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IBM has implemented policies and practices to appropriately protect the privacy of your personal health information. Personal health information you provide will be handled in accordance with IBM Corporate Instruction HR113 98/11: Protection of Employee Information and the IBM Guidelines for the Protection of Employee Information. To obtain a copy of these documents, please contact the IBM Employee Services Center. The benefits and programs described in this brochure are for IBM regular employees.
2017 IBM Benefits Summary

IBM offers a competitive benefits program, designed to support employees and their families across all dimensions of health: physical, mental, social, financial, and purpose.

Key features:

- **Health Benefits Portfolio** that provides strong support for employee well-being and preventive care, comprehensive coverage to meet a range of medical situations, and solid protection against the cost of serious injury or illness.
- **Retirement Program** that helps build future financial security through a leading-edge 401(k) plan and other capital accumulation programs.
- **Income Protection** in case of serious illness, injury or death, including life insurance and disability benefits.
- **Opportunity** to follow leisure pursuits through vacation, personal leave and holiday plans.

Eligibility

You are eligible for all applicable benefit programs, except the IBM Employee Stock Purchase Plan, beginning with your first day of employment. Health care coverage (medical, dental and vision) is available for you, your spouse or eligible domestic partner, eligible children and other eligible dependents.

About your Health, Life and Disability Benefits

IBM provides a range of options, to allow employees to design a program that meets their personal or family circumstances. You can enroll in benefits when you first join IBM, and you’ll have the opportunity to review and change your benefits each year during the enrollment period, usually held in the fall. Employees pay for their share of benefit coverage through payroll deductions.

Medical Choices

**IBM Preferred Provider Organization (PPO)**

The IBM PPO has a broad nationwide network of providers that provide care at discounted rates and offers the flexibility to receive care out-of-network at higher costs. It offers strong coverage for prevention, wellness and routine medical care, including in-network eligible, routine preventive screenings and preventive office visits at no cost. In addition, care provided by your in-network primary care physician is covered at 100%. You may see any provider you choose without obtaining a referral. If you reach the annual out-of-pocket maximum, the plan will pay 100% of your in-network medical expenses for the remainder of the year. This plan option has a lower monthly cost for employees and dependents, but has a higher deductible and out-of-pocket maximum than the IBM PPO Plus.

**IBM PPO Plus**

The IBM PPO Plus offers the same broad network of providers available through the IBM PPO, along with the flexibility to seek care out-of-network at a higher cost (a deductible may apply). You may see any provider you choose without obtaining a referral.

Under PPO Plus, you’ll pay a higher monthly contribution for coverage and — with a lower in-network deductible — potentially lower overall costs for care. If you reach the annual out-of-pocket maximum, the plan will pay 100% of your eligible medical expenses for the remainder of the plan year. It also offers the same strong coverage for prevention, wellness and routine medical care. There is no charge for in-network eligible, routine preventive services. Care provided by your in-network primary care physician will be covered at 100%.

**IBM PPO or IBM Enhanced PPO with Health Savings Account (HSA)**

The IBM PPO and IBM Enhanced PPO with HSA are high-deductible options that feature a health savings account, which can be used to pay for eligible current out-of-pocket medical costs or to save for future health care expenses.

For participants who enroll in the HSA, IBM will contribute $250 for self-only/$500 for family (pro-rated based on date of hire). Also, in 2017 only, IBM will also contribute $250 in a Jump Start contribution for self-only or family elections. Participants may also earn additional Commit to Health incentives, ranging from $300 for self-only contribution to $850 for family coverage which will be deposited into employees’ HSA.

Employees may contribute up to the IRS annual limit of $3,400 for single coverage and $6,750 for a couple or family. Like the other IBM PPO options, there is no charge for in-network eligible, routine preventive services. However, to comply with IRS regulations for HSAs, all other services (with the exception of certain preventive prescription drugs) are subject to the deductible. The IBM PPO with HSA and IBM Enhanced PPO with HSA features other provisions that conform with recent IRS HSA guidelines—for example, the deductible amount itself meets the IRS requirement for a “high deductible” plan. The deductible also works differently under the IBM PPO with HSA and IBM Enhanced PPO with HSA, particularly if you enroll dependents in these options.

If you enroll in one of the IBM HSA plan options, an aggregate deductible applies when you enroll one or more dependents — that is, the family deductible must be met before the plan pays benefits for any covered individual. The family deductible must be met even if one person is incurring all of the expenses.

If you enroll in self only coverage, you have to satisfy the Individual deductible before the plan pays benefits.
The out-of-pocket maximums are “embedded” accumulators so they work differently than the HSA deductibles, which are “aggregate” accumulators. If one individual meets their out-of-pocket maximum, the plan will start to pay at 100% for that individual. Each family member’s out-of-pocket costs are applied to the family out-of-pocket maximum. Once the family out-of-pocket maximum is met, the plan will pay 100% for all eligible covered services.

A HSA is different from a Health Care Spending Account in that it is your own personal account and you do not forfeit unused contributions. It is important to note that you may not enroll in the IBM Health Care Spending Account if you are enrolled in one of the Health Savings Account plan options.

Health Maintenance Organization (HMO)
A HMO provides comprehensive, coordinated health care services for a fixed prepaid fee through a network of providers. Participants are typically responsible for copayments and/or coinsurance for physician visits and other services.

Generally, you aren't covered for services outside the network, except for emergencies. When you enroll in an HMO, you select a primary care physician (PCP) to coordinate your care.

IBM Exclusive Provider Organization (EPO)
The IBM EPO offers the same broad network of providers that is available through the IBM PPO and IBM PPO Plus options, along with the same coverage for routine preventive care, routine screenings and primary care provider services, all at no cost to you. The EPO option is similar to an HMO in that it is an “in-network-only” option which means that (except for true emergency situations) you must use network doctors, hospitals and other facilities to receive benefits. The EPO option has a copay-based cost structure for high cost services such as inpatient hospital stays and ER visits along with along with the coinsurance-based cost structure found in most Preferred Provider Organizations (PPOs) for most other services. You may see any network provider that you choose without a referral but many high cost services do require prior authorization to be covered.

Tobacco Surcharge
A $50 per month surcharge will apply if you and/or your enrolled spouse/domestic partner have used any tobacco products within six months of the date your IBM medical coverage begins. This surcharge helps offset the additional healthcare costs typically incurred by tobacco users. For purposes of this surcharge, a tobacco product is defined as “any product derived from tobacco that is intended for human consumption” and includes cigarettes, cigars, pipe tobacco, smokeless tobacco and e-cigarettes.

However, you will have an opportunity to earn a refund of the surcharges you pay if you satisfy the requirements of your health plan administrator’s tobacco cessation program within six months or by December 31, 2017, whichever comes first. (Note: Although you may choose to participate in other tobacco cessation programs, you will not be eligible to receive a refund unless you complete the program offered by your IBM health plan).

