

Gap Inc. + you

2014–2015 Benefits Guide

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Did you know?

You can find more details about what's covered under each plan by visiting the Benefits Portal and our video library. Search "Benefits" on [Gapweb](#) > [Click on the U.S. Full-Time Benefits Portal link](#).

Benefits are always in style!

You know how great it is to finally find those jeans that best fit you? Finding benefits tailored to you and your family's needs can be just as rewarding.

Gap Inc. offers a variety of comprehensive and competitive benefit plans that are designed to fit the varying needs of our employees. This guide is here to help you find your best fit.

Just as you need to try on different styles before finding the jeans that best fit you, you'll need to carefully consider all the benefit options before making your choice. Choosing wisely is important because the benefit options you select during Open Enrollment, or as a newly eligible employee, will remain in place for the entire plan year (July 1–June 30). Unless you experience a qualifying life event, you have to wait until our next Open Enrollment to make changes. Learn more by checking out the "Life Events" page on the Benefits Portal.

Guide Highlights

Find what's available for you!

- Refer to this guide throughout the year as a quick reference for Gap Inc. Benefits information.
- Read through the Plan Comparison charts in this guide to get a side by side view of the medical, dental and vision plans.
- Retain for access to additional tools to support your decision making.
- Reference your benefit providers and plan websites.

It's time to choose your best fit.

I'm taken care of at Gap Inc. I know the company has the best intentions for me and my partner's health.

Sherwin Camacho
Customer Lead, Store #170, Gap

Did you know?

You can call Employee Services at 866-411-2772 for enrollment and eligibility questions. Representatives can also direct you to other resources as needed.

You can also call Your HealthCare Advocate (YHA) at 866-GAP-3211 for help with navigating the healthcare system or filing a claim (please expect a 2–5 day turnaround time frame).

What am I eligible for?

Our benefits are tailored to who you are and where you work. If you are classified as benefits-eligible in the U.S. or Puerto Rico, you can enroll in Gap Inc. Benefit plans. Take a look at the charts below to determine which plans are available to you:

Benefit coverage for all locations except Puerto Rico

Medical Plan Choices	<ul style="list-style-type: none">• HRA (all locations except Hawaii)• HRA Plus (all locations except Hawaii)• Kaiser HMO (California and Hawaii only)• Hawaii PPO (Hawaii only)• MVP (Fishkill, NY only)
Dental Plan Choices	<ul style="list-style-type: none">• Dental• Dental Plus
Vision Plan Choices	<ul style="list-style-type: none">• Vision• Vision Plus
Flexible Spending Accounts	<ul style="list-style-type: none">• Health Care FSA• Dependent Care FSA
Life Insurance and Disability Benefits	<ul style="list-style-type: none">• Basic Life Insurance• Supplemental and Dependent Life• AD&D Insurance• Short Term Disability (STD & STD Plus)• Long Term Disability (LTD & LTD Plus)
Financial Benefits	<ul style="list-style-type: none">• GapShare 401(k) Plan• Employee Stock Purchase Plan (ESPP)• AYCO Financial Planning Services

Puerto Rico only

Medical Plan Choices	<ul style="list-style-type: none">• MCS
Dental Plan Choices	<ul style="list-style-type: none">• Dental• Dental Plus
Vision Plan Choices	<ul style="list-style-type: none">• Vision• Vision Plus
Life Insurance and Disability Benefits	<ul style="list-style-type: none">• Basic Life Insurance• Supplemental and Dependent Life• AD&D Insurance• Short Term Disability (STD & STD Plus)• Long Term Disability (LTD & LTD Plus)
Financial Benefits	<ul style="list-style-type: none">• GapShare Puerto Rico Plan• Employee Stock Purchase Plan (ESPP)• AYCO Financial Planning Services

When can I enroll or make changes?

- Within sixty days from your hire date, change to full-time status or qualifying life event.
- During annual Open Enrollment (for 2014 it's May 12th through the 30th).

Benefits will become effective the 1st of the month on or following your hire date or July 1st, following Open Enrollment.

Eligible dependents

Now that you know what you're eligible for, it's time to figure out who to include. Benefits available to eligible dependents are medical, dental, vision plus and dependent life.

Eligible dependents are defined as:

- Your legal spouse (if you are not legally separated or divorced and have not had your marriage annulled).
- Your partner (as defined by Gap Inc.—see “Eligibility and Enrollment” on Benefits Portal).
- Your or your spouse's/partner's eligible children under age 26.

Did you know?

As of January 1, 2014, same sex spouses will no longer be subject to after-tax deductions or imputed income, unless they reside in a non-recognition state. In those cases, imputed income will be applied to state earnings only.

Effective July 1, 2014, domestic partners will continue to be charged imputed income for the cost of their medical coverage, but will no longer be subject to after-tax deductions for the portion of coverage they elect for their partners or his or her children.

For more information, visit the [Benefits Portal > Eligibility, Enrollment and Making Changes page](#).

Gap Inc. and Health Care Reform

Every year, we strive to provide good value for your money when it comes to your benefits. We want you to know how much money you spend so that you can decide how to use your dollars to make decisions that suit your needs.

