



Summary Plan Description

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**Providing Retirement Security
Since 1946**

**THE CO-OP RETIREMENT PLAN
SUMMARY PLAN DESCRIPTION**

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INTRODUCTION

HISTORY

The Co-op Retirement Plan (the “Co-op Plan” or the “Plan”) has a proud and successful history spanning over 70 years of service to the cooperative system. The Plan was established in 1946 for employees of local agriculture cooperatives and Farmland Industries, Inc. Six local cooperatives joined the Plan in that first year, and hundreds more were added in the decades that followed.

Today the Plan is made up of local farm-supply, agriculture cooperatives and related companies. Since its inception, the Co-op Plan has been amended to include enhancements that add greater flexibility and value for participants.

The Plan now serves nearly 36,000 current and former employees and their beneficiaries. That includes approximately 17,000 active employees of more than 300 employers, located in 13 states from the Canadian border to the Mexican border and from Illinois to western Colorado. Plan assets exceeded \$2.5 billion in the Plan Year ending March 31, 2019.

United Benefits Group (“UBG”), a not-for-profit corporation, is the Plan Sponsor and performs the day-to-day administration of the Plan. The UBG Board of Directors consists of five Board members, typically General Managers of local cooperatives participating in the Plan, as elected by employers participating in the Plan.

The designated Plan Administrator is the Co-op Retirement Plan Retirement Committee, a five-person governing committee appointed by the UBG Board that represents the Plan’s participating employers. Please see the “Plan Information and Your Rights Under ERISA” section for information regarding contacting the Retirement Committee.

The Co-op Retirement Plan is a sterling example of the power of cooperation - a large and successful institution that would have been

practically impossible to duplicate by individual employers acting alone. For more than seven decades the Plan has provided vital retirement income to tens of thousands of dedicated cooperative employees. Someday soon it will do the same for today’s employees - the retirees of tomorrow.

WHAT KIND OF PLAN?

The Co-op Retirement Plan is a multiple employer defined benefit plan. It is a contributory pension plan and, thus, employees share in the cost of the Plan with employers. In this type of plan, the retirement benefit is determined by a formula that takes into account earnings and years of service. You’ll find the benefit formula for the Co-op Retirement Plan in the section entitled “Benefit Accrual.”

A LARGE EMPLOYER NETWORK PROVIDES EMPLOYMENT FLEXIBILITY

The Plan’s Participating Employers include many of the largest farm supply and marketing cooperative organizations in the nation’s midsection. From the perspective of the Co-op Retirement Plan, these groups act as one giant employer. This means you can transfer your employment to any Participating Employer and keep your retirement account intact – a feature that gives you employment flexibility and facilitates your opportunity for career advancement. This has proven particularly valuable to a collection of participants who frequently transfer employment among the agricultural employers that participate. You may obtain a current listing of Participating Employers at any time by contacting United Benefits Group or by accessing the Plan’s website at www.ubgretire.com.

THIS BOOKLET

This booklet is the Summary Plan Description of the Co-op Retirement Plan, and is commonly called an “SPD.” Like the title implies, it is a summary of the official document that governs the Plan. The SPD is designed to be easily read and will give you a general understanding of the Plan. Near the end of this booklet, there is a “Glossary of Pension Terms Used in This Summary,” which provides general straightforward definitions of many capitalized terms used in this booklet. Please note that if there is a conflict between the language in the SPD and the language in the Plan’s official document, the official Plan document will prevail.

You are entitled to receive the SPD when you become a participant in the Plan. Thereafter, you will receive Summaries of Material Modifications (also called “SMMs”) when certain changes are made to the Plan and a new SPD when it is updated. You may also view the SPD and any subsequent SMMs at www.ubgretire.com.

IMPORTANT:

This Summary Plan Description depicts the rules and provisions of the Co-op Retirement Plan as of July 1, 2019. If you terminated your employment with a Participating Employer prior to July 1, 2019, or you are a beneficiary who began receiving benefits prior to that date, the rules and provisions of the Plan that were effective on your termination date generally will apply to you.

Note also that this Summary describes certain rules that apply differently depending on whether you are a “Post-June 2019 Participant” or a beneficiary of such a Participant. These special rules are described in the “Post-June 2019 Participants”, “Normal Retirement”, “Early Retirement”, and “Terminating Employment Before Age 55” sections of this document.

PARTICIPATION

In order to participate in the Plan, you must satisfy the Plan's eligibility requirements and then "enter" the Plan. This section describes those eligibility requirements and explains when you may enter the Plan.

BASIC RULES FOR NEW HIRES

As an employee of a Plan Participating Employer, you become eligible to participate in the Plan when you:

- 1. Are at least 21 years old; and**
- 2. Are credited with at least 1,000 hours of service in your first year of service or in any Plan Year (which runs from April 1 to March 31).**

QUESTION: How does the Plan determine if I'm credited with at least 1,000 hours?

ANSWER: For eligibility purposes only, your employer has chosen to use one of three optional methods for counting hours: (i) the "equivalency method" that credits you with 190 hours for each month in which you would otherwise be credited with at least one "Hour of Service"; (ii) the "actual hours method" that credits you with each Hour of Service you earn; or (iii) the actual hours method for all hourly employees and the equivalency method for all other employees. If you have questions about your employer's election, please contact United Benefits Group. An Hour of Service includes an hour of work for which you are paid, as well as certain hours for which you are paid but do not work (such as paid leave of absence, vacation, holiday, illness, incapacity, layoff, jury duty, or military duty).

QUESTION: Do I have to wait until the end of the applicable 12-month period to determine whether I'm credited with 1,000 hours?

ANSWER: No. The Plan will count your hours each month. You will be considered to have satisfied requirement 2. above as of the month

in which you reach 1,000 Hours of Service for the first year of service or Plan Year (as applicable).

QUESTION: Are you required to enter the Plan if you are eligible?

ANSWER: Yes, the Plan has a mandatory participation rule. If you qualify for participation, you must "enter" the plan as a condition of your employment. There are two minor exceptions, one that applies to employees who participate in certain plans administered by Associated Benefits Corporation and another to employees of joint ventures who were excluded in connection with an application under the Internal Revenue Service's Voluntary Compliance Program. The Plan document provides further details regarding those limited exceptions.

QUESTION: Why is participation required?

ANSWER: The Plan must satisfy certain rules mandated by the Internal Revenue Service. Some of those rules require participating employers to satisfy certain tests. Under those tests, if even just one employer fails to cover enough employees, the whole Plan could be disqualified. To guarantee the safety of the Plan and to avoid costly testing procedures, the Plan document requires the participation of every eligible employee.

QUESTION: When do you enter the Plan?

ANSWER: You enter the Plan – becoming a Plan "participant" – on the first day of the second month after you satisfy the two basic rules for new hires (see left column). For example, if you are hired in May and reach 1,000 Hours of Service in October, you will become a Participant on December 1.

- *A special rule applies if you become employed by a Participating Employer as a result of that employer's acquisition of more than 50% of your previous employer or a*

merger with your previous employer. Under this special rule, the Participating Employer may elect to count your service with your prior employer for eligibility purposes and for you to become a Participant as early as the date you become employed by the Participating Employer (if you satisfy the eligibility requirements on that date).

QUESTION: Once you join the Plan, can you voluntarily withdraw from it?

ANSWER: No, you are required to continue your participation until one of the following events occurs:

1. Your retirement, which requires that you be vested, and at least 55 years old or have 85 “points” under the Rule of 85;
2. Your termination of employment if you don’t meet the requirements for retirement (in 1 above);
3. Total and permanent disability (described in the “Disability Retirement” section of this SPD); or
4. Your death.

LEASED EMPLOYEES:

Under Federal law and the Plan’s terms, if your services are leased by a Participating Employer on a substantially full-time basis for a period of at least one year and are performed under the primary direction and control of the Participating Employer, you must be treated the same as an employee of the Participating Employer for purposes of the Plan. If so, your participation in the Plan will be required.

RULES FOR REHIRED EMPLOYEES:

A special plan entry rule applies if you:

- had previously satisfied the Plan’s eligibility rules during a past period of employment,
- terminated employment *before* becoming a Participant, and
- become reemployed by any Participating Employer.

If you meet these three requirements, you will enter the Plan on the later of two dates: (1) the

date you were previously scheduled to become a Participant; or (2) your rehire date.

RULES FOR REHIRED PARTICIPANTS:

A special plan entry rule applies to you if you:

- *previously participated* in the Plan during a past period of employment,
- are later rehired by any Participating Employer, and
- were vested when you terminated your earlier employment or are rehired within five years of your previous termination from a Participating Employer.

If you meet these three requirements, you will reenter the Plan on your rehire date. This rule applies to any rehired participant, including retirees who are currently receiving monthly retirement checks from the Plan.

RULES FOR H-2A VISA WORKERS

Some workers may perform services for a participating employer under the H-2A visa program. These workers are technically eligible to participate in the Plan upon reaching the Plan’s minimum age and service requirements. However, they do not receive wages included within the Plan’s “Compensation” definition, which means, from a more practical perspective, that they would not have an accrued benefit. If you are working within the H-2A visa program and have questions, please contact United Benefits Group.

CONTRIBUTIONS

Once you enter the Plan, you will begin accruing a benefit, and this benefit must be properly funded. The next section of this SPD will explain how your benefit is calculated. First, however, this section explains how your benefit is funded.

HOW IS THE PLAN FUNDED?

Your retirement benefit is funded in three ways:

1. Employer contributions,
2. Employee contributions, and
3. Investment earnings on those contributions.

EMPLOYER CONTRIBUTIONS:

Your employer's contribution to the Plan is calculated annually to determine the level of funding needed to keep the Plan in a safe and sound condition.

QUESTION: *Does your employer contribute money specifically for you?*

ANSWER: No, employer contributions are combined in a single pool of assets to pay the benefits of all participants.

QUESTION: *Do all employers contribute at the same rate?*

ANSWER: Employers pay different percentages of current compensation depending on the benefit accrual and employee contribution rates they have elected to apply to their employees.