Primary Care
Care provided by your in-network primary care physician will be covered at 100% under the IBM PPO, IBM PPO Plus and IBM EPO options. Under the IBM PPO with HSA and IBM Enhanced PPO with HSA, primary care will be covered at 100% after the appropriate deductible has been satisfied. A primary care physician is a physician (MD or DO), nurse practitioner*, or physician assistant* who has a primary designation of family medicine, internal medicine, or pediatric medicine. Keep in mind the doctor may perform tests or request other services (e.g. lab) that will have a separate charge that may be subject to the deductible and applicable coinsurance. *Please note: Nurse practitioners or physician assistants billing under physicians will be designated as a PCP or specialist based on the designation of the physician.

Care Management
Each of the regional health plan administrators have Care Management and Disease Management programs, designed to provide expert help in managing employees’ (and their family’s) health conditions and risks.

These programs include one-on-one outreach and support to those with serious illness and other complex medical situations. These care coordinators are registered nurses employed by each of the regional health plans and will assist with precertification for inpatient hospital admissions and high cost medical procedures (listed below), medical consulting services and support to IBM medical plan participants and their families. Access to expert assistance in managing chronic conditions is also available through the program.

Precertification is required for major diagnostic services in non-emergency situations or the service will not be covered include: CT Scans, PET Scans, MRIs, nuclear medicine, sleep studies, cardiac catheterization, echocardiogram (including stress echocardiogram), electrophysiology implants, Arterial ultrasound, Percutaneous coronary intervention (Stents, Balloon angioplasty, Atherectomy). Contact your health plan for details regarding precertification.
Centers of Excellence
IBM’s health plan administrators have Centers of Excellence (COEs), facilities and providers that meet certain quality standards of care. In general, these providers’ outcomes are better than others. Contact your health plan if you are seeking care for any of the following services or you may receive lower (or no) coverage for the service. These services include:

- Transplants
- Infertility services, including but not limited to, artificial insemination or in vitro fertilization (enrollment in a care management program is also required.)
- Orthopedic surgery, including, but not limited to, knee or hip replacement or spinal fusion
- Bariatric surgery

If you are currently undergoing any of these services, you may qualify for transition of care.

Best Doctors
When it comes to medical decisions, making informed decisions is key to maintaining good health and wellbeing. Best Doctors can help you by providing expert medical advice, at no cost to you. All IBMers enrolled in one of the IBM medical plan options will have access to Best Doctors in 2017.

Services are provided confidently and from the comfort of your own home over the phone or online. Reach out to:

- Confirm a diagnosis or treatment plan through an expert review of your medical records
- Receive support when making treatment decisions
- Ask an expert about a diagnosis or health condition
- Find a local leading physician or specialist
- Get help collecting and organizing your medical records

Oncology services available through Best Doctors include access to Watson technology including:

- Watson for Oncology
- Watson for Clinical Trials Matching
- Watson for Genomics

IBMers in HMOs or other medical plans are not eligible because those plans evaluate and contract for these types of services separately.
## 2017 Medical Benefits: Comparing Plan Features

<table>
<thead>
<tr>
<th>Plan Features</th>
<th>IBM PPO</th>
<th>IBM PPO Plus</th>
<th>IBM PPO with HSA</th>
<th>IBM Enhanced PPO with HSA</th>
<th>IBM EPO</th>
<th>Typical HMO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Plan type</strong></td>
<td>Preferred Provider Organization</td>
<td>Preferred Provider Organization</td>
<td>High Deductible Preferred Provider Organization with HSA</td>
<td>High Deductible Preferred Provider Organization with HSA</td>
<td>Exclusive Provider Organization</td>
<td>Health Maintenance Organization</td>
</tr>
<tr>
<td><strong>Key features</strong></td>
<td>You may obtain care from in- and out-of-network providers; you'll receive the highest level of benefits if you use network providers. No charge for eligible in-network routine preventive services or in-network primary care office visits. Specialty care office visits &quot;deductible free&quot; for in-network care.</td>
<td>Same structure and flexibility as IBM PPO, higher cost for coverage in exchange for lower in-network deductible. No charge for eligible in-network routine preventive services or in-network primary care office visits. Specialty care office visits &quot;deductible free&quot; for in-network care.</td>
<td>You may obtain care from In- and Out-of-network providers; HSA lets you use tax-free dollars to pay for current or save for future health care needs; If IBM will contribute $500 self-only coverage or $750 family coverage (prorated based on date of hire) in 2017. No charge for eligible In-Network routine preventive services. No charge for primary care office visits after deductible is satisfied.</td>
<td>Same structure and flexibility as IBM PPO with HSA. You pay higher cost for coverage in exchange for lower in-network deductible.</td>
<td>You may obtain care through a network of providers; no coverage if you go out of network (except for true emergencies). No charge for eligible In-Network routine preventive services or primary care office visits.</td>
<td>You may obtain care through a network of providers to receive benefits; no coverage if you go out of network. Primary Care Physician Referral required to coordinate all care.</td>
</tr>
<tr>
<td><strong>Filing claims</strong></td>
<td>You file claims for out-of-network care only</td>
<td>You file claims for out-of-network care only</td>
<td>You file claims for out-of-network care only</td>
<td>You file claims for out-of-network care only</td>
<td>No claim form to file</td>
<td>No claim form to file</td>
</tr>
<tr>
<td><strong>Annual deductible (individual/family)</strong></td>
<td>In-network: $1,500 / $4,500</td>
<td>Out-of-network: $2,650 / $7,950</td>
<td>In-network: $375 / $1,125</td>
<td>Out-of-network: $2,650 / $7,950</td>
<td>$2,700 / $5,800 (combined in- and out-of-network) Deductible applies to pharmacy coverage (except preventive medications)</td>
<td>$1,500 / $3,000 (combined in- and out-of-network) Deductible applies to pharmacy coverage (except preventive medications)</td>
</tr>
<tr>
<td><strong>Routine Preventive Services</strong></td>
<td>In-network: No charge</td>
<td>Out-of-network: 45%, no deductible</td>
<td>In-network: No charge</td>
<td>Out-of-network: 45%, no deductible</td>
<td>In-network: No charge</td>
<td>Out-of-network: 45%, no deductible</td>
</tr>
<tr>
<td><strong>Other Office Visits</strong></td>
<td>In-network: No charge for PCP; Deductible free</td>
<td>Out-of-network: You pay 45% after deductible</td>
<td>In-network: No charge for PCP; Deductible free</td>
<td>Out-of-network: You pay 45% after deductible</td>
<td>In-network: No charge for PCP after deductible; You pay 25% for SCP after deductible</td>
<td>In-network: No charge for PCP after deductible; You pay 25% for SCP after deductible</td>
</tr>
<tr>
<td><strong>Urgent Care</strong></td>
<td>In-network: You pay 25% after deductible</td>
<td>Out-of-network: You pay 45% after deductible</td>
<td>In-network: You pay 25% after deductible</td>
<td>Out-of-network: You pay 45% after deductible</td>
<td>In-network: You pay 25% after deductible</td>
<td>Out-of-network: You pay 45% after deductible</td>
</tr>
<tr>
<td><strong>Inpatient Hospital and Surgery</strong></td>
<td>In-network: You pay 20% after deductible (Facility Charges) PCP: 20% after deductible SCP: 25% after deductible</td>
<td>Out-of-network: You pay 45% after deductible</td>
<td>In-network: You pay 20% after deductible (Facility Charges) PCP: 20% after deductible SCP: 25% after deductible</td>
<td>Out-of-network: You pay 45% after deductible</td>
<td>In-network: You pay 25% after deductible</td>
<td>In-network: You pay 25% after deductible</td>
</tr>
<tr>
<td><strong>Emergency Room (copay(s) waived if admitted)</strong></td>
<td>20%, after in-network deductible plus $150 copay</td>
<td>20%, after in-network deductible plus $150 copay</td>
<td>30%, after deductible plus $150 copay</td>
<td>30%, after deductible plus $150 copay</td>
<td>30%, after deductible plus $150 copay</td>
<td>$210 copay + $150 copay (both copays waived if admitted), after deductible</td>
</tr>
<tr>
<td><strong>Other Services</strong></td>
<td>In-network: You pay 20% after deductible</td>
<td>Out-of-network: You pay 45% after deductible</td>
<td>In-network: You pay 20% after deductible</td>
<td>Out-of-network: You pay 45% after deductible</td>
<td>In-network: You pay 30% after deductible</td>
<td>After deductible: $0 for X-rays, DME and prosthetics; 20% for other imaging services</td>
</tr>
<tr>
<td><strong>Annual out-of-pocket maximum (includes deductible)</strong></td>
<td>In-network: $7,150 / $14,300</td>
<td>Out-of-network: $16,700 / $30,050</td>
<td>In-network: $6,550 / $13,100</td>
<td>Out-of-network: $15,750 / $28,350</td>
<td>In-network: $6,550 / $13,100</td>
<td>$7,150 / $14,300</td>
</tr>
</tbody>
</table>