No doubt you have been hearing a lot about the Affordable Care Act (ACA) and the Public Exchange. Here's how Gap Inc.'s medical plans compare to the "metallic" plans available through the Public Exchange/Marketplace:

- Fully insured HMO plans are comparable to Platinum plans.
- HRA Plus Field/HQ and LNE plans are comparable to Gold plans and Platinum plans, respectively.
- HRA plans are comparable to Silver plans.

The minimum requirement under ACA is a Bronze plan valued at 60%. Gap Inc.'s plans range from a value priced silver plan to platinum HMO plans. Our goal is to continue to offer flexible plans at a great value.

PPACA Plan Offerings (Marketplace)			
Platinum (90% Value)	Gold (80% Value)	Silver (70% Value)	Bronze (60% Value)
Kaiser CA, MCS and MVP 90.0%	HRA Plus 87.8%	HRA Field/HQ and LNE 75.4%	Minimum value requirement under ACA 60%
Kaiser HI 91.0%		SF Health Plan 74.0%	

What's changing?

Check out what's changing for the upcoming plan year beginning July 1, 2014. Consider how these changes may affect your benefit choices.

- To align with federal enrollment timelines, effective July 1, 2014, newly eligible employees or employees experiencing a qualifying life event will have 60 days to enroll for benefits (formerly 30 days).
- Under Health Care Reform, an out-of-pocket maximum will be implemented in the MVP plan.
- Paycheck contributions are increasing for most health plans. See rates and checklist insert for 2014–2015 payroll contributions.
- Deductible increase for HRA & HRA Plus plans.
- Out-of-pocket maximum increases for LNE Participants in the HRA Plus plan.

Time to
compare
your fit
options.

The medical benefits are great. Not only do they help with regular payments, but less typical expenses as well, like second opinions and special consultations.

Chris Alward
Fishkill Distribution Center

HRA plans

HRA plans are available to all full-time employees except for Puerto Rico and Hawaii

If you enroll in either the HRA or HRA Plus medical plan, Gap Inc. will automatically deposit dollars into a Health Reimbursement Account (HRA) for you at the start of the plan year (July 1). These are your HRA dollars. The amount of HRA dollars Gap Inc. contributes depends on the medical plan you choose, when you become eligible* and the dependents you cover:

Coverage Category	HRA dollars	
	HRA	HRA Plus
Employee	\$200	\$700
Employee + spouse/domestic partner or child(ren)	\$300	\$1,050
Family	\$400	\$1,400

* If you become eligible mid-year, your HRA dollars, deductible and out-of-pocket maximum will be prorated.

Both the HRA and the HRA Plus plans have a deductible that must be paid before the plan begins to cover a portion of your costs. You can use your HRA dollars to pay some or all of your annual deductible.

After the deductible is satisfied, Gap Inc. and you share the cost, up to the out-of-pocket maximum. This is called coinsurance, which varies depending on the type of service and provider you use, as shown in the medical plan comparison chart. Any remaining HRA dollars can be used to pay some or all of your coinsurance. Once your total expenses reach the out-of-pocket maximum, the plan (Gap Inc.) pays 100% of your eligible expenses for the remainder of the plan year.

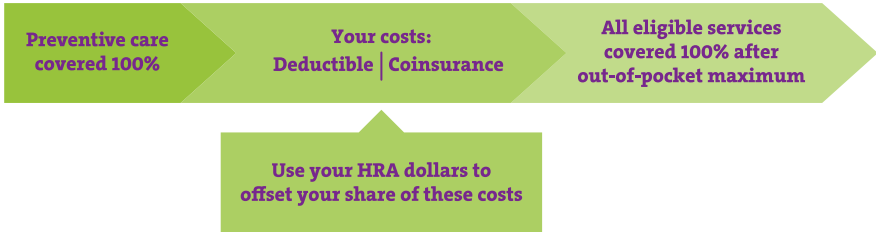
Unused HRA dollars roll over into the next plan year.

Did you know?

When you are enrolled in both the HRA or HRA Plus and the Health Care FSA, your eligible out-of-pocket medical expenses will be automatically paid with funds from your HRA first. Once you have used all your HRA dollars, any remaining expenses will be paid from funds in your HealthCare FSA.

Reminder: You cannot use your Health Care FSA Spending card at your medical provider's office because claim expenses are paid in the order explained above.

How the HRA plans work



Both the HRA and HRA Plus plans work the same way and cover the same medical services, but they differ in how much of the costs they'll cover. The table below summarizes key differences between the two options:

HRA	HRA Plus
<ul style="list-style-type: none">• Your paycheck contributions are lower.• You receive fewer HRA dollars.• Your coinsurance and out-of-pocket maximum are higher.	<ul style="list-style-type: none">• Your paycheck contributions are higher.• You receive more HRA dollars.• Your coinsurance and out-of-pocket maximum are lower.
Which means... You pay less in paycheck contributions but more out of your pocket when you need medical care.	Which means... You pay more in paycheck contributions but less out of your pocket when you need medical care.

**Prescription drugs are covered the same under both HRA plans.
Preventive care is always covered at 100%.**

Did you know?

