

SUMMARY PLAN DESCRIPTION

for the

***Ninth Farm Credit District
Pension Plan***

SUMMARY PLAN DESCRIPTION
Ninth Farm Credit District Pension Plan

TABLE OF CONTENTS

Preface	1
Part I – General Provisions	
(1) General.....	1
(2) Identification of Plan	2
(3) Type of Plan	2
(4) Plan Administrator	2
(5) Trustee/Trust Fund.....	3
(6) Eligibility to Participate	3
(7) Years of Vesting Service, Years of Benefit Service and Vesting Schedule	3
(8) Special Provisions Regarding Vesting and Benefit Service	4
(9) Employer’s Contribution	5
(10) Employee Contributions	5
(11) Pension Benefits	5
(12) Form of Payment of Pension Benefits	7
(13) Disqualification of Participant Status – Loss or Denial of Benefits	9
(14) Claims Procedure.....	10
(15) Qualified Domestic Relations Order (“QDRO”) Procedure.....	11
(16) Retired Participant, Separated Participant with Vested Benefit, Beneficiary Receiving Benefits.....	11
(17) Federal Income Taxation of Benefits Paid.....	11
(18) Right of Employer to Amend or Terminate	11

Part II – Account Balance Provisions

(19) Farm Credit System Service – Account Balance Provisions..... 12

(20) Account Balance Benefits 12

(21) Special Rule for “Best of Either” Participants Who Are Terminated
Due to Job Elimination 13

(22) Pre-Retirement Survivor Pension Benefit –
Account Balance Provisions 14

Part III –Traditional Pension Provisions

(23) Farm Credit System Service – Traditional Pension Provisions 15

(24) Normal Retirement Pension 17

(25) Early Retirement Pension 18

(26) Optional Provision Providing Enhanced Benefits to Participants
Whose Positions Are Lost As a Result of Restructuring 20

(27) Deferred Vested Pension 24

(28) Pre-Retirement Survivor Pension Benefit – Traditional Pension
Provisions 25

(29) Age 62 In-Service Distribution Option..... 26

SUMMARY PLAN DESCRIPTION

NINTH FARM CREDIT DISTRICT PENSION PLAN

PREFACE

The Ninth Farm Credit District Pension Plan (the “Plan”) provides benefits to Participants under either its Account Balance provisions or its Traditional Pension provisions. Plan participants should refer to Section (11) of this Summary Plan Description to determine whether their benefit is calculated under the Account Balance provisions or under the Traditional Pension provisions. This Summary Plan Description is divided into three parts, as follows:

Part I contains the General provisions that apply to both the Account Balance provisions and the Traditional Pension provisions.

Part II contains a summary of Account Balance provisions only.

Part III contains a summary of Traditional Pension provisions only.

Part I – General Provisions

- (1) **General.** The legal name, address and Federal employer identification number (“EIN”) of the Employer are:

**U.S. AgBank, FCB
(formerly the Farm Credit Bank of Wichita)
245 North Waco, P.O. Box 2940
Wichita, Kansas 67201-2940
EIN: 48-0544202**

The Associations and service corporations within the Ninth Farm Credit District are “Participating Employers” in the Plan. A list of their names, addresses, and Federal EINs are found on Exhibit A to this Summary Plan Description (“SPD”).

The Employer has established a retirement plan to supplement your income upon retirement without cost to you. In addition to retirement benefits, the Plan may provide benefits in the event of your death or disability or in the event of your termination of employment prior to Normal Retirement Age. If, after reading this Summary Plan Description, you have any questions, please contact the Farm Credit Foundations Human Resources Department (“Human Resources Department”). We emphasize that this Summary Plan Description is a highlight of the more important provisions of the Plan. If there is a conflict between a statement in this Summary Plan Description and in the Plan, the terms of the Plan shall control.

- (2) **Identification of Plan.** The Plan is known as - ***Ninth Farm Credit District Pension Plan.***

The Employer has assigned 001 as the Plan identification number. The plan year is the period on which the Plan maintains its records: January 1 through December 31.

- (3) **Type of Plan.** The Plan is commonly known as a defined benefit pension plan. Under this type of plan, a participant who retires at Normal Retirement Age will receive a fixed and determinable pension. Sections (20), (23), (24), (25), and (26) explain the benefits a participant may receive under the Plan.

Due to the fact that the Farm Credit System was created under federal law and all of the employers in the Plan are members of the Farm Credit System, the Plan is also considered to be a “governmental plan.” As a governmental plan, the Plan is not subject to the provisions of Title I of the Employee Retirement Income Security Act of 1974 (“ERISA”) and it is not subject to regulations issued by the Department of Labor. The Plan is subject to the provisions of the Internal Revenue Code (the “Code”); however, the application of certain provisions of the Code to governmental plans may differ from their application to plans maintained by private employers.

A governmental agency known as the Pension Benefit Guaranty Corporation (the “PBGC”) insures the benefits payable under plans which provide for fixed and determinable retirement benefits. Though the Plan provides a fixed and determinable retirement benefit, the PBGC does **not** include the Plan within its insurance program because the Plan is considered a governmental plan.

- (4) **Plan Administrator.** The Employer is the Plan Administrator. The Employer has designated the Farm Credit Foundations Trust Committee (“Trust Committee”) to carry out various administrative and other duties with respect to the Plan in a manner consistent with the terms of the Plan. The Trust Committee has appointed the Farm Credit Foundations Human Resources Department to assist with these duties. You may contact the Human Resources Department at 1-800-892-7924.

The Farm Credit Foundations Human Resources Department has, in turn, contracted with New York Life Investment Management to assist with benefit calculations, distribution requests, beneficiary designations, and various other matters. New York Life Investment Manager offers these services using the name *Benefits Complete*. You may contact Benefits Complete at www.bcomplete.com or at 1-800-294-3575. The Benefits Complete automated information line is available seven days a week, twenty-four hours per day. Participant service representatives are available Monday through Friday, 9:00 a.m. to 8:00 Eastern Time, except on days when the New York Stock Exchange is closed.

In its role as the Plan Administrator, the Trust Committee has the responsibility of providing information to you and other participants regarding your rights and benefits under the Plan. The Trust Committee also has the responsibility for making all discretionary determinations under the Plan. The members of the Trust Committee may change from time to time. You may obtain the names of the current members of the Trust Committee from the Employer.

The name of the person designated as agent for service of legal process and the address where a process server may serve legal process upon the Plan is -

Chief Executive Officer
U.S. AgBank, FCB
245 North Waco, P.O. Box 2940
Wichita, Kansas 67201-2940

A legal process server also may serve the Trustee of the Plan or the Plan Administrator.

