reimbursement. Additionally, the plan may refuse to provide you (or other covered members of your family) any benefits under the plan if you refuse to execute an agreement to reimburse the plan, fail to reimburse the plan, or fail to cooperate in helping the plan collect reimbursement.

The plan shall be treated as subrogated to the extent of benefits paid and any rights of recovery that you may have against the third party, and in implementation of such subrogation right, the plan may directly pursue recovery against such third party and can treat you (and your attorney) as acting as the agent of the plan with respect to the prosecution of any claim and the recovery of any amount. You are required to execute such further documents as may be necessary to effectuate the plan's subrogation right.

Overpayments from an Apple Plan

If an Apple plan makes an erroneous or excess payment to you or a family member, you must reimburse the Apple plan in full for the overpayment. If you fail to reimburse the plan, the plan may recover the overpayment by offsetting the amount of any other benefits to be provided to you or other family members by the amount you owe.

Assignment of Benefits

With the exception of your life insurance coverage, you cannot transfer or assign to anyone else your right to receive plan benefits, nor may you use your right to benefits as security or collateral for a loan. Amounts payable under a plan may be used to make direct payments to providers solely in the plan administrator's discretion. Assignment includes transferring your right to services covered by a plan or your right to collect payment for those

services or to seek any remedy against the plan, to another person or organization.

However, the plans are required to comply with any order under state law that is a qualified domestic relations order (QDRO) or qualified medical child support order (QMCSO). A QDRO can require a plan to pay part or all of your Apple 401(k) Plan benefits to your spouse, former spouse, or a dependent for reasons including satisfaction of marital property rights, alimony, or child support. A QMCSO can require a plan to add children to medical and dental plans as dependents even if the employee is not enrolled for health care coverage and/or to provide benefits to reimburse children's qualified medical expenses from a Health Care Flexible Spending Account.

Statement of ERISA Rights

As a participant in certain Apple benefits plans, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to the following rights and protections.

Receive Information About Your Plan and Benefits

- Examine, without charge, at the plan administrator's office and at other specified locations, all documents governing the plan, including insurance contracts and a copy of the latest annual report (Form 5500 series) filed by the plan with the US Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the plan administrator, copies of documents governing the plan, including insurance contracts, copies of the latest annual report (Form 5500 series), and an updated summary plan description. The administrator may charge a reasonable fee for the copies.
- Receive a summary of the plan's annual financial report at no charge, where applicable.

Continue Group Health Plan Coverage

You can continue health care coverage for yourself, spouse, or dependents if there is a loss of coverage under the plan as a result of a qualifying event. You or your dependents may need to pay for such coverage. Review this summary plan description and the documents governing the plan on the rules governing your COBRA continuation coverage rights.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties on the people who are responsible for the employee benefits plans' operations.

The people who operate these plans, called fiduciaries, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the rights previously described. For example, if you request a copy of plan documents or the latest annual report from the

plan and do not receive it within 30 days, you may file suit in federal court.

In such a case, the court may require the plan administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the plan administrator's control.

If you have a claim for benefits that is denied or ignored—in whole or in part—you can file suit in a state or federal court after the appropriate appeal process has been exhausted. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you can file suit in federal court, but only after exhausting the plan's procedures.

If plan fiduciaries misuse plan money, or if you are discriminated against for asserting your rights, you may seek assistance from the US Department of Labor or file suit in federal court.

The court will decide who should pay the court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees—for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have questions about any of your plans, you should contact Apple through the HR HelpLine at hrhelpline@apple.com, or call 800-473-7411 or 408-974-7411.

If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, contact the nearest office of the Employee Benefits Security Administration, US Department of Labor, listed in your telephone directory. Or you can contact:

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

You can also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 866-444-3272.

The Future of the Plans

In general, Apple expects to continue its benefits plans. Nevertheless, Apple reserves the right to change or terminate a plan at any time, for any reason, without notice.

If Apple changes or terminates a plan, no rights or benefits you had up to the date of the change or termination can be taken away; changes can affect you only in the future.

Exception: Certain plans require approval by the Internal Revenue Service (IRS). If the IRS imposes specific requirements to grant approval or disapproves a plan, benefits could be affected.

