



## **Short Term Disability**

*Summary Plan Description for  
the Duke Energy Short Term Disability Plan  
As in Effect on January 1, 2021*

*(Enterprise)*

## **IMPORTANT NOTICE**

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This booklet is the summary plan description (“SPD”) for the Duke Energy Short Term Disability Plan (the “STD Plan”) for eligible non-union and represented employees as of January 2021 and replaces all prior descriptions of the STD Plan applicable to such employees. It is intended to provide an easy-to-understand explanation of your short-term disability benefits.

This SPD contains important information about the STD Plan, such as conditions and limitations of the SPD and the STD Plan itself, who provides coverage, who is eligible for coverage, when coverage ends, who administers the STD Plan, who decides claims for benefits, ERISA rights and Duke Energy Corporation’s right to amend or terminate the STD Plan.

Although this SPD describes the principal features of the STD Plan that are applicable to eligible non-union and represented employees, it is only a summary.

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## **Highlights of Your Short-Term Disability Coverage**

Duke Energy Corporation (“Duke Energy”) offers you comprehensive short-term disability (“STD”) benefits with coverage administered by Lincoln Life Assurance Company of Boston (“Lincoln Life”). The STD Plan provides for STD benefits that continue all or a portion of your pay, based on your years of service, for up to 26 weeks if a non-work related sickness or injury prevents you from working. The following is a brief overview of your STD benefits.

### **Benefits Overview – Enterprise STD Coverage**

<b>Eligibility</b>	The first day of employment as an eligible non-union regular or fixed-term employee or eligible represented employee
<b>Enrollment</b>	Automatic
<b>Waiting Period</b>	7 days of continuous disability
<b>Amount of Coverage</b>	Varies, based on years of service
<b>Pay</b>	Your basic rate of pay immediately prior to your disability, excluding overtime, bonuses, incentive pay and non-cash compensation
<b>Benefit Duration</b>	Up to 26 weeks, including the 7-day waiting period
<b>Cost of Coverage</b>	Paid by the Company

### **Duke Energy myHR™ Service Center**

If you have any questions about the STD Plan or the information in this SPD, contact the Duke Energy myHR Service Center at 888-465-1300.

### **Eligibility**

#### **Benefits-Eligible Employees**

Generally, you are eligible for coverage under the STD Plan on your first day of active work as an eligible employee.

To be an eligible employee, you must be identified in and paid through Duke Energy’s payroll system as an employee of Duke Energy or an affiliated Duke Energy company that is participating in the STD Plan (individually or collectively referred to with Duke Energy as the “Company,” as appropriate) and you must either be (1) classified by your Company as a non-union regular employee or fixed-term employee or (2) an employee represented by USW 7202, IBEW 962, IBEW 962T, IBEW 1347, IBEW 1902 or PPF 702 as defined in your applicable collective bargaining

agreement (a copy of your applicable collective bargaining agreement can be obtained from your union steward, union hall, Duke Energy Labor Relations contact or immediate supervisor).

Generally, you are a regular employee if you fill a regular position that is typically longer than 180 days in duration and you are a fixed-term employee if you are hired for a position for a specifically defined time frame, duration of a project (usually one year or less), until services are no longer needed, or until the work goes away.

You are not eligible to participate in the STD Plan if you are:

- a non-resident alien with no U.S. source income;
- not on a U.S. payroll of the Company;
- covered by a collective bargaining agreement, unless the collective bargaining agreement in effect expressly provides for participation in the STD Plan (a copy of your applicable collective bargaining agreement can be obtained from your union steward, union hall, Duke Energy Labor Relations contact or immediate supervisor);
- an individual who has waived eligibility through any means, including an individual whose employment is governed by a written agreement (including an offer letter setting forth terms and conditions of employment) that provides the individual is not eligible for benefits (a general statement in the agreement, offer letter or other communication stating that the individual is not eligible for benefits is construed to mean that the individual is not eligible for coverage under the STD Plan); or
- a temporary employee, a seasonal employee or any other employee who is not a regular employee or fixed-term employee.

In some circumstances, an individual who provides services to the Company under an agreement that identifies the individual as an independent contractor or through a third party (such as a contracting services firm, temporary agency or leasing organization) may be considered a Company “employee” for certain purposes under the law, such as tax withholding. Such an individual is not paid through the Company’s payroll system and is not eligible for the STD Plan.

## **Enrolling in the STD Plan**

If you are actively at work, you are automatically enrolled for STD benefits when you first become eligible. If you are absent from work due to an injury or illness on the date you would automatically be enrolled, you will be enrolled on the first day that you return to work as an eligible employee.

## **Cost of Coverage**

The Company pays the full cost of your STD benefits. You are not required to make any contributions toward the cost of STD benefits.