EMPLOYEE CONTRIBUTIONS:

Your contribution is made at the percentage elected by your employer, which may be 0, 1, 2, 3, 4, or 5 percent. Your employer may elect to change that percentage as of every subsequent July 1. **Your contributions are automatically withheld from each paycheck and contributed to the Plan on an after-tax basis.** You are always fully vested in your employee contributions and the accumulated interest thereon. You or your beneficiaries will always receive, at least, the value of your contributions and interest.

QUESTION: *Can you withdraw your employee contributions and interest if you terminate your employment?*

ANSWER: It depends on your age at termination of employment. If you are less than 55 years old and do not qualify for the Rule of 85, you have the option to withdraw your contributions plus interest. (See the section entitled "Terminating Employment Before Age 55.") If you are over age 55 or you qualify for the Rule of 85, you may not withdraw your contributions in a lump sum, and you are eligible to receive monthly benefits. A portion of each monthly check will be designated as a non-taxable refund of your contributions.

INVESTMENT EARNINGS:

All contributions are deposited into a Trust Fund where they are safely maintained by an independent Trustee. The Trustee of the Plan is JPMorgan Chase Bank of New York. The assets of the Trust Fund, while in the care and keeping of the Trustee, are invested by professional money managers, who make investments within the guidelines established by the Retirement Committee. An independent investment advisor assists the Retirement Committee in monitoring the Trustee's performance and the money managers.

BENEFIT ACCRUAL

Your “Accrued Benefit” will be determined under a formula that multiplies your Creditable Service by the annual accrual percentage effective when the Creditable Service was earned, and then multiplies that resulting percentage by your Final Average Wage Base. This section of the SPD will explain the parts of that formula, which describes a benefit payable at your Normal Retirement Date. Then, the following Sections will explain how you become “vested” in your benefit and the different times at which you can begin receiving benefit payments from the Plan.

Specifically, all benefits paid by the Plan are determined by adding together four amounts:

1.00%	X	CREDITABLE SERVICE FROM 1.00% PERIOD	X	FINAL AVERAGE WAGE BASE
+				
1.25%	X	CREDITABLE SERVICE FROM 1.25% PERIOD	X	FINAL AVERAGE WAGE BASE
+				
1.50%	X	CREDITABLE SERVICE FROM 1.50% PERIOD	X	FINAL AVERAGE WAGE BASE
+				
1.75%	X	CREDITABLE SERVICE FROM 1.75% PERIOD	X	FINAL AVERAGE WAGE BASE

Let’s examine each component of the Plan’s benefit formula:

1. ANNUAL ACCRUAL RATE

Prior to October 1, 2003, the Plan’s annual accrual rate was 1.75% for all employers. The rate was 1.25% for all employers from October 1, 2003, through June 30, 2009.

Beginning July 1, 2009, an employer could elect for its employed Participants’ accrual rate to be

1.25, 1.50, or 1.75%, and the Retirement Committee later added a 1.00% option. The employer may change that election as of each subsequent July 1. As noted above, the applicable accrual rate will be multiplied by Creditable Service accrued while the rate was in effect. Those totals will be added together to determine what percentage of your Final Average Wage Base (at Normal Retirement Date) the Plan will replace upon your retirement or termination. Consider the following examples:

- If you retire on your Normal Retirement Date with 13 years of Creditable Service accrued while a 1.75% accrual rate was in effect and six years of Creditable Service while a 1.25% accrual rate was in effect (and no Creditable Service at 1.00% or 1.50%), the Plan will annually replace 30.25% of your Final Average Wage Base. This 30.25% is determined by multiplying 1.75% x 13 (which equals 22.75%), multiplying 1.25% x 6 (which equals 7.50%), and adding together 22.75% and 7.50%.
- If you retire on your Normal Retirement Date with 20 years of Creditable Service at 1.75%, two years at 1.50%, and 10 years at 1.25%, the Plan will annually replace 50.5% of your Final Average Wage Base (1.75% x 20, 1.50% x 2, and 1.25% x 10).

Note that these replacement percentages are based on an assumption that you receive an Individual Member Benefit (that is, an annuity payable to the participant for the remainder of only his or her life) beginning at your Normal Retirement Date. Your monthly benefit will be smaller if you receive a different form of benefit (discussed later in the “Forms of Payment” section) and may differ depending upon when you start benefits.

2. CREDITABLE SERVICE

You receive one month of Creditable Service for each month that you receive an Hour of Service after you begin to participate in the Plan. As explained above, your Creditable Service will be multiplied by the accrual rate in effect when you perform that Creditable Service.

QUESTION: *Is there a limit on the amount of Creditable Service I can accumulate?*

ANSWER: No, as of April 1, 1988, there is no limit on the years and months of Creditable Service you may accumulate. Those who retired before April 1, 1988, were limited to 30 years of Creditable Service.

3. FINAL AVERAGE WAGE BASE

Your employer reports to the Plan your compensation and service. From this, your average monthly wage for that year is calculated and is added to your 10-year wage history as a "Wage Base." When you retire, your Final Average Wage Base is determined by adding together the four highest Wage Bases from your 10-year wage history and dividing by four.

QUESTION: *How is my Wage Base calculated?*

ANSWER: Beginning April 1, 2009, your Wage Bases are calculated by starting with your wages subject to federal income tax withholding; adding back in certain pre-tax deductions you may have made into a 401(k) plan, a section 125 Cafeteria Plan, a 403(b) plan, or a 457 plan; and subtracting payments received from a deferred compensation plan if you are a Highly Compensated Employee. This amount is then converted to a monthly amount by dividing the total by the number of months for which you received Participating Service. Prior to April 1, 2009, Wage Bases were calculated by starting with W-2 Box 1 wages, adding back in the same pre-tax deductions described above, and subtracting three amounts: (1) payments received from a

deferred compensation plan; (2) moving expenses; and (3) other non-cash payments.

QUESTION: *When does my new Wage Base become effective each year?*

ANSWER: Your new Wage Base generally becomes effective on March 31 following the year in which the compensation was earned. For example, your 2019 calendar year Wage Base will be added to your 10-year wage history on March 31, 2020.

A special rule applies if you terminate employment between December 31 and March 30. If that happens, your Wage Base for the year just ended on December 31 will be added to your 10-year wage history. For example, if you terminate your employment on December 31, 2019, your 2019 calendar year Wage Base will be added to your 10-year wage history. If, however, your last day of work is December 30, 2019, or earlier, you will not have a 2019 calendar year Wage Base added to your 10-year wage history.

When a new Wage Base is added to your wage history, it replaces the earliest Wage Base that was previously a part of your 10-year history if you had at least 10 previous Wage Bases.

QUESTION: *What happens if I have less than 10 annual Wage Bases in my 10-year wage history?*

ANSWER: This answer is best illustrated with examples. Let's say you have six Wage Bases. Your Final Average Wage Base will be the average of the highest four of those six. If, instead, you have only three Wage Bases, your Final Average Wage Base will be the average of those three.

VESTING

The previous section explained how your Accrued Benefit is calculated. In order to become entitled to your entire Accrued Benefit, however, you must become “vested.” This section describes the Plan’s vesting rules.

On the day you become “vested,” your entire Accrued Benefit becomes non-forfeitable. This means your benefit belongs to you and can never be taken away, regardless of your future employment status. Of course, being 100% vested is not a guarantee of future employment. It simply means that the benefit you have earned is protected.

Your Accrued Benefit in the Plan is composed of two pieces:

1. The Employee-provided portion, and
2. The Employer-provided portion.

The Employee-provided portion represents that part of your Accrued Benefit that has been purchased by your own personal contributions and interest. **YOU ARE ALWAYS 100% VESTED IN THIS AMOUNT.** The Employer-provided portion is defined as the total Accrued Benefit (calculated under the formula explained in the previous section) less the Employee-provided portion of the Accrued Benefit. This is the part of your benefit in which you vest, according to the following schedule:

	... entitles you to this
This many years of Vesting Service . . .	percentage of your employer-provided Accrued Benefit
Less than 5	0%
5 or more	100%

QUESTION: How do I earn Vesting Service?

ANSWER: Vesting Service is credited to you month-by-month as you work for your employer, and is generally counted from your date of hire. Most active participants will become 100% vested on the fifth anniversary of their hire date.

EXAMPLE 1: Joe, age 35, terminates his employment four years after being hired. Joe’s Accrued Benefit is \$215 per month payable at his Normal Retirement Date. Of this amount, \$110 per month is attributable to Joe’s contributions and interest. The remaining benefit of \$105 per month is attributable to employer contributions. Since Joe did not accumulate five years of Vesting Service, he will forfeit that portion of his benefit. If Joe leaves his contributions and interest in the Plan, he will receive a benefit of \$110 per month at his Normal Retirement Date. **If he withdraws his contributions and interest, he will have no remaining benefits.**

EXAMPLE 2: Same situation as above, but this time Joe has six years of Vesting Service. Therefore, he is 100% vested in the employer-provided portion of his benefit. So, if he leaves his contributions and interest in the Plan, he would receive a benefit of \$215 per month at his Normal Retirement Date. **If he withdraws his contributions and interest, he would still receive a benefit of \$105 per month at his Normal Retirement Date.**

QUESTION: If I am 100% vested, does that mean I am entitled to withdraw the contributions my employer made for me?

ANSWER: No. In a defined benefit plan you do not vest in the *employer contributions*. Rather, you vest in that *portion* of your Accrued Benefit that is deemed to be funded by employer contributions.

POST-JUNE 2019 PARTICIPANTS

As noted above, the following “Normal Retirement”, “Early Retirement”, and “Terminating Employment Before Age 55” sections include special rules applicable to participants who are considered “Post-June 2019 Participants”. This section of the SPD defines that term. When you review the “Normal Retirement” and “Early Retirement” sections, please refer back to this section and contact United Benefits Group if you have any questions. Please keep in mind that the Plan document includes a very specific definition of a Post-June 2019 Participant and that the Plan’s terms will control any related questions.

QUESTION: What is the most common type of a “Post-June 2019 Participant”?

ANSWER: This is an employee who first becomes employed by a Plan participating employer on or after July 1, 2019.

QUESTION: What about an employee who terminates employment or retires, but returns to work for a Plan participating employer on or after July 1, 2019?