Note: Deductible applies to pharmacy coverage (except preventive medications) for in-network care. Out-of-network coverage applies to pharmacy coverage (except preventive medications).

Benefits vary by HMO organization.
IBM’s Commit to Health Incentive Program

IBM wants you to be as healthy as you can be across all 5 dimensions of health: Physical, Mind, Social, Financial and Purpose. We take health and wellness support to another level with our Commit to Health Incentive Programs. To enhance personal health management we offer program options to support physical activity, healthy eating, mindfulness, and more through CaféWell, our one-stop health and wellness platform. Once you’re registered on CaféWell, you can create (and update) your health profile, order your personal health devices, and earn your financial incentives. The programs are made available to you at no cost.

Wellness Device Credit
All IBMers will have the opportunity to earn a $100 wellness device credit in 2017 by completing the Wellness Checkpoint and selecting a Commit to Health program on CaféWell. Device choices include a variety of fitness devices, including Apple Watch, FitBit or a sit-stand desk accessory or other exciting choices to support your health and well-being. Plus, take advantage of quarterly wellness drawings for program completions.

Quarterly Wellness Drawings
Eligible employees can enter quarterly wellness drawings to win 12,000 BluePoints (approximately a $3,000 value). For each Commit to Health Incentive program completed per quarter, your name will be entered into the quarterly drawing. Employees can only be entered into the drawing 1 time per program per quarter. Employees can choose from a wide variety of programs, including some new program options, to best meet their personal health and wellness goals across all five dimensions of health. A full list of program options will be available on CaféWell beginning January 3, 2017.

Health Savings Account (HSA) Incentives
If you choose a medical plan option with an HSA, you will be eligible to earn up to $300 in tax-free HSA contributions for self-only coverage or $850 for family coverage in addition to the automatic company contribution ($500 for self-only or $750 for family). If you participate in an HSA medical plan option, you will earn your financial incentive by completing the Ready, Set, Go! Program. This program allows you to earn your Commit to Health financial incentives by completing three easy steps. Make sure your covered spouse/domestic partner does the same so you earn the maximum reward.

Ready: Register on CaféWell (cafewell.com/ibm)
Set: Set up your HSA account on NetBenefits (one account per family)
Go: Set up your account for Telemedicine and Cost Quality Comparison Tools with your medical plan.

To receive these incentives, employees must complete the incentive requirements by December 1st. HSA Incentives will take approximately two to four weeks to be processed and deposited into your HSA account once CaféWell confirms completion.

<table>
<thead>
<tr>
<th>If you enroll in the IBM PPO with HSA or IBM Enhanced PPO with HSA</th>
<th>Be Rewarded!</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Individual</td>
</tr>
<tr>
<td>Automatic HSA Seed from IBM</td>
<td>$500*</td>
</tr>
<tr>
<td>Complete IBM’s Ready-Set-Go Program via CaféWell by December 1st</td>
<td>$300</td>
</tr>
<tr>
<td>Total Available HSA Incentives</td>
<td>$800</td>
</tr>
</tbody>
</table>
| How incentives are paid                                       | Payments will be processed after you certify that you have completed all program requirements and will be deposited into your HSA; payments are not subject to taxes.

Prescription Drug Benefits
Under IBM PPO, IBM PPO Plus, IBM EPO, IBM PPO with HSA and the IBM Enhanced PPO with HSA, prescription drug services are provided by CVS Caremark through the IBM Managed Pharmacy Program. Employees can save money on retail and home-delivery prescription drugs when a prescription is filled through a CVS Caremark participating pharmacy or via the CVS Caremark Mail Service pharmacy.

You may obtain up to a 30-day supply (plus up to two refills) of a (non-specialty medication) prescription from a retail pharmacy; you’ll save money if you use a CVS Caremark network pharmacy. After the third fill, you must obtain your medication through CVS Caremark mail order or Maintenance Choice® or you will be responsible for the full cost of the medication at a retail pharmacy.
Maintenance Choice®
You can obtain your long-term medications through the CVS Caremark Mail Service Pharmacy and have them shipped directly to your home or you can pick them up at your local CVS retail pharmacy for the same coinsurance. Please note, Maintenance® Choice is only available at CVS brand retail pharmacies and no other retail pharmacies in the CVS Caremark retail pharmacy network.

GenericsAdvantage
The GenericsAdvantage component of the IBM Managed Pharmacy Program reduces your out-of-pocket costs when you buy generic instead of brand name prescription drugs. If a generic equivalent (identical active ingredient) is available and you choose a brand name drug instead, you will pay the full generic coinsurance plus the difference in cost between the generic and brand name drug. The per-prescription maximum will not apply as it usually would for CVS Caremark participating pharmacies and mail order prescriptions. The amount that applies to your out-of-pocket maximum is the amount of coinsurance for the generic equivalent. The difference in cost between the generic equivalent and the brand drug does not accumulate to your out-of-pocket maximum.

However, if your physician validates it is clinically indicated for you to use the brand name drug, you will only pay the brand name coinsurance (and not the difference in cost). In those few cases where a particular brand name drug is comparably priced with a generic in the same class of drugs, prior authorization will not be required for that drug. Prior authorization will still be required for other brand name drugs in that class; otherwise they will not be covered.