## **How the STD Plan Works**

### **Definition of Disability**

You are eligible for STD benefits if you are unable to perform the material and substantial duties of your own job on a full-time or part-time basis due to a non-work related sickness or injury and the sickness or injury did not result from or was not caused or contributed to by:

- an occupational sickness or injury for which you receive or are entitled to receive benefits under workers' compensation law;
- war, declared or undeclared, or any act of war;
- intentionally self-inflicted injuries, while sane or insane;
- active participation in a riot;
- the commission of or attempt to commit a felony or misdemeanor; or
- cosmetic surgery, unless such surgery is in connection with a sickness or injury.

For purposes of the STD Plan, "sickness" means illness, disease, pregnancy or complications of pregnancy. "Injury" means bodily impairment resulting directly from an accident and independently of all other causes.

### **Proof of Disability**

In order to receive your STD benefits, you must provide Lincoln Life with proof that you:

- are and continue to be disabled due to a sickness or injury that requires the regular attendance of a physician;
- receive regular care from a physician; and
- receive appropriate available treatment.

The proof must be in a format satisfactory to Lincoln Life and must be provided at your own expense. Appropriate available treatment means care or services that are acknowledged by physicians to cure, correct, limit, treat or manage the disabling condition, and are accessible within your geographical region. The treatment must be provided by a physician who is licensed and qualified in a discipline suitable to treat the disabling sickness or injury. For purposes of this requirement, a physician does not include you, any family member or domestic partner.

### **Commencement of STD Benefits**

If you are determined to be continuously disabled for 7 consecutive days, you are eligible for STD benefits beginning effective as of the eighth day after you became disabled. In order to receive compensation during the 7-day waiting period, you may use your available paid time off benefits (e.g., sick, vacation, personal holiday, etc.), as allowed under Duke Energy policies or under the applicable collective bargaining agreements.



## Amount of STD Benefits

The amount of the STD benefits that you are eligible for as a percentage of your pay varies based on your years of service\* according to the following schedule:

Years of Service	Weeks at 100%	Weeks at 66 2/3%
Less than 1 year	0	26
1 up to 5 years	10	16
5 up to 10 years	15	11
10 up to 15 years	20	6
15 or more	26	0

\*Your STD benefits begin on your eighth day of disability. The 26-week STD period begins on your first day of disability and includes the 7-day waiting period. To continue receiving pay during the 7-day waiting period, you may use your available paid time benefits (e.g., sick, vacation, personal holiday, etc.) as allowed under Duke Energy policies or under the applicable collective bargaining agreements during the waiting period.

The definition of “pay” used to calculate your STD benefits is your basic rate of pay immediately prior to your disability, as verified by the Company. Overtime, bonuses, incentive pay and non-cash compensation are not included in the definition of “pay” used to calculate your STD benefits.

## Coordination with Other Income

Your STD benefits will be reduced by other income benefits you receive. Other income benefits include unemployment benefits and any other government program benefits, including any state-mandated disability benefits.

## Coordination with State Laws

Certain states have specific requirements for disability coverage that may alter the provisions of the STD Plan. States that have requirements for disability coverage include California, New York, New Jersey and Hawaii.

If you work in any of these states, you should still contact Lincoln Life to commence STD benefits. If you are employed in California, you must also file directly with the state to receive state-mandated disability benefits. For information on disability benefits in California and how to file a claim, go online to [www.edd.ca.gov/disability](http://www.edd.ca.gov/disability).

You may be eligible for a supplemental benefit under the STD Plan if the amount paid by the state is less than the amount that would be paid under the STD Plan. To help determine eligibility for a supplement, you must file a disability claim with Lincoln Life as described in *Claims for STD Plan Benefits* below. Lincoln Life will estimate the maximum benefit you will receive from the state and determine if you are entitled to a supplemental benefit under the STD Plan. If Lincoln Life’s estimate is incorrect, it is your responsibility to notify Lincoln Life of the correct state-mandated disability benefit amount. Lincoln Life’s decision regarding your entitlement to a supplemental benefit under the STD Plan will prevail if there is a discrepancy between the state’s determination of your state-mandated disability benefit amount and Lincoln Life’s determination of your state-mandated disability benefit amount.

If your state-mandated disability benefits end, but you remain disabled under the STD Plan, the STD Plan will pay the benefits otherwise due under the STD Plan, as determined by Lincoln Life.

Other states may offer coordinated benefits. Your case manager will notify you if other state benefits are applicable to you.

### **Partial STD Benefits**

If you are able to perform one or more, but not all of the duties of your job or any job due to your disability and you are earning between 20% and 80% of your pre-disability pay, the STD Plan will pay partial disability benefits in order to provide you with up to 100% of your pre-disability pay. Partial disability benefits are designed to help facilitate your return to work.