ANSWER: There are certain situations when such a rehired participant would be considered a Post-June 2019 Participant. Those are:

- (i) When such an individual is receiving a Normal, Deferred, or Early Retirement Annuity, or a monthly Termination Annuity, at the time of re-employment and does not elect to stop that benefit;
- (ii) When such an individual previously elected to receive an immediate distribution of the benefit attributable to his or her personal contributions and interest at the time of prior termination (see Option B in the “Terminating Employment Before Age 55” section of this document) and does not elect to repay that distribution upon re-employment; or
- (iii) Previously started a Disability Retirement Annuity and becomes re-employed.

In any of these situations, the prior accrued benefit remains unchanged, but the Participant would be considered a “Post-June 2019 Participant” only for the accrued benefit from the period of re-employment.

NORMAL RETIREMENT

The Plan's benefit formula calculates the monthly benefit payable to you beginning at the Plan's "Normal Retirement Date." Provided that you are not a Post-June 2019 Participant, your Normal Retirement Date is the later of two dates: (1) Age 65; or (2) the January 1 of the year in which you reach your fifth anniversary of Plan participation. For most participants, this will be Age 65. Consider, however, a participant who had passed age 65 when he or she started participating on October 1, 2016. That participant will reach Normal Retirement Date on January 1, 2021, because the fifth anniversary of participation would occur in 2021. If you are a Post-June 2019 Participant, your Normal Retirement Date also is the later of two dates; provided, however, that one of those is age 67 (rather than age 65).

The following sections of the SPD will explain that your benefit may be adjusted from the formula benefit if you begin receiving benefits on a day different from your Normal Retirement Date. For instance, if you begin to draw your benefits before your Normal Retirement Date, you may be subject to an early retirement age reduction, because benefits beginning early are expected to be paid longer. First, though, let's consider your Normal Retirement Date.

QUESTION: *What must I do to retire and receive a normal retirement benefit at my Normal Retirement Date?*

ANSWER: You must contact United Benefits Group to request an estimate of your benefit and a description of the forms of benefit available to you. You must then receive that estimate and description between 30 and 180 days prior to the first day of the month following your Normal Retirement Date. You must also file an application to retire within the 180 days before your Normal Retirement Date. Your benefit will start on the first day of the month following your Normal Retirement Date.

EXAMPLE: Fred, a participant with 33 years of Creditable Service on his Normal Retirement Date. He earned 27 years of Creditable Service at a 1.75% annual accrual rate, and 6 years of Creditable Service at 1.25%. During the last ten years of his employment, Fred's Wage Base history looked like this . . .

\$3,000
\$2,800
\$2,600
\$2,450
\$2,500
\$2,250
\$2,075
\$1,880
\$1,790
\$1,720

. . . and his Final Average Wage Base is computed like this:

Highest Four Wages = \$3,000
2,800
2,600
2,500
\$10,900 ÷ 4 = \$2,725

Final Average Wage Base = \$2,725

. . . therefore, his monthly benefit is **\$1,491.94** per month, according to the Plan's formula:

27 Yrs. Cred. Service	X	1.75% Accrual Rate	=	47.25%	X	\$2,725 Final Average Wage Base	=	\$1,287.56 per mo.
6 Yrs. Cred. Service	X	1.25% Accrual Rate	=	7.50%	X	\$2,725 Final Average Wage Base	=	\$204.38 per mo.
\$1,287.56 + \$204.38 = \$1,491.94								Accrued Benefit

This is the amount Fred will receive from the Plan for the rest of his life if he selects the Individual Member Benefit, a single-life annuity payment option. Of course, if Fred elects a different payment option, his

monthly benefit would be reduced. Also, if he retires earlier without qualifying for the Rule of 85, his payments would be smaller. (See the sections entitled “Early Retirement” and “Forms of Payment.”)

HIGHLY COMPENSATED EMPLOYEES MAY BE AFFECTED BY TWO FEDERAL LIMITS . . .

The Internal Revenue Code limits the amount of compensation that may be used to calculate your benefits. For 2019, that limit is \$280,000. In future years, this limit may be increased to reflect increases in the cost-of-living. Any compensation you earn above the limit will be ignored for benefit calculation purposes.

The Internal Revenue Code also limits the amount of annual benefits you may receive from a defined benefit pension plan. For example, the limit for 2019 is \$225,000. The limit applicable to you may be lower, depending on how much compensation you earned in your highest three-consecutive-year-period and the number of years you participated in the Plan. The limit applicable to you may also be adjusted depending on your age. If you are receiving benefits prior to age 62, your limit will be actuarially reduced. If, however, you are receiving benefits after age 65, your limit will be actuarially increased.

EARLY RETIREMENT

*The Plan allows you to retire as early as age 55. If you qualify for the “Rule of 85” (discussed below), you may retire even earlier. Unless you satisfy the Rule of 85’s conditions, however, your monthly benefit will be reduced for each year or partial year your retirement precedes your 62nd birthday (or, in the case of a Post-June 2019 Participant, your 65th birthday). This is because benefits paid early are expected to be paid over a longer period of time. **The first part of this section applies only to vested participants who terminate employment after reaching age 55.***

The Plan’s Early Retirement age-reduction schedule is subsidized. In other words, it provides you with greater benefit payments than would a schedule based strictly on life expectancies. The applicable schedule varies on the basis of whether or not you are a Post-June 2019 Participant.

EARLY RETIRMENT SUBSIDY

Here is an abbreviated version of the schedule for those who are *not* Post-June 2019 Participants:

If you retire at age you will receive this percentage of your formula benefit
62 or above	100%
61	96%
60	92%
59	88%
58	84%
57	80%
56	76%
55	72%

Here is an abbreviated version of the schedule for those who *are* Post-June 2019 Participants:

If you retire at age you will receive this percentage of your formula benefit
65 or above	100%
64	95%
63	90%
62	85%
61	80%
60	75%
59	70%
58	65%
57	60%
56	55%
55	50%

NOTE: Different tables apply to those who terminate their employment before age 55. (See the section entitled “Early Receipt of a Termination Annuity.”) Also, if a portion of your Accrued Benefit was accrued under the Farmland Plan or Mid-America Plan, the early retirement table in effect under that other plan when you left that plan will apply to the portion accrued under that plan.

EXAMPLE: Bob is not a Post-June 2019 Participant. He elects to retire at age 58. His formula benefit is \$1,000 per month, payable at Normal Retirement Date. Because Bob is 58, he would receive \$840 per month (\$1,000 x 84%) if he elects an Individual Member Benefit.

QUESTION: *What must I do to retire early and receive an early retirement benefit?*

ANSWER: You must contact United Benefits Group to request an estimate of your benefit and a description of the forms of benefit available to you. You must then receive that estimate and description between 30 and 180 days prior to the date you want to start benefits. You must also file an application to retire prior to, but no more than 180 days before, the date you want to start receiving benefits. Your benefit may start only on the first day of a month.

QUESTION: *What happens if I retire between birthdays?*

ANSWER: The Early Retirement reduction factors are prorated between birthdays. In the example above, if Bob retired at age 58½, he would receive 86% of his formula benefit.

QUESTION: *Can I terminate employment after age 55, but wait until later to begin receiving my retirement benefits?*

ANSWER: Yes. In our example above, if Bob terminates at age 58 but waits until age 62 to commence receiving benefits, he would receive \$1,000 per month.

QUESTION: *The Plan's benefit formula calculates the monthly benefit beginning at Normal Retirement Date (age 65 or 67 in most cases), but it appears that I can receive full benefits at an earlier age if I qualify for Early Retirement. Are there any advantages to retiring at my Normal Retirement Date rather than earlier when I can receive full benefits?*

ANSWER: Many people do indeed choose to work longer. Here, for example, are a few

reasons you might choose to work until at least your Normal Retirement Date:

- 1) You would accumulate more years of Creditable Service.
- 2) Your Final Average Wage Base may increase.
- 3) You would be closer to receiving full Social Security benefits.
- 4) You qualify for Medicare at age 65.
- 5) You would continue to receive a regular paycheck.
- 6) You might continue coverage under your employer's health insurance plan (as applicable).

QUESTION: *If I quit my job prior to age 55 and without attaining 85 "points" (as described below), and elect to receive my benefits when I reach age 55, do I receive 72% of my formula benefit (or 50% if I am a Post-June 2019 Participant)?*

ANSWER: No, a different age-reduction table applies to your benefit. (See the section entitled "Early Receipt of a Termination Annuity.") You are considered to have experienced a "termination" – not a "retirement."

EARLY RETIREMENT ENHANCEMENT: "RULE OF 85"

The Plan also offers an early retirement option known as the "Rule of 85." This option makes it possible for you to retire at any age with benefits that are unreduced for early retirement if you satisfy these three requirements:

1. *The sum of your age and years of Creditable Service must equal or exceed 85.* This SPD may refer to your age and years of service as "points" that must add together to total at least 85 "points."
2. *Your last ten years of Creditable Service must have been earned in the Plan (or, in some circumstances, an ABC Plan).* You are not permitted to count any Past Service, nor are you permitted to count any Creditable Service realized on account of a

transfer of assets and liabilities from another pension plan to the Co-op Plan if that Creditable Service would be included in your last ten years of Creditable Service.

3. *Your last ten years of Creditable Service must be “continuous” service.* Your last ten years of Creditable Service will be considered continuous as long as you do not have a break-in-service of more than two years.

The two-year break-in-service cannot immediately precede your retirement. Rather, this rule makes it possible for you to take up to two years to find another job within the Co-op Plan network should you lose your job in the last ten years before retirement. If your employer suspends participation in the Co-op Plan, you will stop accruing Creditable Service. This suspension alone will not prevent your Creditable Service from being “continuous” (although a break-in-service of more than two years during the suspension will).

