



2024 Long-Term Disability Plan

If you are ill or injured and are unable to work on a continuous basis for more than 26 weeks, you may be eligible for long-term disability benefits. Generally, the Long-Term Disability (LTD) Plan picks up when your Short-Term Disability Plan benefits end. The Hartford is the carrier for the UBS Long-Term Disability Plan.

UBS provides company-paid Basic LTD coverage. You can choose to purchase Supplemental LTD coverage. The combined Basic and Supplemental LTD coverage provides 60% of your LTD Benefits Base Salary (BBS) (see LTD Benefits Base Salary Definition section below) up to a maximum monthly benefit of \$30,000, with an LTD BBS limit of \$600,000.

IMPORTANT! The company-paid Basic LTD Plan provides a maximum monthly benefit of \$5,000. **If your LTD BBS is more than \$120,000**, you will need to enroll in voluntary buy-up coverage in order to replace more than \$5,000 per month in the event that you become disabled. View the examples at the end of this document to see how this coverage adds up.

Your LTD coverage options

UBS provides employees with **Basic LTD coverage**. This accounts for 50% of your LTD BBS up to a maximum of \$5,000 per month, or \$60,000 per year. The LTD BBS limit for this coverage is \$120,000. You receive this coverage at no cost to you. If you've been denied LTD coverage in the past, you will still receive this Basic LTD coverage.

You can also enroll in **Supplemental LTD coverage** to replace your income beyond the 50% coverage amount per month benefit provided with Basic LTD coverage. Basic and Supplemental LTD coverage offer a combined benefit of 60% of LTD BBS, up to \$30,000 per month, with an LTD BBS limit of \$600,000. The cost for this coverage is \$0.189 per \$100 of monthly LTD BBS, after-tax. If you were enrolled in Supplemental LTD coverage in 2023, you will automatically be enrolled in the same coverage for 2024.

	Basic LTD		Supplemental LTD
Benefit ¹	50% of LTD BBS, up to \$5,000 per month / \$60,000 per year	+	60% of BBS, up to \$30,000 per month / \$360,000 per year (Combined Basic + Supplemental coverage)
Maximum covered LTD BBS	\$120,000		\$600,000
Cost	No cost to you ²		\$0.189 per \$100 of monthly BBS

Note: To be eligible for an LTD benefit, your disability must be one that prevents you from performing all the material duties of your own occupation, as determined by The Hartford. Benefits begin after 180 days of a qualifying disability.

Evidence of Insurability

Enrollment in Supplemental LTD is subject to Evidence of Insurability (EOI) if you weren't enrolled in Supplemental LTD in 2023 or have been denied LTD in the past. If you've been denied LTD in the past, you will still receive Basic LTD coverage.

¹ LTD Benefits will be offset by Social Security disability income benefits, if any. Voluntary LTD plan benefits are paid tax-free to the employee in the event of a disability.

² UBS will impute the cost of what it pays for the Basic LTD coverage. You'll pay taxes on the imputed income, so that if you become disabled and receive this benefit, you will not be taxed on the benefit that this coverage pays when you receive it.

Important LTD provisions

The following provisions are important for all new and existing participants:

Definition of LTD Benefits Base Salary (BBS)

New Hires in Their First Calendar Year of Employment (employees whose most recent date of hire is the same calendar year as the year for which the BBS is being calculated):

- Salaried Employees (Exempt and Non-Exempt)— your base salary amount as of your date of hire.
- Financial Advisors—your prior year's W-2 earnings from your previous employer. If you do not provide your prior year's W-2 to the Benefits Department upon hire, your BBS will default to \$50,000.

Employees in Their Second Calendar Year of Employment:

- Salaried Employees: BBS will be set equal to the employee's base salary amount as of August 31st of the year preceding the BBS calculation year.
- Non-exempt: BBS will be set equal to the employee's base salary amount as of August 31st of the year preceding the BBS.

Tenured Employees:

BBS will be calculated for all tenured employees, regardless of pay cycle, as defined below (Salaried Exempt, Salaried Non-Exempt and Financial Advisors).

- If you have two or more consecutive years of BBS history, your current year LTD BBS is calculated by averaging the BBS from the prior two years.

BBS is calculated using a 12-month look back method from August 31st and becomes effective for the new plan year on January 1st, and will remain constant for the entire calendar year regardless of any changes in your compensation.

Long Term Disability (LTD) BBS is determined by averaging the BBS from the prior two years.

Disability benefits are based on your pre-disability LTD BBS. If your LTD BBS is recalculated while you are disabled, your disability benefits will continue to be based on the LTD BBS in effect on your first date of disability. Neither your LTD BBS nor your eligible benefit amount will be adjusted until you return to active status.

