



The proposed contract gives IBEW-represented employees who have 5 or more years of credited service in the Retirement Plan on July 31, 2010 a choice between the proposed Final Average Earnings (FAE) Package and the proposed Cash Balance (CB) Package. The proposed Cash Balance Package will automatically apply to all IBEW-represented employees who have less than 5 years of credited service in the Retirement Plan as of July 31, 2010 and to new employees.

PROPOSED FINAL AVERAGE EARNINGS (FAE) PACKAGE	OR	PROPOSED CASH BALANCE (CB) PACKAGE
<p>Only available as a choice for employees who have 5 or more years of credited service in the plan</p>		
<ul style="list-style-type: none"> <li>Staying with the FAE, a traditional pension benefit, with no changes except a new pay definition that does not include overtime pay.</li> </ul>		<ul style="list-style-type: none"> <li>Converting to the Cash Balance formula, which calculates your benefit as an account balance (and pay used in the CB formula includes overtime pay). WNG Frozen Plan benefits will also be converted.</li> </ul>
<ul style="list-style-type: none"> <li>No change to the 401(k), except adding a new Roth 401(k) contribution option effective January 2011.</li> <li>Your 401(k) Match will continue at 55¢ per \$1 on the first 6% of pay you contribute to the 401(k).</li> </ul>		<ul style="list-style-type: none"> <li>Plus a 401(k) Match equal to \$1 for \$1 on the first 6% of pay you contribute to the 401(k). This is an enhancement from the current 401(k) Match of an additional 45¢ per \$1.</li> <li>Plus a new 1% Company Contribution to the 401(k) equal to 1% of annual base pay, which you receive whether or not you contribute to the 401(k).</li> <li>New Roth 401(k) contribution option effective January 2011.</li> </ul>

In all cases, the changes will apply to earnings paid after December 1, 2010 (the effective date). Under both the proposed FAE and Cash Balance options, the benefits you have already earned are protected and will not be less than their value on the effective date. To see how the benefits can grow in the future, see the Retirement Plan Comparison modeling tool.

Both packages help you prepare financially for retirement, but they do so in different ways. On the next page is a summary of each package’s features to help you understand how they work:



	<p><b>PROPOSED FINAL AVERAGE EARNINGS (FAE) PACKAGE</b></p> <p><b>No change to the 401(k)</b></p> <p>FAE Package is only available as a choice for employees who have 5 or more years of credited service in the plan.</p>	<p><b>PROPOSED CASH BALANCE (CB) PACKAGE</b></p> <p><b>With an enhanced 401(k) Match and a new 1% Company Contribution to the 401(k)</b></p>
<p><b>IF YOU CHOOSE...</b></p>	<p><b>How the FAE works</b></p> <ul style="list-style-type: none"> <li>Your benefit will continue as before, but starting on the December 1, 2010 effective date, the formula for calculating pay will not include overtime pay.</li> <li>Overtime pay received prior to the December 1, 2010 effective date will continue to be recognized in your benefit calculation.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>The FAE provides a fixed, predictable benefit, 100% funded by the company. The company bears the investment risk.</li> <li>Your benefit grows based on your final average pay and years of credited service, not on investment performance.</li> <li>Years of credited service generally means a completed calendar year with 1,000 or more hours, including partial years for your first and last years at PSE. For more detail, see the FAE Summary Plan Description.</li> </ul>	<p><b>How the Cash Balance works</b></p> <ul style="list-style-type: none"> <li>As of the effective date, your FAE benefit (the monthly pension amount) is converted to a Cash Balance amount.</li> <li>Your FAE benefit on the effective date will be protected; as required by law, your converted cash balance amount (with future interest credits) must provide a benefit at least as large as your FAE benefit on the effective date.</li> <li>You will earn additional Cash Balance benefits starting on the effective date.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>The Cash Balance provides a fixed, predictable benefit, 100% funded by the company. The company bears the investment risk.</li> <li>Your benefit grows based on your pay, age and a minimum 4% interest credit, not on investment performance.</li> </ul>
	<p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>No change to the 401(k).</li> <li>Your 401(k) Match will continue at 55¢ per \$1 on the first 6% of pay you contribute.</li> </ul>	<p><b>How the 401(k) works</b></p> <p>Starting with earnings paid after December 1, 2010:</p> <ul style="list-style-type: none"> <li>Your 401(k) Match will increase to \$1 per \$1 on the first 6% of pay you contribute (a 45¢ per \$1 improvement)</li> <li>Plus if you are employed on December 31, you'll receive the 1% Company Contribution (equal to 1% of base pay for the part of the calendar year you were covered by the CB formula).</li> </ul>