EXAMPLE 1: Ed achieves 85 points when his age of 58.25 is added to his Creditable Service of 26.75 years (5.75 years of which were earned at a 1.25% annual accrual rate and 21 at a 1.75% rate). With a Final Average Wage Base of \$2,600/mo., Ed’s Accrued Benefit is \$1,142.38 per month, beginning at age 65. Because Ed qualifies for the “Rule of 85,” he may retire at age 58.25 and receive 100% of his Accrued Benefit. Therefore, if Ed elects an Individual Member Benefit, his monthly payment will be \$1,142.38 beginning at age 58.25 and continuing for life. Without the “Rule of 85,” Ed would have received 85% of his Accrued Benefit at age 58.25 (or, if he were a Post-June 2019 Participant, 66.25% of his Accrued Benefit).

Under the Rule of 85 some participants will qualify for Early Retirement before the age of

55, which is normally the Plan’s earliest retirement age. For example:

EXAMPLE 2: Susan will achieve 85 points when her age of 53.5 is added to her Creditable Service of 31.5 years (7 years of which were earned at 1.25% and 24.5 of which were earned at 1.75%). Susan’s Final Average Wage Base is \$3,000 per month. Her Accrued Benefit is \$1,548.75 per month, beginning at Normal Retirement Date. Because Susan qualifies for the “Rule of 85,” she may retire immediately with 100% of her Accrued Benefit. Therefore, if Susan elects an Individual Member Benefit, her monthly payment will be \$1,548.75 beginning at age 53.5 and continuing for life. Without the “Rule of 85” Susan would not have been eligible for early retirement, since she had not yet reached the Plan’s earliest retirement age of 55.

QUESTION: May I retire under the Rule of 85 if a portion of my benefit was accrued under the Farmland Plan or Mid-America Plan?

ANSWER: If you satisfy the three requirements for Rule of 85 eligibility, you may retire under the Rule of 85. Note, however, that the portion of your benefit that you accrued under that other plan will be reduced for early retirement. The amount of the reduction will depend on your age. This is different from the portion of your benefit you accrued under the Co-op Plan, which is not subject to any reduction for early retirement.

“RULE OF 85” ALSO APPLIES TO DEATH BENEFITS

If you die after accumulating 85 “points” but before retirement, your surviving spouse will receive the Plan’s automatic 100% Joint Annuity survivor’s benefit, unreduced for early retirement. For example, if you are an active participant who dies at age 58, and you have 27 years of Creditable Service at the time of your death, your surviving spouse’s benefit will not

be reduced for early retirement. The only adjustment that will be made is a reduction to provide the 100% Joint Annuity benefit instead of an Individual Member Benefit. If, in this same situation you did not qualify for the “Rule of 85,” your surviving spouse’s benefit would first be reduced for early retirement (using the applicable Early Retirement Subsidy table above) before applying the reduction for the 100% Joint Annuity option. Death benefits under the Rule of 85 are payable to your surviving spouse even if you are under the age of 55 at the time of death.

Additionally, if you retire under the Rule of 85 your beneficiary will receive (following your death) the Plan’s special lump-sum death benefit, which can range from \$2,000 to \$10,000 depending on your wage level. This is true even if you are under the age of 55 at the time of your retirement. This lump-sum death benefit will not be paid to your Beneficiary, however, if you die before you actually retire.

SPECIAL RULES APPLY IF YOU RETIRE UNDER THE “RULE OF 85” AND ARE LATER REHIRED

CAUTION: Your retirement must be legitimate!

The purpose of a pension plan is to provide retirement income to those who retire, terminate employment, or become disabled. Internal Revenue Service rules prohibit you from receiving an “in-service withdrawal” prior to your Normal Retirement Date, which means it is illegal to pretend to retire early just to collect retirement benefits and then return to work. If you retire with the intention of returning to work for the same employer or another Participating Employer, your retirement is not legitimate and could result in the forfeiture of any retirement benefits you have already received.

If you retired under the Rule of 85, your payments were higher than they would have been under regular Early Retirement. The difference between your Rule of 85 benefit payments and what you would have received under regular Early Retirement is called your

“Rule of 85 subsidy.” If you retire with a Rule of 85 subsidy and subsequently return to work for a Participating Employer before the age of 62 (or, in the case of a Post-June 2019 Participant, age 65), you will temporarily lose your Rule of 85 subsidy if you:

1. are an hourly employee who works 1,000 or more hours in a calendar year (note: the Plan does not use the “equivalency method” for this purpose), or
2. you are a salaried employee who earns 50% or more of your annualized Final Average Wage Base (as calculated at the time of your retirement and multiplied by 12) during any calendar year.

If, after the end of the calendar year, it is determined that you were not entitled to a Rule of 85 subsidy for any time during that calendar year, the Plan will recoup the subsidy in the following year, as described in this example.

EXAMPLE: Ken retires on January 1, 2020, at the age of 55 under the “Rule of 85.” His monthly benefit is \$1,000 per month. Before the “Rule of 85” was enacted, Ken could have retired at age 55 with 72% of his Accrued Benefit (because he is not a Post-June 2019 Participant), which would have provided him a benefit of \$720 per month. Thus, his “Rule of 85” subsidy is the difference between these two amounts: \$280 per month. Ken returns to work for his employer on July 1, 2020, and works more than 1,000 hours before the end of 2020. Because Ken worked six months in 2020, he will lose six months of his “Rule of 85” subsidy in 2021. Therefore, the Plan will reduce Ken’s monthly payment to \$720 per month for six months of 2021, after which his benefit amount will revert to its original amount of \$1,000 per month.

Additionally, if you elect to continue to receive retirement benefits when you become reemployed (this is sometimes referred to as “opening a second account”), additional benefits you accrue during re-employment will not be paid under the Rule of 85.

DEFERRED RETIREMENT

You might want to work beyond your Normal Retirement Date, which for most people is age 65 (or age 67, in the case of a Post-June 2019 Participant). If so, you will continue to make contributions to the Plan, and, accordingly, you will continue to accrue additional months and years of Creditable Service as long as you are employed. This section describes the benefits you will receive if you wait until you actually retire to start your benefits. The following section (“In-Service Withdrawals”) will then describe your ability to receive pension benefits while you continue to work after your Normal Retirement Date.

If you retire after your Normal Retirement Date, your monthly retirement benefit will subsequently begin on the first day of the month that you elect, so long as you have received a benefit estimate between 30 to 180 days prior to that date and have submitted a written application with the Retirement Committee prior to (but not more than 180 days before) the date you want benefits to begin. That Deferred Retirement Annuity will include your Accrued Benefit as of your Normal Retirement Date (“NRD”) plus any benefits you accrued after your NRD. Those additional accrued benefits, if any, will be actuarially adjusted, essentially to reflect that fewer payments are expected to be made during your lifetime if they begin later.

EXCEPTION TO APPLICATION REQUIREMENTS:

As you’ve read throughout this summary, you generally must file a written application before your benefits will start. The law requires, however, that benefits start no later than your “Required Beginning Date” or “RBD.” The Plan defines your RBD as the April 1 following the year in which you reach age 70½. For example, if you turn 70½ in 2019, your RBD will be April 1, 2020.

If your benefits have not started by the time you reach your RBD – even if you’re still working – the Plan will begin to pay you a retirement benefit based on your Final Average Wage Base and Creditable Service to date. This payment will be automatic, and nothing is required of you except to submit a birth certificate and elect a payment option. If you have not filed to elect a benefit form, you will be deemed to have elected a 50% Joint Annuity. Your benefit will be adjusted each January thereafter (while you are still working) to reflect additional accruals. If you are not vested when you reach your RBD, you will receive a lump sum distribution of your contributions and interest thereon. Even if you are vested, you will receive a lump sum distribution if the lump sum present value of your benefit is \$5,000 or less.

DISABILITY RETIREMENT

If you become totally and permanently disabled while working for a Participating Employer, you may be eligible to receive a disability retirement benefit. To qualify, you must:

1. Have at least 36 months of Participating Service as of the last day of the month preceding the month in which you receive your first disability payment from the Social Security Administration (the “SSA”);
2. Have received Participating Service in at least 12 of the 24 months immediately preceding the earlier of the following: (i) the month in which you were entitled to receive your first disability payment from the SSA; (ii) the month you receive your first disability payment from the SSA; or (iii) the date you became disabled, as determined by the SSA;
3. Have not received a disability payment from the SSA in or for the month prior to or concurrent with the month in which you recently became employed by a Participating Employer;
4. Have been determined by SSA to have become entitled to disability payments, with such disability not determined to have commenced on a particular date no later than 90 days after you terminated employment;
5. Apply to the Plan for disability retirement benefits. To start this process, ask your employer to complete the “Preliminary Application for Disability Retirement” form; and
6. Have terminated employment with any Participating Employer, and all payments from your employer (other than bonuses or other irregular payments) have ceased.

You will not be eligible for a disability benefit, however, if your disability is a result of armed forces service or an act of war, or if it occurred

after you terminated employment, while self-employed, during a leave of absence, or during a period in which you’re not making contributions (unless this is because your employer has suspended its participation in the Plan).

If you qualify for Disability Retirement, your benefit will be the greater of:

- Your Accrued Benefit (based on the Benefit Formula) as of the end of the month in which your disability commenced, fully vested and unreduced for age, or
- 25% of your last Wage Base.

Your monthly Disability Retirement benefit will commence on the first day of the month following your satisfaction of all qualification requirements. You may also receive an initial lump sum equal to the payments, if any, that would have been made during the period beginning with the first month for which you are first entitled to an SSA disability payment and ending with the month before your benefit from the Plan begins. Your monthly payments will continue until the earlier of your death or your recovery from disability (if you recover prior to your Normal Retirement Date). You will have to return to the Plan any payments made to you after the earlier of those two events. Thus, you should inform United Benefits Group if you “recover” – that is, if the SSA determines that you are no longer entitled to disability payments. Note that if you recover from disability after your Normal Retirement Date, you will continue to receive your disability benefit for the rest of your life and you cannot apply for an additional retirement benefit.

EXAMPLE 1: Jim becomes disabled after having participated in the Plan for 5 years. He meets all of the qualifications for disability retirement. The SSA determined that Jim’s first SSA disability check will be paid for August, so his first disability retirement check from the Plan will be paid

on August 1. Jim's accrued benefit is \$210 per month, according to the Plan's benefit formula. Since this amount is less than 25% of his last reported Wage Base of \$2,500/mo., Jim's disability benefit will be \$2,500 x 25%, or \$625 per month.