- (5) **Trustee/Trust Fund.** The Employer has appointed -

**The Farm Credit Foundations Trust Committee
375 Jackson Street
Mail Station 5E-22
St. Paul, MN 55101**

to hold the office of Trustee. The Employer will deliver its annual contribution(s) under the Plan to the Trustee. The Trustee will hold all amounts the Employer contributes to it in a trust fund. The Trustee is responsible for the administration, management and investment of this trust fund. In addition to its investment responsibilities, the Trustee will make all benefit payments from the trust fund to participants and beneficiaries. The Trustee will maintain trust fund records on a plan year basis: January 1 through December 31.

- (6) **Eligibility to Participate.** *The Plan is closed to new participants beginning January 1, 2007. If you did not become a participant prior to January 1, 2007, you will not be permitted to enter the Plan.*

If you terminate employment and are later rehired, you will not be permitted to enter (or re-enter) the Plan after you are rehired, even if you were a Participant before you terminated your previous employment.

- (7) **Years of Vesting Service, Years of Benefit Service and Vesting Schedule.** Subject to the provisions in Section (8) below, Years of Vesting Service and Years of Benefit Service are determined as follows:

- (A) You receive credit for both a Year of Vesting Service and a Year of Benefit Service for each completed full 12 months of service you complete with the Employer.

- (B) Fractions of years in excess of completed full years are counted to the nearest 1/12 of a year.
- (C) Your Years of Vesting Service and Years of Benefit Service need not be consecutive. For example, subject to certain limitations, if you terminate employment and later return to work for the Employer, you will receive credit for your prior Years of Vesting Service and Years of Benefit Service even if you previously incurred a forfeiture of the nonvested value of your Account Balance or Deferred Vested Pension, as applicable.
- (D) You will receive credit for Years of Vesting Service and Years of Benefit Service during any period in which you are receiving long-term disability payments from any other benefit plan maintained by the Employer.
- (E) You will receive credit for Years of Vesting Service and Years of Benefit Service during any period of military service with the armed forces of the United States, but only if you return to employment within the period required under the law pertaining to veterans' reemployment rights.

Generally, your benefit under the Plan becomes vested as follows:

<u>Years of Vesting Service</u>	<u>Nonforfeitable Percentage</u>
Less than 5	0%
5 or more	100%

However, your benefit becomes 100% vested if you terminate employment with the Employer because of death. Therefore, in the case of death, your beneficiary will be entitled to benefits even if you have less than 5 Years of Vesting Service.

If you terminate employment with the Employer prior to attaining Normal Retirement Age for a reason other than death, and you have less than 5 Years of Vesting Service, you will not receive any benefit under the Plan.

(8) **Special Provisions Regarding Vesting and Benefit Service.**

- (A) **Service with Participating Employers.** The Plan covers a related group of business organizations. The law treats all members of this related group as a single employer for purposes of crediting service. Consequently, if you work for more than one member of the related group, you will receive Benefit Service and Vesting Service credit under the Plan to the same extent as if you had worked all of your hours for only one member of the related group.
- (B) **Omega Management Corporation Service.** The Plan takes into account service of all former employees of the Wichita office of Omega Development Corporation for purposes of determining eligibility to participate and computing Benefit Service and Vesting Service.

Note that, notwithstanding any provision in this Summary Plan Description to the contrary, under some circumstances, service with the Farm Credit Administration will not be taken into account. For further details, please contact the Farm Credit Foundations Human Resources Department.

- (9) **Employer's Contribution.** The Employer has a fixed obligation to make contributions to the trust fund each plan year in the amount the Plan's actuary determines is necessary to fund retirement benefits under the Plan. The only source of contributions under the Plan is the Employer's contribution.
- (10) **Employee Contributions.** The Plan does not require or permit employees to contribute to the Plan.
- (11) **Pension Benefits.** Your Pension Benefits will be determined under either the Account Balance Provisions of the Plan or the Traditional Pension Provisions of the Plan, depending principally on your employment status as of June 30, 1998, and whether you had five (5) years of Vesting Service on that date. There are three possibilities:
- "Account Balance Provisions Only" (summarized in subsection (C) below);
 - "Traditional Pension Provisions Only" (summarized in subsection (B) below); or
 - "Best of Either" (summarized in subsection (A) below).

Additionally, there are special rules that may apply to certain participants. These special rules are summarized in subsections (D) and (E) below.

- (A) **"Best of Either."** Your benefits will be calculated under both the Account Balance Provisions of the Plan (see Part II of this SPD) and the Traditional Pension Provisions of the Plan (see Part III of this SPD) and you will receive benefits equal to the greater of these two calculations if each of the following conditions is met:
- (i) You were employed by the Employer on June 30, 1998; and
 - (ii) You were a Participant in the Plan on June 30, 1998; and
 - (iii) You had completed five (5) Years of Vesting Service as of June 30, 1998.

Please note that, if your benefits are calculated under the "Best of Either," you will receive benefits under either Account Balance Provisions of the Plan or the Traditional Pension Provisions. You will not, however, receive benefits under both.

- (B) **"Traditional Pension Provisions Only."** Your benefits will be calculated under the Traditional Pension Provisions of the Plan (see Part III of this SPD) if you Separated from Service on or before June 30, 1998. This includes "term vested" Participants who Separated from Service on or before June 30, 1998, and who have not been rehired. If you Separated from Service and were later rehired, additional rules may apply. These additional rules are summarized below in subsection (D).

(C) **“Account Balance Provisions Only.”** Your benefits will be calculated under the Account Balance Provisions of the Plan (see Part II of this SPD) if one or more of the following conditions is met:

- (i) You first became an Employee of the Employer after June 30, 1998; or
- (ii) You first became a Participant in the Plan after June 30, 1998; or
- (iii) You had less than five (5) years of Vesting Service as of June 30, 1998; or
- (iv) You were rehired after June 30, 1998.

If you were rehired after June 30, 1998, additional provisions may apply. These additional provisions are summarized below in subsection (D).

(D) **Special Rules for Rehired Participants.** If you became a Participant in the Plan, Separated from Service, and were later rehired, there are several special rules that may apply to you.

- (i) Rehired with no prior distribution. If you were rehired after June 30, 1998, and you have not received a distribution from the Plan, your prior accrued benefit will be converted to a present value and your entire benefit will be determined under the Account Balance Provisions of the Plan.
- (ii) Rehired with a prior distribution determined under the Traditional Pension provisions. If you were rehired after June 30, 1998, and you have already received (or are currently receiving) a distribution of your benefit under the Plan and that benefit has been calculated under the Traditional Pension Provisions, your existing benefit will not change. However, any additional benefits that you might accrue after being rehired will be determined under the Account Balance provisions of the Plan.

In other words, if you are currently receiving an annuity, that annuity will continue. If you have already received a lump sum, you will not be required (or allowed) to pay that amount back to the Plan. Any new benefits after you are rehired will be accrued under the Account Balance provisions of the Plan. You will receive credit for your prior service, but your initial Account Balance after you are rehired will be zero dollars.