	<p><b>PROPOSED FINAL AVERAGE EARNINGS (FAE) PACKAGE</b></p> <p><b>No change to the 401(k)</b></p> <p>FAE Package is only available as a choice for employees who have 5 or more years of credited service in the plan.</p>	<p><b>PROPOSED CASH BALANCE (CB) PACKAGE</b></p> <p><b>With an enhanced 401(k) Match and a new 1% Company Contribution to the 401(k)</b></p>
<p><b>PLAN BENEFIT</b></p> <p>The IRS limits the annual pre-tax amount you can contribute to your 401(k). The 2010 limit is \$16,500.</p> <p>If you are 50 or older, you can contribute up to an additional \$5,500 per year (for a total contribution of \$22,000.)</p>	<p><b>How the FAE works</b></p> <ul style="list-style-type: none"> <li>When you retire, you receive a monthly pension payment lasting for your lifetime.</li> <li>The monthly payment amount grows before retirement based on your base pay and years of credited service.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>The FAE benefit can be paid only as an annuity (monthly pension); more on payment types in the Payment Options section.</li> </ul>	<p><b>How the Cash Balance works</b></p> <p>You have an account balance that grows with 2 types of contributions from PSE:</p> <ul style="list-style-type: none"> <li>Annual pay credits (amount based on age and pay)</li> <li>Interest credits (credited quarterly).</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>The Cash Balance benefit can be paid in a lump sum or paid as an annuity (monthly pension); more on payment types in the Payment Options section.</li> </ul>
	<p><b>How the 401(k) works</b></p> <p>You have an account balance that grows with 2 types of contributions:</p> <ul style="list-style-type: none"> <li><b>Your Contributions</b> – From 1% to 30% of your pay on either a pre-tax or after-tax basis; starting January 1, 2011, you can also make Roth 401(k) (after-tax) contributions – up to the annual IRS limit.</li> <li><b>401(k) Match</b> – When you contribute to the 401(k), the company makes a matching contribution: 55¢ per \$1 up to 6% of pay.</li> <li>You direct the investment of your account balance from a variety of investment options (mutual funds, etc.) available under the 401(k) Plan.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>You must contribute 6% of pay to the 401(k) to receive the full match.</li> </ul>	<p><b>How the 401(k) works</b></p> <p>You have an account balance that grows with 3 types of contributions:</p> <ul style="list-style-type: none"> <li><b>Your Contributions</b> – From 1% to 30% of your pay on either a pre-tax or after-tax basis; starting January 1, 2011, you can also make Roth 401(k) (after-tax) contributions – up to the annual IRS limit.</li> <li><b>401(k) Match</b> – When you contribute to the 401(k), the company makes a matching contribution: \$1 per \$1 up to 6% of pay.</li> <li><b>1% Company Contribution</b> – If employed at the end of the year, the company contributes 1% of base pay to your 401(k).</li> <li>You direct the investment of your 401(k) from a variety of investment options (mutual funds, etc.) available under the 401(k) Plan.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>You must contribute 6% of pay to the 401(k) to receive the full match.</li> <li>You do not have to contribute to the 401(k) to receive the 1% Company Contribution.</li> </ul>