EXAMPLE 2: Same situation as above, only this time let's assume that Jim is a 20-year participant in the Plan whose accrued benefit is \$750 per month. This amount is greater than 25% of his last reported Wage Base of \$2,500/mo., so Jim will receive a disability retirement benefit of \$750 per month.

***QUESTION:** If I am approved for Disability Retirement, which of the optional forms of payment may I select?*

ANSWER: You may select any of the payment options otherwise available to a retiree except the Level Income option.

***QUESTION:** Is regular retirement ever better than Disability Retirement?*

ANSWER: It may be, because there is a lump sum death benefit associated with regular retirement, but not with Disability Retirement. In addition, even though the Individual Member Benefit might be greater under Disability Retirement than when payable under the regular retirement provisions, the Joint Annuity options might be just the opposite – providing a monthly amount under regular retirement that is greater than if paid under Disability Retirement. In order to decide which benefit is better, you may ask the Plan for a benefit estimate.

IN-SERVICE WITHDRAWALS

You may elect to start receiving benefits and continue to work, provided that you have passed your Normal Retirement Date (age 65 for many people or age 67 for most Post-June 2019 Participants) and your employer allows you to continue to work. These payments are referred to as “In-Service Withdrawals.”

You generally may elect to start receiving In-Service Withdrawals as early as your Normal Retirement Date or any later date (although all In-Service Withdrawals must start on the first day of a month). If you elect to start benefits on your Normal Retirement Date, the “Benefit Accrual” and “Normal Retirement” sections of this summary will generally be used to calculate your benefits. If you elect to start benefits later, the “Deferred Retirement” section will generally apply.

If you have recently become reemployed and have elected to continue to receive the retirement benefit you previously began receiving (this is sometimes referred to as opening a “second account”), you may elect to start receiving In-Service Withdrawals of the additional benefit you accrue during re-employment only after completing six months of Creditable Service upon your return and passing your Normal Retirement Date. The In-Service Withdrawals could begin on the first day of any month after he or she completes the required six months of Creditable Service.

Once you have begun receiving In-Service Withdrawals, your benefit payments will be increased in January of each year (or as soon as administratively practicable thereafter) to reflect the additional benefit you accrued during the previous calendar year. These additional benefits will be paid in the same form as the In-Service Withdrawals you’re already receiving.

TERMINATING EMPLOYMENT BEFORE AGE 55

(NOTE: THIS SECTION ALSO APPLIES TO NON-VESTED PARTICIPANTS WHO TERMINATE EMPLOYMENT AFTER AGE 55.)

The Plan is designed to provide you a lifetime monthly income when you reach retirement age. But what happens if you don't remain employed by a Participating Employer until retirement age? Do you still receive benefits?

Yes, you will receive a benefit. How much you receive, however, depends in part on whether you are vested.

- If you are not vested when you terminate your employment, you will receive a refund of the contributions you have made to the Plan, plus interest. Because you are not vested, this is the only payment that will be made to you from the Plan. All other potential benefits will be forfeited.
- If you are vested when you terminate your employment and you are otherwise eligible for Early, Normal, or Deferred Retirement, you are entitled to receive your benefit as described in the applicable section of this booklet.
- If you are vested when you terminate your employment and not eligible to retire, you are still entitled to receive your full Accrued Benefit at your Normal Retirement Date or a reduced benefit at any time between age 55 and your Normal Retirement Date. Additionally, you have the opportunity to receive a portion of your benefits even earlier. For example, if you terminate employment before age 55 you have the option of withdrawing your personal contributions and interest at the time you leave employment or at any later time prior to age 55. Here are explanations of the options available to a vested, terminated participant:

Option A – If you choose this option, you will leave your personal contributions and interest in

the Plan, and you will then be entitled to receive your full benefit when you reach your Normal Retirement Date. Or, you may choose to commence your benefit as early as age 55 in a reduced amount. (See the section below entitled “Early Receipt of a Termination Annuity.”) In order to start receiving your benefit, you will have to submit an application.

IMPORTANT NOTE – **If you do not elect Option A or Option B within 90 days of your termination of employment, you will be deemed to have chosen Option A. Even if you originally select Option A or were deemed to elect Option A, you may switch your election to Option B at any time prior to age 55. Once you reach age 55, you may no longer withdraw your personal contributions and interest.**

Option B – If you select this option, you will receive a refund of your personal contributions plus interest. (This refund can either be in the form of a lump sum payment or a lifetime annuity that starts immediately.)

Then, the portion of your Accrued Benefit that your contributions and interest are deemed to have purchased (that is, the “employee-provided portion”) will be subtracted from your Accrued Benefit, which will leave you with a Termination Annuity that is attributable only to employers’ contributions. Your Termination Annuity may start in full at your Normal Retirement Date, or it may start being paid in reduced monthly amounts at any time between age 55 and your Normal Retirement Date. (See the section below entitled “Early Receipt of a Termination Annuity.”) If the present lump sum value of your Termination Annuity is \$15,000 or less, you may elect to receive your entire Termination Annuity in one lump sum at any time.

In order to start your Termination Annuity or to receive that lump sum, you must submit an application. Your benefit will begin on the first day of a month following the Plan’s receipt of your application. If your benefit starts after your Normal Retirement Date, it will be adjusted so that it is the actuarial equivalent of a benefit starting at your Normal Retirement Date.

EXAMPLE: Mary is 35 years old when she terminates her employment. She has an Accrued Benefit of \$351 per month, beginning at age 65. She has contributed \$3,200 to the Plan, which have earned \$1,500 of interest to date (for a total of \$4,700). Here are her options:

- **Under Option A:** Mary would leave her contributions in the Plan and receive a benefit of \$351 per month beginning at age 65, or a lesser monthly amount beginning as early as age 55.
- **Under Option B:** Mary would receive a refund of her contributions plus interest, a total of \$4,700. Now, since Mary has withdrawn her contributions, her benefit at her Normal Retirement Date will be reduced by approximately \$103 per month. This is the monthly benefit at age 65 that would have been attributable to her contributions and interest had they been left in the Plan to grow. Therefore, instead of receiving \$351 per month at age 65, Mary will now receive \$248 per month at age 65, or a lesser monthly amount beginning as early as age 55.

NOTE: These calculations would be different if Mary were a Post-June 2019 Participant. For example, either Option A or B likely would be calculated in relation to amounts payable at age 67.

NOTE: Your election of Option B – and the subsequent decision to not repay your prior distribution upon becoming re-employed by Plan participating employer – could impact

whether you are considered a “Post-June 2019 Participant” for future benefit accruals. Please contact United Benefits Group to discuss this further when you are making your decision between Option A and B.

EARLY RECEIPT OF A TERMINATION ANNUITY

The Termination Annuity that you are entitled to receive at your Normal Retirement Date under Option A or B (see the previous page) may start as early as age 55 – but in a reduced amount due to the fact that payments will be made for a longer period of time. Please note, however, that the reduction is not calculated in the same method as that described in the section entitled “Early Retirement.” A different reduction table (shown below) is used to calculate early Termination Annuities.

The following is a sample of the early Termination Annuity reduction table for participants who are *not* Post-June 2019 Participants. Percentages are prorated between birthdays.

If you begin receiving benefits at age you will receive this percentage of your age-65 benefits
65	100.0%
64	89.8%
63	80.9%
62	73.0%
61	66.1%
60	60.0%
59	54.5%
58	49.7%
57	45.3%
56	41.4%
55	37.9%

EXAMPLE: If Mary terminated at age 35 and selected Option A, she qualifies for a benefit of \$351 per month at age 65. If she elects to begin receiving her benefit at age 61, she could receive 66.1% of her age-65 benefit, or \$232.01 per month.

The following is a sample of the early Termination Annuity reduction table for participants who are Post-June 2019 Participants. Percentages are prorated between birthdays.

If you begin receiving benefits at age you will receive this percentage of your age-67 benefits
67	100.0%
66	89.3%
65	79.9%
64	71.8%
63	64.6%
62	58.4%
61	52.8%
60	47.9%
59	43.6%
58	39.7%
57	36.2%
56	33.1%
55	30.3%

FORMS OF PAYMENT

If you are not married, the normal form of benefit is an Individual Member Benefit. If you are married, the normal form of benefit is a 50% Joint Annuity. These forms, as well as various other payment options are described below. All forms of benefit are the Actuarial Equivalent of the Individual Member Benefit you would receive under the Benefit Formula.

The option that is right for you will depend on how long you and your spouse expect to live after retirement and on your own particular financial situation. After studying the various options, you will want to select the one that is best-suited for your needs. Your decision is important because it cannot be changed after you begin receiving benefits. These options are explained in detail below:

1. INDIVIDUAL MEMBER BENEFIT

This is a benefit for your lifetime only, and all payments cease at your death. The Individual Member Benefit provides the maximum monthly benefit while you are alive. You may want to consider this option if you have no spouse, if your spouse has retirement benefits independent of your own, or if you plan to provide protection for your surviving spouse by purchasing a life insurance policy. If you are married, you may not select this option without the notarized consent of your spouse.

2. TEN-YEAR GUARANTEED BENEFIT

This option will pay you a slightly reduced monthly benefit for your lifetime, but it guarantees that payments will be made for at least ten years.

EXAMPLE 1: Bill chooses the 10-year guaranteed benefit and lives for seven years after retiring. After his death, Bill's beneficiary will receive Bill's monthly benefit for the next three years. In all, 120 monthly payments are guaranteed to be made to Bill and his beneficiary.

EXAMPLE 2: What happens if Bill lives for 15 years after retiring? In this case, Bill will receive his monthly pension until his death, but his beneficiary will receive nothing after Bill's death since Bill will have received at least 120 monthly payments.

You may want to consider this benefit if you have no spouse, but you want to leave a possible benefit to a relative or a friend in the event you do not live for 10 years after retiring. If you are married, you may not select this option without your spouse's notarized consent.

