

**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
LOCAL UNION NO. 32 – NECA PROFIT SHARING ANNUITY PLAN**

**EXPLANATION OF RIGHT
TO JOINT AND SURVIVOR ANNUITY
AND SINGLE LIFE ANNUITY**

(For Married and Unmarried Participants)

The International Brotherhood of Electrical Workers Local Union No. 32 – NECA Profit Sharing Annuity Plan (“Plan”) provides for distribution of your retirement benefit in a specified form of benefit. The form of benefit depends on your marital status when your benefit is to be distributed. If you are married when your benefit is to be distributed, your benefit is generally required to be paid in what is called a “Joint and Survivor Annuity.” If you are not married when your benefit is to be distributed, your benefit is generally required to be paid in what is called a “Single Life Annuity.” However, if the vested portion of your Credit Account does not exceed \$1,000, your benefit, regardless of your marital status, will automatically be paid as a lump sum.

If you are married and receive your benefit in the form of a Joint and Survivor Annuity, your monthly payments will be smaller than they would be under the Single Life Annuity. The reason is that monthly payments under the Joint and Survivor Annuity are potentially payable over two lifetimes, yours and your spouse’s, and thus, for each dollar of monthly benefit, are more costly to provide than monthly payments under the Single Life Annuity, which stop at your death.

Joint and Survivor Annuity for Married Participants

A Joint and Survivor Annuity is a monthly amount payable over your lifetime, with a survivor benefit payable over the lifetime of your surviving spouse. The survivor benefit payable to your surviving spouse upon your death is a monthly amount equal to 50% of the monthly benefit payable to you during your lifetime.

Single Life Annuity for Unmarried Participants

A Single Life Annuity is a monthly amount payable over your lifetime only. Upon your death, no further benefits are payable to anyone.

Amount of Annuity

If your benefit is to be paid in the annuity form, the Plan Administrator will purchase an annuity for you from an annuity contract provider (for example, an insurance company) outside the Plan. Your vested benefit under the Plan will be used to purchase the annuity. The precise dollar amount payable under either the Joint and Survivor Annuity or the Single Life Annuity depends on a number of factors, including the value of your vested benefit under the Plan, costs relating to the purchase of your annuity, your age, and in the case of the Joint and Survivor Annuity, your spouse’s age. As explained above, the amount payable under a Joint and survivor Annuity will be less than the amount payable under the Single Life Annuity because benefit payments under the Joint and Survivor Annuity are potentially payable over two lifetimes, yours and your spouse’s.

Waiver of Required Form of Payment

You may elect benefit forms other than the Joint and Survivor Annuity or the Single Life Annuity. These optional forms are shown on the attached election form. If you are married and wish to waive the Joint and Survivor Annuity form of payment, your waiver is valid only if your spouse consents in writing to such waiver. Your spouse’s consent must be witnessed by a notary public, must evidence your spouse’s understanding of the effect of that waiver, and must be irrevocable. Written spousal consent to your waiver is not necessary if you show enough facts and circumstances to satisfy the Plan Administrator that your spouse cannot be located or is otherwise unavailable. If your election of an optional form of benefit will result in the

payment of benefits after your death to a person(s) other than your spouse, your spouse must consent in writing to your designation of a non-spouse beneficiary. Provisions of a premarital, antenuptial, financial support, or other such agreement between you and your spouse may *not* be given effect as an election to waive the Joint and Survivor Annuity, regardless of stated intent.

If you are unmarried and you wish to waive the Single Life Annuity form of payment, you may do so without anyone else's consent.

In addition, whether you are married or unmarried, payment of your benefit under the Plan cannot begin prior to your normal retirement age unless you consent to have payment begin earlier.

Election Period

The election period during which you may elect to waive the Joint and Survivor Annuity form of benefit is the 90-day period immediately preceding your annuity starting date (the date on which benefit payments are to begin), except that if you make a written request to the Plan Administrator for specific information on the financial effect of accepting or waiving the Joint and Survivor Annuity form of benefit, the 90-day period will not be deemed to start running until the Plan Administrator provides the requested information. All elections must be in writing and may *not* be changed after your annuity starting date. If you begin to receive benefits in the form of a Joint and Survivor Annuity and then survive your spouse, there is no change in the amount of the monthly benefit payable during your lifetime, and benefit payments would then stop at your death.

Effect of Election

If you elect to waive coverage under the Joint and Survivor Annuity form of benefit, the benefit, if any, payable after your death will be paid in accordance with the form of benefit you previously elected. Under such circumstances, there may be no death benefit payable, there may be a benefit which expires before the death of the beneficiary, or there may be a death benefit which is smaller than, or payable for a shorter period than, the benefit that would have been payable under a Joint and Survivor Annuity. Moreover, any such benefit may be payable to a party other than your spouse.

Revocation of Prior Election

If you waive the Joint and Survivor Annuity or the Single Life Annuity form of payment and then change your mind before the date that your benefit payments are to begin, you may revoke your prior election. Once you revoke your prior election, you may elect any other form of benefit available under the Plan. However, should you revoke your prior election prior to your annuity starting date and fail to elect another form of payment, your benefit will be paid to you in the form of a Joint and Survivor Annuity or a Single Life Annuity, as applicable. You may not thereafter again elect to waive the Joint and Survivor Annuity without again securing spousal consent to your new election.