

Additional Benefits

In addition to the healthcare, flexible spending account and retirement benefits described elsewhere in this Benefits Summary, Stryker offers the following additional benefits to eligible employees:

- Adoption Assistance Plan
- Employee Assistance Program

Adoption Assistance Plan

Stryker's Adoption Assistance Plan reimburses you for legal fees and certain other costs associated with adopting a child.

How Adoption Assistance Benefits Work

The plan reimburses you—up to \$5,000 per adoption—for necessary fees and expenses related to the legal adoption of an eligible child. The plan defines an eligible child as an individual who is either:

- A child under the age of 18
- Any disabled person who is unable to care for himself/herself due to a physical or mental disability

Eligibility

You are eligible for adoption assistance benefits on your date of hire if you are a full-time employee regularly scheduled to work at least 40 hours each week, or you are a part-time employee regularly scheduled to work at least 20 hours each week.

Eligible Expenses

Eligible expenses include:

- Court costs
- Attorney fees
- Adoption agency fees
- Charges for immigration services, including immunizations and translation fees

Important to Remember

If you are married to another Stryker employee and are seeking to adopt a child, the two of you are subject to the same dollar and lifetime maximum benefits as an individual employee.

Eligible expenses must meet all of the following requirements:

- They are directly related to your legal adoption of an eligible child.
- They are incurred after you become eligible for adoption assistance benefits.
- They are filed while you are employed by the Company.

Benefit Maximums

The maximum plan reimbursement is \$5,000 per adoption. The plan pays benefits for up to two adoptions per employee per lifetime. If you are attempting two adoptions at the same time, you must provide adequate documentation of both adoption attempts in order to qualify for benefits in excess of \$5,000. If you are married to another Stryker employee and are seeking to adopt a child, the two of you are subject to the same dollar and lifetime maximum benefits as an individual employee.

Special Tax Treatment

All amounts paid by the Adoption Assistance Plan are subject to Social Security and Medicare taxes (FICA) as well as federal unemployment tax (FUTA). Federal and state income taxes are also withheld from adoption assistance benefit payments.

Under current tax law, adoption assistance benefits may qualify for federal income tax exclusion in certain circumstances. Generally, these benefits are not subject to income taxes if your family's adjusted gross income (the amount of income you pay taxes on after you have claimed exemptions) does not exceed certain amounts. For 2012, if your total family adjusted gross income is between \$189,710 and \$229,710, a portion of the adoption assistance benefits is taxable as income. If your total family adjusted gross income exceeds \$229,710, all benefits paid by the Adoption Assistance Plan are subject to income taxes. These amounts are adjusted for inflation each year. If you qualify for the income tax exclusion, you will take advantage of it when you file your income tax return.

If you incur adoption expenses in excess of \$5,000, and your total family adjusted gross income is less than \$229,710, you may also claim an adoption tax credit on your federal income tax return with respect to expenses that were not reimbursed by the Adoption Assistance Plan. You should consult a tax advisor.

Expenses Not Covered

The Adoption Assistance Plan does not provide reimbursement for the following:

- Expenses related to a surrogate parenting arrangement
- Expenses incurred in violation of a federal or state law
- Expenses that have been reimbursed through another plan or any state, local or federal program
- Expenses incurred in connection with travel
- Expenses incurred in connection with the adoption of your spouse's child
- Expenses incurred and/or filed for reimbursement before you were eligible for adoption assistance benefits
- Expenses incurred and/or filed for reimbursement after your employment terminates
- Expenses that you claim as a credit or deduction on your federal income tax

Claim forms for adoption assistance benefits are available from your Benefits Representative or the Benefits Service Center.

How to Obtain Adoption Assistance Benefits

During the adoption process, be sure to keep itemized receipts for all of the expenses you incur. File your claim only after the adoption is final and you have incurred all of your expenses. Complete a claim form, attach all of the itemized receipts and submit the claim to your Benefits Representative or the Benefits Service Center.

Your claim must be submitted before December 1 of the year following the year in which adoption expenses were incurred. For example, you have until December 1, 2013 to file a claim for expenses incurred at any time in 2012.

In most cases, your claim will be paid within 60 days or less. The total approved reimbursement amount will be added to your paycheck, less applicable FICA, FUTA and income taxes.

Employee Assistance Program (Lifeworks)

Stryker's Employee Assistance Program provides you and members of your household with professional confidential help in dealing with everyday issues. The program is administered by Ceridian LifeWorks Services.

Services include:

- Professional confidential counseling, customized searches and referrals for life or family problems, work problems or emotional or substance abuse disorders
- Up to three short-term counseling sessions (per issue or problem) available to you and members of your household at no cost
- Child care and elder care research and referral services for day care, home care, special schools or camps
- College search service provides detailed information regarding hundreds of colleges and universities
- Specially designed financial calculators help you plan for retirement, figure out how much you can afford to pay for a house, estimate how long it will take to pay off credit card debt and much more

You and members of your household are eligible for LifeWorks services on your date of hire. Enrollment in Stryker's medical plan is not required. The issues you bring to Ceridian LifeWorks Services are held in strict confidence and are not shared with anyone at Stryker.

All LifeWorks services are available by calling **888 267 8126** seven days a week, 24 hours per day. You also can log on to **www.lifeworks.com** (Company name: Stryker; password: 4260).