(E) **Special Rule for Employees of Newly Affiliated Associations.** If an Association affiliates with the Ninth Farm Credit District and becomes a Participating Employer in this Plan, the following special rule applies: For purposes of determining whether the employees of that Association are entitled to benefits under the Account Balance Provisions of the Plan or the Traditional Pension Provisions of the Plan, that Association will be treated as if it had been a Participating Employer in the Plan on June 30, 1998.

- (12) **Form of Payment of Pension Benefits.** A married participant will receive his/her pension benefits in the normal form of a Spousal Joint and (50%) Survivor Annuity unless the participant elects to receive the pension in some other form. **A married participant's spouse must consent to the participant's election to receive an alternative form of benefit.** A single participant will receive the pension in the normal form of a life annuity with 60 months of payment certain unless the participant elects to receive the pension in some other form. The life annuity is calculated in the same manner as the Spousal Joint and Survivor Annuity under the assumption that the single participant is married and has a spouse who is the same age.

Under the Spousal Joint and Survivor Annuity (normal form of benefit for married participants), the participant receives a lifetime monthly pension. The lifetime monthly pension will continue to the participant's spouse, if the spouse survives the participant, in an amount equal to 50% of the participant's monthly pension. Before a participant retires, Benefits Complete will furnish information showing the monthly pension the participant and spouse would receive. Upon notification by a participant of intention to retire, Benefits Complete will notify the participant regarding the dollar amounts of available options. The participant must complete the election form provided by Benefits Complete to elect which form of payment the participant wishes prior to the time the Trustee would commence payment of the pension.

There are several conditions to the Spousal Joint and Survivor Annuity for a married participant. First, only the spouse married to the participant at the time the participant's pension commences may receive the survivor portion of the Spousal Joint and Survivor Annuity. If the spouse dies before the participant, all pension payments cease on the death of the participant. The Trustee will not increase monthly pension payments after the payments commence, even if the spouse dies before the pensioner or divorces the pensioner. Finally, the Trustee will continue payments to a surviving spouse for the surviving spouse's lifetime (even if the surviving spouse remarries).

If you elect not to receive the pension as a life annuity with 60 months payment certain (single normal form) or a Spousal Joint and Survivor Annuity (married normal form), you may receive the pension in any optional form of payment described in this Section (12). Your pension will be adjusted according to the Plan's actuarial assumptions if the Trustee is directed to pay the pension in a form other than the normal form. **Once benefit payments have commenced, the election of a form of benefit cannot be changed. At such time, your beneficiary designation also becomes irrevocable.**

Optional Forms of Benefit Payment

The optional forms of benefit payment are:

- (A) **Life Annuity.** Any participant may elect the life annuity form of income. This option permits benefit payments to be made only for the life of the participant.

- (B) **Life Annuity with a Fixed Number of Payments Guaranteed.** This form of benefit payment provides monthly benefit payments for your lifetime. However, if you should die before the last of the guaranteed payments (either 60 or 120 as elected by the participant), then the Trustee will pay the monthly pension amount to your beneficiary until the Trustee has paid the total number of guaranteed payments to you and your beneficiary. For example, if you had elected to receive an annuity with 120 guaranteed monthly payments and you had received only 70 monthly pension payments prior to your death, then your beneficiary would receive the remaining 50 monthly pension payments ($70 + 50 = 120$). The number of guaranteed payments you may elect cannot exceed your life expectancy, or the joint life and last survivor of you and your designated beneficiary, determined at the time benefits commence.
- (C) **Spousal Joint with 2/3 Survivor Annuity.** This form of benefit provides monthly benefit payments for your lifetime. The lifetime monthly benefit will continue to your spouse, if the spouse survives you, in an amount equal to two-thirds ($2/3$) of your monthly benefit.
- (D) **Spousal Joint with 100% Survivor Annuity.** This form of benefit provides monthly benefit payments for your lifetime. The lifetime monthly benefit will continue to your spouse, if the spouse survives you, in an amount equal to 100% of your monthly benefit.
- (E) **Lump Sum Distribution.** If the actuarial equivalent present value of your accrued benefit is \$5,000 or less, the Plan mandates an automatic lump sum distribution. If the actuarial equivalent present value of your accrued benefit under the Plan exceeds \$5,000 on the first day of the month following your separation from service, you may elect, within the 12 consecutive month period following your separation from service, to receive distribution of your pension in a lump sum.
- (F) **Automatic Rollover Requirement.** If the Plan makes a lump sum distribution to you without your consent, the amount of that distribution is more than \$1,000, and you do not provide instructions as to how the distribution should be paid, the Plan Administrator will establish an Individual Retirement Account in your name and your distribution will be deposited into that IRA. The IRA provider will invest the amount that has been “rolled over” into the IRA in a type of investment that is designed to preserve principal and provide a reasonable rate of return and liquidity. The IRA provider will charge your account for any expenses associated with the establishment and maintenance of the IRA and the IRA investments. You may transfer the funds in the IRA, at any time and without cost, to any other IRA provider you choose. The Plan Administrator will provide you with more information about the Plan’s arrangements to “roll” amounts into an IRA if and when you become entitled to a distribution following a termination of your employment. You may also request additional information regarding the Plan’s “automatic rollover” arrangements, the IRA provider, and the fees and expenses associated with the IRA by contacting the Plan Administrator.

The optional forms of benefit payment are available in the case of normal retirement, early retirement, late retirement, disability retirement or

termination of employment with a right to a Deferred Vested Pension. If you terminate employment before age 70½, you may defer payment of your benefits, but not beyond the April 1 following the calendar year in which you attain age 70½. Finally, if the present value of your vested accrued benefit under the Plan exceeds \$5,000, the Trust Committee may not require you to commence distribution of your pension, without your consent, prior to Normal Retirement Age.

Benefits Complete will furnish you with the necessary forms for making an election to receive an optional form of benefit payment.

- (13) **Disqualification of Participant Status - Loss or Denial of Benefits.** There are no specific Plan provisions which provide for a disqualification of your status as a participant under the Plan or for denial or loss of Plan benefits. However, the election of an optional form of benefit payment may result in your surviving spouse not receiving the protection of the Spousal Joint and Survivor Annuity. In this regard, see Section (12), Form of Payment of Pension Benefits. Also, if the Employer discontinues the Plan within ten years of the original effective date, or within ten years of the effective date of any benefit increase, the law may limit benefits payable to certain highly paid participants.

In addition, if your Plan benefits become payable after termination of employment and the Employer is unable to locate you at your last address of record, you may forfeit your benefits under the Plan. Therefore, it is very important that you keep the Employer apprised of your mailing address even though you have terminated employment. Finally, if the Employer terminates the Plan, which it has the right to do, you would receive benefits under the Plan based on your benefit accrued to the date of the termination of the Plan. If the Plan assets at plan termination are not sufficient to pay accrued benefits, the Plan will allocate assets in accordance with applicable law. Termination of the Plan could occur prior to your attaining Normal Retirement Age. If the Employer terminates the Plan, your accrued benefit will become 100% vested.

