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# NYU SEVERANCE PLAN SUMMARY PLAN DESCRIPTION

for  
**Administrative and Professional Staff in Code 100 and  
Professional Research Staff in Code 103**

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## Overview

This booklet is an overview and a Summary Plan Description (SPD) of the NYU Severance Plan for employees classified as Professional Research Staff (Code 103), and Administrative and Professional Staff (Code 100).

The NYU Severance Plan provides severance benefits in the event of involuntary layoff initiated by NYU.

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The NYU Severance Plan also covers the following classes of employees: Laboratory and Technical Staff (Codes 104 and 114), Office and Clerical Staff (Codes 106 and 116), Service and Maintenance Staff, Security Officers, and Sergeant Guards (Codes 107 and 117)

For plan information with respect to any of these classes, please see the appropriate separate Summary Plan Description.



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*Although this booklet contains a summary of the Severance Plan, complete information can be found in the plan document. If there is any conflict between this booklet and the plan document, the document will govern. If you need more information, please contact the NYU Benefits Office at (212) 998-1270 or via e-mail at [benefits@nyu.edu](mailto:benefits@nyu.edu).*

*The Plan described in this booklet is a benefit plan of NYU. These benefits are not insured and will be paid from NYU's general assets.*

## **Eligibility**

You are eligible to participate in the NYU Severance Plan if you are a member of the full-time Professional Research Staff (Code 103) or Administrative and Professional Staff (Code 100) and you are not employed at the New York University School of Medicine.

## **Participation**

If eligible, you will be considered a “participant” in the Severance Plan on the first day following the date you have completed either (a) 12 consecutive months of full-time employment with NYU (for Administrative and Professional Staff) or (b) 36 consecutive months of full-time employment with NYU (for Professional Research Staff), whichever is applicable.

## **When Your Participation Ends**

Participation under the NYU Severance Plan ends at the earliest to occur of the following events:

- the day this plan ends;
- the date you no longer meet the eligibility requirements for the plan; or
- the date you incur a Separation From Service which is not due to a Layoff.

## **Separation From Service Not Considered a Layoff**

The following conditions are considered separations from service which are not due to Layoff:

- death;
- voluntary resignation;
- discharge (with or without cause);
- disability; or
- retirement.

## **Layoff**

A Layoff is an involuntary termination of employment initiated by NYU following its determination that your job or job category is no longer necessary and/or is to be abolished, or if your involuntary termination of employment is initiated by NYU on account of a lack of work. Notwithstanding the foregoing, the term "Layoff" shall not include an involuntary termination of employment of a member of the professional research staff (Code 103) which occurs at the end of the employment period cited in the staff member's appointment letter.

## **Severance Benefits**

In the event you are a Participant in the Plan and you incur a Layoff, you will be entitled to receive a severance benefit under the Severance Plan, which will be payable as a single, lump sum.

## **Amount of Severance Benefit Available Under the Plan**

The severance benefit available under the Severance Plan is one full week of pay for each full year of service with NYU up to and including the first ten years of service and, for all completed years of service beyond ten, two full weeks of pay per completed year of service.

## **Weekly Pay**

One week of pay is the actual weekly salary paid to a participant at the rate of weekly pay in effect immediately prior to the participant's Layoff. Weekly pay does not include any employer contributions to a Section 403(b) tax deferred annuity plan sponsored by NYU.

## **Your Right to Appeal a Denied Claim**

If you believe you are being denied any rights or benefits under the Plan, you may file a claim in writing with the Plan Administrator. If any such claim is wholly or partially denied, the Plan Administrator will notify you of its decision in writing within 90 days of the date you filed your claim (or within 180 days, if special circumstances require an extension of time for processing the claim, and if written notice of such extension and circumstances is given to you within the initial 90 day period). This notification will include the reasons for denial, the plan provisions on which the denial was based, and if needed, a request for further information. Also included will be additional information you may need if you choose to submit an appeal and an explanation of the claim procedure. If such notification is not given within such period, the claim will be considered denied as of the last day of such period and such person may request a review of his or her claim.