3. LEVEL INCOME OPTION

You can choose this payment method only if you retire prior to age 62. The Level Income Option pays you an enhanced pension until you can begin collecting Social Security benefits. Thus, you receive a larger pension before age 62 and a smaller pension afterward. This option also provides a guarantee that payments will be made for at least 10 years. If you die within the first 10 years of your retirement under the Level Income Option, your beneficiary will receive the same monthly payments you would have received (if alive) for the remainder of the 10-year period.

EXAMPLE: Jane decides to retire at age 58, which is four years before she can begin collecting Social Security benefits. If she selects the Individual Member Benefit, she could receive \$840 per month, but Jane feels that she needs an enhanced benefit to get by until she can begin collecting her Social Security payments. It is estimated that her Social Security payment will be \$580 per month, beginning at age 62. Under the level income option, Jane will receive an enhanced benefit of \$1,254 per month until she turns age 62, and then a reduced benefit of \$674 per month from age 62 until death. In this way, her total income before and after age 62 will be approximately equal.

You may want to consider this option if you need to supplement your income before you are eligible to receive Social Security benefits. This option provides no survivor benefits. If you are married, you may not select this option without the notarized consent of your spouse. Also, please realize that the Plan will only be working with an estimate of your Social Security benefit. This payment option is not available for Disability Retirement or Termination Annuities.

JOINT ANNUITY OPTIONS:

These options are available to married participants. Your monthly payment under these choices is reduced in order to provide a lifetime income for your spouse after your death. *Under Federal law and the Plan, married participants cannot choose any form of payment other than a Joint Annuity without their spouse's notarized consent.* For retirees, payments under any of these joint annuity options are guaranteed for 10 years. (See explanation below.) There are six different Joint Annuity options:

4. **50% JOINT ANNUITY**
Half of the amount you were receiving would be paid monthly to your spouse after your death.
5. **66 2/3% JOINT ANNUITY**
Two-thirds of the amount you were receiving would be paid monthly to your spouse after your death.
6. **75% JOINT ANNUITY**
Three-fourths of the amount you were receiving would be paid monthly to your spouse after your death.
7. **100% JOINT ANNUITY**
The same monthly payment you were receiving continues to your spouse after your death.
8. **100% JOINT ANNUITY WITH POP-UP**
Similar to the 100% Joint Annuity, the same monthly benefit you were receiving would continue to your spouse

after your death. In addition, if your spouse were to die before you, your monthly benefit would increase or “pop up” to the monthly amount that initially would have been payable to you as an Individual Member Benefit. You must notify United Benefits Group of your spouse’s death before the increase becomes effective.

9. **50% JOINT ANNUITY WITH POP-UP**

Similar to the 50% Joint Annuity, half the amount you were receiving would continue to your spouse after your death. In addition, if your spouse were to die before you, your monthly benefit would increase or “pop up” to the monthly amount that initially would have been payable to you as an Individual Member Benefit. You must notify United Benefits Group of your spouse’s death before the increase becomes effective.

The amount of benefit you receive under any of the Joint Annuity options – figured as a percentage of the Individual Member Benefit otherwise payable – depends on a combination of specific factors: (i) the specific option you select; (ii) your age at your retirement; and (iii) your spouse’s age at your retirement. When you apply to receive your benefit, you will receive paperwork estimating the amounts payable to you under the available forms of distribution.

EXAMPLE 1: Fred is retiring, and the Individual Member Benefit payable to him at age 65 would be \$1,218 per month. Fred’s wife is 60 years old. He elects the 50% Joint Annuity payment option. Under the Plan’s actuarial tables, the percentage that applies is 85.5%. $85.5\% \times \$1,218 = \$1,040.78$ per month. This is the payment Fred will receive for life. If his wife is alive at his death, she will begin to receive 50% of Fred’s payment, or \$520.39 per month. She will continue to receive this benefit for as long as she lives.

EXAMPLE 2: If Fred is under age 62 (or age 65, if he is a Post-June 2019 Participant) when he retires, the early retirement age reduction will also apply. Let's assume for this example that he is age 60 at retirement and is not a Post-June 2019 Participant, selects the 50% Joint Annuity payment option, and has not yet qualified for the Rule of 85. His spouse is 55 years old. First, we must multiply his accrued benefit by the age reduction factor for a 60-year old (provided in the "Early Retirement" section of this SPD): $\$1,218/\text{mo.} \times 92\% = \$1,120.56/\text{mo.}$ Then, the joint annuity factor is applied: $\$1,120.56/\text{mo.} \times 88.3\% = \$989.12/\text{mo.}$ Therefore, Fred will receive \$989.12 per month for life. The surviving spouse's benefit will be half of Fred's monthly benefit, or \$494.56 per month, if Fred dies before his spouse.

EXAMPLE 3: Bob retires when he and his spouse are both 65. His Individual Member Benefit would have been \$1,800, but he instead selects the 100% Joint Annuity With Pop-up payment option. Under this option, his benefit is 75.87% of his Individual Member Benefit, in order to provide the survivor benefit and pop-up feature. Therefore, he will receive monthly payments of \$1,365.66 while he is alive. Upon his death, his spouse would begin to receive the same amount, \$1,365.66, for the rest of the spouse's life. However, if Bob's spouse dies first, his benefit will "pop up" to the Individual Member Benefit amount of \$1,800 per month, and he would then receive this larger amount for the rest of his life.

You may select any of these Joint Annuity options if you take Normal, Early, Deferred, or Disability Retirement, or if you receive a Termination Annuity.

SPECIAL 10-YEAR GUARANTEE ON JOINT ANNUITY PAYMENT OPTIONS.

If you select the 50, 66 2/3, 75, or 100% Joint Annuity, or the 50% or 100% Joint Annuity With Pop-up payment option, the Plan will automatically guarantee that at least 120 monthly payments will be made. If both participant and spouse die within 10 years of the original retirement date, their beneficiary will receive the joint annuitant's payment for the remainder of the 10-year period. This special 10-year guarantee will not apply to a Joint Annuity that is paid as a Termination Annuity (see the section titled "Terminating Employment Before Age 55").

EXAMPLE: Tom retires and begins to receive \$750 per month under the 66 2/3% Joint Annuity option. He dies 3 years later, whereupon his wife begins to draw 2/3 of his benefit or \$500 per month. She dies 2 years later. In all, five years of payments have been made, so now the guarantee goes into effect. Tom's Contingent Beneficiary will receive the joint annuitant payment of \$500 per month for the next 5 years.

QUESTION: *Can anyone other than my spouse be designated as my Joint Annuitant?*

ANSWER: No.

QUESTION: *If I have retired and started receiving benefits, and my spouse dies before I do, is my benefit increased to the Individual Member Benefit amount? If I remarry, can I designate my new spouse as my Joint Annuitant?*

ANSWER: The answer to both questions is generally no, with one exception: if you elected the 50% or 100% Joint Annuity With Pop-up, your benefit payments would indeed increase to your Individual Member Benefit amount.

QUESTION: If I divorce after my retirement and start receiving benefits, can I change my Joint Annuitant if I remarry?

ANSWER: Unless a Court orders otherwise, the first spouse would still be the Joint Annuitant, even if you remarry.

QUESTION: Can I change my payment option after I retire and start receiving benefits?

ANSWER: No.

FORM OF BENEFIT FOR SMALL AMOUNTS

The Plan generally requires that your retirement benefit be paid to you in monthly payments. If, however, the lump sum present value of the amount payable to you is \$15,000 or less, you may elect to receive a lump sum distribution or roll over your benefit to the qualified plan or IRA that you choose. If you are married, you may not select this option without the notarized consent of your spouse.

Additionally, if your total benefit at termination has a lump sum present value of \$5,000 or less, different rules will apply. In the event that your benefit is \$1,000 or less, the Plan will pay your entire benefit in a lump sum (unless you elect to roll over your benefit to another qualified plan or an IRA, which you may do if the taxable benefit is \$200 or greater).

In the event your benefit is greater than \$1,000 but not greater than \$5,000, you may elect to receive a lump sum distribution or roll over your benefit to the qualified plan or IRA that you choose. If you are a participant (not a beneficiary) who does not make either of these elections (with respect to an amount greater than \$1,000 but not greater than \$5,000), the Plan will automatically roll over your benefit to an IRA that has been established by the Retirement Committee on your behalf. Amounts automatically rolled over will be invested in an investment product designed to preserve principal and provide a reasonable rate of return

and liquidity. Fees and expenses charged for the establishment and maintenance of your IRA will be paid directly from your IRA. For further information concerning the Plan's automatic rollover provisions, the IRA provider, and the fees and expenses related to your IRA, please contact United Benefits Group.

WHAT'S TAXABLE AND NON-TAXABLE?

As you elect a form of benefit, you may want to consider which portions of your benefit may be taxable or non-taxable. You may contact United Benefits Group to request information on whether a distribution is taxable.

- If you are not vested when you terminate your employment, the calculation of your taxable and non-taxable benefits is easy. Your personal contributions are non-taxable (because they were after-tax contributions), and the interest you receive is taxable.
- If you are vested when you terminate your employment, the calculation of the taxable and non-taxable portions of your refund is more complicated. This can best be illustrated with an example, which assumes that you have elected Option B as described in prior sections:

EXAMPLE: John, a participant with 8 years of Creditable Service in the Plan, terminates employment at age 36, and selects Option B. His personal contributions are non-taxable and equal \$3,000. The interest on his contributions totals \$500, making a total distribution of \$3,500. His monthly plan benefit at Normal Retirement Date is \$270. The employer-paid portion of his monthly benefit will be \$196 per month at Normal Retirement Date after he has received a distribution of his contributions and interest. According to tables, his total monthly benefit has a value of \$9,898.20 at the date of his distribution. Per government regulations, the non-taxable portion of his \$3,500 distribution will be calculated like this:

$$\begin{array}{rcccccc}
 \$3,000 & \div & \$9,898.20 & = & 30.3\% & \times & \$3,500 & = & \$1,060.50 \\
 \text{Personal} & & \text{Total} & & & & \text{Distrib.} & & \text{Non-} \\
 \text{Contrib.} & & \text{Present} & & & & & & \text{Taxable} \\
 & & \text{Value} & & & & & & \text{Portion}
 \end{array}$$

So, when John receives the refund of his personal contributions plus interest, only \$1,060.50 of the \$3,500 total distribution will

be non-taxable. But John made total after-tax personal contributions of \$3,000, so what happens to the other \$1,939.50?