The fact that the Employer has established the Plan does not confer any right to future employment with the Employer. Furthermore, you may not assign your interest in the Plan to another person or use your Plan interest as collateral for a loan from a commercial lender.

- (14) **Claims Procedure.** When an event occurs which entitles you to a payment of your benefits under the Plan, you must submit a request for benefits to Benefits Complete. Such request must be submitted at least 60 days prior to your retirement date in order for benefit payments to commence no later than the first day of the month following the date on which you retire.

If you disagree with Benefits Complete's determination of the amount of your benefits under the Plan or with respect to any other decision Benefits Complete and/or the Farm Credit Foundations Human Resources Department may make regarding your interest in the Plan, the Plan contains the appeal procedure you should follow. In brief, if Benefits Complete and/or the Human Resources Department determines it should deny benefits to you or to your beneficiary making a claim for benefits, you or your beneficiary will receive a notice, in writing, setting forth specific reasons for the denial and referring you or your beneficiary to the pertinent provisions of the Plan supporting the decision made by Benefits Complete and/or the Human Resources Department. If you disagree with that decision, you, or a duly authorized representative, must appeal the adverse determination in writing to the Trust Committee within 75 days after the receipt of the notice of denial of benefits. If you fail to appeal a denial within the 75-day period, the decision of the Benefits Complete and/or the Human Resources Department's determination will be final and binding.

If you appeal to the Trust Committee, you, or your duly authorized representative, must submit the issues and comments you feel are pertinent to permit the Trust Committee to reexamine all facts and make a final determination with respect to the denial. The Trust Committee, in most cases, will make a decision within 60 days of a request on appeal unless special circumstances would make the rendering of a decision within the 60-day period unfeasible. In any event, the Trust Committee must render a decision within 120 days after its receipt of a request for review. The same procedures apply if, after your death, your beneficiary makes a claim for benefits under the Plan.

- (15) **Qualified Domestic Relations Order ("QDRO") Procedure.** In certain circumstances, a court may enter a "domestic relations order" requiring the payment of all or part of your Account Balance to your spouse, former spouse, child(ren), or other dependent(s). If the "domestic relations order" meets certain requirements under the Internal Revenue Code, the order is considered to be a "qualified domestic relations order" (or "QDRO") and the Plan is required to give effect to the order. The Plan Administrator is responsible for determining whether an order is a QDRO. A copy of the procedures used by the Plan Administrator in making this determination is available upon request.

If the Plan Administrator determines that a "domestic relations order" is a QDRO, the earliest date on which a distribution can be made to the "alternate payee" depends on the date the "domestic relations order" was received. If the order was received by the Plan Administrator on or before December 31, 2002, a distribution may be made to an alternate payee once the Participant has attained age 55. If the order was received by the plan administrator after December 31, 2002, a distribution may be made to an alternate payee once the Participant (or the Participant's designated Beneficiary) has begun to receive benefits under this Plan.

- (16) **Retired Participant, Separated Participant with Vested Benefit, Beneficiary Receiving Benefits.** If you are a retired participant or beneficiary receiving benefits, the benefits you presently are receiving will continue in the same amount and for the same period provided in the mode of settlement selected at retirement. If you are a separated participant with a vested benefit, you may obtain a statement of the dollar amount of your vested benefit upon request to Benefits Complete. There is no Plan provision which reduces, changes, terminates, forfeits or suspends the benefits of a retired participant, a beneficiary receiving benefits or a separated participant's vested benefit amount.
- (17) **Federal Income Taxation of Benefits Paid.** Existing Federal income tax laws do not require you to report as income the value of your undistributed accrued pension benefits. However, when the Plan later distributes your pension benefits to you (through either lump-sum or monthly benefit payments), such as upon your retirement, you must report as income the Plan distributions you receive. The Federal tax laws may permit you to report a Plan distribution under a special averaging provision. Also, it may be possible for you to defer Federal income taxation of a distribution by making a rollover contribution to an Individual Retirement Account or to a retirement plan maintained by another employer. Mandatory income tax withholding rules apply to some distributions that you do not roll over directly to an Individual Retirement Account or to a retirement plan of another employer. At the time you receive a distribution, you also will receive a notice explaining the withholding requirements and the options available to you. We emphasize that you should consult your own tax adviser with respect to the proper method of reporting any distribution you receive from the Plan.
- (18) **Right of Employer to Amend or Terminate.** The Employer may amend or terminate the Plan at any time, as provided in the Plan. Any change will be added to the Plan in writing and communicated to participants.

Part II – Account Balance Provisions

- (19) **Farm Credit System Service – Account Balance Provisions.** Subject to prior Trust Committee approval, you will receive credit under the Plan for Years of Benefit Service and Years of Vesting Service with the Prior Employer.
- (20) **Account Balance Benefits.** All participants will have an “Account” under the Plan. Your “Account” is a **hypothetical** account maintained on your behalf, which is used to determine your benefit under the Plan. Your “Account Balance” is the total of your Contribution Credits and Interest Credits, as described below.

On the last day of each calendar quarter, you will receive an allocation of “Contribution Credits” based on your compensation for that calendar quarter according to the following schedule:

<u>Years of Benefit Service (as of the first day of the quarter)</u>	<u>Amount of Contribution Credit (as a percentage of Compensation)</u>
Less than 3	3%
3 to less than 6	4%
6 to less than 10	5%
10 to less than 15	6%
15 to less than 20	7%
20 to less than 25	8%
25 and over	9%

These Contribution Credits will generally cease as of the first day of the calendar quarter in which you separate from service with the Employer. However, if you are entitled to compensation through the last day of such calendar quarter, you will receive a Contribution Credit for the calendar quarter in which you separate from service with the Employer. In computing Years of Benefit Service, you will not receive credit for any accrued unused sick leave. See Section (7) for the definition of "Years of Benefit Service."

Important: Contribution Credits will be discontinued following the end of third quarter of 2007. No Contribution Credits will be provided for any quarters beginning on or after October 1, 2007 (subject to the special rule summarized in Section (21) below).

For each calendar quarter, you will receive an allocation of "Interest Credits" based on your Account Balance on the first day of such calendar quarter. Prior to January 1, 2007, Interest Credits were allocated using a rate of 1.75% per quarter (or 7% per annum). Beginning January 1, 2007, Interest Credits are allocated using a rate of 1.25% per quarter (or 5% per annum). Interest Credits will continue to be allocated to your Account until the first day of the calendar quarter containing your distribution date or annuity starting date, as applicable.

Please note that, under the Internal Revenue Code, there is a limit on the maximum amount of compensation that may be taken into account for purposes of calculating your benefits under this Plan. This limit is adjusted by the Internal Revenue Service on an annual basis to reflect increases in the cost of living. Additional information about the compensation limit is available upon request from the Human Resources Department.

The following rules apply to the determination of your Account Balance:

- (A) **Initial Account Balance for Participants Employed on June 30, 1998.** If you were actively employed on June 30, 1998, you will be credited with an initial Account Balance in the amount of the present value of your Normal Retirement Pension under the Traditional Pension Provisions (calculated as of June 30, 1998), or \$100, whichever is greater. For this purpose, your Normal Retirement Pension will be calculated using your average compensation for the 60 months preceding June 30, 1998.

