

Autodesk, Inc.
Long-Term Disability
No Imputed Income–Taxable Payout Agreement

Under the Autodesk Long-Term Disability (LTD) plan, benefits become payable on your 91st day of disability, subject to approval by the insurance carrier. The LTD benefit is 66.67% of your regular monthly earnings, to a maximum monthly benefit of \$20,000, less any state disability benefits you may be entitled to.

All employees are automatically enrolled in the **LTD–Imputed Income–Non-Taxable Payout** option. This means you pay tax each pay period on the LTD premium amount that Autodesk pays to the insurance carrier on your behalf (imputed income). In return, any LTD benefits (payouts) you receive in the future are paid to you on a **tax-free** basis.

We understand that some employees prefer not to pay tax on the LTD premium amount so you have the option to opt out of the **No Imputed Income–Taxable Payout** option and enroll in the **LTD–No Imputed Income–Taxable Payout** option instead. By not paying tax on the LTD premium now, you will be responsible for paying taxes on any LTD benefits you receive in the future.

Below are examples of how the **Non-Taxable Payout** and **Taxable Payout** options impact an employee with a monthly salary of \$6,6667 (\$80,000 per year) and a marginal tax rate of 34%.

LTD Plan	Non-Taxable Payout Option	Taxable Payout Option
Monthly premium paid by Autodesk	\$7.75	\$7.75
Tax employee pays	\$2.63 per pay period	\$0.00

Total period of long-term disability	Cumulative LTD benefit received	Cumulative tax on LTD benefit	Cumulative LTD benefit received (net after taxes)	Cumulative tax deducted from LTD benefit
One month	\$4,444	\$0	\$2,933	\$1,511
Three months	\$13,334	\$0	\$8,800	\$4,534
One year	\$53,336	\$0	\$35,201	\$18,135
Ten years	\$533,360	\$0	\$352,017	\$181,343

You can elect to enroll in the **Taxable Payout** option at any time by signing this agreement. If you are already enrolled in the **Taxable Payout** option and wish to enroll in the **Non-Taxable Payout** option, you must wait until the next Open Enrollment to make the change. (Open Enrollment takes place each November and elections are effective the following January 1.) Before making your final decision, it's important to consider whether the need to pay taxes on your LTD benefit would cause hardship during an already challenging time. Whatever your choice, there are no savings to Autodesk.

LTD–No Imputed Income–Taxable Payout

I have reviewed the information provided and understand the **LTD–Imputed Income–Non-Taxable Payout** option. However, I wish to participate in the **LTD–No Imputed Income–Taxable Payout** option. I understand this means:

- a) Autodesk will continue to pay my LTD premiums;
- b) I will not pay tax on the premium amount (imputed income) each pay period;
- c) If I become disabled and receive LTD benefits, I will be responsible for paying taxes on the LTD benefits I receive;
- d) I am choosing to opt out of the **LTD–Imputed Income–Non-Taxable Payout** option by choosing this **LTD–No Imputed Income–Taxable Payout** option. I understand that I can only opt back in to the **LTD–Imputed Income–Non-Taxable Payout** option during a future Open Enrollment period.

 Print Name

 Signature

 Date

Pay Stub Illustration of Imputed Income

Employer Paid Benefits/Imputed Income 12 items



Description	Amount	YTD
Employer Paid - Employee Assistance Program		
Employer Paid - Health Advocacy Service		
Employer Paid - Basic Life		
Employer Paid - Long Term Disability		
Employer Paid - Medical Care Assistance		
Employer Paid - Medical		
Employer Paid - Vision		
401(k) Match		
Imputed Income - Group Term Life > \$50,000		
Imputed Income - Long Term Disability	7.75	74.91

In this example, \$7.75 is the premium being paid by Autodesk. With a marginal tax rate of 34%, the employee pays \$2.63 in taxes each paycheck.

