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## PROJECT: GOLDEN RUNWAY (OPEN-SOURCE REVIEW)

**Document Name:** Summary Plan Description **Document Number:** 501 **Jurisdiction:** Global Baseline (Adaptable to Local Law) **Target Audience:** Plan Participants & Beneficiaries, HR & People Leaders, Legal & Compliance Officers, and National Labor/Pension Regulators

**Current Status:** ACTIVE v1.0 | **Host:** The Aura Impact PBC

**Welcome to the future of employee benefits.**

You are looking at the live working draft of the **Summary Plan Description (SPD)** for the "Golden Runway"—a proposed benefit plan designed to replace standard severance with active, long-term financial and career support.

**We are "Open Sourcing" this document because we believe the best standards are built collectively.** Whether you are an HR leader, a business owner, a legal expert, or an employee who has been through a layoff, your perspective is critical.

### HOW TO SUBMIT FEEDBACK

We invite you to review this draft and share your thoughts using the following methods:

1. **Reference the Section:** See a loophole or a confusing clause? Please reference the **Section Number** (e.g., "Sec 3.1") so we know exactly where to look.
2. **Comment Publicly:** Drop your feedback in the **Comments** on this post. Public discussion helps everyone learn.
3. **Private Feedback:** If you prefer privacy, you can DM on LinkedIn or Instagram, or email [collaborate@theauraimpact.io](mailto:collaborate@theauraimpact.io).

### AREAS OF FOCUS (WHAT TO LOOK FOR)

As you review the document, we specifically need your help to:

- **Challenge the Model:** See a financial risk? Is the "125% Funding Trigger" fair? Is the definition of "Gross Misconduct" too broad or too narrow?
- **Suggest Improvements:** How can we make this funding model work for both bootstrapped startups and corporate giants?

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 **DISCLAIMER:** *It is not currently legal advice or a binding contract. "Golden Runway" framework is a proposal for the benefit of the wider community.*

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**[ADMINISTRATIVE NOTE: FUNDING SELECTION]** This template defaults to a **VEBA Trust** funding model (Section 8), which offers the highest level of employee security and tax efficiency. If you choose an alternative funding model (**General Assets, Fully Insured, or Captive**), please delete Section 8 and replace it with the appropriate clause found in the **Implementation Guide (Doc #503)**.

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## SUMMARY PLAN DESCRIPTION (SPD)

### THE GOLDEN RUNWAY SUPPLEMENTAL UNEMPLOYMENT BENEFIT PLAN

**Plan Document Number:** 501

**Effective Date:** January 1, 2026

#### INTRODUCTION: A NEW STANDARD OF SECURITY

Welcome to [Company Name]. We believe that true psychological safety is the foundation of innovation. We recognize that employment relationships can change, but our commitment to your financial security and professional dignity should not.

This document describes the **Golden Runway Benefit**, a federally regulated Employee Welfare Benefit Plan designed to provide you with industry-leading financial protection and career support in the event of an involuntary separation.

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#### SECTION 1: GENERAL INFORMATION

- **Plan Name:** The Golden Runway Supplemental Unemployment Benefit Plan.
- **Plan Sponsor:** [Company Name].
- **Plan Administrator:** [Third-Party Administrator Name, e.g., Equifax/NeuBridg]. *Note: The Company does not administer claims internally to ensure impartiality.*
- **Funding Medium:** The **Golden Runway VEBA Trust**.

- **Important Note:** Assets for this Plan are held in a tax-exempt Trust separate from the Company's operating accounts. These funds are legally protected from the Company's creditors.
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## SECTION 2: ELIGIBILITY

**2.1 Who is Eligible?** You are eligible for this Plan if you are:

- Classified as a **Full-Time Employee (FTE)**; and
- Regularly scheduled to work **30 or more hours** per week.

**2.2 The "Recruiting Warranty" (Day 1 Coverage)** There is no waiting period. You become a Participant in the Plan on your very first day of active employment.

**2.3 Exclusions** The following individuals are **not** eligible:

- Independent Contractors (1099).
  - Temporary, Seasonal, or Leased Employees.
  - Interns.
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## SECTION 3: THE BENEFIT ("WHAT YOU RECEIVE")

If you undergo a Qualifying Termination (see Section 4), you are entitled to the following **Golden Runway** benefits:

**3.1 Salary Continuation (The Runway)** The Plan will pay you **100% of your Base Salary** on the Company's standard payroll schedule.

- **Duration:** Payments continue for **up to 24 Months** (2 Years) or until you secure New Employment, whichever occurs first.

**3.2 Health Benefits Continuation** You and your eligible dependents will remain enrolled in the Company's Group Medical, Dental, and Vision plans. The Company will continue to pay the **Employer portion** of the premium for the duration of your Salary Continuation.

**3.3 The "Lift-Off" Support Package** To assist your transition, the Plan provides:

- **Career Coaching:** Access to a dedicated outplacement career coach.
- **Upskilling Budget:** A stipend of up to **\$5,000** paid directly to accredited institutions for certifications or training.
- **Alumni Status:** Immediate vesting in the Company Alumni Network.

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## **SECTION 4: TERMINATION SCENARIOS**

**4.1 Qualifying Terminations (You Get Paid)** You are legally entitled to the Golden Runway Benefit if your employment is terminated for any of the following reasons:

- Reduction in Force / Layoff.
- Job Elimination / Restructuring.
- Termination for "Performance" (e.g., missed quotas, skill gaps).
- Termination for "Culture Fit."
- Any involuntary termination **not** classified as Gross Misconduct.