- (B) **Initial Account Balance for Rehired Participants Who Separated from Service Prior to June 30, 1998.** If you Separated from Service prior to June 30, 1998, and were rehired after June 30, 1998, your initial Account Balance as of the date of your reemployment will be as follows:
- (i) If you received or are receiving a distribution of your Accrued Benefit under the Traditional Pension Provisions, your initial Account Balance will be zero dollars.
 - (ii) If you have not received any distribution of your Accrued Benefit under the Traditional Pension Provisions, your initial Account Balance will be the amount of the present value of your Normal Retirement Pension under the Traditional Pension Provisions, calculated as of the date of your reemployment.
- (C) **Account Balance for Rehired Participants Who Have Received Distributions Under the Traditional Pension Provisions.** If you Separated from Service on or after June 30, 1998, and are later rehired and you have received or are receiving a distribution of your Accrued Benefit under the Traditional Pension Provisions, your initial Account Balance as of the date of your reemployment will be zero dollars.
- (21) **Special Rule for “Best of Either” Participants Who Are Terminated Due to Job Elimination.** If you are a “best of either” Participant and your employment is terminated due to the elimination your position, the Plan Administrator will increase the amount of your Accrued Benefit under the Account Balance provisions of the Plan as follows:
- (A) **Calculation of Additional Contribution Credits.** The Plan Administrator will calculate the amount of the additional Contribution Credits that would have been credited to your Account for quarters beginning on or after October 1, 2007, if the Plan had not been amended to provide that no such Contribution Credits would be provided for quarters beginning after October 1, 2007.
 - (B) **Calculation of Additional Interest Credits.** The Plan Administrator will calculate the amount of the additional Interest Credits that would have been credited to your Account if the additional Contribution Credits (as summarized above) had been credited to your Account as of the last day of each such quarter.
 - (C) **Added to Account Balance.** The additional Contribution Credits calculated pursuant to Section 5.10(A) and the additional Interest Credits calculated pursuant to Section 5.10(B) will then be added to your Account Balance.
 - (D) **“Best of Either” Participant.** For purposes of this special rule, a “best of either” Participant is a Participant who is entitled to receive benefits calculated under Article V if the Participant’s Accrued Benefit under Article V is greater than the Present Value of the Participant’s Accrued Benefit under Article VI.

(22) **Pre-Retirement Survivor Pension Benefit – Account Balance Provisions.** If you were married during the 12 consecutive month period ending on the date of your death, the Plan treats you as “married.” Otherwise, the Plan treats you as unmarried.

(A) **Married Participants.** If you die prior to your annuity starting date, your surviving spouse will receive a pre-retirement survivor benefit equal to 50% of your Account Balance, determined as of the date of your death. The form of distribution depends on the amount of the pre-retirement survivor benefit as follows:

(i) **Not Greater Than \$5,000.** Your surviving spouse will receive a lump sum payment of the pre-retirement survivor benefit.

(ii) **Greater Than \$5,000.** Your surviving spouse may elect a lump sum payment of the pre-retirement survivor benefit within the 12 consecutive month period following your death. Your surviving spouse may also elect to commence payment in the form of an annuity, subject to certain restrictions.

Please note that if your surviving spouse dies before receiving his/her pre-retirement survivor benefit, the Plan will pay the pre-retirement survivor benefit as provided under the “Unmarried Participant” provisions in Section (22)(B) immediately below.

(B) **Unmarried Participants.** Under the Account Balance Provisions, if you die prior to your annuity starting date, your dependent child or dependent children, if any, will receive, in lump sum, a pre-retirement survivor benefit equal to 50% of your Account Balance, determined as of the date of your death. The benefit will be divided equally among your dependent children if you have more than one dependent child. You may also direct distribution of the pre-retirement survivor benefit to a trust you create for the exclusive benefit of your dependent child, or to separate trusts you create for the exclusive benefit of each of your dependent children. Please contact Benefits Complete if you would like to direct distribution of the pre-retirement survivor benefit to such a trust or trusts.

Part III – Traditional Pension Provisions

Important Note: The Traditional Pension Provisions only apply to you if you were employed by the Employer and 100% vested on June 30, 1998. Please see Section 11 of this SPD for more information.

(23) **Farm Credit System Service – Traditional Pension Provisions.** Subject to prior Trust Committee approval, you may transfer employment from other Farm Credit System employers without losing credit under the Traditional Pension Provisions for previous Years of Benefit Service or Years of Vesting Service, as follows. Please note that other Farm Credit System employer(s) are referred to collectively as “Prior Employer.”

- (A) If you were hired before February 28, 1992:
- (i) Vesting Service. You will receive credit under the Plan for Years of Vesting Service with the Prior Employer.
 - (ii) Benefit Service. Benefit Service will be credited based upon one of the following two alternatives, whichever results in the **greater** pension benefit under the Traditional Pension Provisions:
 - (a) **Alternative One:** You will receive credit for Years of Benefit Service with the Prior Employer. However, if the Prior Employer did not transfer assets to the Plan in an amount equal to at least 100% of the present value of your vested benefits accrued under the Prior Employer's defined benefit pension plan, the benefits payable to you under the Traditional Pension Provisions of the Plan will be offset by any benefits payable to you under the provisions of the defined benefit pension plan of the Prior Employer. This offset will occur whether or not such benefits have been actually paid to you from the Prior Employer's plan.
 - (b) **Alternative Two:** You will **not** receive credit for Years of Benefit Service with the Prior employer. You will only receive credit for Years of Benefit Service with the Ninth Farm Credit District.
- (B) If you were hired after February 28, 1992, but prior to June 30, 1998:
- (i) Vesting Service. You will receive credit under the Plan for Years of Vesting Service with the Prior Employer.
 - (ii) Benefit Service. Benefit Service will be credited based upon one of the following two alternatives, whichever results in the **greater** pension benefit under the Traditional Pension Provisions.
 - (a) **Alternative One:** You will receive credit for Years of Benefit Service with the Prior Employer. However, if a Prior Employer did not transfer assets to the Plan in an amount equal to at least 100% of the present value of your vested benefits accrued under that Prior Employer's defined benefit pension plan, the benefits payable to you under the Plan shall be offset by the following:
 1. Offset One: The Actuarial Equivalent, computed as of January 1, 1999, of any benefits payable to you under the provisions of that Prior Employer's plan; and/or
 2. Offset Two: The Actuarial Equivalent, computed as of January 1, 1999, of the amount in your account under that Prior Employer's money purchase pension plan (which includes a target benefit plan),

converted to an age 65 joint and 50% survivor annuity.

- (b) **Alternative Two:** You will **not** receive credit for Years of Benefit Service with the Prior Employer. You will only receive credit for Years of Benefit Service with the Ninth Farm Credit District.