Specialty Medications
If you need covered prescription medication that requires special handling or administration — such as chemotherapy — and are currently receiving it through your doctor’s office or other treatment center, you can order it through the CVS Caremark Specialty Pharmacy. Ordering it this way may save you money, and you may be able to have it shipped directly to you or your doctor’s office at no additional charge. Your doctor will first need to contact a CVS Caremark pharmacist for authorization to confirm that the treatment complies with standard clinical guidelines. This requirement will help ensure that you receive proper drug, dose and treatment based on your diagnosis.

There are certain infused medications (not chemotherapy) which must be purchased through the CVS Caremark Specialty Pharmacy if they are received in an outpatient setting. The CVS Caremark Specialty Pharmacy will work with you and your doctor to obtain the medication and coordinate where the infusion will be administered.

Note: For participants in fully insured HMOs, prescription drug benefits are provided through the HMO and vary by plan. See your Health Plan Detail Sheets for details.

Prescription Drug Coverage
The chart below shows what you pay per prescription under the IBM Managed Pharmacy Program. Please refer to Your Medical Plan Options At-A-Glance for the applicable out-of-pocket maximum for each plan option. Additionally:

- Under both the IBM PPO with HSA and the IBM Enhanced PPO with HSA plan options, benefits are not payable until the annual deductible is met; however, preventive drugs are not subject to the deductible. If more than one individual is enrolled, the family deductible must be met; individual deductibles do not apply.

- For all IBM PPO plan options and the EPO plan option, the amount you pay out-of-pocket for eligible prescription drugs counts toward your out-of-pocket maximum except the difference you pay between the cost of a brand drug and its generic equivalent when you choose to purchase the brand name medication (as described under the Generics Advantage description).

<table>
<thead>
<tr>
<th></th>
<th>Participating Pharmacies (up to 30-day supply)</th>
<th>Non-Participating Pharmacies (up to 30-day supply)</th>
<th>CVS Caremark Mail Order, Specialty Pharmacy® and Pharmacy Maintenance Choice (up to 90-day supply)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Generic</strong></td>
<td>10% of discounted cost after deductible, up to $20</td>
<td>30% of actual cost after deductible</td>
<td>10% of discounted cost after deductible, up to $40</td>
</tr>
<tr>
<td>Brand name – formulary</td>
<td>30% of discounted cost after deductible, up to $110</td>
<td>40% of actual cost after deductible</td>
<td>30% of discounted cost after deductible, up to $275</td>
</tr>
<tr>
<td>(preferred)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand name – non-formulary (non-preferred)</td>
<td>50% of discounted cost after deductible, up to $210</td>
<td>55% of actual cost after deductible</td>
<td>50% of discounted cost after deductible, up to $500</td>
</tr>
</tbody>
</table>

Traditional and specialty medications for the IBM PPO with HSA and IBM Enhanced PPO with HSA¹

<table>
<thead>
<tr>
<th></th>
<th>Participating Pharmacies (up to 90-day supply)</th>
<th>Non-Participating Pharmacies (up to 90-day supply)</th>
<th>CVS Caremark Mail Order, Specialty Pharmacy® and Pharmacy Maintenance Choice (up to 90-day supply)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Generic</strong></td>
<td>10% of discounted cost, up to $20</td>
<td>30% of actual cost</td>
<td>10% of discounted cost, up to $40</td>
</tr>
<tr>
<td>Brand name – formulary</td>
<td>30% of discounted cost, up to $110¹</td>
<td>40% of actual cost</td>
<td>30% of discounted cost, up to $275</td>
</tr>
<tr>
<td>(preferred)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand name – non-formulary (non-preferred)</td>
<td>50% of discounted cost, up to $210²</td>
<td>55% of actual cost</td>
<td>50% of discounted cost, up to $500</td>
</tr>
</tbody>
</table>

¹ Refer to www.caremark.com/ibmactives for a full list of specialty drugs available through the CVS Caremark Specialty Pharmacy for January 2017.
² If a generic drug with the identical active ingredient is available, and you choose the equivalent brand name drug instead, you will pay the generic drug coinsurance plus the difference between the generic and the applicable brand name drug; per prescription maximums will not apply.
Mental Health Benefits

Managed Mental Health Care Program
The IBM Managed Mental Health Care Program provides comprehensive inpatient and outpatient treatment for emotional and psychological problems, substance abuse and related conditions. Participants have access to a network of licensed psychiatrists, psychologists, social workers, psychiatric nurses, and mental health and substance-abuse facilities. Pre-certification is required to receive the highest level of reimbursement. Services are available to employees and their dependents enrolled in IBM PPO, IBM PPO Plus, IBM EPO, and IBM PPO HSA and IBM Enhanced PPO with HSA.

Employee Assistance Program (EAP)
The IBM Employee Assistance Program (EAP) provides short-term counseling for a variety of life events and everyday challenges including Work Stress; Coping with Change; Family/Parenting Issues; Grief or Bereavement; Anxiety or Depression; and Communicating Effectively. A Clinical Referral Line (CRL) is the entry point for the EAP, which also offers up to eight free counseling visits with a licensed mental health or substance-abuse professional. The EAP is available to all benefit-eligible employees and their dependents, including HMO participants and those who opt out of benefits. EAP services are provided by Optum by United Behavioral Health. This program is not intended for treatment of long term problems or mental illness.

Dental Choices
Not everyone’s dental needs are the same. Some employees may visit the dentist only twice a year for checkups; others may require more extensive work every year. The IBM Personal Benefits Program offers up to three different dental coverage options to meet these varying needs.

IBM Dental Basic
This option covers preventive, diagnostic and basic restorative dental care. There is no coverage for major restorative care or orthodontia. Employees have the flexibility to use any eligible dentist. However, employees can receive a higher level of benefits if they use a network provider. If employees use an in-network dentist, the plan covers preventive care at 100% (including up to two routine exams per year).

For minor restorative care, employees will pay 20% of a specially negotiated fee, with no deductible. If employees use an out-of-network dentist or live in an area where a network dentist is not available, they pay 20% of the U&P rate plus any amount above the U&P rate for covered preventive and minor restorative care expenses. There is no annual deductible. IBM Dental Basic pays benefits up to an annual benefit maximum of $500 per covered individual. There is no lifetime benefit maximum.

IBM Dental Plus
This option covers a broad range of dental services, including preventive, diagnostic, basic and major restorative care, and orthodontia. Although employees have the flexibility to use any eligible dentist, they can receive a higher level of benefits if they use a network provider. If employees use a dentist in the network, the plan covers preventive care at 100% (including up to two routine exams per year). For all other eligible expenses, employees pay a percentage of specially negotiated fees, with no deductible, as follows:

- 20% for minor restorative care
- 35% for major restorative care
- 50% for orthodontia treatment up to a lifetime maximum of $2,500

If employees use an out-of-network dentist or live in an area where a network dentist is not available, they will pay a percentage of the usual and prevailing (U&P) rate, plus any amount above the U&P rate.

IBM Dental Plus pays benefits up to an annual maximum of $2,000 per covered individual. There is no lifetime maximum benefit except for orthodontic treatment benefits—up to $2,500 per covered individual—which is not counted toward the annual maximum.
CIGNA Dental Maintenance Alternative (DMA)
With the CIGNA DMA, employees receive dental care from dentists and other providers who are part of an organized network. This dental option is similar to an HMO in its managed-care approach. It offers lower out-of-pocket costs for most services, with no deductible to meet and no claim forms to file. Participants must select a primary care dentist to coordinate care. Generally, employees are not covered for care received outside the CIGNA DMA network.