Definition of Disability

You must be "disabled" in order to be eligible for benefits. For purposes of the LTD Plan, you'll generally be considered disabled if you're unable to perform the material duties of your own occupation. The insurance carrier, The Hartford, will determine whether you're disabled for these purposes.

Pre-existing conditions

The plan does not pay benefits for a disability that is caused, or contributed to, by a pre-existing condition, if the disability starts within the first 12 months after your coverage goes into effect. The plan does pay if the disability is based on a pre-existing condition, if the disability starts after the first 12 months after your coverage goes into effect. If your disability is caused by a pre-existing condition, your monthly benefit will be based on the amount of the monthly benefit that has been in effect for at least 12 months under this program.

Note: If you are absent from work because of a disability on the date your new coverage or increase in coverage is supposed to begin, the new coverage or increase in coverage will become effective only after you return to work as an eligible employee for one full day.

Terminating your LTD coverage

You may decline participation in the Supplemental LTD plan during Open Enrollment or at any time during the year. However, Evidence of Insurability will be required to re-enroll and pre-existing limitations will apply.

Calculate your LTD need

Use the chart below to think through how much LTD coverage you and your family may need if you were to become ill or injured.

Disability insurance need calculator	
Monthly cost of living	
1. Bills Mortgage/rent, credit cards, car payments, etc.	\$ _____
2. Living expenses Food, clothing, child care, utilities, gas, etc.	+ \$ _____
3. Other expenses Bank loans, insurance premiums, education, etc.	+ \$ _____
A. Total monthly cost of living Add lines 1, 2 and 3	= \$ _____
Monthly income	
1. Family member earning	\$ _____
2. Alimony, investments, rent	+ \$ _____
3. Other sources	+ \$ _____
B. Total monthly income Add lines 1, 2 and 3	= \$ _____
C. Financial shortfall Subtract B from A	= \$ _____

Long-Term Disability examples

MEET JIM

- LTD BBS: \$84,000, or \$7,000 per month
- UBS provides Basic LTD
- Jim is enrolled in Supplemental LTD

If Jim is ill or injured and cannot work, here's how his LTD benefit would add up each month:

	Monthly Benefit	Annual Benefit
Basic LTD (50% of LTD BBS)	\$3,500	\$42,000
Supplemental LTD (to 60% of LTD BBS)	\$700	\$8,400
TOTAL BENEFIT	\$4,200	\$50,400

Jim pays an annual premium of \$159 for his Supplemental LTD coverage.

MEET RITA

- LTD BBS: \$240,000, or \$20,000 per month
- UBS provides Basic LTD
- Rita is enrolled in Supplemental LTD

Since Rita's LTD BBS exceeds the Basic LTD Plan limit, her benefit will be calculated a little differently if she is ill or injured and cannot work and qualified for a benefit.

	Monthly Benefit	Annual Benefit
Basic LTD (50% of LTD BBS)	\$5,000	\$60,000
Supplemental LTD (to 60% of LTD BBS)	\$7,000	\$84,000
TOTAL BENEFIT	\$12,000	\$144,000

Enrolling in the Supplemental LTD coverage would more than double the benefit Rita would receive if she becomes disabled. Rita pays an annual premium of \$454 for Supplemental LTD coverage, for a potential benefit of \$144,000.

MEET SAM

- LTD BBS: \$300,000, or \$25,000 per month
- UBS provides Basic LTD
- Sam is enrolled in Supplemental LTD

Since Sam's LTD BBS exceeds the Basic LTD Plan limit, her benefit will be calculated a little differently if she is ill or injured and cannot work and qualified for a benefit.

	Monthly Benefit	Annual Benefit
Basic LTD (50% of LTD BBS)	\$5,000	\$60,000
Supplemental LTD (to 60% of LTD BBS)	\$10,000	\$120,000
TOTAL BENEFIT	\$15,000	\$180,000

Without Supplemental LTD, Sam would only receive one fifth of her income through the UBS-paid Basic LTD coverage if she were to become ill or injured. The Supplemental LTD plan allows her to receive an additional \$10,000 per month for an annual premium of \$567.

Examples are for illustration only. LTD benefits begin after 180 days of a qualifying disability, as determined by The Hartford.

This document is for general reference and highlights certain plans and programs of UBS for eligible employees in the United States. It is a Summary of Material Modifications to the referenced plans and programs. More detailed descriptions of these plans and programs can be found in the legal plan documents governing these benefits. While we have made every effort to make this document accurate, if there is any conflict between the information contained herein and the applicable plan documents, the plan documents will govern. The information contained herein does not imply that participation in the plans and programs is a guarantee of continued employment with UBS. It also does not imply or guarantee that the plans and programs will exist or remain unchanged in the future. Nothing herein creates any vested or contractual rights. UBS continues to reserve the right to change or terminate its plans and programs at any time in the future for any reason.