(C) If you work for an employer who affiliates with the Ninth Farm Credit District and becomes a participating employer in the Plan:

- (i) **Vesting Service.** You will receive credit under the Plan for Years of Vesting Service with the Affiliate.

- (ii) **Benefit Service.** You will receive credit under the Plan for Years of Benefit Service with the Affiliate. However, if the defined benefit pension plan of your former Farm Credit District did not transfer assets to the Plan in an amount equal to at least 100% of the present value of your vested benefits accrued under the former District's plan, the benefits payable to you under the Plan will be offset by any benefits payable to you under the provisions of the defined benefit pension plan of the former District. This offset will occur whether or not such benefits have been actually paid to you from the former District's plan.

(24) **Normal Retirement Pension.** Generally, if you retire from employment with the Employer at the Plan's Normal Retirement Age, you will receive a Normal Retirement Pension. The Plan's Normal Retirement Age is the later of the date you attain age 65 or the fifth anniversary of the date of employment with the employer. For example, if you are age 63 when you enter the Plan, your Normal Retirement Age is age 68. The Trustee will commence payment of your Normal Retirement Pension not later than the first day of the month following the date you attain Normal Retirement Age and retire from employment with the Employer. Benefits Complete will calculate your Normal Retirement Pension according to the following formula:

1.5% of your total Final Average Pay, multiplied by your Years of Benefit Service, plus 0.25% of the amount by which your Final Average Pay exceeds Covered Compensation multiplied by your Years of Benefit Service.

"Covered Compensation" is the average of the Social Security Wage Base for the 35 years prior to the age at which you can receive unreduced Social Security benefits. **The current Covered Compensation table is provided at the end of this Summary Plan Description as Exhibit B.** "Final Average Pay" generally means the monthly average of compensation you received from the Employer during the 60 consecutive calendar months during which you received your highest compensation (base salary plus bonuses, overtime pay, shift differentials and incentives). In computing Years of Benefit Service at the time of your termination of employment with the Employer, you will receive credit for any accrued, unused sick leave as of the date of termination.

To illustrate the calculation of your Normal Retirement Pension, assume you attain Normal Retirement Age during 1998 with 25 Years of Benefit Service and that your Final Average Pay is \$2,916.67 per month.

1.5% x \$2,916.67 x 25 Years	\$1,093.75
.25% x (\$2,916.67 - \$2,594.00) x 25 Years	<u>\$ +20.17</u>
Monthly Normal Retirement Pension Payable at Normal Retirement Age	<u>\$1,113.92</u>

You do not have to begin payments at Normal Retirement Age. You might be able to begin pension payments before or after Normal Retirement Age, as explained in this Summary Plan Description. You also do not have to receive your pension in the normal form of annuity. See Section (12).

If you continue to work beyond Normal Retirement Age, you will receive your Normal Retirement Pension not later than the first day of the month following your retirement. With limited exceptions, the Trustee must commence distribution of your Normal Retirement Pension not later than April 1 of the calendar year following the calendar year in which you either attain age 70½, or terminate employment with the Employer, whichever is later. The Human Resources Department will calculate your Late Retirement Pension in the same manner as for a Normal Retirement Pension using the Plan formula in effect when you actually terminate employment.

Please note that, under the Internal Revenue Code, there is a limit on the maximum amount of compensation that may be taken into account for purposes of calculating your benefits under this Plan. This limit is adjusted by the Internal Revenue Service on an annual basis to reflect increases in the cost of living. Additional information about the compensation limit is available upon request from Benefits Complete.

(25) **Early Retirement Pension.** You may elect to retire prior to Normal Retirement Age and receive an Early Retirement Pension at any time after you have attained age 55 provided you have completed at least five (5) Years of Vesting Service (see Section (7) for definition) in the Plan. The Trustee will commence payment of your Early Retirement Pension no later than the first day of the month following the date on which you retire unless you elect prior to retirement to defer commencement until a later date.

(A) **General Rule for Calculation of Early Retirement Pension.** Benefits Complete will compute your Early Retirement Pension in the same manner as it computes your Normal Retirement Pension, based in part upon your completed years of Benefit Service and Final Average Pay at the date of your early retirement. If the Trustee commences payment of your Early Retirement Pension prior to your attaining Normal Retirement Age, the Plan requires Benefits Complete to reduce your Early Retirement Pension for each month you are under Normal Retirement Age. The amount of the monthly reduction depends on when you terminated your employment. If you terminated your employment before 2007, the reduction is 1/4 of 1% per month (or 3% per year). If you

terminated your employment in 2007 or later, the reduction is 2/3 of 1% per month (or 8% per year).

- (B) **Special Rule for Retirement On or After Age 55.** If you terminate employment on or after January 1, 1995, and you have attained age 55 when you terminate employment, the Early Retirement Pension will be calculated using a "Points" formula. If you retire after attaining age 55 and have received credit for at least 90 Points, you must elect to receive an unreduced Early Retirement Pension (lump sum or annuity) on the first of the month following the last day of employment. For each Point below 90 Points credited, the benefit shall be reduced by 3%. Benefits Complete will also calculate your benefit in accordance with paragraph (A) immediately above. If the benefit calculated under paragraph (A) is greater than the benefit calculated under the Points formula, the benefit provided in paragraph (A) will be your Early Retirement Pension. If you terminate employment prior to age 55, you are not eligible for your benefit to be calculated using the Points method.

Points Definition. Points are awarded for age and service as follows:

- (i) Age.
 - (a) One Point for each whole year of age as of the date you retire;
 - (b) 1/12 of one Point for each month (or partial month of 15 days or more) of age between your birthday immediately prior to the date of your retirement and the date of your retirement.
- (ii) Service.
 - (a) One Point for each Year of Benefit Service with the Employer;
 - (b) 1/12 of one Point for each month (or partial month of 15 days or more) of Benefit Service with the Employer.

The following examples illustrate the calculation of your Early Retirement Pension:

Assume you would attain Normal Retirement Age on December 31, 2009. Assume further, your monthly Normal Retirement Pension would be \$812.50 based upon Final Average Pay of \$2,166.67 per month. However, you terminate employment on December 31, 1998, at age 55 after completing 25 years of Benefit Service in the Plan. Benefits Complete would calculate your Early Retirement Pension as follows:

$$1.5\% \times \$2,166.67 \times 25 \text{ years} \qquad \qquad \qquad \$812.50$$

.25% x (\$2,166.67 - \$4,178) x 25 years	+0
Monthly Normal Retirement Pension	<u>\$812.50</u>
Reduction Points below 90 = 10*	
3% x 10 Points = 30%	<u>-\$243.75</u>
Monthly Early Retirement Pension	\$568.75
*age 55 plus 25 Years of Benefit Service equals 80 Points	

In the above example, you would have to wait until you attain Normal Retirement Age to be eligible to receive a full Normal Retirement Pension.