Answer – The remaining \$1,939.50 of after-tax contributions will be recovered by John on a pro-rated basis when he collects his Termination Annuity. To illustrate, let's say he elects to commence his monthly benefit at age 65. Based on the IRS method in effect, we assume that a 65-year old like John will receive 260 payments before his death. Therefore, we divide John's remaining after-tax contributions of \$1,939.50 by 260. The result is \$7.46, which means that of the first 260 monthly checks of \$196 each that John receives, \$7.46 will be non-taxable. If he does not collect 260 checks before his death, his survivors may claim the unrecovered non-tax contributions as a loss on his final tax return.

OPTION A OR OPTION B? TAXES MAKE A DIFFERENCE!

You may recall that if you are vested and terminate employment prior to becoming eligible for at least Early Retirement, you may elect Option A or Option B. Your selection may be influenced by tax laws that affect distributions from pension plans. Generally, taxes only need to be paid when a portion or all of your distribution is taxable. For example, the taxable portion of your distribution may be subject to an automatic 20% withholding for federal income tax and a 10% federal penalty tax for early withdrawal. Here are some things you should know before you decide between Option A and Option B.

Option A – If you choose Option A, you defer all taxation issues until retirement age. Since you leave your contributions and interest in the Plan, there is no distribution and thus no immediate taxation.

Option B – If you select Option B, you have another choice to make: whether or not to roll

the taxable portion of your distribution into an Individual Retirement Account (IRA) or another qualified pension plan:

- If you decide not to roll the taxable portion of your distribution into an IRA (in other words, you decide to take and keep the distribution), you will receive a check that equals 100% of the non-taxable portion of your distribution plus 80% of the taxable portion. The other 20% of the taxable portion is automatically withheld for federal income tax. In addition, the taxable portion may also be subject to a 10% penalty tax for early withdrawal, depending on your age. Also, some States require State tax withholding if federal taxes are withheld.
- If you decide to roll over the taxable portion of your distribution to a traditional IRA, you also have a choice of whether or not to roll over the non-taxable portion. If you elect not to roll over the non-taxable portion, it will be paid directly to you and it is not subject to regular taxation or penalty taxes. You will receive one rollover check for any taxable amounts you elect to roll over and one rollover check for any non-taxable amounts you elect to roll over. You must then forward any rollover checks to the qualified plan or IRA of your choice. As is true with Option A, this rollover will result in you owing no taxes until you begin receiving benefits.
- If you decide to roll over your distribution to a Roth IRA, however, you will be taxed on the taxable portion of your distribution at the time of the rollover.

The explanations above are generalizations. There is insufficient room in this booklet to describe all the ways that the tax laws may affect your distribution. Additionally, the tax laws change often, which may make the information in this booklet obsolete by the time you read it. For these reasons, we strongly suggest that you consult with a tax advisor before making decisions about the payment of your benefits. At the least, you should carefully read the special tax notice that accompanies your payment option election form.

Upon request, the Plan will furnish an estimate of your benefits, including an analysis of the taxable and non-taxable amounts of an Option B distribution.

DESIGNATING A BENEFICIARY

If you have been married for more than one year, your spouse is automatically considered to be your Beneficiary by law. In that case, you may not designate anyone else as your Beneficiary unless you are at least 35 years old and you obtain your spouse's notarized consent.

If you are not married, you may designate anyone you wish as your Beneficiary, and you may change your Beneficiary at any time by submitting a new beneficiary designation form to the Retirement Committee.

If you choose a benefit payment option that contains a 10-year guarantee, you may be asked to select a Contingent Beneficiary in case you and your Primary Beneficiary do not survive the guarantee period.

If you die without a written Beneficiary designation on file with UBG, any death benefits will be paid to your surviving spouse. If you have no surviving spouse, any non-spousal benefits will be paid in equal shares to all surviving children. If no children, death benefits will be paid equally to your surviving mother and father. If you have no surviving parents, they will be paid in equal shares to any surviving grandchildren. If no surviving grandchildren, they will be paid to any surviving siblings. Otherwise, death benefits will be paid to the executor or administrator of your estate.

QUESTION: I am now divorced. What happens to my beneficiary elections on file as of my divorce date?

ANSWER: If you became divorced *on or after* September 15, 2009, all of your beneficiary elections are automatically revoked and voided as a result of your divorce. This is the case whether or not your former spouse was your beneficiary immediately before your divorce. If you became divorced *prior to* September 15, 2009, your beneficiary elections remain in effect and you will need to file a new form with the Retirement Committee to make changes.

QUESTION: I am an active participant who was divorced and I am now remarried. Is my new spouse considered to be my Beneficiary?

ANSWER: Although your previous beneficiary designations may have been voided upon your divorce (as described above), the answer may depend on the terms of your divorce settlement and any Qualified Domestic Relations Order ("QDRO"). If the court orders the Plan to pay your former spouse a portion of your benefits, the Plan must comply. If the divorce settlement or QDRO is silent regarding your Plan benefits or specifically excludes the payment of benefits to your former spouse, your new spouse may be designated as your beneficiary.

QUESTION: I am an active participant who was divorced and I am now remarried. Can I designate my children as my Beneficiaries instead of my new spouse?

ANSWER: To do so, you would need the notarized consent of your new spouse. Please note, however, that the automatic 100% Joint and Survivor Annuity can only be paid to a participant's spouse, and only a participant's spouse may be the joint annuitant on an elected Joint Annuity. The only benefits available to the children would be the refund of your contributions and interest, if applicable, or the guaranteed level income or ten-year guarantee payments remaining at your death. *In other words, the designation of someone other than your spouse as your beneficiary could result in no one receiving a portion of your benefit that would have been payable to only your spouse.*

QUESTION: How do I change my Beneficiary?

ANSWER: Please call UBG at (800) 816-5535 to request a new beneficiary form, or log on to www.ubgretire.com to fill out and submit the beneficiary form online. You can also print out the form and send in the completed form to UBG.

DEATH BENEFITS

If you die *before you retire*, your surviving spouse or nonspouse beneficiary may receive death benefits from the Plan. The amount of death benefits depends on (1) whether you were married at the time of death, (2) your age at death, (3) the size of your Accrued Benefit, (4) your vesting status, and (5) whether you were eligible for early retirement when you terminated employment. In any event, your beneficiary must file an application to receive a death benefit.

PRE-RETIREMENT DEATH: MARRIED PARTICIPANT

In the case of participants married at the time of death, the Plan offers the largest pre-retirement survivor's benefit allowed by law – the automatic 100% Joint Annuity survivor's benefit. This benefit applies to those who were active participants in the Plan at any time after August 31, 1987, and is payable only to a surviving spouse. Importantly, this survivor's benefit does not include a 10-year guarantee.

IF DEATH OCCURS BEFORE YOU BECOME ELIGIBLE FOR AN EARLY RETIREMENT BENEFIT --

If you die before age 55 and before satisfying the Rule of 85, your surviving spouse's benefit is calculated as if you terminated your employment on the date of your death. Then, your spouse may choose between Option A and Option B (unless you have already terminated and received a refund of your contributions and interest, in which case your spouse is deemed to elect Option B), as described in the "Terminating Employment Before Age 55" section. Any vested benefits will be paid to your spouse as if you had elected a 100% Joint Annuity starting on the first day of the month following the day you would have reached age 55, except your spouse may elect (under Option B) to immediately receive your employee contributions and interest in a lump sum, individual member benefit, or ten-year guaranteed benefit. In either case, your spouse may elect to receive any monthly payments on

the first day of the month following the date you would have reached age 55 or an actuarially equivalent amount beginning on the first day of a subsequent month.

Even if you were older than 55 or would have 85 "points" toward the Rule of 85 when you die, the same surviving spouse's benefit will be available *if you were not either 55 or eligible for the Rule of 85 when you terminated employment*, except any Joint Annuity will begin on the first day of the month following your death.

EXAMPLE: George, an active participant in the Plan for 10 years, dies at age 45. At the time of his death his Accrued Benefit was \$500 per month, beginning at age 65. His personal contributions plus interest totaled \$3,800. George's wife (age 44) decides to withdraw his contributions plus interest (electing Option B). After doing so, the Termination Annuity to which George would have been entitled at age 65 drops from \$500/mo. to \$443/mo. Next, the Plan calculates the monthly benefit payable to the spouse commencing on the 1st day of the month following the month in which George would have turned 55:

$$\begin{array}{rcccc} \$443/\text{mo.} & \times & .379 & \times & .8472 & = & \$135.62/\text{mo} \\ \text{Age 65} & & \text{Early} & & \text{100\% Joint} & & \text{Surviving} \\ \text{Benefit} & & \text{Deferred} & & \text{Annuity} & & \text{Spouse's} \\ & & \text{Annuity} & & \text{Factor for} & & \text{Benefit} \\ & & \text{Factor,} & & \text{Participant} & & \\ & & \text{age 55} & & \text{age 55 with} & & \\ & & & & \text{Spouse age} & & \\ & & & & 54 & & \end{array}$$

To summarize, George's wife receives these benefits following his death:

- **An immediate lump-sum refund of this personal contributions plus interest in the amount of \$3,800 (less taxes withheld).**
- **A lifetime monthly benefit of \$135.62, beginning on the 1st day of the month following the 55th anniversary of George's birth. This benefit does not have a 10-year guarantee.**

Please note that the calculations would be slightly different if George were a Post-June 2019 Participant.

IF DEATH OCCURS AFTER YOU BECOME ELIGIBLE FOR EARLY RETIREMENT BUT BEFORE YOU ACTUALLY RETIRE –

If you die after you have become eligible for an Early Retirement benefit (which requires that you were a vested active employee when you reached 55 or became eligible for the Rule of 85), your spouse’s survivor benefit is calculated as if you had retired on the date of your death, elected to receive benefits immediately, and selected the 100% Joint Annuity payment option. Monthly payments to your spouse begin the first day of the month following your death.