If you are able to perform one or more, but not all of the duties of your job or any job due to your disability and you are earning 20% or less of your pre-disability pay, the STD Plan will pay full disability benefits as described in *Amount of Your STD Benefits* above.

If you are able to perform one or more, but not all of the duties of your job or any job due to your disability and you are earning 80% or more of your pre-disability pay, you are no longer considered to be disabled and your STD benefits end.

### **How Will STD Benefits be Paid**

If Lincoln Life determines that you are eligible to receive STD benefits, you will receive your STD benefits on a per pay period basis in accordance with the Company's regular payroll practices.

If you are eligible for state-mandated disability benefits, your STD benefit will be offset by an estimate of your state-mandated disability benefits. You must provide a copy of your state-mandated disability benefit award notification to Lincoln Life to have your STD Plan benefit recalculated if the estimated amount does not match the actual approved amount.

### **Duration of STD Benefits**

Lincoln Life will determine the duration of your STD benefits, and will advise the Company to provide STD benefits for as long as you are disabled, up to a maximum of 26 weeks, including the 7-day waiting period.

### **Recurrent Disabilities**

If you are disabled, recover and are later disabled again as the result of the same or a related sickness or injury, both disabilities will be considered as one and will be subject to the maximum benefit period described in *Duration of STD Benefits* above unless they are separated by a return to work for a period of at least 42 days.

If you return to your own job for 42 continuous calendar days or more, the second period of disability will be treated as a new period of disability. You must complete another waiting period to be eligible for STD benefits, and you will be eligible for STD benefits for as long as you are disabled, up to a maximum of 26 weeks.

## **Recovery of Overpayments**

If payments of STD benefits are made in amounts greater than the benefits that you are eligible to receive under the STD Plan, the Company and Lincoln Life have the right to:

- require you to return the overpayment upon request;
- stop payment of future STD benefits until the overpayment is recovered via offset or other means;
- take legal action to recover the overpayment; and
- place a lien, if not prohibited by law, in the amount of the overpayment on the proceeds of other income sources.

## **Eligibility for Other Benefits**

While you are eligible to receive STD benefits, you may be eligible to continue your other benefits, such as Company-sponsored medical and dental coverage. Contact the Duke Energy myHR Service Center for additional information regarding your eligibility for other benefits while you are receiving STD benefits. You are not eligible to receive STD benefits for a sickness or injury for which you are receiving workers' compensation benefits.

## **Taxation of STD Benefits**

Because the Company pays the full cost of STD coverage, your benefit payments are subject to income taxes when you receive them. Federal and state income taxes will be withheld from your STD benefit payments in accordance with your regular payroll withholding elections. Contact the Duke Energy myHR Service Center if you would like to change these elections.

## **When Benefits End**

Your STD benefits will end on the earliest of the following:

- the date you fail to provide proof of continued disability;
- the date you are no longer under the regular care of a physician, refuse to be examined, fail to seek appropriate available treatment, or fail to provide information or documents needed to determine whether benefits are payable;
- the date you refuse a full-time or part-time job with the Company where work modifications or accommodations have been made to allow you to perform the duties of your job;
- the date your employment with the Company terminates;
- the date the earnings you receive during a period of partial disability exceed 80% of your basic rate of pay immediately prior to your disability;
- the date you are incarcerated;
- the end of the maximum benefit period;

- the date you are no longer disabled; or
- the date you die.

## **Termination of Coverage**

### **When Coverage Ends**

Your STD Plan coverage will end at midnight on the earliest of the following:

- the date your employment with the Company ends;
- the date a work stoppage begins;
- the date you no longer meet the eligibility requirements of the STD Plan;  
or
- the date the STD Plan terminates.

### **If You Are on an Authorized Leave of Absence**

While you are on an authorized leave of absence, you may be eligible to continue your coverage under the STD Plan. Contact the Duke Energy myHR Service Center for additional information regarding your ability to continue coverage under the STD Plan during an authorized leave of absence.

## **Conversion Privilege**

There is no conversion privilege for STD Plan coverage.

## **Other Important Information**

### **Plan Sponsor**

Duke Energy Corporation is the sole sponsor of the STD Plan. The Company address, telephone number and employer identification number (EIN) are:

Duke Energy Corporation  
550 South Tryon Street  
Charlotte, NC 28202  
980-373-8649  
EIN: 20-2777218

### **Identification Numbers**

If you need to correspond with the federal government about the STD Plan, you should include in the correspondence the Duke Energy Corporation EIN and the plan number assigned to the STD Plan. The STD Plan is a component plan under the Duke Energy Active Health & Welfare Benefit Plans, plan number 505.

## **Plan Administrator**

The Plan Administrator for the STD Plan is the Duke Energy Benefits Committee (the “Benefits Committee”). The Benefits Committee has responsibility and authority to control and manage the operation and administration of the STD Plan, except to the extent delegated or assigned to others.