The following explains what will happen if the plans are terminated.

Plans Paid Through Employer's General Assets

Apple will pay all eligible claims incurred before the plan's termination.

Insured Plans

The insurer will pay all eligible claims incurred before the plan's termination. After all claims are paid, any amounts payable under the group insurance contract or any other funding arrangement related to the plan will be paid to Apple.

Apple 401(k) Plan

All of the sources within your account are always 100 percent vested and nonforfeitable. If the plan is terminated, all contributions to it will cease, but the trust will continue until all funds have been distributed.

11 Glossary

Glossary

Accidental Death & Dismemberment (AD&D)
Accidental Death & Dismemberment Insurance, a plan that pays a benefit if you die in an accident or have certain accidental injuries, such as the loss of a limb, sight, or hearing.

After-Tax
Subject to tax. You pay for some of your benefits in after-tax dollars, such as contributions to the Employee Stock Purchase Plan. In other words, you pay taxes on the dollars you use to make the contributions.

Annual Salary
Life, AD&D, Business Travel Accident, and disability programs: For noncommissioned employees, annual salary refers to your annual base pay plus shift differential, if applicable. For commissioned employees, annual salary includes your base pay plus your on-target variable.

Apple
Apple Inc. and its designated affiliates.

Apple California Disability Package
A combination of the Apple and FileMaker California Voluntary Disability Insurance Plan and the Apple Short-Term Disability Plan for eligible California employees.

Base Pay
Your regular annual pay, not including overtime, commission, bonuses, or other miscellaneous income, such as relocation reimbursements.

Before-Tax
Not subject to tax. The amounts you contribute for most of your employee benefits are deducted from your gross pay before federal income taxes, FICA taxes, and—in some areas—state and local income taxes are withheld. This reduces the taxes you owe. For before-tax 401(k) contributions, FICA taxes are withheld.

Beneficiary

- **Financial programs.** The person, people, estate, trust, or organization you choose to receive the balance of your Apple 401(k) Plan account or a refund of your Apple Employee Stock Purchase Plan contributions for the current period if you die.
- **Life, AD&D, and Business Travel Accident Insurance, as well as long-term disability benefits.** The person, people, estate, trust, or organization you choose to receive your Life, AD&D, and Business Travel Accident Insurance, as well as long-term disability, benefits if you die.

If you do not designate a beneficiary for a benefit, the default rules for that program will apply. See the specific program section in the Benefits Book for more information.

Call to active duty
For coverage under the Apple Military Leave program, Call to Active coverage refers to service as required under reservist commitments or as a result of a military draft or declaration of war. Call to active duty does not include voluntary enlistments or voluntary reenlistments.

COBRA
The continuation of health care coverage provisions in the federal law called, the Consolidated Omnibus Budget Reconciliation Act of 1985. It provides a way for employees and their families who would normally lose group health care coverage available through employers to temporarily continue coverage by paying a monthly premium.

Coinsurance
The percentage you pay of certain expenses. For example, if the plan covers 80 percent of a certain expense, you pay 20 percent.

Commissioned Employee
An employee who is eligible to receive on-target earnings, a combination of base pay plus on-target variable.

Congenital Abnormality
A physical developmental defect that is present at birth and is identified within the first 12 months of life.

Copay
A predetermined amount you pay at the time you receive certain health services or treatments. After the copay, most covered costs related to the specific service are paid in full.

Cosmetic Procedure
A procedure or service that changes or improves appearance without significantly improving physiological function, as determined by the claims administrator.

Covered Health Services
Health services including supplies or pharmaceutical products that the claims administrator determines are eligible and medically necessary for coverage that are provided for the purpose of preventing, diagnosing, or treating sickness, injury, mental illness, substance use disorders, or their symptoms that is consistent with nationally recognized scientific evidence as available, and prevailing medical standards and clinical guidelines.

Scientific evidence means the results of controlled clinical trials or other studies published in peer-reviewed medical literature generally recognized by the relevant medical specialty community. Prevailing medical standards and clinical guidelines means nationally recognized professional standards of care, including, but not limited to, national consensus statements, nationally recognized clinical guidelines, and national specialty society guidelines.