**4.2 Presumption of Eligibility** The Plan operates under a **presumption of eligibility**. If you are fired, the Plan Administrator assumes you are entitled to the benefit unless the Company provides conclusive proof of Gross Misconduct.

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## **SECTION 5: DISQUALIFICATION (GROSS MISCONDUCT)**

**5.1 The Only Exception** Benefits are denied **ONLY** if termination is for **Gross Misconduct**.

**5.2 Definition of Gross Misconduct** "Gross Misconduct" is strictly limited to:

1. **Theft/Fraud:** Proven theft of assets or falsification of records.
2. **Violence:** Physical assault or credible threats of violence.
3. **Harassment:** Legally actionable harassment or discrimination as verified by investigation.
4. **Felony Conviction:** Conviction of a felony relevant to your role.
5. **Malicious Breach:** Willful disclosure of trade secrets.

**5.3 Burden of Proof** The burden is on the Company to prove Gross Misconduct to the **Ethics Committee**. If the Company cannot provide clear and convincing evidence, the Benefit must be paid.

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## **SECTION 6: GOVERNANCE & APPEALS**

**6.1 The Golden Runway Ethics Committee** Any attempt by the Company to deny benefits based on Gross Misconduct is automatically reviewed by the **Independent Ethics Committee**.

- **Composition:** 1 Randomly Selected Peer (Employee), 1 External Ethics Arbiter, 1 Public Advocate.

- **Independence:** Committee members are compensated via an irrevocable Escrow Account (see Section 8.5); the Company cannot withhold their pay based on their decision.

**6.2 The Blind Review Process** To prevent bias, the Committee reviews all evidence on a **De-Identified Basis**. Your name, title, and photo are redacted. The Committee rules solely on the facts of the case via **Secret Digital Ballot**.

**6.3 Final Decision** The decision of the Ethics Committee is final and binding on the Company.

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## SECTION 7: PARTICIPANT OBLIGATIONS

**7.1 Obligation to Report New Employment** The Golden Runway is a bridge to your next job, not a permanent vacation.

- **Notification:** You must notify the Plan Administrator within **72 hours** of accepting a written offer for full-time employment.
- **Benefit Cessation:** Salary Continuation payments cease on the start date of your new employment.

**7.2 Monthly Attestation** To receive your monthly payment, you must submit a simple digital attestation confirming: *"I am actively seeking employment and have not yet secured a full-time role."*

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## SECTION 8: FUNDING, SECURITY & SOLVENCY

**8.1 The Financial Vehicle: The VEBA Trust** Benefits under this Plan are funded exclusively through the **Golden Runway Voluntary Employees' Beneficiary Association (VEBA) Trust**.

- **Legal Separation:** The Trust is a separate legal entity from the Company. It has its own Tax ID and independent Trustee.
- **Creditor Protection:** Assets held in the Trust are legally restricted to provide benefits for Participants. **In the event of Company insolvency or bankruptcy, these funds cannot be seized by creditors, banks, or the Company itself.** They remain available solely to pay your Golden Runway benefits.

**8.2 Funding Mechanism: Pooled Risk** The Plan is funded on a "Pooled Risk" actuarial basis.

- **Company Contributions:** The Company contributes a fixed percentage of total payroll (actuarially targeted at approximately 2%) into the Trust on a monthly basis.
- **Collective Safety:** These contributions create a shared pool. The retention of the majority of employees funds the protection of the few who face involuntary separation.

**8.3 Reinsurance ("Stop-Loss" Protection)** To ensure the Plan can meet its obligations even during periods of high claim volume (e.g., mass layoffs or economic downturns), the Trust purchases and maintains "**Stop-Loss**" Reinsurance.

- **The Safety Net:** If claims exceed the assets currently held in the Trust, this third-party insurance policy triggers immediately to fund the remaining benefit obligations.

**8.4 The "Contribution Holiday" (Retention Incentive)** The Plan includes a specific solvency target to align the Company's financial interests with Employee retention.

- **Surplus Trigger:** If the assets in the Trust exceed **125%** of the Plan's projected liabilities (due to high retention and low termination rates), the Company is granted a "Contribution Holiday."
- **Impact:** During a Holiday, the Company's obligation to contribute monthly premiums is suspended until the funding ratio returns to standard levels. This structure ensures that the Company is financially rewarded for retaining talent.

**8.5 The Governance Reserve (Independence Funding)** To ensure the absolute independence of the **Golden Runway Ethics Committee** (see Section 6), the Trust maintains a segregated "**Administrative Reserve**."

- **Escrow Function:** This Reserve holds a minimum of **3 years** of estimated fees for the External Ethics Arbiter and Public Advocate.
- **Irrevocable Payment:** The Trustee is mandated to pay Committee members directly from this Reserve. The Company has no authority to withhold, delay, or cease these payments.

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## SECTION 9: ERISA RIGHTS

As a participant in the Golden Runway Benefit Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

1. Examine all documents governing the plan.
2. Obtain copies of all plan documents.
3. File suit in U.S. Federal Court if materials are not provided or if a claim is improperly denied.

**Fiduciary Duty:** The people who operate your Plan, called "fiduciaries," have a duty to do so prudently and in your interest. No one, including your employer, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

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