- Your HRA dollars are available as of the beginning of the plan year, July 1. If you become eligible mid-year, your HRA dollars, deductible and out-of-pocket maximum will be prorated to account for a partial year enrollment.
- You don't pay tax on the amounts Gap Inc. contributes to your HRA or on dollars taken out of the account to pay for your health care.
- Any unused dollars in your HRA at the end of the plan year (June 30) roll over and are there for you to use as long as you remain enrolled in either the HRA or HRA Plus plan.
- Our HRA plans use the Choice Plus network of United Healthcare providers. You receive higher coverage when in-network providers are used.

Kaiser plans

Gap Inc. offers California and Hawaii employees the option of the Kaiser HMO plan

Kaiser is a health maintenance organization (HMO) that provides medical services through Kaiser doctors, hospitals and pharmacies.

Key features of the Kaiser California or Hawaii HMO

- Access to Kaiser doctors and facilities throughout California and Hawaii.
- Care received outside of the Kaiser system is not covered, except in emergencies.
- 100% coverage for preventive care services such as physicals, flu shots, screenings, well-baby visits and women's preventive health services, including contraceptives.
- Pay a co-pay for most services. After you pay the co-pay, the plan typically covers 100% of your remaining costs.
- Out-of-pocket maximums to protect against high cost claims. When you meet your out-of-pocket maximum, the plan covers 100% of eligible expenses for the remainder of the plan year.

MVP plan

Gap Inc. offers employees in Fishkill, NY the option of the MVP HMO plan

MVP is a health maintenance organization (HMO) that provides medical services through MVP's network of doctors, hospitals and pharmacies.

Key features of the MVP HMO

- Access to MVP's network of doctors and facilities.
- Care received outside the MVP network is not covered, except in emergencies.
- 100% coverage for preventive care services such as physicals, flu shots, screenings, well-baby visits and women's preventive health services, including contraceptives.
- Pay a co-pay for most services. After you pay the co-pay, the plan typically covers 100% of your remaining costs.
- Out-of-pocket maximums to protect against high cost claims. When you meet your out-of-pocket maximum, the plan covers 100% of eligible expenses for the remainder of the plan year.

Hawaii PPO plan

Gap Inc. offers Hawaii employees the option of the Hawaii Preferred Provider Organization (PPO) plan, administered by UnitedHealthcare

Hawaii PPO plan is a medical plan that offers care through a comprehensive network of doctors, hospitals and other healthcare providers who have agreed to discounted rates. With the PPO plan, you choose the providers that are either within this network (in-network care) or outside the network (out-of-network care).

Key features of the Hawaii PPO plan

- Access to UnitedHealthcare's Choice Plus network of doctors and health care providers. When you receive care from an in-network provider, you save money.
- Prescription drug coverage administered by Express Scripts. You'll receive a welcome kit with a separate ID card to use at retail pharmacies in the Express Scripts network.
- 100% coverage for preventive care services such as physicals, flu shots, screenings, well-baby visits and women's preventive health services, including contraceptives.
- Out-of-pocket maximums to protect against high cost claims. When you meet your out-of-pocket maximum, Gap Inc. covers 100% of eligible expenses for the remainder of the plan year.

MCS plan

Gap Inc. offers the MCS plan to employees in Puerto Rico

The MCS Medical plan is a preferred provider organization (PPO) plan that offers health care through a network of doctors, hospitals and other health care providers.

Key features of the MCS Plan

- Direct access to any providers, including specialists.
- 100% coverage for preventive care services such as physicals, flu shots, screenings, well-baby visits and women's preventive health services, including contraceptives.
- Pay a co-pay for doctor visits and the plan will cover 100% of the remaining cost.
- Out-of-pocket maximums to protect against high cost claims. When you meet your out-of-pocket maximum, the plan covers 100% of eligible expenses for the remainder of the plan year.

Health care plans 2014–2015

Depending upon your location, you may have two or more medical plan options to choose from. To receive the highest level of coverage, use providers in the medical plan network. If you select the HRA, HRA Plus or Hawaii PPO plan, you can use providers outside of the network, but you will pay more of the cost.

Medical plan comparison

Plan feature	HRA		HRA Plus		Kaiser HMO (California)	MVP HMO (Fishkill, NY)	MCS	Kaiser Hawaii	Hawaii PPO	
	In-network	Out-of-network ¹	In-network	Out-of-network ¹	In-network only	In-network only	In-network only	In-network only	In-network	Out-of-network
Health Reimbursement Account (HRA) dollars—deposited each plan year by Gap Inc.										
Employee	\$200		\$700		N/A	N/A	N/A	N/A	N/A	N/A
Employee + spouse/domestic partner or child(ren)	\$300		\$1,050							
Family	\$400		\$1,400							
Plan year deductible	Amount you pay (offset by your HRA dollars)									
Employee	\$1,300*		\$1,300*		N/A	N/A	N/A (Major medical expenses coverage: \$100 per person; \$300 per family)	N/A	\$200	\$300
Employee + spouse/domestic partner or child(ren)	\$1,950*		\$1,950*						\$200 per person	\$300 per person
Family	\$2,600*		\$2,600*						\$500	\$300 per person
Plan year out-of-pocket maximum	Amount you pay (offset by your HRA dollars)									
Employee	\$3,950	\$7,700	\$2,800**	\$4,900**	\$1,500	\$6,350***	\$6,350	\$2,500	\$2,500	\$3,000
Employee + spouse/domestic partner or child(ren)	\$5,800	\$11,400	\$4,200**	\$7,350**	\$3,000	\$12,700***	\$12,700	\$2,500 per person	\$2,500 per person	\$3,000 per person
Family	\$7,900	\$15,400	\$5,600**	\$9,800**	\$3,000	\$12,700***	\$12,700	\$7,500	\$6,250	\$9,000
Covered services	What the plan pays after deductible (unless noted)				Amount you pay					
Preventive care: • Annual physicals • Women’s preventive health services including contraceptives • Well-child exams • Childhood immunizations • Preventive screenings	Not subject to deductible		Not subject to deductible		Not subject to deductible	Not subject to deductible	Not subject to deductible	Not subject to deductible	Not subject to deductible	