Deductible
The amount you pay each plan year for certain expenses not covered by copays before the medical or dental plan begins to pay benefits. There is an individual deductible as well as a family deductible if you have covered dependents.

Default Coverage
If you don't make benefits elections in the Benefits Enrollment Tool within 30 days of the date of the email notification of eligibility, you will receive default coverage. Default coverage includes coverage for the employee only in the Apple Saver PPO Plan (HMSA PPO Plan for Hawaii employees), the Apple Vision Plan, the Apple Dental Plan, Employee Life Insurance equal to two times your annual salary, Accidental Death & Dismemberment (AD&D) Insurance equal to two times your annual salary, the Apple Short-Term Disability Plan, the buy-up Apple Long-Term Disability Insurance Plan, and the Employee Assistance Program.

Doctor
See "Physician/Provider."

Domestic Partner
See "Qualified Domestic Partner."

Durable Medical Equipment (DME)
Medical equipment that is all of the following:

- Is used to serve a medical purpose with respect to treatment of a Sickness, Injury or their symptoms
- Is not disposable
- Is generally not useful to a person in the absence of a Sickness, Injury or their symptoms
- Can withstand repeated use
- Is not implantable within the body
- Is appropriate for use, and is primarily used, within the home.

Eligible Employee
Eligibility is defined under each benefit plan.

Eligible Healthcare Expenses
Eligible Healthcare Expenses are determined by the Claims Administrator's reimbursement policy guidelines. The Claims Administrator develops the reimbursement policy guidelines following evaluation and validation of all provider billings in accordance with one or more of the following methodologies:

- As indicated in the most recent edition of the Current Procedural Terminology (CPT), a publication of the American Medical Association, and/or the Centers for Medicare and Medicaid Services (CMS).
- As reported by generally recognized professionals or publications.
- As used for Medicare.
- As determined by medical staff and outside medical consultants pursuant to other appropriate source or determination that Claims Administrator accepts.

Emergency
The sudden and unexpected onset of symptoms severe enough to a reasonable person to require immediate hospital-level care, or an accident causing injuries severe enough to require immediate hospital-level care. Examples include poisoning, severe bleeding, or an inability to breathe.

Employee Assistance Program (EAP)
A program providing short-term counseling and a variety of services to help you and your eligible family members balance work and life and resolve typical daily living problems.

Employee Stock Purchase Plan (ESPP)
An Apple benefit that enables you to buy company stock at a discount.

ERISA
Employee Retirement Income Security Act passed in 1974 by the US Congress to regulate health, welfare, and retirement plans. The law and related regulations, as amended from time to time, entitle you to certain rights and protections under these benefits plans.

Evidence of Good Health
Generally a medical questionnaire you must complete and submit to an insurance company for approval before certain levels of life insurance coverage will take effect. You may also be required to have a physical exam.

Exempt Employees
Employees who are not eligible for overtime. This includes, but is not limited to, executive and professional employees and outside salespersons.

Explanation of Benefits (EOB)
For the Apple Medical Plans, Apple Vision and Dental Plans, Hawaii HMSA PPO Plan, and Cigna Global Medical and Dental Plans, a Health Statement or an EOB is your record of the types of services rendered, the total charges, and the amount the claims administrator paid. Every time the claims administrator processes a claim, an EOB is sent to you.

Flexible Spending Accounts
Two accounts—the Health Care Flexible Spending Account (with two options: a traditional Health Care Flexible Spending Account and a Limited Purpose Health Care Flexible Spending Account) and the Dependent Day Care Flexible Spending Account—that enable you to pay for certain expenses with before-tax dollars, thereby lowering your taxable income.

Flexible Workforce Employee
A temporary, seasonal employee who is hired to work for a limited-duration assignment.

Formulary
A list of covered prescription drugs used to determine the reimbursement level under the Apple Medical Plans.

Genetic Testing
Examination of blood or other tissue for chromosomal and DNA abnormalities and alterations, or other expressions of gene abnormalities that may indicate an increased risk for developing a specific disease or disorder.

