

SYNOPSIS Domestic Partnership Coverage Information & Affidavit

Who is Eligible for Domestic Partner Coverage?

Regular employees, at least 18 years of age, working 20 or more hours per week may enroll their qualified domestic partners of the same or opposite sex and their eligible children (dependent's of the qualified domestic partner).

Note: An Affidavit of Domestic Partnership must be completed and submitted to the Benefits department when initial enrollment takes place, unless you have filed Domestic Partner registration with the Secretary of State for California and received a Domestic Partner Certificate from the state (or other states, where applicable).

What is the Definition of a Domestic Partner?

To be considered a "qualified domestic partner," your partner must meet all of the following criteria. They must be:

- a) Someone of the same sex or opposite sex that you have lived with in a committed, exclusive relationship for the past twelve (12) months immediately prior to certifying Domestic Partnership and someone you intend to continue a relationship with indefinitely;
- b) Someone that is: (i) unmarried, (ii) your sole domestic partner and not a member of another domestic partnership, (iii) at least 18 years of age, (iv) capable of entering into a contract, and (v) not related by blood to a degree of closeness which would prohibit legal marriage in the state in which you legally reside.
- c) Someone you share the same principal place of residence with and intend to do so indefinitely; and
- d) Someone who jointly shares in the cost of basic living expenses (e.g. the cost of basic food, shelter and medical expenses) with you.

What the benefits options for qualified domestic partners?

Medical, dental, vision, employee assistance plan and supplemental life insurance ("group health plans") are available to qualified domestic partners and their eligible child(ren).

Because the government does not recognize domestic partners as "tax qualified dependents" the following benefits are not available:

- ❑ The premium contributions for the domestic partner and their children cannot be withheld from an employee's pay on a pre-tax basis under the Welfare Plan. If an employee is covering a tax qualified dependent child and a domestic partner, the portion of the contribution that applies only to the employee and the tax qualified dependent child will be withheld on a pre-tax basis.
- ❑ Expenses for domestic partners and their children are not eligible for reimbursement through the Flexible Spending Account (FSA) plans which include the Health Care Reimbursement Account Plan and/or the Dependent Care Reimbursement Account Plan.

- Domestic Partners and their children are not eligible independently for continuation of their health coverage through COBRA. [However, if the employee experiences a qualifying event, the Domestic Partner and their children may be able to obtain coverage.]

When can I sign up for domestic partner benefits?

During our annual open enrollment period in the Fall (for an effective date of January 1st) or within 31 days of meeting the eligibility criteria as outlined under the “What is the Definition of a Domestic Partner?” above.

Under the group health plans, if you do not enroll your domestic partner and/or your domestic partner's children within 31 days of when they are first eligible, you may not add them until the next annual open enrollment period.

How Do I Enroll A Domestic Partner and or Their Child(ren)?

- If you choose to enroll a domestic partner and/or your domestic partner's child(ren), you and your domestic partner must complete an affidavit called an "Affidavit of Domestic Partnership". Whether or not you received a Domestic Partner Certificate from a state, Synopsys requires the completion of an Affidavit to certify that the person you want to enroll meets the definition of a qualified domestic partner. We do not intend to ask for any further documentation; however, we reserve the right to request documentation of eligibility for any dependents enrolled in the Synopsys program.
- An Affidavit of Domestic Partnership is at the end of this document for your convenience. Both the employee and domestic partner must complete this form. Coverage will not go into affect until this document has been executed. Be sure to read the document very carefully before signing the form.
- Within 31 days of eligibility you will also need to enroll your domestic partner and/or your domestic partner's child(ren) in our health plans (medical, dental, vision and EAP) and optional supplemental life by going to our enrollment web site and adding them to your coverage: benefits.synopsys.com. If you do not enroll your domestic partner and/or your domestic partner's child(ren) in our health plans, within 31 days of eligibility, under the group health plans, you may not add them until the next annual open enrollment period.

Reporting the Premium Cost of Domestic Partner Coverage on an Employees W-2

Because generally, domestic partners are not recognized as "tax qualified dependents" under the Internal Revenue Code (IRC) for purposes of income tax reporting, companies that provide such benefits must report the value or imputed income of those benefits on an employee's W-2 *less* any after-tax contribution an employee makes for domestic partner coverage. Each pay period, the employee is charged for the taxes due on the premium cost or imputed income, but is not charged the full premium.

You can get the imputed income amounts by emailing benefits@synopsys.com.

Employee Contributions for Domestic Partner Health Coverage

Synopsys will charge employees the same per pay period rate to cover a qualified domestic partner and/or the children of a qualified domestic partner as the company charges employees to cover their eligible spouses and children. The costs vary based on the medical plan you are enrolled in. Please visit the Synopsys Benefits website, benefits.synopsys.com, for the contribution rates.