The Benefits Committee may assign or delegate any of its authority or duties to others. The Benefits Committee has appointed Duke Energy Human Resources to serve as the Initial Claim Administrator and the Duke Energy Claims Committee (the “Claims Committee”) to serve as the Denied Claim Reviewer for claims as to whether an individual is eligible to participate in or obtain coverage under, or whether an eligible individual is enrolled for participation in or coverage under, the STD Plan. The Benefits Committee, Duke Energy Human Resources and the Claims Committee may be contacted as follows:

Benefits Committee  
Duke Energy Corporation  
550 South Tryon Street, DEC38D  
Charlotte, NC 28202  
704-382-4703

Claims Committee  
Duke Energy Corporation  
550 South Tryon Street, DEC38D  
Charlotte, NC 28202  
704-382-4703

Duke Energy Human Resources  
Duke Energy Corporation  
550 South Tryon Street, DEC38D  
Charlotte, NC 28202  
704-382-4703

The Benefits Committee has appointed Lincoln Life to serve as Initial Claim Administrator and Denied Claim Reviewer for claims for benefits under the STD Plan. You can obtain contact information for Lincoln Life by contacting the Duke Energy myHR Service Center.

The Benefits Committee, the Claims Committee, Duke Energy Human Resources and Lincoln Life, and/or any delegate thereof, each within its area of authority and responsibility, have power and discretion to construe and interpret the STD Plan and to make factual determinations.

## **Funding**

Benefits under the STD Plan are generally paid from the Company’s general assets. However, certain state-mandated disability benefits provided under the STD Plan are funded by premium payments to Lincoln Life, which provides insured coverage for such state-mandated disability benefits.

## **Plan Year**

The plan year for the STD Plan is January 1 through December 31.

## **Service of Legal Process**

The person designated for service of legal process upon the STD Plan is:

Corporate Secretary  
Duke Energy Corporation  
550 South Tryon Street, DEC45A  
Charlotte, North Carolina 28202

Legal process also may be served upon the Benefits Committee as Plan Administrator.

## **Affiliated Employers of Duke Energy That Have Adopted the STD Plan**

Contact the Duke Energy myHR Service Center for information regarding affiliated employers of Duke Energy that have adopted the STD Plan.

## **Claim Determination Procedures**

The following are two different types of claims that may be made under the STD Plan:

- claims for STD Plan benefits made in accordance with the STD Plan's procedures for filing benefit claims ("Claims for STD Plan Benefits"); and
- claims as to whether an individual is eligible to participate in or obtain coverage under, or whether an eligible individual is enrolled for participation in or coverage under, the STD Plan (referred to as "Eligibility or Enrollment Claims").

## **Claims for STD Plan Benefits**

Lincoln Life has the authority to decide initial Claims for STD Plan Benefits, as Initial Claim Administrator, and denied Claims for STD Plan Benefits on review, as Denied Claim Reviewer. The Company has no discretionary authority with respect to Claims for STD Plan Benefits.

To file a valid Claim for STD Plan Benefits, you (or your authorized representative) must follow the claims procedures for filing Claims for STD Plan Benefits as described below and in any updating materials.

### **How to File a Claim by Phone**

Lincoln Life allows you to submit your Claim for STD Plan Benefits by calling a toll-free number. Submit your Claim for STD Plan Benefits as soon as you think your absence from work may extend beyond a continuous 7 days. You may also submit your claim two weeks in advance of a planned disability absence such as childbirth or prescheduled surgery.

## **How to Report a Claim**

To report a Claim for STD Plan Benefits, contact the Duke Energy myHR Service Center or log on to the Duke Energy Portal.

*What you will be asked when you report your claim*

- your name and Social Security Number;
- your complete address and phone number;
- your last day worked and first day absent from work because of your non-work related injury or sickness; and
- additional questions about yourself and your physician or medical care provider and your medical condition.

You will be provided with your claim number when you report your Claim for STD Plan Benefits.

Your Claim for STD Plan Benefits should be filed with Lincoln Life as soon as reasonably possible, and no later than 45 days after the end of the 7-day waiting period. Except for cases of the claimant's incapacity, in no event may a Claim for STD Plan Benefits be filed more than 18 months after the date of disability.

If you (i) report a Claim for STD Plan Benefits as described above, (ii) withdraw your Claim for STD Plan Benefits and (iii) subsequently re-file your Claim for STD Plan Benefits, the same filing deadlines described above continue to apply. This means that you should re-file your Claim for STD Plan Benefits as soon as reasonably possible and, except in the case of the claimant's incapacity, in no event may the Claim for STD Plan Benefits be re-filed more than 18 months after the date of disability.

If you do not file (or re-file, as applicable) your Claim for STD Plan Benefits by the deadline, you will not be able to file or re-file a Claim for STD Plan Benefits related to the same injury or sickness at any later date.