Continued on next page

Medical plan comparison

(Continued from previous page)

Plan feature	HRA		HRA Plus		Kaiser HMO (California)	MVP HMO (Fishkill, NY)	MCS	Kaiser Hawaii	Hawaii PPO	
	In-network	Out-of-network ¹	In-network	Out-of-network ¹	In-network only	In-network only	In-network only	In-network only	In-network	Out-of-network
Covered services	What the plan pays after deductible (unless noted)				Amount you pay					
Doctor visits All non-preventive office visits	70%	50%	80%	60%	\$35 co-pay	Primary Care Physician: \$25 co-pay Specialist: \$40 co-pay	\$8 co-pay for generalist \$10 co-pay for specialist \$15 co-pay for sub-specialist	\$20 co-pay per visit	\$15 co-pay for PCP \$20 co-pay for specialist	70%
Hospital										
• Inpatient	70%	50%	80%	60%	\$500 co-pay per admission	\$500 co-pay per admission and \$100 surgery co-pay	\$50 co-pay	\$75 co-pay per day	90% after deductible	70% after deductible
• Outpatient	70%	50%	80%	60%	\$150 co-pay per procedure	\$75 co-pay	\$50 co-pay	\$20 per visit	90% after deductible	70% after deductible
Maternity										
• Pre-natal office visits	100%	100%	100%	100%	\$0	\$0	\$10 co-pay	\$0	100%	100%
• Post-natal office visits	70%	50%	80%	60%	\$35 co-pay	\$0	\$10 co-pay	\$20 co-pay per visit	\$15 co-pay	70% after deductible
Urgent care and Emergency care										
• Urgent care clinic	70%	50%	80%	60%	\$35 co-pay	\$25 co-pay	\$0 co-pay for accident \$35 co-pay for illness	\$20 co-pay per visit within Hawaii; 20% outside of Hawaii	\$25 co-pay then 100%	70% after deductible
• Hospital emergency room	70%	70%	80%	80%	\$150 co-pay	\$100 co-pay	\$0 co-pay for accident \$35 co-pay for illness	\$75 co-pay per visit	\$100 co-pay	\$100 co-pay
• Ambulance	70%	70%	80%	80%	\$100 co-pay	\$100 co-pay	Ground: MCS will reimburse up to \$75 per trip. Air: 20% co-insurance	20% of applicable charges	100%	100%

* Increase to annual deductibles for 2014–2015 Plan Year

** Increase to out-of-pocket maximum for Logistics Non-Exempt

*** Out-of-pocket maximum established for the 2014–2015 Plan Year

1. Plan pays up to eligible expenses for out-of-network care; you are responsible for any charges over eligible expenses.

Dental plan

You have the choice of two dental plans offered through Delta Dental. To receive the highest level of benefits, use a dentist that is part of the Delta Dental PPO or Premier network. To find network dentists, go to www.deltadentalins.com/gap and select the link under Finding a Delta Dental Dentist at the bottom of the page. You can use a dentist outside of the PPO or Premier network, but you may pay more of the cost.

Plan feature	Dental Plan			Dental Plus Plan		
	PPO network dentist	Premier network dentist	Out-of-network dentist*	PPO network dentist	Premier network dentist	Out-of-network dentist*
Plan year deductible • Per person • Family	\$50 \$200			\$50 \$200		
Plan year maximum benefit	\$1,100 per person	\$1,000 per person		\$2,200 per person	\$2,000 per person	
Diagnostic and preventive care (includes cleanings and exams) No deductible applies	Plan pays 100%		Plan pays 90%	Plan pays 100%		Plan pays 90%
Basic services (includes fillings, oral surgery)	Plan pays 65% after deductible	Plan pays 60% after deductible	Plan pays 50% after deductible	Plan pays 80% after deductible		Plan pays 70% after deductible
Major services (includes crowns, dental implants)	Plan pays 50% after deductible		Plan pays 40% after deductible	Plan pays 50% after deductible		Plan pays 40% after deductible
Orthodontia	Not covered			Plan pays 50% after deductible (\$1,500 lifetime maximum per person)		Plan pays 40% after deductible (\$1,500 lifetime maximum per person)

* Plan pays up to reasonable and customary charges (R&C) for out-of-network care; you are responsible for any charges over R&C.