	<p><b>PROPOSED FINAL AVERAGE EARNINGS (FAE) PACKAGE</b></p> <p><b>No change to the 401(k)</b></p> <p>FAE Package is only available as a choice for employees who have 5 or more years of credited service in the plan.</p>	<p><b>PROPOSED CASH BALANCE (CB) PACKAGE</b></p> <p><b>With an enhanced 401(k) Match and a new 1% Company Contribution to the 401(k)</b></p>
<p><b>EARNINGS USED FOR CALCULATING THE BENEFIT</b></p> <p>Pay used in both formulas, and the 401(k), is limited by the IRS. The 2010 limit is \$245,000.</p>	<p><b>How the FAE works</b></p> <p>Pay used in the FAE formula includes:</p> <ul style="list-style-type: none"> <li>• Base pay only.</li> <li>• Overtime hours will be included for the purpose of calculating your benefit, but at the base pay equivalent rate up to 80 hours per pay period.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>• The new FAE formula definition of pay will apply to earnings paid after December 1, 2010.</li> <li>• Final average earnings used at retirement will be no less than the final average earnings on December 1, 2010.</li> </ul>	<p><b>How the Cash Balance works</b></p> <p>Pay used in the Cash Balance formula includes:</p> <ul style="list-style-type: none"> <li>• Base wages or salary, plus any overtime, differentials and any annual goals and incentive bonus you receive.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>• Overtime is used to calculate Cash Balance benefits throughout your employment.</li> </ul>
	<p><b>How the 401(k) works</b></p> <p>Pay used for the 401(k) includes:</p> <ul style="list-style-type: none"> <li>• Base wages or salary, plus any overtime, differentials and any annual goals and incentive bonus you receive.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>• Overtime is used to calculate 401(k) Match.</li> </ul>	<p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>• Pay used for the 401(k) Match includes base wages or salary, plus any overtime, differentials and any annual goals and incentive bonus you receive. Pay used for the 1% Company Contribution includes base wages or salary only.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>• Overtime is used to calculate the 401(k) Match. The 1% Company Contribution is calculated on base wages only.</li> </ul>



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<p><b>PLAN FORMULA</b></p>	<p><b>How the FAE works</b></p> $  \begin{aligned}  &1.25\% \\  &\textit{Multiplied by} \\  &\textbf{Final Average Earnings} \\  &\textit{Multiplied by} \\  &\underline{\textbf{Years of credited service}} = \\  &\textbf{Monthly pension payment}  \end{aligned}  $ <p><b>Final Average Earnings</b>—Is your highest-paid 60 consecutive months of earnings in your last 180 months of employment (not counting months in which you had no earnings).</p> <p><b>Years of credited service</b>—generally means a completed calendar year with 1,000 or more hours, including partial years for your first and last years at PSE. For more detail, see the FAE Summary Plan Description.</p>	<p><b>How the Cash Balance works</b></p> $  \begin{aligned}  &\textbf{Account balance} \\  &\textit{plus} \\  &\textbf{Interest credit (4\% annual minimum) credited at the end of each quarter} \\  &\textit{plus} \\  &\underline{\textbf{Annual pay credit (credited at the end of each year)}} = \\  &\textbf{New account balance}  \end{aligned}  $ <p><b>Interest Credit =</b></p> $  \begin{aligned}  &\textbf{Account balance} \\  &\textit{Multiplied by} \\  &\underline{\textbf{1/4}^{\text{th}} \text{ of the annual interest credit}} \\  &\textbf{Added to your account at the end of each quarter}  \end{aligned}  $ <p><b>Annual Pay Credit =</b> Annual pay (while covered by the Cash Balance formula) <i>multiplied by % for your age</i></p> <table border="1"> <thead> <tr> <th>Age (on Dec. 31)</th> <th>Annual Pay multiplied by</th> </tr> </thead> <tbody> <tr> <td>Under 30</td> <td>3%</td> </tr> <tr> <td>At least 30, but under 40</td> <td>4%</td> </tr> <tr> <td>At least 40, but under 50</td> <td>5%</td> </tr> <tr> <td>At least 50, but under 55</td> <td>6%</td> </tr> <tr> <td>At least 55, but under 60</td> <td>7%</td> </tr> <tr> <td>60 or older</td> <td>8%</td> </tr> </tbody> </table>	Age (on Dec. 31)	Annual Pay multiplied by	Under 30	3%	At least 30, but under 40	4%	At least 40, but under 50	5%	At least 50, but under 55	6%	At least 55, but under 60	7%	60 or older	8%
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<p><b>PLAN FORMULA (CONTINUED)</b></p>	<p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>You must have 1,000 hours in a year for your FAE benefit to grow.</li> </ul>	<p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>Annual pay credit percentage increases as you get older.</li> <li>Almost all pay, including overtime, differentials, and any annual goals and incentive bonus you receive is used to calculate the pay credit.</li> <li>The interest credit percentage is set by the company each year. 4% is the minimum annual interest credit, but PSE may provide a higher interest credit. During 4 of the last 6 years, the annual interest credit was higher than 4%.</li> </ul>
	<p><b>How the 401(k) works</b></p> $  \begin{aligned}  &\text{Account balance} \\  &\quad \textit{plus} \\  &\text{Your contributions (each pay period)} \\  &\quad \textit{plus} \\  &\text{401(k) Match (each pay period)} \\  &\quad \textit{Plus or minus} \\  &\underline{\text{Investment returns}} = \\  &\text{New account balance}  \end{aligned}  $	<p><b>How the 401(k) works</b></p> $  \begin{aligned}  &\text{Account balance} \\  &\quad \textit{plus} \\  &\text{Your contributions (each pay period)} \\  &\quad \textit{plus} \\  &\text{401(k) Match (each pay period)} \\  &\quad \textit{plus} \\  &\text{1% Company Contribution (if employed on December 31)} \\  &\quad \textit{Plus or minus} \\  &\underline{\text{Investment returns}} = \\  &\text{New account balance}  \end{aligned}  $