Group Term Life Insurance
Employer-provided life insurance covering you for a specific term, usually for the period of time you are an employee. It provides no cash surrender value.

Health Maintenance Organization (HMO)
A health care plan, such as Kaiser, that covers services and supplies only when received from HMO member providers and HMO facilities. Covered services generally are paid in full, after you pay any required copays.

Health Savings Account (HSA)
A savings account that lets you set aside funds to help pay for current and future eligible medical expenses. Because you make before-tax contributions to your account, you lower your taxable income. In addition, the money you withdraw to pay for eligible health care expenses, as well as interest earned on unused HSA money you invest, is tax-free for federal and, in most cases, state tax purposes. You need to be enrolled in only a high-deductible health plan to contribute to an HSA.

Health Statement
For the Apple Medical Plans, Apple Vision and Dental Plans, Hawaii HMSA PPO Plan, and Cigna Global Medical and Dental Plans, a Health Statement or an EOB is your record of the types of services rendered, the total charges, and the amount the claims administrator paid. Every time the claims administrator processes a claim, a Health Statement is sent to you.

High-Deductible Health Plan
A health plan, such as the Apple Saver PPO Plan, that lets you access a Preferred Provider Organization (PPO) and use network or out-of-network providers when you need health care, and may also allow you to open a Health Savings Account (HSA), a tax-advantaged savings account that can help you pay for current and future eligible medical expenses. As its name implies, a high-deductible health plan typically features a higher deductible than traditional PPO plans.

HIPAA
The Health Insurance Portability and Accountability Act, which among other things, sets federal guidelines for the privacy and protection of personal health information.

HR HelpLine
The Apple internal customer service team that answers employees' questions about pay and benefits. You can reach the HR HelpLine at hrhelpline@apple.com, or by calling 800-473-7411 or 408-974-7411.

Imputed Income
Taxable income attributable to the value of certain employer-provided benefits, such as Basic Employee Life Insurance coverage that is more than $50,000, qualified domestic partner health care coverage, and AD&D Insurance coverage.

Intermittent Time Away
The Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA), California's Pregnancy Disability Leave (PDL), and/or California Paid Family Leave (CA PFL) allow you to take time away on an intermittent basis for your own serious health condition; a family member's serious health condition; pregnancy, childbirth, or related conditions; or for the birth, adoption, or foster care placement of a child.

Intern
An individual enrolled in a university, college, or graduate program who is hired to work for a limited-duration assignment for the purpose of gaining practical work experience and training related to his or her academic studies.

International Assignees
US employees who are on an Apple-approved international work assignment.

Legally Separated/Legal Separation
A court order that confirms that two individuals, while still married, may not be financially responsible for each other's debts.

Maintenance Medications
Medications used on a continual basis for the treatment of chronic health conditions, such as high blood pressure, ulcers, or diabetes.

Medically Necessary
Health care services provided for the purpose of preventing, evaluating, diagnosing or treating a sickness, injury, mental illness, substance-related and addictive disorders, condition, disease or its symptoms, that are all of the following as determined by the Claims Administrator or its designee, within the Claims Administrator's sole discretion. The services must be:

- In accordance with Generally Accepted Standards of Medical Practice. (Generally Accepted Standards of Medical Practice are standards that are based on credible scientific evidence published in peer-reviewed medical literature generally recognized by the relevant medical community, relying primarily on controlled clinical trials, or, if not available, observational studies from more than one institution that suggest a causal relationship between the service or treatment and health outcomes. If no credible scientific evidence is available, then standards that are based on Physician specialty society recommendations or professional standards of care may be considered. The Claims Administrator reserves the right to consult expert opinion in determining whether health care services are Medically Necessary. The decision to apply Physician specialty society recommendations, the choice of expert and the determination of when to use any such expert opinion, shall be within the Claims Administrator's sole discretion.

  The Claims Administrator develops and maintains clinical policies that describe the Generally Accepted Standards of Medical Practice scientific evidence, prevailing medical standards and clinical guidelines supporting its determinations

regarding specific services. These clinical policies (as developed by the Claims Administrator and revised from time to time), are available to Covered Persons on www.myuhc.com or by calling the number on your ID card, and to Physicians and other health care professionals on www.UnitedHealthcareOnline.com.)