Vision plan

You have the choice of two vision plans offered through VSP. You are automatically enrolled in the Vision Plan with the coverage fully paid by Gap Inc. If you wish to enroll dependents, choose the Vision Plus Plan. To receive the highest level of benefits, use a VSP network provider. Find VSP providers at www.vsp.com. The Vision Plus Plan covers one set of contacts or eyeglass lenses every 12 months. If you purchase contact lenses, you will be eligible for a frame 12 months after the date you purchased the contact lenses.

Plan feature	Vision Plan		Vision Plus Plan	
	VSP network	Non-VSP network	VSP network	Non-VSP network
Eye Exam 1 every 12 months	Covered 100%, no co-pay required	Up to \$50 reimbursement	Covered 100%, no co-pay required	Up to \$50 reimbursement
Eyeglass lenses 1 set every 12 months	Not covered		Covered 100% after \$25 co-pay* Includes single vision, lined bifocal, lined trifocal and lenticular.	After \$25 copay* plan reimburses up to: Single vision: \$50 Lined bifocal: \$75 Lined trifocal: \$100 lenticular: \$125
Frames 1 every 12 months	Not covered		Covered 100% up to \$150 after \$25 co-pay*	After \$25 co-pay* plan reimburses up to \$70
Contact lenses 1 set every 12 months	Not covered		Covered 100% up to \$150	Up to \$150 reimbursement

* One \$25 co-pay for eyeglass lenses and frames

Prescription benefits

If you are enrolled in the HRA, HRA Plus, or Hawaii PPO, your medical coverage is administered by UnitedHealthcare and your pharmacy benefits by Express Scripts.

If you are not yet enrolled and need to locate a network pharmacy, go to

www.express-scripts.com/gapinc

If you are enrolled in an HMO plan (Kaiser, MCS or MVP) your medical and pharmacy benefits are both administered through your provider.

Prescription drugs In-network only	Express Scripts network pharmacies only You pay...	Kaiser pharmacies only You pay....	MVP pharmacies only You pay...	MCS	Kaiser Hawaii	Hawaii PPO
Retail (up to 31-day supply for HRA plans and Hawaii PPO plans and 30-day supply for HMOs)						
• Generic drugs	\$10 co-pay	\$15 co-pay	\$10 co-pay	\$5 co-pay	\$15 co-pay for 30 day supply	\$10 co-pay
• Preferred brand-name drugs	30%; your minimum cost is \$30 and your maximum cost is \$90 per prescription	\$35 co-pay	\$30 co-pay	\$15 co-pay	\$15 co-pay for 30 day supply	30%; your minimum cost is \$30 and your maximum cost is \$90 per prescription
• Non-preferred brand-name drugs	45%; your minimum cost is \$45 and your maximum cost is \$135 per prescription	\$35 co-pay	\$50 co-pay	\$15 co-pay	\$15 co-pay for 30 day supply	45%; your minimum cost is \$45 and your maximum cost is \$135 per prescription
Mail order (up to 90-day supply; up to 100-day supply for Kaiser California)						
• Generic drugs	\$25 co-pay	\$30 co-pay	\$25 co-pay	\$10 co-pay	\$30 co-pay for 90 day supply	\$25 co-pay
• Preferred brand-name drugs	30%; your minimum cost is \$75 and your maximum cost is \$225 per prescription	\$70 co-pay	\$75 co-pay	\$10 co-pay	\$30 co-pay for 90 day supply	30%; your minimum cost is \$75 and your maximum cost is \$225 per prescription
• Non-preferred brand-name drugs	45%; your minimum cost is \$112.50 and your maximum cost is \$337.50 per prescription	\$70 co-pay	\$125 co-pay	\$10 co-pay	\$30 co-pay for 90 day supply	45%; your minimum cost is \$112.50 and your maximum cost is \$337.50 per prescription

Please note: Effective July 1, 2014, the pharmacy program through Express Scripts will include changes to improve patient safety and lower costs. Certain prescription drugs will require coverage review to ensure members are taking the right medication or taking a preferred alternative medication first. This program also includes quantity review to make sure members are receiving the appropriate dosage amount.

Planning ahead is always in style!

The GapShare 401(k) matching program is an excellent reminder that Gap Inc. cares about me not just as an employee, but as a whole person. They encourage me to plan for my future, and they'll match part of my contribution!

Kaitlin Karkos

Store Strategies and Business Solutions, Old Navy

Did you know?

Gap Inc.'s Employee Assistance Program (EAP) provides you and your family members with additional resources such as:

- Confidential counseling and referral service
- Legal & Financial—Initial consultations
- Work-Life Services including helping you identify resources for child and elder care, healthy pregnancy, adoption, pets, and travel.

Effective July 1, 2014, employees are eligible for up to five free counseling sessions per event per year. Call 888-EAP-4GAP (888-327-4427) 24 hours a day, seven days a week. Or visit them on-line at www.magellanassist.com

Flexible Spending Accounts (FSA)

Flexible Spending Accounts (FSA) plans allow you set aside pre-tax dollars to use for out-of-pocket healthcare or dependent (day) care expenses. During Open Enrollment, or during your newly eligible enrollment window, you decide how much you want to set aside for the coming plan year. To help you estimate how much to set aside, go to the Plan Cost Estimator on the **Benefits Portal > Decision Tools** page.