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<p><b>VESTING</b></p> <p>If you leave PSE before becoming vested, you forfeit the benefit.</p> <p>For vesting under both the FAE and CB, years of service means the number of calendar years in which you have 1,000 or more hours.</p>	<p><b>How the FAE works</b></p> <ul style="list-style-type: none"> <li>Benefit becomes vested after 5 years of service or upon reaching 65 while employed at PSE.</li> <li>Once vested, you're entitled to an FAE pension at retirement, even if you leave PSE earlier.</li> </ul> <p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>All contributions to the 401(k) are immediately vested.</li> <li>When you leave the company, you can take your account balance with you.</li> </ul>	<p><b>How the Cash Balance works</b></p> <ul style="list-style-type: none"> <li>Benefit becomes vested after 3 years of service or upon reaching 65 while employed at PSE.</li> <li>Once vested, if you leave PSE, you have multiple options available on when to take the benefit, including taking your account balance with you at any age.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>If you switch from the FAE to the Cash Balance formula, your years of service in the FAE will be counted for Cash Balance vesting.</li> <li>Under the Cash Balance package, your retirement benefit is vested sooner.</li> </ul> <p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>All contributions to the 401(k) are immediately vested.</li> <li>When you leave the company, you can take your account balance with you.</li> </ul>



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<p><b>WHEN BENEFITS ARE PAID</b></p> <p>Under both the FAE and CB, you must leave PSE before receiving benefits.</p>	<p><b>How the FAE works</b></p> <ul style="list-style-type: none"> <li>• Benefits stay in the plan until you begin payments at retirement.</li> <li>• The FAE benefit is designed to start monthly payments at 65.</li> <li>• You can start payments as early as 55, but the monthly payment amount will be reduced because the benefit is expected to be paid over a longer period of time; the earlier you start payments, the greater the reduction. If you have at least 5 years of credited service, you can start payments at 62 with no reduction.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>• What age you plan to leave PSE.</li> <li>• What age you want to start monthly payments.</li> </ul>	<p><b>How the Cash Balance works</b></p> <ul style="list-style-type: none"> <li>• The Cash Balance plan can be portable; benefits can be paid when you leave PSE employment at any age.</li> <li>• You can roll over your account balance to a new employer’s plan or to an Individual Retirement Account (IRA).</li> <li>• You can leave your account in the plan and continue to earn interest credits until you begin benefit payments.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>• What age you plan to leave PSE.</li> <li>• What age you want to collect the benefit.</li> </ul>
<p>Under the 401(k), you must leave PSE to take your account; however under limited situations a hardship withdrawal, a loan, or withdrawal of your after-tax or Roth 401(k) account may be available.</p>	<p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>• The 401(k) is designed to be portable; benefits can be paid when you leave PSE employment.</li> <li>• You can roll over your account balance to a new employer’s plan or to an Individual Retirement Account (IRA).</li> <li>• Pre-tax 401(k) money is taxable when taken from the plan; Roth 401(k) money is usually not taxable when taken from the plan (if you have complied with the Roth rules).</li> </ul>	<p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>• The 401(k) is designed to be portable; benefits can be paid when you leave PSE employment.</li> <li>• You can roll over your account balance to a new employer’s plan or to an Individual Retirement Account (IRA).</li> <li>• Pre-tax 401(k) money is taxable when taken from the plan; Roth 401(k) money is usually not taxable when taken from the plan (if you have complied with the Roth rules).</li> </ul>