Assume the same facts except that you retire with 30 Years of Benefit Service at age 60 and elect to immediately begin receiving your Early Retirement Pension. Benefits Complete will calculate your Monthly Early Retirement Pension as follows:

1.5% x \$2,166.67 x 30 years	\$975.00
.25% x (\$2,166.67 - \$4,178) x 30 years	+0
Monthly Normal Retirement Pension	<u>\$975.00</u>
Reduction Points below 90 = -0*	<u>0</u>
Monthly Early Retirement Pension	\$975.00
*age 60 plus 30 Years of Benefit Service equals 90 Points	

- (C) **Special Rule for Separation from Service Before Age 55.** If you terminate employment before you attained age 55, your employment was terminated before 2007, and you had at least 30 Years of Benefit Service when you terminated employment, you may elect to receive an unreduced Early Retirement Pension (lump sum or annuity) upon attaining age 62.

Upon request, Benefits Complete will furnish you with projected calculations comparing the value of specific benefit options, including an Early Retirement Pension. Benefits Complete will also furnish you the appropriate form for making an election to receive an Early Retirement Pension. If you are contemplating retirement, please contact Benefits Complete for additional information regarding your Early Retirement Pension.

- (26) **Optional Provision Providing Enhanced Benefits to Participants Whose Positions are Lost as a Result of Restructuring.** The benefits to which you would otherwise be entitled will be enhanced if each of the following conditions is met:

- Your employer adopts a resolution electing to provide these enhanced benefits, and the resolution is adopted prior to a “triggering event;” and
- A “triggering event” takes place. This condition is summarized in more detail in paragraph (C) below; and
- You are a Traditional Participant in the Plan (that is, you will be receiving benefits under the Traditional Pension Provisions summarized in Part III of this Summary Plan Description); and
- You are at least 50 years old and have completed at least 15 Years of Vesting Service (not including any unused, accrued sick leave) as of the date you Separate from Service; and
- You experience an “involuntary Separation from Service” as summarized in paragraph (D) below.

(A) **Benefit Enhancement.** If each of the conditions for receiving enhanced benefits is met, the benefits to which you would otherwise be entitled will be enhanced as follows:

(i) General Rule.

(a) **Age and Service.** In calculating your Normal Retirement Pension, 5 years will be added to your age and an additional 5 years will be added to your Service. If adding 5 years to your age would cause your age to exceed 65, the portion of the 5 years that would cause your age to exceed 65 will be added to your Service instead.

Examples: (i) Assume that, on the final date of employment established by your employer, you are 57 years old and have 25 years of Service. Your Normal Retirement Pension will be calculated as if you are 62 years old and have 30 years of Service (ii) Assume, instead, that you are 64 years old and have 25 years of Service. Your Normal Retirement Pension will be calculated as if you are 65 years old and have 34 years of Service.

(b) **Early Retirement Reduction Factor.** The amount by which your Normal Retirement Pension is reduced if you retire early will be lessened as follows:

1. General Rule for Calculation of Early Retirement Pension. If your benefits are calculated under the general rule for calculation of early retirement benefits summarized in Section 24(A) of this Summary Plan Description, the early retirement reduction factor will be reduced from 1/4 of a

percent (0.25%) per month to 1/6 of a percent (approximately 0.16%) per month.

Example: Assume that, on the final date of employment established by your employer, you are 57 years old and that 5 additional years have been added to your age so that your Normal Retirement Pension is being calculated as if you are 62 years old. Assume further that your age plus the additional 5 years is 36 months short of age 65. Your Normal Retirement Pension will be reduced by 6% (1/6% per month x 36 months).

2. Special Rule for Retirement On or After Age 55. If your benefits are calculated under the rule summarized in Section 24(B) of this Summary Plan Description, the early retirement reduction factor will be reduced from 3% to 2%.

Example: Assume that, on the final date of employment established by your employer, you are 57 years old with 25 years of Service and that 5 years have been added to your age and 5 years to your Service so that your Normal Retirement Pension is being calculated as if you are 62 years old with 30 years of Service. In this situation, you will have more than 90 points (62 + 30), and your Normal Retirement Pension will not be reduced.

- (ii) Special Rule. If it would result in a higher Present Value for your Accrued Benefit, the following calculation will be used in place of the calculations under the General Rule:
 - (a) Your Normal Retirement Pension will be calculated using the rule summarized in Section 23 of this Summary Plan Description. Your Compensation for the 12 months immediately preceding your Separation from Service will then be added to your Accrued Benefit.

Example: Assume that, as of your final date of employment, the Present Value of your Accrued Benefit calculated under the General Rule is \$200,000. Assume further that your Normal Retirement Pension calculated without any enhanced benefits (but including any reduction for age) is \$160,000 and your Compensation for your last 12 months of employment was \$50,000. Because the total of your Normal Retirement Pension, plus your last 12 months' Compensation is greater than the Present Value of your Accrued Benefit, the higher number will be substituted for your Accrued Benefit.

- (B) **Commencement of Benefits.** If you wish to receive enhanced benefits under this provision and are otherwise entitled to those benefits, you must commence benefits immediately following your Separation from Service.
- (C) **Triggering Event.** A “triggering event” will be considered to have taken place if any one of the following occurs:
- (i) Your employer completes a merger with another Affiliate;
 - (ii) Your employer completes a consolidation with another Affiliate;
 - (iii) A joint management agreement between your employer and another Affiliate takes effect;
 - (iv) The territory in which you regularly perform the responsibilities of your position is realigned between two or more Affiliates;
 - (v) An Agricultural Credit Association is formed as a result of a charter amendment adopted by your employer; or
 - (vi) Your employer enters into an “outsourcing agreement” with another entity that results in your job function being outsourced to the other entity.

A “triggering event” must take place on or after the effective date of this provision (see paragraph (F) below).

- (D) **Involuntary Separation from Service.** An “involuntary Separation from Service” exists if you are Separated from Service as a result of a “triggering event.” A Separation from Service will be deemed to have resulted from a “triggering event” if any one of the following occurs:
- (i) You were not offered a position in the new organization following (a) the date of a merger or consolidation, (b) the effective date of a joint management agreement, or (c) the effective date of an outsourcing agreement;
 - (ii) After the date a merger agreement, consolidation agreement, joint management agreement, or outsourcing agreement was entered into it is determined that you will not be offered a position in the new organization;
 - (iii) You regularly performed the responsibilities of your position in a territory that is being realigned between two or more Affiliates but (a) you were not offered a position with any of the Affiliates, or (b) it is determined, after the agreement to realign territory has been entered into, that you will not be offered a position with any of the Affiliates that have entered into the agreement to realign territory;
 - (iv) You were offered and declined a position paying less than 85% of your current base pay as of the date of the “triggering event.” “Base pay” for this purpose refers to the annual salary or hourly rate of

pay for a bonus, but does not include any incentive pay or other forms of bonuses or other types of pay that an employee might have received in the past or might be eligible to receive in the future;

- (v) You were offered and declined a position that: (a) would have required you to report to work more than 50 miles from where you reported to work as of the date of the “triggering event;” or (b) would, in the business judgment of your employer, have required you to relocate your residence from the place where your residence existed as of the date of the “triggering event;”
- (vi) You were offered and accepted a position with the new employer following the effective date of the “triggering event,” but you will not be able to accrue additional benefits under this Plan due to the fact that the new employer is not a Participating Employer in this Plan; or
- (vii) You accepted a position but were involuntarily Separated from Service (other than for gross misconduct in violation of the established policies of your employer) within 365 calendar days after the date you became employed by the new employer.