Remember, any unused FSA dollars will be lost at the end of the plan year, according to IRS rules. Therefore, it is important to plan carefully when making your annual FSA elections.

Gap Inc. offers two types of Flexible Spending Accounts:

Flexible Spending Account Plans	Overview
Health Care Flexible Spending Account (HCFSA)	<ul style="list-style-type: none"> The Health Care Flexible Spending Account (HCFSA) Plan lets you set aside tax-free dollars to pay for certain health care expenses for you and your eligible dependents. The amount you elect comes out of each paycheck before most payroll taxes are taken out of your pay. You can elect to contribute any amount from \$150 to \$2,500 in a Plan Year. The amount you elect will be evenly divided by the number of pay periods in the plan year.
Dependent (Day) Care Flexible Spending Account (DCFSA)	<ul style="list-style-type: none"> The Dependent (Day) Care FSA Plan let you set aside tax-free dollars to pay for babysitters, day care providers or home health care nurses to care for your dependents so that you and your spouse can work or look for work, or your spouse can attend school full-time. The amount you elect comes out of each paycheck before most payroll taxes are taken out of your pay. You can elect to contribute any amount from \$300 to \$5,000 in a Plan Year. The amount you select will be evenly divided by the number of pay periods in the plan year. Highly compensated employees (generally defined as employees earning \$115,000 or more in the 2013 calendar year) may be limited to a maximum contribution of \$1,200 per plan year.

Did you know?

Your FSA elections are for the plan year only. You must re-elect each year during the annual Open Enrollment period if you wish to continue your participation in the plan.

Life insurance plans

Your family may depend on your income. Gap Inc.'s Life Insurance Plans are designed to provide financial assistance to your family in the event of your death. Basic Life Insurance is provided at no cost when you become benefits eligible.

Insurance Plan	Overview
Basic Life Insurance	<ul style="list-style-type: none"> Gap Inc. pays the full cost for your coverage—equal to your annual base pay (for Directors and above, this amount is three times your annual base pay).
Supplemental and Dependent Life Insurance	<ul style="list-style-type: none"> Supplemental Life Insurance is guarantee issue up to 3x of combined Basic and Supplemental Life Coverage (not to exceed \$2,000,000). You can purchase Supplemental Life Insurance on an after-tax basis in amounts equal to one, two, three or four times your annual base pay. Coverage for your dependent children from live birth to 14 days old is limited to a maximum benefit of \$500 per child. Children dependents can be covered to age 19 or age 23 (if a full-time student).
AD&D Insurance	<ul style="list-style-type: none"> You pay for this coverage on an after-tax basis, which provides benefits to you or your beneficiary in the event of a qualifying injury or your accidental death. Coverage can be elected in set amounts up to \$500,000.

Evidence of insurability for life insurance

Evidence of insurability (EOI) is also referred to as “proof of good health.” Benefit amounts that require EOI are subject to approval by the insurance company. During Open Enrollment, EOI will apply as follows:

If your current Supplemental Life coverage is:	EOI is required if:
None	You want any amount Supplemental Life above 1x annual salary
Supplemental Life is 1x annual base pay	You're increasing to 3x or 4x annual base pay
Supplemental Life is 2x or 3x annual base pay	You're increasing to 4x annual base pay

If your spouse's/domestic partner's current Dependent Life coverage is:	EOI is required if:
None	You want any amount of Dependent Life coverage
\$25,000 or less	You elect any amount over \$25,000

Disability plans

Gap Inc. provides short term and long term disability coverage—with no enrollment required. Disability benefits provide wage replacement in the event you cannot work due to a serious medical condition (including pregnancy). You may choose and pay for additional (“Plus” plan) coverage during your newly eligible enrollment period or during Open Enrollment. The following is an overview of the disability plans. In some circumstances, pre-existing condition limitations may apply. Refer to the Summary Plan Description for more information.

Short Term Disability (STD)		
	STD	STD Plus
Employee contributions	No/No imputed income	Yes/Imputed income
Elimination period (waiting period before you start receiving STD benefits)	Seven days or first day of hospital confinement if sooner	Seven days or first day of hospital confinement if sooner
Weekly benefit*	60% of base wages (taxable)	65% of base wages (tax-free)**
Maximum weekly benefit	No maximum	No maximum
How long benefits are paid	Up to 180 days	Up to 180 days

* Your benefit amount may be offset by any mandated state disability insurance to which you’re entitled.

** Benefits from the STD Plus plan are not taxable to you because you pay for additional coverage on an after-tax basis. You also pay taxes on the value of the benefit provided by Gap Inc. under the basic plan, known as “imputed income.”

Long Term Disability (LTD)		
	LTD	LTD Plus
Employee contributions	No/No imputed income	Yes/Imputed income
Elimination period (waiting period before you start receiving LTD benefits)	180 days	180 days
Monthly benefit*	55% of base wages (taxable)	65% of base wages (tax-free)**
Maximum monthly benefit	\$25,000	\$25,000
How long benefits are paid	To age 65 or not disabled	To age 65 or not disabled

* Your benefit amount may be offset by any mandated state disability insurance to which you’re entitled.