Vision Choices
IBM Vision Plan
The IBM Vision Plan, administered by Anthem Blue View Vision, provides coverage for standard eye exams at 100% coverage if employees use an eye doctor who participates in the network. Or they can go out-of-network to the provider of their choice. With out-of-network care, reimbursement is based on a schedule of benefits.

EyeMed Vision Discount Plan
Employees can enroll in the free vision discount plan, which allows them to save money each time they buy frames, lenses, contact lenses, or other eyewear purchased through specific vision care centers. Employees pay no monthly contributions for the card, but must enroll to receive it. Employees can choose to enroll in the IBM Vision Plan or EyeMed Vision Discount Plan, but not both.

Flexible Spending Accounts
Health Care Spending Account (HCSA)
The HCSA lets employees allocate pre-tax dollars to an account to help pay for eligible health care expenses per IRS regulations. Highlights of the plan are as follows:
- An annual maximum of $2,550 can be set aside for health care expenses. Any unused money set aside during the plan year is forfeited if it is not used.
- These expenses can include deductibles, copayments and other unreimbursed medical, dental, vision and hearing expenses.
- Expenses for eligible family members can also be reimbursed, even if they are not covered under the employee’s benefits.
- Employees who participate in the HCSA and are also enrolled in the IBM PPO, IBM PPO Plus, IBM EPO or certain HMOs will receive a Health Debit Card, a stored value card that will enable them to pay eligible expenses through automatic deduction from their HCSA.

Reminder: You may enroll in either the Health Care Spending Account or the IBM PPO with Health Savings Account, but not both.

Dependent Care Spending Account (DCSA)
The DCSA lets employees allocate pre-tax dollars to an account to help pay for eligible dependent care expenses. Based on federal tax legislation, the plan is an alternative to the tax credit allowed for child and dependent care expenses. Highlights of the plan are as follows:
- Before each plan year, employees can elect to set aside an amount of money based on their estimated dependent care expenses.
- Participation is allowed if employees need dependent care to enable themselves and their spouses to work, or attend school full-time.
- The amount elected is deducted from their paychecks before taxes.
- An annual maximum of $5,000 can be set aside for dependent care. Any unused money set aside is forfeited.

Commuter Benefits Program
The IBM Commuter Benefits Program helps you save money on mass transit and qualified parking expenses on commuting to work by paying for eligible expenses pre-tax. A nationwide program, administered by WageWorks®, that helps you save on public transportation and qualified parking expenses.

You save on commuting costs because your payroll deductions are made pre-tax, before FICA, federal, state, and city income taxes (for most states and cities), up to a monthly amount of $255 for transit and $255 for parking. Any payroll deduction above these limits will be taken on an after-tax basis.
Life and Disability Benefits

Short-Term Disability (STD) Income Plan
IBM’s Short Term Disability (STD) Benefit Plan provides employees with salary continuation for each day they are absent due to illness or injury, up to a maximum of 26 weeks in a period of 12 consecutive months depending on your date of hire and hiring division. You are eligible for this coverage on your first day of employment.

The benefits provided under this plan are offset with any Social Security Disability Income or Workers’ Compensation payments, or both. To receive STD benefits, employees may be asked to provide supporting documentation. In the event employees become totally disabled, they receive maximum benefits under this plan before benefits begin under the Long-Term Disability (LTD) Plan.

Long-Term Disability (LTD) Plan
IBM’s Long-Term Disability (LTD) Plan provides employees with important income protection if they become sick or injured for an extended period of time. The plan offers the following options:

- No coverage
- 50% of pay, employee-paid with before-tax dollars
- 66 2/3% of pay, employee-paid, with before-tax dollars

Coverage is offset with other sources of disability income, such as Social Security Disability Income or Workers’ Compensation, or both. The LTD period begins on the date immediately following the expiration of the STD Income Plan coverage.

Group Life Insurance (GLI)
The IBM Group Life Insurance (GLI) benefit equals one times an employee’s annual salary, up to a maximum of $1 million. The IBM GLI plan includes a feature that allows terminally ill employees to have access to one-half of their benefits (up to $50,000), with the remaining benefit paid to the beneficiary either as a lump sum or in annuity payments. Additionally, a check-writing feature is available to the beneficiary. Although the GLI plan is offered to all IBM employees at no cost, the value of the premiums for coverage above $50,000 is viewed by the IRS as taxable income (referred to as imputed income) and employees are responsible for the associated taxes.

Group Universal Life (GUL) Insurance Program
Employees have the opportunity to apply for term-life coverage for themselves or their eligible family members, or both, under the Group Universal Life (GUL) Insurance Program. Employees enrolled in this program may receive coverage up to eight times their annual salaries. Coverage for a spouse is available up to $200,000 and child rider coverage for $10,000 is available for each eligible child. Optional Accidental Death and Dismemberment (AD&D) coverage, which doubles the basic coverage in the event of accidental death, is available for employees and their spouses. Employees must apply for GUL.

Eligible employees who apply within the first 90 days of hire may receive coverage of two times their annual base pay, not to exceed $750,000, with no medical evidence and coverage of greater than two times annual base pay with simplified evidence of good health. For financial-planning purposes, GUL has a capital accumulation feature that offers an opportunity to earn tax-deferred interest on cash contributions made while insured. Based on age and each $1,000 of life insurance coverage, employees are allowed to deposit cash in the form of an additional premium, which then earns tax-deferred interest. The GUL program is administered and underwritten by The Prudential Insurance Company of America. This program is not endorsed by IBM.

Business Travel Accident Insurance Plan
This program provides insurance benefits if employees are traveling away from their job locations or homes on authorized company business. Eligibility starts with the first day of employment. The plan provides benefits up to five times’ annual compensation ($50,000 minimum) for accidental bodily injuries that result in death, dismemberment or loss of sight, hearing or speech.

Medical Coverage (after you leave IBM)
When you retire or leave from IBM, you’ll want to know how the company helps support your future health care needs. If you are not yet Medicare-eligible, in most cases, when you leave IBM, you will be able to continue your coverage under an IBM-sponsored health benefits plan, at least for some period of time.

Transitional Medical Program (TMP)
The Transitional Medical Program (TMP) is a health care continuation of coverage program available to participants of the IBM plans when eligibility for IBM health care benefits ceases. TMP satisfies the requirements of federal legislation (COBRA), which gives continuation rights to employees and their dependents who lose coverage due to certain qualifying events (for example, termination, divorce, death, loss of dependent eligibility). Under TMP, for a limited time, employees can continue coverage equivalent to that which they had been receiving as an IBM benefits recipient or covered dependent. Employees pay for coverage at 102% of the group rate.