*Note:* The period from March 1, 2020 through the date that is 60 days after the announced end of the national emergency related to the COVID-19 pandemic, or such other date announced by the federal agencies (the "Outbreak Period"), is disregarded in determining the deadline for filing a Claim for STD Plan Benefits, in accordance with applicable legal guidance.

## **Time Frame for Claims Decisions**

Lincoln Life will notify you of the adverse decision within a reasonable period of time, but not later than 45 days after receiving the Claim for STD Plan Benefits. This 45-day period may be extended for up to 30 days if Lincoln Life (1) determines that the extension is necessary because of matters beyond its control and (2) notifies you before the end of the initial 45-day period of why the extension is needed and the expected decision date. If, before the end of the first 30-day extension, Lincoln Life determines that for reasons beyond its control, a decision cannot be rendered within that extension period, the determination period may be extended for up to an additional 30 days

provided that Lincoln Life notifies you, before the end of the first 30-day extension period, why the extension is necessary and the expected decision date.

The notice of extension will explain:

- the standards on which benefit entitlement is based;
- the unresolved issues that prevent a claim decision; and
- the additional information needed, if any.

The claim determination time frames begin when a Claim for STD Plan Benefits is filed, without regard to whether all the information necessary to make a claim determination accompanies the filing. If an extension is necessary because you failed to submit necessary information, the days from the date Lincoln Life sends you the extension notice until you respond to the request for additional information are not counted as part of the claim determination period.

You have at least 45 days to provide the information.

### **Notice of Adverse Determination**

If your Claim for STD Plan Benefits is denied, Lincoln Life's notice of denial will include:

- the specific reason or reasons for the adverse determination;
- references to the specific STD Plan provisions on which the determination is based;
- a description of any additional material or information necessary to perfect the Claim for STD Plan Benefits and an explanation of why such material or information is necessary;
- a description of the STD Plan's review procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under Section 502(a) of ERISA following an adverse determination on review, and any time limits for filing such a civil action;
- a discussion of the decision, including an explanation of the basis for disagreeing with or not following (i) the views you presented to the STD Plan of health care professionals who treated you and vocational professionals who evaluated you, (ii) the views of medical or vocational experts whose advice was obtained on behalf of the STD Plan in connection with your adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination and (iii) a Social Security Administration disability determination that you presented to the STD Plan;
- either the specific internal rules, guidelines, protocols, standards or other similar criteria relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the STD Plan do not exist;
- if the adverse benefit determination is based on medical necessity or experimental treatment or similar exclusion or limit, either an explanation



of the scientific or clinical judgment for the determination, applying the terms of the STD Plan to your medical circumstances, or a statement that such explanation will be provided free of charge upon request; and

- a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your Claim for STD Plan Benefits.

In addition, any such notice of an adverse benefit determination will be provided in a culturally and linguistically appropriate manner.

### **What You Do to Appeal a Claim Denial**

You, or your authorized representative, may appeal a denied Claim for STD Plan Benefits within 180 days after you receive Lincoln Life's notice of denial. If your appeal is not filed within this period, your Claim for STD Plan Benefits will be deemed permanently waived and abandoned, and you will be precluded from reasserting it.

*Note:* The Outbreak Period is disregarded in determining the deadline for appealing a denied Claim for STD Plan Benefits, in accordance with applicable legal guidance.

You have the right to:

- submit to Lincoln Life, for review, written comments, documents, records and other information relating to the Claim for STD Plan Benefits;
- request, free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your Claim for STD Plan Benefits;
- a review that takes into account all comments, documents, records and other information submitted by you, without regard to whether such information was submitted or considered in the initial claims decision;
- a review that does not afford deference to the initial adverse decision and which is conducted neither by the individual who made the adverse decision nor the person's subordinate;
- if the appeal involves an adverse decision based on medical judgment, a review of your Claim for STD Plan Benefits by a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment, and who was neither consulted in connection with the adverse decision nor the subordinate of any such individual; and
- the identification of medical or vocational experts, if any, consulted in connection with the claim denial, without regard to whether the advice was relied upon in making the decision.

Lincoln Life will make a full and fair review of your appeal and may require additional documents as it deems necessary in making such a review. Lincoln Life will provide you, free of charge, with any new or additional evidence considered, relied upon or generated by the STD Plan (or at the direction of the STD Plan) in connection with your appeal as soon as possible and sufficiently in

advance of the date on which it provides you with notice of its determination on appeal, so that you will have a reasonable opportunity to respond prior to that date. In addition, if the denial of your appeal is based on a new or additional rationale, Lincoln Life will provide you, free of charge, with the new or additional rationale as soon as possible and sufficiently in advance of the date on which it provides you with notice of its determination on appeal, so that you will have a reasonable opportunity to respond prior to that date.