- Clinically appropriate, in terms of type, frequency, extent, site and duration, and considered effective for your sickness, injury, mental illness, substance-related and addictive disorders, disease or its symptoms.
- Not mainly for your convenience or that of your doctor or other health care provider.
- Not more costly than an alternative drug, service(s) or supply that is at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of your sickness, injury, disease or symptoms.

Merlin
Apple's global HR application/information system.

Network
When used to describe a provider of health care services, "network" refers to a provider who has a participation agreement with the claims administrator or with its affiliate to participate in the network.

Nonexempt Employees
Employees who are covered by the overtime provisions of the federal Fair Labor Standards Act and any applicable state laws. This may include, but is not limited to, administrative and retail store employees and interns.

On-Target Earnings
The combined compensation components of base pay and on-target variable for commissioned employees.

On-Target Variable
The target commission and/or performance incentive earnings established for commissioned employees.

Open Enrollment
The period in the fall of each year during which you have the opportunity to review your benefits choices for the upcoming plan year and make changes. The plan year is from January 1 to December 31. Any changes you make during Open Enrollment take effect on January 1, the beginning of the next plan year.

Out-of-Pocket Maximum
The medical and prescription costs you pay are called out-of-pocket expenses and include your copays, deductibles, and coinsurance. Once you reach your individual or family out-of-pocket maximum, your medical plan will pay 100 percent for most of your eligible expenses, where applicable, for the remainder of the plan year.

Physician/Provider
Any health care provider, including doctors of medicine or osteopathy, podiatrists, dentists, clinical psychologists, optometrists, chiropractors (limited to treatment to correct subluxation), nurse practitioners, and nurse midwives. Providers must be authorized to practice in the state in which they practice and must perform within the scope of their duties as defined by state laws. Providers may also include health care facilities that are licensed to perform the services within the scope of their licenses. For purposes of the Apple Short Term Disability Plan, Apple and FileMaker California Voluntary Disability Insurance Plan, Apple Hawaii Temporary Disability Insurance Plan, and other state disability plans, the definition of physician/provider may vary slightly from the definition here.

Placement
The date an adopted child becomes a member of your household, not the date of final adoption.

Plan Year
Apple benefits plans are administered on a plan-year basis, which is January 1 to December 31.

Preferred Provider Organization (PPO)
An arrangement between an insurance company and a network of health care providers and facilities that furnish services at discounted fees in return for a certain volume of patients and prompt payment. With a PPO, you have the option of using network or out-of-network providers when you need health care. When you use network providers, however, the plans cover more of your expenses.

Premium
An amount you and/or Apple pay for you to be covered for benefits.

Prescription Drug
A drug that can be obtained only with a prescription written by a qualified physician.

Primary Care Physician (PCP)
PCPs are generalists and include family doctors, internists, OB/GYNs, and pediatricians. Your PCP manages care by providing your care or referring you to specialists when necessary.

Prospectus
Legal document that provides a thorough description of a mutual fund and other types of investments. It includes an explanation of the fund's objective, information about how it invests, and a description of the fees and expenses associated with the fund.

Qualified Domestic Partner
Your same- or opposite-sex domestic partner, provided:

- You have a domestic partnership or civil union that is legally established under state law; or
- You meet all of the following criteria:
  - You live together in an exclusive, committed relationship. "Live together" means that you share the same living quarters. You will not be considered to have stopped living together if one of you leaves the shared quarters for a period of time but intends to return. "Exclusive" means that your partner is your sole domestic partner. "Committed relationship" means that the relationship is intended to last indefinitely and that you and your partner are responsible for each other's common welfare.
  - Both of you are at least 18 years old and mentally competent to enter into a contract.
  - Neither of you is married to another person.
  - You and your partner are not related in any way that would prevent a marriage in the state in which you reside.
  - Neither of you has been in a different domestic partnership within the previous six months (this requirement is waived if the previous partnership ended due to the death of your partner or if your partnership was legally terminated in the state in which you reside).