If you or your beneficiary wish to contest the denial, you (or your legal representative) may request a review of the decision in writing within 60 days of the date you received the denial. Your appeal should include a description of the benefits you're claiming and the reasons for your claim. Also, supporting documents and records should accompany your appeal. You should send your appeal to the Plan Administrator.

The Plan Administrator will notify you of its decision in writing within 60 days after your request for review is received by the Plan Administrator (or within 120 days, if special circumstances require an extension of time for processing the request, such as an election by the Plan Administrator to hold a hearing, and if written notice of such extension and circumstances is given to you within the initial 60 day period). If the decision on review is not made within such period, the claim will be considered denied. Any action or decision made in the appeal process is final.

## **Your Rights Under ERISA**

As a participant in the NYU Severance Plan (Plan number 509) you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA).

### **Receive Information About Your Plan and Benefits**

ERISA, provides that all plan participants shall be entitled to:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available in the Public Disclosure Room of the Pension and Welfare benefit Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

## Enforce Your Rights

If your claim for a welfare 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 above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a 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 control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. 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 may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U. S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay 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 any questions about your plan, you should contact the Plan Administrator. 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, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

## Administrative Information

This section provides you with some administrative information that's important for you to know. This information is provided to you by the Plan Administrator of the NYU Severance Plan to meet the requirements of the Employee Retirement Income Security Act of 1974. It does not constitute a part of the Plan. All inquiries relating to the following material should be referred directly to the NYU Benefits Office.

**Plan Name:** New York University Severance Plan

**Plan Number:** 509

**Plan Sponsor:** New York University Benefits Office  
7 East 12<sup>th</sup> Street, 2<sup>nd</sup> Floor  
New York, NY 10003

**Employee Identification Number:** 13-5562308

**Plan Administrator:** New York University Benefits Office  
7 East 12<sup>th</sup> Street, 2<sup>nd</sup> Floor  
New York, NY 10003  
(212) 998-1270  
benefits@nyu.edu

The administration of the Plan shall be under the supervision of the Plan Administrator. To the fullest extent permitted by law, the Plan Administrator shall have the discretion to determine all matters relating to eligibility, coverage and benefits under the Plan, and the Plan Administrator shall have the discretion to determine all matters relating to the interpretation and operation of the Plan. Any determination by the Plan Administrator, or any authorized delegate, shall be final and binding, in the absence of clear and convincing evidence that the Plan Administrator or delegate acted arbitrarily and capriciously.

**Type of Plan:** Severance Pay Plan

**Agent for Service of Legal Process**

If, for any reason, you wish to seek legal action, you may serve legal process on the Plan Sponsor, the Plan Administrator or to the Agent for Service of Legal Process at the following address:

Office of Legal Counsel  
New York University  
Elmer Holmes Bobst Library, 11<sup>th</sup> Floor  
70 Washington Square South  
New York, New York 10012

**Plan Year:** January 1 – December 31

**Amendment and Termination of the Plan**

The Plan Sponsor has established the plan with the bona fide intention and expectation that it will be continued indefinitely, but the Plan Sponsor shall not have any obligation whatsoever to maintain the plan for any given length of time, and the Plan Sponsor may at any time amend or terminate the plan, in whole or in part, with respect to any or all of its participants and/or beneficiaries. Any such amendment or termination shall be effected by a written instrument signed by an officer of the Plan Sponsor, or his or her authorized delegate. No vested rights of any nature are provided under the plan.

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***This document describes the main features of the NYU Severance Plan. Additional provisions are described elsewhere in the plan documents. If you have any questions about the terms of the plan or about the proper payment of benefits, you may obtain more information from the NYU Benefits Office.***

*The issue date of this booklet is Winter 2001*