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<p><b>PAYMENT OPTIONS</b></p> <p>Under both the FAE and CB, benefits can be paid as an annuity – a monthly payment starting when you retire and lasting your lifetime.</p> <p>Under both the FAE and CB, if you are married, your spouse has a legal right to be the survivor in a 50% joint &amp; survivor annuity and must consent to any other type of payment.</p>	<p><b>How the FAE works</b></p> <ul style="list-style-type: none"> <li>No lump sum payment</li> <li>Straight life annuity – Monthly payments for your life only</li> <li>50% joint &amp; survivor annuity – Monthly payments for your life, with 50% of your payment continuing monthly to your survivor after your death</li> <li>25% joint &amp; survivor annuity</li> <li>75% joint &amp; survivor annuity</li> <li>100% joint &amp; survivor annuity</li> <li>Social Security adjustment option – For those retiring before 62, creates a payment schedule so you receive higher payments before Social Security starts and smaller payments once your Social Security benefits begin so you have about the same income during retirement.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>The plan formula calculates your benefit as a straight life annuity. In most situations, when you choose a different option (for instance, with a payment continuing to your survivor), your monthly payment will be slightly smaller because of the likelihood it will be paid over a longer period of time.</li> </ul> <p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>Under the 401(k), you can take your money as a single payment, a partial withdrawal or over monthly, quarterly or other installment period you choose. Payments from pre-tax contributions are treated as taxable income during retirement; payments from Roth 401(k) contributions are not treated as taxable income during retirement.</li> </ul>	<p><b>How the Cash Balance works</b></p> <ul style="list-style-type: none"> <li>Lump sum payment – One single payment that you can roll over to another savings/investment plan or spend</li> <li>Straight life annuity – Monthly payments for your life only</li> <li>50% joint &amp; survivor annuity – Monthly payments for your life, with 50% of your payment continuing monthly to your survivor after your death</li> <li>25% joint &amp; survivor annuity</li> <li>75% joint &amp; survivor annuity</li> <li>100% joint &amp; survivor annuity</li> <li>Social Security adjustment option – For those retiring before 62, creates a payment schedule so you receive higher payments before Social Security starts and smaller payments once your Social Security benefits begin so you have about the same income during retirement.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>Your benefit is calculated as an account balance; if you choose a payment option other than a lump sum, your account balance is converted to a monthly payment using the plan’s annuity conversion factor tables for the annuity option you choose.</li> </ul> <p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>Under the 401(k), you can take your money as a single payment, a partial withdrawal or over monthly, quarterly or other installment period you choose. Payments from pre-tax contributions are treated as taxable income during retirement; payments from Roth 401(k) contributions are not treated as taxable income during retirement.</li> </ul>