Retiree Medical Coverage
Newly hired employees will have access to post-retirement IBM health care coverage if certain age and service requirements are met. Employees will be eligible for access if they leave IBM at age 55 with at least five years of service, and their age plus service equals 65 (“Rule of 65”).
Those who are eligible for access can continue IBM health care coverage for themselves and eligible dependents by paying full retiree rates. There is no time limit or maximum coverage period; however, election of coverage is a one-time enrollment opportunity. If coverage is not elected within the specified enrollment period immediately following retirement from IBM, employees are considered to have declined access coverage and they waive the right to any future election of coverage.

Medicare
Once retired IBMers, and those on IBM’s MDIP/LTD plans, those on bridge leaves of absence and surviving spouses become eligible for Medicare, you will no longer be eligible for coverage under the IBM Retiree Benefits Plan. Instead, you and any eligible Medicare eligible dependents will need to enroll in Medicare Part A and Part B and obtain your coverage through the Towers Watson OneExchange. OneExchange is a private Medicare exchange that offers individual coverage for medical, prescription drug, dental and vision plans.

Survivor Health Benefit
When an eligible employee dies, coverage for eligible survivors can continue under the Transitional Medical Program (TMP) for up to 36 months from the date coverage ends under IBM, should the survivor elect to enroll in TMP. Coverage and contributions for a surviving spouse and eligible dependents are determined by the plan in effect at the time of the employee’s death, and may be modified thereafter.

Capital Accumulation and Investment
IBM 401(k) Plus Plan
With IBM 401(k) Plus, employees have at least three ways to save: before-tax, after-tax, or through a Roth 401(k) option – or all three. Each option has different advantages for you and different tax consequences. Savings are automatically deducted from your paycheck, and you decide how to invest them.

Save before-tax: Subject to an IRS annual contribution limit that can change each year, you can save up to 80% of your eligible pay before taxes are deducted. When you use this savings feature, IBM matches your savings; plus, you lower your taxable income. You will pay income tax on this savings and any investment growth when you withdraw the money.

Save after-tax: You can also save up to 10% of your eligible pay on an after-tax basis, to provide further flexibility. You do not have to first reach the IRS savings limit to use this option. With this feature, you contribute funds after taxes have been deducted, while any investment growth on those amounts is tax deferred. That means you will not owe taxes on any investment growth until you withdraw the money, when it’s taxed as ordinary income.

Roth 401(k): This feature allows you to save on an after-tax basis now – but any investment growth on your contribution is completely tax-free when you withdraw the money at a later date, assuming certain requirements are met. (Your Roth 401(k) account must be at least five years old when you withdraw it, and you must take the money after you reach age 59½ to qualify for this tax treatment).

Together, the sum of your Roth 401(k) and before-tax 401(k) contributions may not exceed the maximum IRS annual contribution. Key features of IBM 401(k) Plus Plan are:

- Eligible on date of hire
- Automatically enrolled into the before-tax 401(k) at 5% of eligible earnings after approximately one month on payroll, if no action taken
- May increase contribution up to 80% of pre-tax earnings (subject to IRS limits) or may stop participation at any time
- Generally, after one year of service, IBM will:
  - Contribute 1% to employee’s account regardless of their savings levels
  - Match 100% of the first 5% of employee’s Pre-tax or Roth contributions
  - The IBM match will be deposited on Dec. 31 (or the last business day of the year) for employees on active payroll as of Dec. 15.
- Rollovers from former employer’s pre-tax qualified plan are allowed
- Loan provision is available
Key provisions include:

- 33 primary investment options to select from, along with access to approximately 165 brand-name mutual funds through a Mutual Fund Window
- Several distribution methods
- Disability protection insurance (enrollment only during Fall Annual Enrollment Period)
- Account access via NetBenefits.com/ibm

401(k) Plus Plan Investment Options

<table>
<thead>
<tr>
<th>Tier 1: Life Cycle Funds</th>
<th>Target Date: 2055, 2050, 2045, 2040, 2035, 2030, 2025, 2020, 2015, 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Strategy:</td>
<td>Income Plus, Conservative, Moderate, Aggressive</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Tier 2: Core Funds</th>
<th></th>
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<tbody>
<tr>
<td></td>
<td>Interest Income, Inflation-Protected Bond, Total Bond Market, Total Stock Market Index, Total International Stock Market Index, Real Estate Investment Trust Index, International Real Estate Index, High Yield &amp; Emerging Market Bond</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Tier 3: Expanded Choice Funds</th>
<th>Long-Term Corporate Bond Fund, Large Company Index, Large-Cap Value Index, Large-Cap Growth Index, Small/Mid-Cap Stock Index, Small-Cap Value Index, Small-Cap Growth Index, European Stock Index, Pacific Stock Index, IBM Stock, Emerging Markets Stock Index</th>
</tr>
</thead>
</table>

| Tier 4: Mutual Fund Window | – 6 Families, about 165 funds |

Please read the IBM 401(k) Plus Plan Summary Plan Description and the Summary of Material Modifications, as applicable for more information.

Employees Stock Purchase Plan (ESPP)

The IBM Employee Stock Purchase Plan (ESPP) provides eligible employees with opportunity to purchase IBM stock at a 5% discount off of the market price on the date the shares are purchased. Employees may elect to purchase up to 10% of their eligible compensation, up to certain plan and regulatory limits, for the purchase of IBM stock through payroll deductions.

As a general rule, individuals who are active employees of IBM or any of its eligible subsidiaries will be eligible to participate at the beginning of the offering period following their date of hire. Dates of offering are normally January 1 and July 1. More details on the plan can be found in the plan prospectus, which employees can access on the IBM intranet @ w3.ibm.com/hr/global/espp once you have access to IBM Systems.

Time Off

Holiday Plan

IBM provides 12 holidays each year; six days are observed nationally:

- New Year’s Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

The other six holidays vary by location based on operating requirements or local custom. At least one of these days is considered a Personal Choice Holiday.

Vacation Plan

IBM offers a competitive vacation plan to all regular full-time employees and regular IBM employees who work alternative work schedules. The Vacation Plan is based on years of service. Scheduling is based on business and personal preference. Employees can take vacation any time during the year in weeks, days or half-days. For most employees:

<table>
<thead>
<tr>
<th>IBM service</th>
<th>Weeks of vacation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10 years</td>
<td>3</td>
</tr>
<tr>
<td>10 or more years</td>
<td>4</td>
</tr>
</tbody>
</table>

Most employees in the year of hire will earn vacation based on the number of full months worked during the year.