Additionally, for an “involuntary Separation from Service” to exist, you must work through the final date of employment established by your employer. This will normally be within 365 calendar days of the “triggering event;” however, it can be extended by your employer for up to another 365 calendar days, if your position is necessary to the continued effective functioning of the organization. Your employer may also change your final date of employment to an earlier date than that originally established. **If you voluntarily separate from service prior to the final date of employment established by your employer, you will not be entitled to enhanced benefits, even if the conditions for receiving enhanced benefits are otherwise met.**

- (E) **Subsequent Reemployment.** If you are rehired after you begin to receive the enhanced benefits summarized in this Section (26), you will continue to receive the same benefits you were entitled to receive as of the date you were rehired. However, any additional benefits to which you may become entitled after being rehired will be determined under the Cash Balance Provisions only. Furthermore, although you will be 100% vested in any such benefits, your Benefit Service will be reset to zero dollars as of the date you were rehired for purposes of calculating your Contribution Credits.
- (F) **Effective Date.** This provision will take effect on the later of June 1, 1999, or the effective date specified in the resolution that your employer has adopted electing to provide these enhanced benefits.

***Important Note:* You will not be eligible to receive the enhanced benefits summarized in this Section (26) unless: (a) Your employer has adopted a**

resolution electing to provide enhanced benefits for participants whose positions are lost due to a restructuring; (b) The resolution is adopted prior to a “triggering event;” and (c) All of the conditions for receiving enhanced benefits have been satisfied.

- (27) **Deferred Vested Pension.** If you terminate employment with the Employer before you reach Normal Retirement Age, and the termination is for reasons other than death, you must have at least 5 Years of Vesting Service (defined in Section (7)) with the Employer in order to be entitled to receive benefits. You will receive your benefits in the form of a Deferred Vested Pension. Payment of the Deferred Vested Pension will normally begin no later than the first day of the first month following the date you reach Normal Retirement Age. However, if you have attained age 55, you may elect to receive your Deferred Vested Pension at any time. If you have not attained age 55, you may only receive distribution in lump sum, which must be elected within the 12 consecutive month period following your separation from service with the Employer. If you elect to receive your Deferred Vested pension prior to Normal Retirement Age, the same reductions explained under Early Retirement Pension, Section (25)(B), apply to the Deferred Vested Pension. Benefits Complete will provide you a form for making this election upon request.

If you have not attained age 59½ at the time you receive a benefit payment under the Plan, tax laws generally impose a 10% penalty on the amount of the benefit payment you receive to the extent you must include the benefit payment in your gross income. There are exceptions to this penalty. You should contact your personal tax advisor to determine the applicability of such exceptions to your individual situation.

- (28) **Pre-Retirement Survivor Pension Benefit – Traditional Pension Provisions.** If you were married during the 12 consecutive month period ending on the date of your death, the Plan treats you as “married.” The pre-retirement survivor benefit available under the Plan for your surviving spouse will depend on whether your Plan benefit is determined under the Account Balance Provisions (Part II) or the Traditional Pension Provisions (Part III). If you were not married during the 12 consecutive month period ending on the date of your death, the pre-retirement survivor benefit available under the Plan for your dependent children, if any, is determined under the Account Balance Provisions **only. There is no pre-retirement survivor benefit for dependent children under the Traditional Pension Provisions.**

Under the Plan, your surviving spouse may receive a Pre-Retirement Survivor Annuity if you die prior to the time the Trustee commences payment of the benefit and you had completed at least 5 years of Vesting Service.

If you die after attaining the earliest retirement age (the earliest date the Plan would permit you to elect to receive retirement benefits) under the Plan, the Pre-Retirement Survivor Annuity is the survivor portion of the Spousal Joint and Survivor Annuity the Plan would have paid if you had commenced receiving retirement benefits the day before death. See Section (12) for a description of the Spousal Joint and Survivor Annuity. For example, if the monthly pension under the Spousal Joint and Survivor Annuity would have been \$1,000, under the Pre-

Retirement Survivor Annuity your surviving spouse would receive a lifetime monthly pension of \$500.

If you die prior to attaining the earliest retirement age under the Plan, the Pre-Retirement Survivor Annuity is the survivor portion of the Spousal Joint and Survivor Annuity the Plan would have paid if you had:

- (A) Terminated employment with the Employer on the date of death (or, if earlier, the date you actually terminated employment);
- (B) Commenced receiving the Spousal Joint and Survivor Annuity at the earliest retirement age under the Plan; and
- (C) Died the day after attaining the earliest retirement age under the Plan.

Payment of the Pre-Retirement Survivor Annuity will normally commence on the date you would have attained Normal Retirement Age under the Plan. However, depending on the present value of the Pre-Retirement Survivor Annuity, your surviving spouse may receive payment earlier as follows:

- (A) **Not Greater Than \$5,000.** Your surviving spouse will receive a lump sum payment of the pre-retirement survivor benefit.
- (B) **Greater Than \$5,000.** Your surviving spouse may elect a lump sum payment of the pre-retirement survivor benefit within the 12 consecutive month period following your death. Your surviving spouse may also elect to commence payment in the form of an annuity, subject to certain restrictions.

Please note that if your surviving spouse dies before receiving his/her pre-retirement survivor benefit, the Plan will pay the pre-retirement survivor benefit as provided under the Account Balance - "Unmarried Participant" provisions in Section (21)(B) above.

(29) **Age 62 In-Service Distribution Option.** If you are age 62 or older, you may elect to commence distribution of your Vested Accrued Benefit even if you are still employed. This represents an exception to the normal rule that benefits cannot be commenced while a Participant is still employed. Such an election is subject to the following terms and conditions:

- (A) **Must Commence Distribution of Entire Benefit.** If you elect to commence benefits under the Age 62 In-Service Distribution Option, you must commence distribution of your entire Vested Accrued Benefit. You are not permitted to commence distribution of only some (but not all) of your Vested Accrued Benefit.
- (B) **Form of Benefit.** You may elect any form of benefit that would be available to you if you had terminated your employment before commencing benefits.

- (C) **No Further Accrual of Benefits.** *If you elect to commence benefits under the Age 62 In-Service Distribution Option, you will not accrue any additional benefits under the Plan.*

If you would like to commence benefits under the Age 62 In-Service Distribution Option, you must begin the distribution process by contacting Benefits Complete.