** Benefits from the LTD Plus plan are not taxable to you because you pay for additional coverage on an after-tax basis. You also pay taxes on the value of the benefit provided by Gap Inc. under the basic plan, known as “imputed income.”

For questions or information about Gap Inc.’s leave of absence program, go to

Gapweb > Benefits Homepage > U.S. Full-Time Benefits Portal

For questions or information about your leave, please contact Sedgwick CMS at 800-GAP-9680 or www.sedgwickcms.com

GapShare 401(k) and Puerto Rico plans

The GapShare Plans allow you to contribute a percentage of your eligible pay from each paycheck for your retirement.

- Gap Inc. offers a generous 4% dollar-for-dollar match on your contributions each pay period (one of the best company matches in the industry!).
- Employees are eligible to participate upon attaining age 21 years and completing 1,000 hours of service within your first 12 consecutive months or any following calendar year.
- 100% vested—the match belongs to you immediately!
- Choose from a variety of diverse investment funds.
- Save more through “catch up” contributions beginning in the year you turn age 50.

Don’t miss out! Enroll in the GapShare plan as soon as you meet the eligibility requirements.

For more information about GapShare 401(k) and Puerto Rico Plans, please call T.Rowe Price Retirement Plan Services at 1-888-GAP-401k (888-427-4015) or visit <http://rps:trowerprice.com>

Did you know?

If you are a plan participant as of July 1, 2013, Gap Inc. will increase your pre-tax deferral for you automatically each year by 1% of your eligible pay until you reach 10%.

Employee Stock Purchase Plan

The Employee Stock Purchase Plan (ESPP) is your opportunity to become a part owner of Gap Inc. at a special discounted rate through easy payroll deductions. Through the ESPP, you can purchase Gap Inc. stock at a 15% discount off the market value on the day of the purchase. The Employee Stock Purchase Plan (ESPP) allows you to contribute from 1%–15% of your base pay for the purchase of Gap Inc. stock shares. You have the opportunity to enroll in the program every three months during special “enrollment periods,” (see below) and your stock will be purchased once a quarter.

All U.S. and Puerto Rico employees are eligible to enroll in the ESPP, with the exception of seasonal employees, and those who own (or have the right to acquire) 5% or more of Gap Inc.’s voting stock.

Enrollment Start Date	Enrollment End Date	Deduction Start Date	Purchase Date
May 9, 2014	May 28, 2014	Pay period ending May 31, 2014	August 2014
August 8, 2014	August 27, 2014	Pay period ending August 30, 2014	November 2014
November 7, 2014	November 26, 2014	Pay period ending November 29, 2014	February 2015
February 6, 2015	February 25, 2015	Pay period ending February 28, 2015	May 2015
May 8, 2015	May 27, 2015	Pay period ending May 30, 2015	August 2015

For more information about our ESPP, please go to [Gapweb > Benefits Homepage > U.S. Full-Time Benefits Portal](#) or call E*Trade Financial at 800-838-0908. You can also visit E*Trade at www.etrade.com/stockplans

Other benefits

Your Gap Inc. benefits include much more than your health and income protection plans—there are a variety of other benefits and programs available, too. You’re eligible for most of them on your first day of work or the date you become eligible for benefits (if your job classification changes). Here’s a listing of some of these benefits and programs—and check out [Gapweb > Benefits Homepage > U.S. Full-Time Benefits Portal](#) for more details!

Benefit	Description
Paid Time Off (PTO)	Paid Time Off is a combined time-off benefits program and hours accrued can be used for any reason, including vacation, illness, doctor’s appointments or personal business. Employees classified as benefits eligible will accrue PTO hours.
Employee Merchandise Discount	We want to reward you with one of the best merchandise discount programs in retail. So take advantage of your discount and wear what’s new and in-season today!
Tuition Reimbursement	Through the Tuition Reimbursement Program, we are committed to supporting your continued development, helping you reach your full potential and grow with Gap Inc. To be eligible, you must be classified as a full-time employee in good standing and have completed one full year of employment with Gap Inc.
Commuter Benefits	Commuter benefits help you save money on mass transit, van pools and parking. To enroll: contact WageWorks at 877-924-3967, Monday through Friday, 8 a.m. to 8 p.m. Eastern Time. Or, go to the WageWorks website: www.wageworks.com . Use the last 4 digits of your employee ID number as your ID code to log in.
Employee Assistance Program (EAP)	The EAP provides free and confidential counseling services as well as resources and referrals on a wide range of topics. Effective July 1, 2014, employees are eligible for up to 5 free visits per concern per year. 888-EAP-4GAP (888-327-4427) or www.magellanassist.com .
Adoption Assistance	To help you in your effort to adopt a child, Gap Inc. offers the Adoption Assistance Reimbursement Plan, which provides financial support with the high cost of public, private, or international adoptions of children under 18 years of age.
Ayco Answerline	The Ayco AnswerLine is a toll-free, confidential service that connects you to an experienced professional financial planner. You’ll receive personal counseling to help you establish and achieve your financial goals. Ayco’s financial planners are well informed of Gap Inc.’s compensation and benefit programs and they can help you choose the plan that’s right for you. 800-235-3430 or www.aycofn.com .

Notices

Women's Health and Cancer Rights Act of 1998

If you've had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998.