A final decision on the review will be made within a reasonable period of time, but not later than 45 days following receipt of the written request for review unless Lincoln Life determines that special circumstances require an extension. In such case, a written notice will be sent to you before the end of the initial 45-day period. The extension notice shall include a description of the special circumstances and the date by which Lincoln Life expects to render the appeal decision. The extension cannot exceed a period of 45 days from the end of the initial period.

The appeal time frames begin when an appeal is filed, without regard to whether all the information necessary to make an appeal decision accompanies the filing. If an extension is necessary because you failed to submit necessary information, the days from the date of the extension notice until you respond to the request for additional information are not counted as part of the appeal determination period.

### **Notice of Benefit Determination on Appeal**

Every notice of a determination on appeal will be provided to you in writing or electronically and, if an adverse determination, will include:

- the specific reason or reasons for the adverse determination;
- references to the specific STD Plan provisions on which the benefit determination is based;
- a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your Claim for STD Plan Benefits;
- a statement describing any voluntary appeal procedures offered under the STD Plan and your right to obtain the information about such procedures;
- a statement about your right to bring a civil action under Section 502(a) of ERISA and any applicable contractual limitations period that applies to your right to bring such an action, including the calendar date on which the contractual limitations period expires;
- a discussion of the decision, including an explanation of the basis for disagreeing with or not following (i) the views you presented to the STD Plan of the health care professionals who treated you and the vocational professionals who evaluated you, (ii) the views of medical or vocational experts whose advice was obtained on behalf of the STD Plan in connection with your adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination and (iii) a Social Security Administration disability determination that you presented to the STD Plan;

- either the specific internal rules, guidelines, protocols, standards or other similar criteria relied upon in making the adverse determination, or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the STD Plan do not exist; and
- if the adverse benefit determination is based on medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the STD Plan to your medical circumstances, or a statement that such explanation will be provided free of charge upon request.

Any such notice of an adverse benefit determination will be provided in a culturally and linguistically appropriate manner. Also, upon request, Lincoln Life will provide you with a statement identifying those medical or vocational experts whose advice was obtained in connection with the appeal.

For additional information on filing a Claim for STD Plan Benefits or filing an appeal of an adverse determination, you should contact Lincoln Life.

## **Eligibility or Enrollment Claims**

The Benefits Committee has appointed Duke Energy Human Resources to decide Eligibility or Enrollment Claims as the Initial Claim Administrator. Duke Energy Human Resources has delegated its authority to decide Eligibility or Enrollment Claims to Alight Solutions Claims and Appeals Management.

The Benefits Committee has appointed the Claims Committee to perform the fair and impartial review of denied Eligibility or Enrollment Claims on appeal as the Denied Claim Reviewer. The Company has no discretionary authority with respect to the Claims Committee's final determinations regarding Eligibility or Enrollment Claims on appeal.

To file a valid Eligibility or Enrollment Claim, you (or your authorized representative) must follow the claim submission procedures for the STD Plan as described in this SPD and any updating materials.

### **Initial Claim**

If you have an Eligibility or Enrollment Claim, you (or your authorized representative) must submit a claim initiation form. This form can be obtained by calling the Duke Energy myHR Service Center.

The claim form must be submitted in writing to the address on the form and include:

- a statement that the claim is a "Claim for Eligibility/Enrollment" and identification of the STD Plan;
- your name, Social Security number, mailing address and daytime telephone number;
- a complete description of the claim, including the eligibility/enrollment issue presented; and
- any additional information you want considered.

A “Claim for Eligibility/Enrollment” must be received by Alight Solutions Claims and Appeals Management within 12 months after the date on which you are claiming eligibility/enrollment should have occurred. If your claim is not filed within this period, your claim will be deemed permanently waived and abandoned, and you will be precluded from reasserting it.

*Note:* The Outbreak Period is disregarded in determining the deadline for filing a Claim for Eligibility/Enrollment, in accordance with applicable legal guidance.

Alight Solutions Claims and Appeals Management will notify you or your representative of the determination within 45 days after receiving the request. However, this 45-day period may be extended for up to 30 days if Alight Solutions Claims and Appeals Management (1) determines that the extension is necessary because of matters beyond its control and (2) notifies you before the end of the initial 45-day period of why the extension is needed and the expected decision date. If, before the end of the first 30-day extension, Alight Solutions Claims and Appeals Management determines that for reasons beyond its control, a decision cannot be rendered within that extension period, the determination period may be extended for up to an additional 30 days provided that Alight Solutions Claims and Appeals Management notifies you, before the end of the first 30-day extension period, why the extension is necessary and the expected decision date.