<table>
<thead>
<tr>
<th>Full Months Worked</th>
<th>Number of Days Earned (0-9 yrs of service)</th>
<th>Number of Days Earned (10+ yrs of service)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>15.0</td>
<td>20.0</td>
</tr>
<tr>
<td>11</td>
<td>14.0</td>
<td>18.5</td>
</tr>
<tr>
<td>10</td>
<td>12.5</td>
<td>16.5</td>
</tr>
<tr>
<td>9</td>
<td>11.5</td>
<td>15.0</td>
</tr>
<tr>
<td>8</td>
<td>10.0</td>
<td>13.5</td>
</tr>
<tr>
<td>7</td>
<td>8.5</td>
<td>11.5</td>
</tr>
<tr>
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<tr>
<td>5</td>
<td>6.5</td>
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</tr>
<tr>
<td>4</td>
<td>5.0</td>
<td>6.5</td>
</tr>
<tr>
<td>3</td>
<td>4.0</td>
<td>5.0</td>
</tr>
<tr>
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</tr>
<tr>
<td>1</td>
<td>1.0</td>
<td>1.5</td>
</tr>
</tbody>
</table>

For additional plan details and to determine how much vacation you are eligible to accrue, please read the About Your Benefits: Work & Personal Life Integration and Supplement documents.
Personal Time Off
IBM understands that there will be circumstances that will require time off from work for personal reasons other than illness or injury. If the absence is to be a short one, your manager may arrange for you to take time off with or without pay, depending on the circumstances. If you need to be away for longer than ten days on personal matters, you should apply for a personal leave of absence without pay. Such leaves may be granted according to need and business circumstance.

IBM Leaves of Absence Program (LOA)
The IBM Leaves of Absence (LOA) Program provides employees unpaid time away from work for an extended period. Employees can request an LOA for a variety of circumstances such as dependent care or continuing education. Eligibility for voluntary LOAs (for example, personal leaves, Peace Corps leaves or continuing education) is based on business needs and satisfactory job performance. Voluntary LOAs are granted based on management approval.

In some situations, time off is required by law, such as military leave or Family and Medical Leave Act time off. While they are participating in the LOA Program, in most cases, employees will be eligible for similar benefit plans and programs as other regular employees. The cost for coverage will remain the same unless changes are made to existing coverage.

IBM Parental Bonding Leave
IBM's paid Parental Bonding Leave helps you bond in the important weeks after you bring your child home. All parents (mothers, fathers or adoptive parents, including domestic partner parents) of a newborn or newly adopted child are eligible for 6 weeks of paid parental bonding leave within 12 months of the child's birth or adoption. At manager discretion, paid parental bonding leave can be flexible and intermittent.

Family and Personal Services
IBM has demonstrated a long history of commitment to developing and enhancing programs to help employees better manage their work, family, and personal responsibilities and achieve enhanced productivity. Our global programs offer innovative solutions to address workload, dependent care, collaboration, and connecting with our clients - both inside and outside of IBM.

Thomas J. Watson Memorial Scholarship
The Thomas J. Watson Memorial Scholarship Program is a program that recognizes academic excellence among high school students planning to pursue a traditional baccalaureate degree at an accredited four-year college, university or military academy in the United States.

International Scholarship & Tuition Services selects winners based on their SAT scores, demonstrated leadership, and junior year academic performance. Financial need is not a factor in determining winners. Once winners have been selected, the amount given to each takes into account the cost of the institution and financial need. Awards for colleges or universities range from $2,000 to $8,000 per year. The amount for military academies is fixed as a one-time award of $2,000.

Your child may be eligible to submit an application if you are:

- A regular full-time or regular part-time employee in the U.S., its territories or Puerto Rico
- On international assignment (but scholarships are awarded only to U.S.-based institutions)
- On approved leave of absence (but scholarships are awarded only to U.S.-based institutions)
- Receiving regular benefits under the IBM Long-Term Disability Plan

Surviving dependents of deceased employees are also eligible as long as the children continue to be eligible for IBM health benefits coverage. Certain other children may be eligible if they meet specific criteria; call the Employee Services Center for details.
LifeWorks
To help employees balance personal and professional responsibilities, IBM offers LifeWorks, a free resource and referral program to help employees organize time, find child care, plan an adoption, plan budgets, adjust to changes at work, and obtain elder care referral services and more.

Adoption and Surrogacy Assistance Plan
The Adoption and Surrogacy Assistance Plan provides some financial assistance toward expenses incurred in the adoption of minor children, including surrogate arrangements. The plan covers 100% of eligible expenses up to $5,000 per family for each adoption, with no limit on the number of adoptions. Eligible expenses include:

- Application fees
- Adoption or surrogacy agency fees
- Placement fees
- Lawyer’s fees and other required legal fees

Special Care for Children Assistance Plan (SCCAP)
The Special Care for Children Assistance Plan (SCCAP) provides financial assistance outside the scope of the medical and dental plans for the care of a child with a mental or physical disability, or both, or a child with a developmental or learning disorder. Each case is individually reviewed to determine eligibility for assistance.

Upon approval, reimbursement is provided for a portion of the eligible charges incurred, up to a lifetime maximum of $50,000 per child or until the child attains the age of 26, or until the child is no longer eligible under the IBM Medical and Dental Benefits Plans, whichever comes first. The following types of treatment and services may be eligible for coverage under SCCAP:

- Special education facilities
- Independent practitioners and services
- Academic remediation
- Evaluation and testing
- Special devices

College Coach Program
IBM knows that educating your child can be a very stressful and time-consuming task for you and your whole family. We are pleased to continue our partnership with College Coach, an organization with an expertise in assisting families through important educational challenges, including selecting and applying to college. This benefit is available free of charge to all IBM employees and their families. The program is comprised of the following services: live and on demand training workshops, personalized counseling sessions and an Education Help Desk.

College Coach experts provide interested employees with personalized assistance that is customized to the needs and grade of the child.

Global Work/Life Fund (GWLF)
The Global Work/Life Fund (GWLF) is a multi-year, $50 million fund designed to address strategic work/life challenges for IBM employees worldwide, focusing on dependent care. IBM created the Global Work/Life Fund to develop and support child care and elder care programs benefitting working families. The first of its kind to address this issue worldwide, the IBM Global Work/Life Fund:

- Increases the supply of services in communities where IBMers live and work.
- Creates global initiatives to improve the quality of dependent care.
- Supports the development of new and innovative child care programs.
- Invests in more than 300 child care centers throughout the world where IBMers receive priority.

IBM considers dependent care serious business and views the fund as an investment in the future of its employees.

IBM MoneySmart
IBM MoneySmart is a comprehensive program providing financial education and planning for U.S. employees. The program includes one-on-one phone counseling with MoneySmart coaches – credentialed financial representatives who are specially trained in IBM programs and benefits.

IBM has partnered with two leading financial firms - The Ayco Company, L.P., a Goldman Sachs Company, and Fidelity Investments – to help employees with financial decision-making on a range of issues, including retirement and estate planning, debt management, college savings, tax strategies and others.

SoFi Student Loan Refinancing
SoFi’s refinancing loans let you combine existing private and federal loans into one loan, with one monthly payment at lower rates. Refinancing is available to IBMers, their spouses or domestic partners, children, grandchildren and other family members and friends at a 0.25% discount.

Expressly Service for Traveling Mothers
IBM supports working mothers’ personal choice to nurse their baby. A recent addition to our family friendly programs includes a breast milk delivery program for nursing mothers returning to work who are away from home on business. Mothers are able to express milk and ship it refrigerated back home overnight to their baby – and IBM covers the cost.
Other IBM Benefit Programs

Employee Referral Bonus Program
The IBM Employee Referral Bonus Program gives employees the opportunity to refer friends, family, and colleagues to eligible openings, with the potential to earn up to $7,500 for every successful referral who is hired by IBM.