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<p><b>IF YOU LEAVE PSE BEFORE RETIREMENT</b> Assuming you are vested</p>	<p><b>How the FAE works</b></p> <ul style="list-style-type: none"> <li>• Benefits stay in the plan until you begin payments at retirement.</li> <li>• Your benefit amount is frozen as of the date you leave and does not change.</li> <li>• If you have 5 or more years of credited service, you can start monthly payments anytime between 55 and 65; if not, benefit payments start at 65.</li> <li>• You must start payments by 65.</li> </ul> <p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>• The 401(k), like the Cash Balance, is designed to be portable; you can take it with you – you can roll it over to another savings/investment plan or spend it. You may also leave it in the plan until you are 70 ½.</li> </ul>	<p><b>How the Cash Balance works</b></p> <ul style="list-style-type: none"> <li>• The Cash Balance can be portable; you can take your account balance with you.</li> <li>• You can roll over your account to an IRA or new employer’s plan, or leave it in the plan.</li> <li>• If you leave your money in your Cash Balance account, interest credits will be provided until you begin benefit payments.</li> <li>• You must start payments by 65.</li> </ul> <p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>• The 401(k), like the Cash Balance, is designed to be portable; you can take it with you – you can roll it over to another savings/investment plan or spend it. You may also leave it in the plan until you are 70 ½.</li> </ul>



	<p><b>PROPOSED FINAL AVERAGE EARNINGS (FAE) PACKAGE</b></p> <p><b>No change to the 401(k)</b></p> <p>FAE Package is only available as a choice for employees who have 5 or more years of credited service in the plan.</p>	<p><b>PROPOSED CASH BALANCE (CB) PACKAGE</b></p> <p><b>With an enhanced 401(k) Match and a new 1% Company Contribution to the 401(k)</b></p>
<p><b>DEATH BENEFITS (BEFORE RETIREMENT)</b></p> <p>Assuming you are vested</p>	<p><b>How the FAE works</b></p> <ul style="list-style-type: none"> <li>If you have been married for at least a year, your spouse will receive a 50% spousal annuity; the exact payment amount depends on your age at death and your spouse’s age when payments start. No other beneficiary may be named.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>A 50% death benefit is provided only if you are married at the time of your death. No other beneficiary may be named.</li> </ul>	<p><b>How the Cash Balance works</b></p> <ul style="list-style-type: none"> <li>Your entire account balance is paid to your spouse or other beneficiaries.</li> <li>If your beneficiary is your spouse, your spouse may choose between a survivor annuity or lump sum amount; if your beneficiary is not your spouse, the benefit is paid as a lump sum.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>A 100% death benefit is provided – even if you are not married.</li> </ul>
	<p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>Your entire account balance is paid to your spouse or other beneficiaries.</li> </ul>	<p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>Your entire account balance is paid to your spouse or other beneficiaries.</li> </ul>



	<p><b>PROPOSED FINAL AVERAGE EARNINGS (FAE) PACKAGE</b></p> <p><b>No change to the 401(k)</b></p> <p>FAE Package is only available as a choice for employees who have 5 or more years of credited service in the plan.</p>	<p><b>PROPOSED CASH BALANCE (CB) PACKAGE</b></p> <p><b>With an enhanced 401(k) Match and a new 1% Company Contribution to the 401(k)</b></p>
<p><b>BENEFIT PROTECTION</b></p>	<p><b>How the FAE works</b></p> <ul style="list-style-type: none"> <li>All plan assets are held in a trust fund that can be used only for the benefit of plan participants and beneficiaries.</li> <li>The benefit is insured by the PBGC, a federal agency, up to certain limits. The 2010 limit is \$54,000 annual pension at 65.</li> </ul> <p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>All plan assets are held in a trust fund that can be used only for the benefit of plan participants and beneficiaries; the value of the trust fund is the sum of all the individual account balances.</li> <li>There is no federal insurance. As contributions are made, they are immediately credited to your account.</li> </ul>	<p><b>How the Cash Balance works</b></p> <ul style="list-style-type: none"> <li>All plan assets are held in a trust fund that can be used only for the benefit of plan participants and beneficiaries.</li> <li>The benefit is insured by the PBGC, a federal agency, up to certain limits. The 2010 limit is \$54,000 annual pension at 65.</li> </ul> <p><b>Things to consider</b></p> <ul style="list-style-type: none"> <li>The Cash Balance benefit has the same governmental protections as the FAE benefit.</li> </ul> <p><b>How the 401(k) works</b></p> <ul style="list-style-type: none"> <li>All plan assets are held in a trust fund that can be used only for the benefit of plan participants and beneficiaries; the value of the trust fund is the sum of all the individual account balances.</li> <li>There is no federal insurance. As contributions are made, they are immediately credited to your account.</li> </ul>