If more time is needed because necessary information is missing from the request, the notice will also specify what information is needed. The determination period will be suspended on the date Alight Solutions Claims and Appeals Management sends such a notice of missing information, and the determination period will resume on the date you or your representative responds to the notice. You will have at least 45 days to respond to the request for information.

### **Adverse Determination**

In the event of an adverse eligibility or enrollment determination, in whole or in part, you (or your authorized representative) will be notified of the adverse determination in writing.

An adverse determination notification for an Eligibility or Enrollment Claim will contain:

- the specific reason or reasons for the adverse determination;
- references to the specific STD Plan provisions on which the determination is based;
- a description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is necessary;
- a description of the STD Plan’s review procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review, and any time limits for filing such a civil action;
- a discussion of the decision, including an explanation of the basis for disagreeing with or not following (i) the views you presented to the STD Plan of the health care professionals who treated you and the vocational professionals who evaluated you, (ii) the views of medical or vocational experts whose advice was obtained on behalf of the STD Plan in connection with your adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination

and (iii) a Social Security Administration disability determination that you presented to the STD Plan;

- either the specific internal rules, guidelines, protocols, standards or other similar criteria relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the STD Plan do not exist;
- if the adverse benefit determination is based on medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the STD Plan to your medical circumstances, or a statement that such explanation will be provided free of charge upon request; and
- a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your claim for benefits.

In addition, any such notice of an adverse benefit determination will be provided in a culturally and linguistically appropriate manner.

### **Appeal of Adverse Determination**

If you disagree with an adverse eligibility or enrollment determination, you (or your authorized representative) can request a review of the initial determination by submitting a written request to the Claims Committee within 180 calendar days after receipt of the adverse determination. If your appeal is not filed within this period, your claim will be deemed permanently waived and abandoned, and you will be precluded from reasserting it.

*Note:* The Outbreak Period is disregarded in determining the deadline for requesting a review of an adverse eligibility or enrollment determination, in accordance with applicable legal guidance.

A request to the Claims Committee must be submitted in writing to:

Claims Committee  
Duke Energy Corporation  
550 South Tryon Street, DEC38D  
Charlotte, NC 28202

You may request to examine and receive copies of all documents, records and other information relevant to the claim. The Claims Committee will review the appeal without granting any deference to the initial decision regarding the claim. Also, no reviewer may be a person that was involved in making the initial decision regarding the claim, or a subordinate to that person. In addition, if the claim was based in whole or in part on a medical judgment, the Claims Committee will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment. This person will not be a person (or a subordinate of a person) consulted by Alight Solutions Claims and Appeals Management in deciding the initial claim. When reviewing an adverse determination that has been appealed, any new information that you provide that was not available or utilized when the initial determination was made will be considered.

The Claims Committee will provide you, free of charge, with any new or additional evidence considered, relied upon or generated by the STD Plan (or at the direction of the STD Plan) in

connection with your appeal as soon as possible and sufficiently in advance of the date on which it provides you with notice of its determination on appeal, so that you will have a reasonable opportunity to respond prior to that date. In addition, if the denial of your appeal is based on a new or additional rationale, the Claims Committee will provide you, free of charge, with the new or additional rationale as soon as possible and sufficiently in advance of the date on which it provides you with notice of its determination on appeal, so that you will have a reasonable opportunity to respond prior to that date.

You will be notified regarding the decision on your appeal within 45 days after receipt of the appeal. However, the appeal determination period may be extended for up to 45 days in the event the Claims Committee determines that special circumstances apply. If an extension is necessary, notice will be given to you (or your authorized representative) prior to the end of the initial 45-day appeals determination period. The notice will include a description of the special circumstances that apply and the date by which the Claims Committee reasonably expects to render a decision.

The determination of your appeal will be in writing and, if adverse, will contain:

- the specific reason or reasons for the adverse benefit determination;
- references to the specific STD Plan provisions on which the benefit determination is based;
- a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim;
- a statement describing any voluntary appeal procedures offered under the STD Plan and your right to obtain the information about such procedures;
- a statement about your right to bring a civil action under Section 502(a) of ERISA and any applicable contractual limitations period that applies to your right to bring such an action, including the calendar date on which the contractual limitations period expires;
- a discussion of the decision, including an explanation of the basis for disagreeing with or not following (i) the views you presented to the STD Plan of health care professionals who treated you and vocational professionals who evaluated you, (ii) the views of medical or vocational experts whose advice was obtained on behalf of the STD Plan in connection with your adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination and (iii) a Social Security Administration disability determination that you presented to the STD Plan;
- either the specific internal rules, guidelines, protocols, standards or other similar criteria relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the STD Plan do not exist; and
- if the adverse benefit determination is based on medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the STD Plan to your medical circumstances, or a statement that such explanation will be provided free of charge upon request.