IBM Club
IBM also has clubs set up at various locations. These clubs organize recreational leagues, IBM-sponsored trips, and a variety of classes and programs for employees and retirees, as well as their families. The IBM Club also makes available discounts to entertainment, leisure and recreational venues and events.

Discounts for IBMers
Discounts for IBMers is your single destination for all discounts on products, services and programs available to employees from IBM's clients, partners and vendors. IBMers in the U.S. can take advantage of these discounts to save money on products and services you use every day.

The site is maintained by BenePlace, Inc. and also provides access to offerings from more than 80 clients, partners and vendors, including:

- Employee Purchase Program
- Home Finance Programs
- Automobile Purchase Plans
- Auto and Homeowners Insurance
- Travel Offers
- Tax Preparation
- Consumer Electronics

Employee Purchase Program
The IBM Employee Purchase Program offers employees selected IBM personal computer hardware and software products at significantly less than suggested retail prices.

Career Development Programs
IBM and its employees focus on developing top talent and the development of industry leading skills. IBM believes in career growth and flexibility. IBM work/life integration programs make sure you have time to care for your family and enjoy hobbies while still meeting the challenging demands of your clients and as your life needs change, we will work with you to adjust your career path to match your lifestyle. The bottom line: Changing careers does not have to mean changing employers.

The expertise of our workforce is equally critical to our success as the effectiveness of our technology. We invest more than $750 million annually to help make sure that our employees have leading-edge skills and ongoing development opportunities.

Academic Learning Assistance Program (ALAP)
IBM’s Academic Learning Assistance Program (ALAP) is intended to meet identified business needs by paying educational expenses for employees at universities and colleges. Participation is limited and selective and requires prior management approval.

IBM offers the following specialized learning plans:

- **Individual Course Plan (ICP)** - reimbursement for tuition and some fees (job and career-related, not part of degree program, for academic credit).
- **Degree Work Study Plan (DWSP)** - pays expenses for undergrad or grad degree.
- **Special Studies Plan** - full-time on-campus study for PhD programs.

Talent@IBM
IBMers can take advantage of Talent@IBM, an online learning hub that offers course descriptions, curricula, schedules, and enrollment for thousands of online and classroom courses. This site also provides access to IBM Global Campus, an extensive library of classroom and e-learning courses that will help you build your skills.

THINK40
In 2014 Ginni Rometty requested IBMers self-initiate a minimum of 40 hours of professional development every year to continuously build the skills our clients value most. The goal of "THINK40" is to encourage the building of expertise among all IBMers – as our clients consider the deep expertise of IBMers to be of equal value to the quality of our products and services.

IBM Corporate Citizenship & Corporate Affairs
IBM takes great pride as a leader in corporate citizenship, which has been an integral part of the company’s heritage since its founding. Through the years, IBMers, recognizing their responsibility to their communities, have given generously through contributions and/or volunteer service to help improve the quality of life for others.

IBM has developed a thoughtful, comprehensive approach to corporate citizenship that we believe aligns with IBM’s values and maximizes the impact we can make as a global enterprise. We focus on specific societal issues, including the environment, community economic development, education, health, literacy, language and culture.

IBM recognizes and encourages the involvement of IBM employees and retirees who generously volunteer their time and talents in their local communities. We provide resources to employees and retirees to engage with community organizations and expand the value of their volunteer efforts.
Corporate Service Corps
The Corporate Service Corps provides IBMers with high quality leadership development while delivering high quality problem solving for communities and organizations in emerging markets. The program empowers IBM employees as global citizens by sending groups of 10 - 15 individuals from different countries with a range of skills to an emerging market for four week community-based assignments.

During the assignment, participants perform community-driven economic development projects, working at the intersection of business, technology, and society. This program increases IBM’s understanding and appreciation of growth markets while creating global leaders who are culturally aware and possess advanced teaching skills. The Corporate Service Corps offers a triple benefit: leadership development for IBMers, leadership training and development for communities, and greater knowledge and enhanced reputation in growth markets for IBM.

Since its launch in 2008, the program has sent more than 2,500 participants from 60 countries on over 200 teams to 37 countries around the world.

On Demand Community
On Demand Community supports the volunteer efforts of IBM employees and retirees by helping them find opportunities to serve, and by equipping them with resources to apply their professional skills to volunteer service. Nearly 250,000 registered participants have collectively donated over 16 million hours in the program’s first 10 years, to schools and not-for-profit organizations worldwide.

IBM Community Grants
Through the On Demand Community program, IBM makes financial grants to specific projects of eligible community organizations and schools, provided an employee or retiree is actively involved on a continuing basis as outlined in the guidelines. This program is part of the On Demand Community initiative, and before volunteers can be recognized for their effort, they are first required to register on the On Demand Community website.

You can read more about the eligibility details, award information, and find the name of your local Community Grants contact by visiting the On Demand Community site.

IBM Matching Grants Program
The Matching Grants Program (for colleges, universities, pre-k/k-12 schools, hospitals, hospices, nursing homes, cultural institutions and environmental institutions) is a program through which eligible IBM employees and retirees may contribute dollars to eligible institutions and have IBM match contributions. The eligible institutions may then select Matching Grants in dollars or equipment credits.

IBM will match eligible contributions of up to $5,000 per institution per donor, to a total of $10,000 in gifts per donor for the calendar year. Employees may designate that their own eligible gift be used for a specific purpose at an eligible institution. IBM’s Matching Grants are unrestricted as to how institutions use the funds.

Employee Charitable Contribution Campaign
The Employee Charitable Contribution Campaign (ECCC) offers employees the opportunity to contribute to the communities where they live and work and participate in improving the lives of others. Since 1978, IBM employees have contributed over $1 billion through the ECCC to improve the lives of those in need.

The ECCC is an annual nationwide program administered by IBM, open to regular (full-time and part-time) and supplemental U.S. employees, as well as U.S. retirees. Employee contributions to bona fide not-for-profit IRS 501(c)(3) agencies can be made through payroll deduction, personal check or stock through the IBM e-pledge application to charities on the ECCC List. Gifts may also be directed to other bona fide not-for-profit IRS 501(c)(3) agencies (not on the ECCC List) through the National Donor Choice Option. All pledges are distributed directly from IBM Payroll to the agencies selected by employees with no fee. Retiree pledges are distributed by Fidelity directly to the agencies with no fee.

Important Legal Information
This document is intended to provide highlights of certain benefit plans in which you may be eligible to participate. Complete details are found in the official plan documents, which are the complete and exclusive statement of the Company’s obligations under the plan. The official plan documents shall govern in the event of a conflict between information contained in these or other documents and statements. The plan administrator retains exclusive authority and discretion to interpret the terms of the benefit plans and programs described herein.

The Company reserves the right, in its sole discretion, to amend, change, suspend or terminate any benefit or other plan, program, practice or policy of the company at any time. The Company does not have any obligation to, and nothing contained in this document shall be construed as creating an express or implied obligation or promise on the part of the Company to, maintain, continue to offer, or make available such plans, programs, practices or policies.

Eligibility to participate in a plan or program or receipt of benefits does not constitute a promise or right of continued employment or render any person an employee of IBM.