Please Note: Because the federal government generally does not recognize domestic partners as tax qualified dependents, the premium contributions for the domestic partner and their children cannot be withheld from an employee's pay on a pre-tax basis under the Welfare Plan. If an employee is covering a tax qualified dependent child and a domestic partner, the portion of the contribution that applies only to the employee and the tax qualified dependent child will be withheld on a pre-tax basis.

What To Do if Your Domestic Partnership Ends

If your domestic partnership ends, you must notify Synopsys in writing within 31 days of the date of the event by filing a "Statement of Termination of Domestic Partnership" form. Please note that domestic partners and their children are not eligible independently for continuation of health coverage under federal COBRA legislation.

Questions?

Please email benefits@synopsys.com or call the Synopsys Employee Service Center (ESC) at 1-650-584-7411 or extension 47411.

Affidavit of Domestic Partnership

Employee's Name: _____

Domestic Partner's Name: _____ Date of Birth _____

We, the undersigned, hereby affirm and agree to the following:

1. We are Domestic Partners, beginning _____(date) and are eligible for health coverage under the Synopsys benefits program as defined by the following criteria:
 - (a) We have lived in a committed, exclusive relationship for the past twelve (12) months immediately prior to certifying Domestic Partnership and intend to continue our relationship indefinitely;
 - (b) We are:
 - i. unmarried,
 - ii. each other's sole domestic partner and not a member of any other domestic partnership,
 - iii. at least 18 years of age,
 - iv. capable of entering into a contract, and
 - v. not related by blood to a degree of closeness which would prohibit legal marriage in the state in which we legally reside;
 - (c) We share the same principal place of residence with each other and intend to do so indefinitely; and
 - (d) We are jointly responsible to each other for basic living expenses (e.g. the cost of basic food, shelter and medical expenses).
2. We agree to notify the Synopsys Benefits Department if there is any change in our status as Domestic Partners as attested to in this Affidavit which would make us no longer eligible for Synopsys benefits coverage. We agree to notify Synopsys in writing within thirty-one (31) days of such change by filing a Statement of Termination of Domestic Partnership.
3. After such termination of coverage, I, _____, understand
(Employee's Name - please print)

that a subsequent Affidavit of Domestic Partnership cannot be filed until twelve (12) months has passed from the date of termination of domestic partner benefits.

The twelve (12) month waiting period will be waived only if another Affidavit is filed for the same Non-Employee Domestic Partner within thirty-one (31) days following the date coverage for that Non-Employee Domestic Partner terminated.

Affidavit of Domestic Partnership Continued

- 4. Each of us understands that if the Non-Employee Domestic Partner and his/her covered dependents loses coverage, they will have no rights under applicable state or federal law (e.g. COBRA) to continuation coverage or conversion coverage.
- 5. We understand and agree that the Employee Domestic Partner may make health plan elections on behalf of the Non-Employee Domestic Partner.
- 6. We understand that under applicable state and federal income tax law, payments for health coverage of the Non-Employee Domestic Partner could result in additional imputed taxable income to the Employee Domestic Partner, with possible withholding for payroll taxes on such amounts.
- 7. We understand that any person, employer or company who suffers any loss due to any false statement contained in this Affidavit may bring civil action against us to recover their losses, including but not limited to, reasonable attorney's fees and court costs.
- 8. We have provided the information in this Affidavit for use by the Synopsys Benefits Department for the sole purpose of determining our eligibility for domestic partner benefits.

Please be advised that some courts have recognized non-marriage relationships as the equivalent of marriage for the purpose of establishing and dividing community property. This document could be subject to subpoena for this purpose.

We declare the statements above to be true and correct. We have read and understand the terms and conditions for Domestic Partner eligibility in the Synopsys health plans. It is understood and agreed that any misrepresentation of fact can result in loss of coverage and liability for incurred insurance expenses.

Employee Signature

Non-Employee Domestic Partner's Signature

Print Name

Print Name

Date Signed

Date Signed

Please keep a copy for your files and return the original signed Affidavit to Benefits, Mail Stop US02.8.1

Statement of Termination of Domestic Partnership

Employee's Name: _____

Domestic Partner's Name: _____

Date of Birth: _____

I am/We are:

- advising Synopsys of the termination of our Domestic Partnership as defined in the Affidavit of Domestic Partnership previously signed by the individuals named above. The termination of our partnership was effective _____ (the Effective Date).
(Enter date of termination)
- aware that on the last day of the month after the Effective Date listed above on this Statement of Termination of Domestic Partnership, neither the former Domestic Partner nor their dependents will be eligible for any benefits under the Synopsys benefits program.
- aware that neither the former Domestic Partner nor their dependents will be eligible to continue their coverage under COBRA.
- aware of the requirement that the employee will not be eligible to cover another Domestic Partner under the Synopsys health plans for twelve (12) months following the date of termination of our domestic partnership; and
- responsible for providing a copy of this form to my ex-partner if he/she has not signed below.

Employee Signature

Non-Employee Domestic Partner's Signature

Print Name

Print Name

Date Signed

Date Signed

Please keep a copy for your files and return the original signed Affidavit to Benefits, Mail Stop US02.8.1.