Qualified Domestic Relations Order (QDRO)
Legal order that creates or recognizes the right of a spouse, former spouse, child, or other dependent of a plan participant who is entitled to receive all or a portion of the plan benefits of the participant.

Qualified Family Status Change
One of a limited number of certain events that cause you, your spouse or qualified domestic partner, or your children to lose or gain benefits coverage and therefore allow you to update your coverage elections during a plan year.

Qualified Medical Child Support Order (QMCSO)
Legal order that can require Apple to add children to medical and dental plans as dependents, and/or to provide benefits to reimburse children's qualified medical expenses from a Health Care Flexible Spending Account.

Reduced Work Schedule
When you work fewer than your standard weekly hours, as shown in Merlin (Apple's HR information system).

Regular Weekly Pay
For the purpose of Short Term Disability, New Parent Leave, and Paid Family Care Leave, regular weekly pay includes base pay plus shift differential. Overtime and bonuses are excluded.

If you are a commissioned employee, your regular weekly pay includes base pay and on-target variable. Overtime and bonuses are excluded.

Rollover
A tax-free transfer of assets from one retirement plan to another, such as from one 401(k) plan to another or from a 401(k) plan to an IRA.

Roth 401(k) Contributions
Contributions made into a 401(k) plan on an after-tax basis. If certain requirements are met, Roth 401(k) contributions and their related earnings can be withdrawn tax-free in retirement. For information regarding Traditional 401(k) contributions, see "Traditional 401(k) Contributions."

Salary
For most employees, their regular base pay. For commissioned employees, their regular base pay plus on-target variable.

SDI
Acronym for California's State Disability Insurance.

Serious Health Condition
An illness, injury, impairment, or physical or mental condition that may involve one or more of the following:

- Inpatient care in a hospital, hospice, or residential medical care facility
- Continuing treatment or supervision by a health care provider
- Pregnancy and prenatal care
- A serious chronic health condition such as asthma, diabetes, or epilepsy

Spouse
The person married to an Apple employee under a legally recognized existing marriage.

Stabilized
A condition, illness, or injury needing therapy is said to be stabilized when full function is restored, the presenting problem is resolved, or continued treatment is not expected to improve the condition.

Statement of Health
A health questionnaire required by the insurance company to determine the health status of an individual applying for certain levels of life insurance.

Tax-Deferred
Not subject to current tax. Your Traditional 401(k) contributions and Apple's contributions to your Apple 401(k) Plan account and their related earnings are tax-deferred. You do not pay federal and, in most states, state income taxes on tax-deferred funds until withdrawn.

Temporary Agency Worker
Employees of an approved outside agency who are used by Apple when there is a peak-workload project with a short deadline or when an employee is on a leave of absence.

Temporary Disability Income Benefits
For an approved workers' compensation claim, temporary disability income benefits provide a certain percentage of regular pay, up to a specified maximum amount as defined by each state.

Termination
Voluntary or involuntary loss of employment with Apple.

Traditional 401(k) Contributions
Contributions made into a 401(k) plan on a before-tax basis. Traditional 401(k) contributions and their related earnings grow tax-deferred but are subject to taxation when withdrawn.

Unproven Services
Health services, including medications that are determined not to be effective for the treatment of the medical condition and/or not to have a beneficial effect on health outcomes due to insufficient and inadequate clinical evidence from well-conducted randomized controlled trials or cohort studies in the prevailing published peer-reviewed medical literature.

Urgent Care
Care or treatment needed for a condition that, if delayed, could seriously jeopardize the patient's life, health, or ability to regain maximum function, or in the opinion of a physician with knowledge of the medical condition, would subject the individual to severe pain that cannot be adequately managed without the care or treatment.

Vested
As it pertains to the Apple 401(k) Plan, you receive your contributions, Apple Match contributions, as well as any investment gains and losses on these amounts when your account is paid to you. You are always fully vested in your Apple 401(k) Plan.

Voluntary Disability Insurance (VDI)
The Apple and FileMaker California Voluntary Disability Insurance Plan.

W-2 Payroll
Any mechanism or procedure that Apple or its designated affiliates use to pay an individual that results in the issuance of a Form W-2 from Apple or a designated affiliate.

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