The health plans provide benefits for mastectomy-related services including all stages of reconstruction and surgery to achieve symmetry between the breasts, prostheses and complications resulting from a mastectomy, including lymph edemas. These benefits will be provided subject to the same deductibles and co-insurance applicable to other medical and surgical procedures. Call your Plan Administrator for more information.

HIPAA special enrollment

If you decline enrollment in the Gap Inc. medical plan for you or your dependents (including your spouse) because of other medical plan coverage, you and/or your dependents may be able to enroll in a Gap Inc. medical plan without waiting for the next open enrollment period, provided that you request enrollment within 60 days after your other coverage ends. In addition, if you have a new dependent as a result of marriage, birth, adoption or placement for adoption, you may be able to enroll yourself and your dependents, provided that you request enrollment within 60 days after the marriage, birth, adoption or placement for adoption.

You also have an opportunity to enroll in a medical plan during the plan year if you or your eligible dependents:

- Lose Medicaid or Children's Health Insurance Program (CHIP) coverage because you or your dependents are no longer eligible, or
- Become eligible for a state's premium assistance program under Medicaid or CHIP.

For these new enrollment opportunities, you will have 60 days from the date of the Medicaid/CHIP eligibility change to request enrollment in a Gap Inc. medical plan.

To request special enrollment, log on to Gapweb (<https://portal.gap.com>) to process a Life Event. To get more information, contact Employee Services at 866-411-2772, (x20600).

Medicaid and the Children's Health Insurance Program (CHIP) — Offer free or low-cost health coverage to children and families

If you are eligible for health coverage from your employer, but are unable to afford the premiums, some States have premium assistance programs that can help pay for coverage. These States use funds from their Medicaid or CHIP programs to help people who are eligible for employer-sponsored health coverage, but need assistance in paying their health premiums.

If you or your dependents are already enrolled in Medicaid or CHIP, access the website below or contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, you can contact your State Medicaid or CHIP office or dial 1-877-KIDS NOW or www.insurekidsnow.gov to find out how to apply. If you qualify, you can ask the State if it has a program that might help you pay the premiums for an employer-sponsored plan.

Once it is determined that you or your dependents are eligible for premium assistance under Medicaid or CHIP, your employer's health plan is required to permit you and your dependents to enroll in the plan—as long as you and your dependents are eligible, but not already enrolled in the employer's plan. This is called a "special enrollment" opportunity, and you must request coverage within 60 days of being determined eligible for premium assistance.

For more information refer to:

<http://www.dol.gov/ebsa/pdf/chipmodelnotice.pdf>

About this Guide

This guide constitutes a Summary of Material Modifications (SMM) for the Summary Plan Description (SPD) of the Gap Inc. Health and Life, Disability and Flexible Spending Account Plans. The benefits described in this SMM are collectively referred to as the "Plan." Unless a different effective date is otherwise noted, this guide is effective July 1, 2014, for full-time benefits eligible employees.

The information described in this guide summarizes the official text and contracts concerning the Plan. Employees may request copies of those documents. In case of any conflict between the information in this booklet and that in the official Plan documents, the official Plan documents will govern.

Resources

Health & Welfare plans/programs	Vendor	Phone number and website	Group/ID number
Accidental Death & Dismemberment (AD&D)	Minnesota Life	866-293-6047 or www.securian.com	33427-G
Dental	Delta Dental	877-442-7462 or www.deltadentalins.com/gap	Dental: 600 Dental Plus: 6600
Flexible Spending Accounts	UnitedHealthcare	877-311-7849 or 888-633-0834 or 866-755-2648 (FSA card) or www.myuhc.com	
HRA, HRA Plus, Hawaii PPO health plans	UnitedHealthcare	888-633-0834 or www.myuhc.com	
Kaiser HMO (California)	Kaiser	800-464-4000 or www.kp.org	Northern California: 8360 Southern California: 226746
Kaiser HMO (Hawaii)	Kaiser	808-432-5955 (Oahu) 800-966-5955 (Neighbor Islands) or www.kp.org	11902/11
Life Insurance	Minnesota Life	866-293-6047 or www.securian.com	33426-G
Leave of Absence and Short-Term Disability	Sedgwick CMS	800-GAP-9680 or www.sedgwickcms.com	FLK-980038
Long-Term Disability	CIGNA Group Insurance	800-781-2006	FLK-980039
MCS PPO (Puerto Rico)	MCS	800-981-0081 or www.mcs.com.pr	790711
MVP HMO (Fishkill, NY)	MVP	888-687-6277 or www.mvphealthcare.com	214456
Optum NurseLine	UnitedHealthcare	800-267-5457 PIN 216 or www.myuhc.com	
Prescription Benefits/Express Scripts	Express Scripts	877-445-3031 or www.express-scripts.com	GAPINCRX
Vision	Vision Service Plan (VSP)	800-877-7195 or www.vsp.com	Vision: 00113840-0001 Vision Plus: 00113840-0003
Your HealthCare Advocate (YHA)	Aon Hewitt	866-GAP-3211	

Para descargar este documento en español:

- Ingresa a GapWeb en <https://portal.gap.com>
- Formularios y referencias
- Materiales de la inscripción abierta 2014–2015

