

Palo Alto Networks, Inc.  
U.S. Surrogacy Reimbursement Plan  
January 1, 2020

## About This Plan

Palo Alto Networks, Inc. (the Employer) has established the Palo Alto Networks Surrogacy Reimbursement Plan (the Plan) for the exclusive benefit of its U.S.-based eligible employees. This plan has been designed to assist employees with the reimbursement of Eligible Surrogacy Expenses associated with the expansion of their families through lawful surrogacy arrangements. Benefits provided under a Surrogacy Plan are taxable, and the Eligible Surrogacy Expenses reimbursed through this plan will be subject to all applicable federal, state, and/or city taxes, as well as FICA & Medicare taxes.

## Eligibility

Regular, full-time Palo Alto Networks employees in the U.S. working thirty (30) or more hours per week are eligible to participate in this program as of their date of hire. An individual is considered to be an "Ineligible Employee" and cannot participate in the Program if:

- they are classified, for payroll or other reporting purposes, as a leased employee, temporary employee, seasonal employee, intern, casual employee, or independent contractor;
- they were not employed by the Employer at the point the expenses were incurred;
- they are the spouse/domestic partner of another Palo Alto Networks employee who has already received a surrogacy reimbursement benefit for the same surrogacy

## Benefits

Eligible Employees who meet the Plan's conditions may receive up to \$20,000 per lifetime for the reimbursement of Eligible Surrogacy Expenses.

Eligible Surrogacy Expenses are those incurred and related directly to a fully completed and lawful surrogacy contract. Such Eligible Expenses must be incurred on or after an eligible employee's first day of employment with Palo Alto Networks, and submitted for reimbursement within twelve (12) months of incurral, in order to be eligible for reimbursement under this Plan.

## Eligible Surrogacy Expenses

There are many types of expenses associated with surrogacy arrangements and not all are considered to be eligible under this Plan. Eligible Expenses under the Palo Alto Networks Surrogacy Reimbursement Plan may include:

- Donor fertility costs and fees not covered by another source
- Egg or sperm donation shipping and transport fees
- Egg or sperm retrieval fees, IVF, and medical costs (if not covered by Progyny or another source)
- Egg/sperm donation agency fees
- Gestational carrier, egg or sperm donor compensation
- Gestational carrier, egg or sperm donor screening costs
- Legal and attorney fees
- Pregnancy medical expenses related to surrogacy
- Surrogacy agency fees
- Travel expenses for the intended parents
- Other costs associated with surrogacy or donor tissue

### *Plan Administration*

Palo Alto Networks employs a third-party vendor, Progyny, to facilitate the reimbursement of Eligible Expenses under its Surrogacy Reimbursement Plan.

Reimbursements for Eligible Expenses may be requested by contacting a Patient Care Advocate at Progyny and providing copies of the required documentation to support a claim for reimbursement.

Progyny can be reached at (833) 404-2016 and upon request, will provide you with specific guidance around the required documentation for each type of expense reimbursement request.

Requests for reimbursement not submitted within 12 months of a fully completed surrogacy arrangement will not be considered or reimbursed under the Plan. In addition, to be eligible for reimbursement of Eligible Expenses, you must be an employee of the Employer on the date the fees were incurred. Timely requests for reimbursement will be evaluated and approved/denied by Progyny, and then fed back to Palo Alto Networks for payment through Payroll.

Approved reimbursement requests for Eligible Expenses will be paid out on a calendar quarter basis, on the first payroll cycle of each quarter.

### *General Provisions*

The Plan operates on a calendar-year basis.

Employees are not required or permitted to contribute to the Plan. All Plan benefits are to be paid by the Employer from its general assets.

The Employer oversees the Plan and has sole discretionary authority to interpret it, make eligibility and benefit determinations, and make factual determinations in

connection with its administration. Any determinations of the Employer are final and binding, and while the intent is to continue the Plan indefinitely, the Employer reserves the right to terminate or amend the Plan at any time.

This Plan is to be construed, administered, and governed by the laws of the state of California to the extent not superseded by the Internal Revenue Code or other federal law.

### *Important Tax Considerations*

Benefits paid under this Plan are considered to be fully taxable to the employee and taxes will be automatically withheld from all Surrogacy Expense reimbursement payments made through Palo Alto Networks Payroll.

Employees should speak with their tax advisor if they are unsure how the benefits paid under this Plan will affect their personal tax filing in any given year – Palo Alto Networks cannot provide tax advice.

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This Plan is duly adopted by Palo Alto Networks, Inc., on this 1<sup>st</sup> day of 2020, effective January 1, 2020.

Palo Alto Networks, Inc.