Any such notice of an adverse benefit determination will be provided in a culturally and linguistically appropriate manner. Also, upon request, the Claims Committee will provide you with a statement identifying those medical or vocational experts whose advice was obtained in connection with the appeal.

For additional information on filing an Eligibility or Enrollment Claim or filing an appeal of an adverse determination, you should contact the Claims Committee.

## **Legal Action**

You have the right to bring a civil action under Section 502(a) of ERISA if you are not satisfied with the outcome of the claim and appeal procedure. You may not initiate a legal action against Lincoln Life, the STD Plan, the Company, or the Plan Administrator until you have completed the claims procedures described above. No legal action may be brought more than one year following a final decision on the claim under the appeal processes. If a civil action is not filed within this period, your claim will be deemed permanently waived and abandoned, and you will be precluded from reasserting it.

## **Discretionary Authority**

Authority to decide initial claims (including claims for STD Plan benefits) under the STD Plan and denied claims on review (including denied claims for STD Plan benefits on review) under the STD Plan includes the full power and discretion to interpret STD Plan provisions and to make factual determinations, with the Initial Claim Administrators' and the Denied Claim Reviewers' decisions, interpretations and factual determinations controlling. Requests for information regarding individual claims, or a review of a denied claim, are to be directed in writing and properly addressed to the particular entity identified as having the authority to decide the initial claim, or to decide the denied claim on review, as applicable.

## **Right to Change or Terminate the STD Plan**

Duke Energy Corporation reserves the right to amend or terminate the STD Plan in any respect and at any time. For example, the STD Plan may be discontinued in part or in its entirety, or what benefits the STD Plan provides may be changed. Cost sharing between the Company and covered individuals also is subject to change, which may include initiating or increasing contributions required of employees.

The amendment or termination of the STD Plan may affect the benefits or benefit coverage not only of active employees, but also of former active employees who retired, became disabled, died or whose Company employment has otherwise terminated, and also of any covered person who began receiving benefit coverage or payments prior to the amendment or termination. If such a termination or amendment occurs, affected participants will be notified. The right to amend or terminate the STD Plan may be exercised by Duke Energy Corporation, or its authorized delegates, and any amendment shall be in writing.

## **Statement of Rights**

The STD Plan is an employee welfare benefit plan which is intended to comply with the requirements of the Employee Retirement Income Security Act of 1974 (ERISA). As a participant

in the STD Plan you are entitled to certain rights and protections under ERISA. ERISA provides that all STD Plan participants shall be entitled to:

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

- examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the STD Plan, including insurance contracts, collective bargaining agreements and a copy of the latest annual report (Form 5500 Series) filed by the STD Plan with the U.S. Department of Labor and available at the Public Disclosure room of the Employee Benefits Security Administration.
- obtain, upon written request to the Plan Administrator, copies of documents governing the STD Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- receive a summary of the STD Plan's annual financial report. The Plan Administrator is required by law to furnish each participant in the STD Plan with a copy of this summary financial report.

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

In addition to creating rights for plan participants, ERISA imposes duties upon the people responsible for the operation of the STD Plan. The people who operate your STD Plan, called "fiduciaries" of the STD Plan, have a duty to do so prudently and in the interest of you and other STD Plan participants and beneficiaries. No one, including the Company, 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 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 STD Plan documents or the latest annual report from the STD 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 Plan 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 once you have exhausted the STD Plan's claims procedures.

If it should happen that plan fiduciaries misuse the STD 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 the STD 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 Employee Benefits Security Administration, U.S. Department of Labor listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You also may obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

## **Keep Us Informed**

It is your responsibility to make sure that your benefits records are correct and that the personal information needed to administer your benefits is current. Promptly review any confirmation and other benefit statements carefully, and immediately advise the Duke Energy myHR Service Center if you believe there is an error. You also are expected to communicate with your supervisor or manager on your leave status and any return-to-work plans.

## **A Final Note**

Although this SPD describes the principal features of the STD Plan that are generally applicable to eligible non-union and represented employees, it is only a summary. The complete provisions of the STD Plan are set forth in the plan documents, which are available upon request from Duke Energy Human Resources. An SPD is an overview and is written to be read in its entirety. Descriptions of STD Plan features should not be taken out of context. Inquiries about specific situations should be directed in writing to Duke Energy Human Resources. Changes to the STD Plan, pending revision of the SPD, will be communicated in benefit newsletters, letters, Portal announcements and/or enrollment materials. In the event of a conflict between this SPD or any other communication regarding the STD Plan and the plan documents themselves, the plan documents control. Remember, the STD Plan may not be amended by oral or written communications.

The STD Plan, this SPD and your STD Plan participation are not employment contracts and do not give any employee the right to continue to be employed by the Company. Employees may resign and are subject to discipline, discharge or layoff as if the SPD had never been published and the STD Plan had never gone into effect.

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