EXAMPLE: Betty, an active participant in the Plan for 25 years, dies unexpectedly at the age of 59. Her Accrued Benefit at the time of death was \$1,050/mo., beginning at age 65. Her husband is age 62. His survivor’s benefit is calculated like this:

$$\begin{array}{rcccccl}
 \$1,050/\text{mo.} & \times & .880 & \times & .8469 & = & \$782.54/\text{mo} \\
 \\
 \text{Accrued} & & \text{Early} & & \text{100\% Joint} & & \text{Survivor's} \\
 \text{Benefit} & & \text{Retirement} & & \text{Annuity Factor} & & \text{Benefit} \\
 & & \text{Factor, Age} & & \text{for Participant} & & \\
 & & 59 & & \text{age 59 with} & & \\
 & & & & \text{Spouse age 62} & &
 \end{array}$$

Therefore, Betty’s husband will receive a lifetime monthly benefit of \$782.54, beginning on the 1st day of the month following Betty’s death. This benefit is not guaranteed for 10 years. It is paid only until Betty’s husband dies. Please note that the calculations would differ slightly if Betty were a Post-June 2019 Participant.

PRE-RETIREMENT DEATH: UNMARRIED PARTICIPANT

If you are not married at the time of your death, your beneficiary will receive death benefits generally equal to the 120 guaranteed monthly payments you would have received if you had

elected to receive a Ten-Year Guaranteed Benefit. More specifically, the benefit is available with respect to the following categories of participants who die before commencing their retirement or termination benefits: (i) all retirement-eligible participants who terminated employment prior to May 28, 2010, but had not started a benefit as of May 28, 2010; and (ii) all vested participants, without regard to whether they are retirement-eligible, who terminate employment on or after May 28, 2010.

The amount of the benefit payable would depend on whether you had been eligible for retirement at the time of your death.

Participants Not Eligible for Retirement: The beneficiary would receive the death benefit in two separate pieces – a lump sum and a stream of up to 120 payments. First, he or she would immediately (after filing an application and conclusive proof of your death) receive a lump sum distribution of your contributions and interest. Second, he or she would receive a deferred monthly benefit calculated as if you had: (1) elected Option B (as described in this SPD); (2) elected to receive your residual benefit in the form of a Ten-years Guaranteed benefit payable at age 55; and (3) died the next day. The monthly payments would begin on the first day of the month following the month in which you would have attained age 55. In no event would more than 120 monthly payments be made.

Participants Eligible for Retirement: The beneficiary would receive a monthly death benefit calculated as if you had: (1) retired; (2) elected a Ten-years Guaranteed benefit; and (3) died the same day. This benefit would begin on the first day of the month following the month in which you die. In no event would more than 120 monthly payments be made. In the event the beneficiary dies before receiving monthly payments equaling or exceeding (in the aggregate) your contributions and interest, the excess amount of contributions and interest would be payable to your contingent beneficiary

or, in the absence of a contingent beneficiary, pursuant to the Plan's order of preference.

You may designate multiple beneficiaries who may share in this death benefit. Regardless of whether you have designated more than one beneficiary, payments to a beneficiary stop upon the beneficiary's death. That is, the remaining payments that would have been made to a beneficiary will not continue to any other beneficiary.

IF YOU ARE NOT VESTED AT DEATH –

If you are not vested, your beneficiary will receive a refund of your personal contributions plus interest, if not previously withdrawn.

DEATH BEFORE BENEFITS START –

If you have filed paperwork to retire (and elected a benefit form), but you die before your benefits have started, your surviving spouse or Beneficiary will receive a survivor benefit that is the greater of:

- (1) the benefit payable to your spouse or Beneficiary under the form you have elected, or
- (2) the benefit payable under the applicable survivor benefit discussed above (depending on whether you were eligible yet for an early retirement annuity).

If, however, you elected a Ten-Year Guaranteed benefit and your Beneficiary is your spouse, your spouse may choose benefit (1) or (2).

SPECIAL LUMP SUM DEATH BENEFIT

NOTE: This section only applies to vested participants who terminate employment after reaching age 55, or those who retire before age 55 under the "Rule of 85."

If you retire after you become eligible for an early retirement benefit and you are fully vested, your beneficiary will receive a lump sum benefit at your death. This death benefit will be paid in addition to any additional benefits payable to your surviving spouse or Beneficiary under your elected form of benefit. The benefit will be the

lesser of \$10,000 or the product of 24% of your Final Average Wage Base multiplied by your whole years of Creditable Service (up to a maximum of ten years). The actual amount will be no less than \$2,000, and it will be rounded up to the nearest whole \$100.

EXAMPLE: Linda retires after her 55th birthday. Her Final Average Wage Base was \$2,300 per month and she participated in the Plan for 8 1/2 years. Her beneficiary will receive a lump sum death benefit of \$4,500 upon her death. ($\$2,300 \times .24 \times 8 \text{ years} = \$4,416$, rounded up to \$4,500.)

QUESTION: If I quit before age 55 but wait until after age 55 to start my benefits, can I qualify for the lump sum death benefit?

ANSWER: Generally, the answer is no, because your last date of work must be on or after your 55th birthday. The answer is yes, however, if you qualify for the "Rule of 85" when you retire.

QUESTION: If I otherwise meet the requirements for the lump sum death benefit, but I die before I retire, what happens?

ANSWER: The lump sum death benefit is not paid in the event of the death of an active participant. It only becomes effective upon retirement. Special rules may apply if you were eligible for the lump sum death benefit at the time of a previous retirement.

QUESTION: May my beneficiary roll over benefits from the Plan?

ANSWER: A surviving spouse entitled to a taxable lump distribution of greater than \$200 may be entitled to roll over some or all of the distribution to another eligible retirement plan, including an IRA. A nonspouse beneficiary entitled to such a distribution may be entitled to make a rollover to an "inherited IRA". Upon United Benefits Group being notified of a beneficiary's entitlement to death benefits, a Beneficiary entitled to roll over all or a part of a distribution will receive a notice with additional details regarding the eligibility and process for a rollover.

LEAVE OF ABSENCE, STRIKES, LAY-OFFS, AND QUALIFIED UNIFORMED SERVICE

LEAVE OF ABSENCE

If you are temporarily absent from work without pay, your employer may consider you to be on a leave of absence. During a leave of absence, you will not contribute to the Plan and will not accrue Creditable Service, but your vesting service will continue.

Unless your leave of absence is due to one of these four reasons . . .

- Illness or injury to the participant or a member of the participant's immediate family,
- To become an employee of a collective bargaining organization,
- To care for an elderly parent, or
- Some other reason specified by your employer's written leave of absence policy,

. . . you will not be permitted to remain on leave of absence for more than one year. At the end of one year, if you have not returned to work, you will be considered to have terminated your employment.

If your leave of absence is due to one of the four reasons listed above, your leave of absence may be extended to two years with the written consent of your employer and at the discretion of the Retirement Committee. After two years, if you have not returned to work, you will be considered to have terminated employment. Under no circumstances will a leave of absence extend for more than two years.

When you return to work from a leave of absence, you will have a one-time opportunity to make up the contributions you missed while you were away. This payment must be made in one lump sum within one year of returning to work. If you make this payment, you will receive Creditable Service for the months you missed.

If you do not return to work, you will not have the opportunity to make-up contributions you missed during your leave of absence.

STRIKES AND LAY-OFFS

If you are laid off by your employer without pay or if you go on strike against your employer, you will not be allowed to make contributions nor will you accrue Creditable Service. Unlike a leave of absence, you may not make up missed contributions if you are laid off or on strike.

QUALIFIED UNIFORMED SERVICE

Special rules will apply to you if you are away from employment by a Participating Employer because you are engaged in "Qualified Uniformed Service" with the military.

First, a period of Qualified Uniformed Service will be included in your Vesting Service.

Second, you will receive Creditable Service for that period if, upon return, you make employee contributions that you would have paid if you had not left for Qualified Uniformed Service. You will have either five years or three times your Qualified Uniformed Service, whichever is less, to repay these amounts. If you were not yet a Participant when you left for that Service, you may make up contributions and receive Creditable Service only for months during which you would have become a Participant.

Third, you may not be credited with more than five years of Vesting Service or Creditable Service under these rules.

Fourth, you will continue to be credited with Wage Bases while performing Qualified Uniformed Service. These Wage Bases will be based upon the compensation you would have received if not for that Service.

Fifth, if you were to die while performing Qualified Uniformed Service, your beneficiary would be entitled to any plan benefits (other than additional accruals) as if you had returned to work with a Participating Employer and terminated employment on account of death.

RE-EMPLOYMENT

There are two general categories of rehired participants: those who had not “retired,” and those who previously retired and are drawing benefits. Here’s how re-employment affects each category:

1. PARTICIPATION AND BUY-BACK RULES FOR REHIRED INDIVIDUALS WHO HAD NOT RETIRED.

If you are a former Plan participant who is later rehired by the same employer or another Participating Employer, you generally will resume making employee contributions from the first paycheck following your re-employment. (The only exception applies to a person who was not vested at termination and who is rehired after an interval of more than 5 years.) Be sure and tell your new employer of any former participation in the Plan. Your new employer should then contact United Benefits Group immediately to report your return to work.

You may also have the federally protected opportunity to repay certain previous distributions you may have received upon termination of employment, plus interest. This repayment is referred to as a “buy-back.”

If you were not vested when you terminated employment, you must be rehired within five years to be eligible to buy-back. Even if you are eligible to buy-back but elect not to do so, your Vesting Service from before your termination will be aggregated with the Vesting Service you earn after you return. If you are not eligible to buy-back upon your rehire, your Vesting Service, Creditable Service, and Wage Base history will start over.

If you were vested when you terminated employment, you will be eligible to buy-back whenever you re-enter the Plan (even if you were not rehired within five years). You will be vested upon your return regardless of whether you buy-back. If you do not elect to buy-back, your Creditable Service and Wage Base history will start over.

An advantage of buying-back is that your Final Average Wage Base will be multiplied by your total years of Creditable Service – not just years in your new period of service. This can be a significant advantage, especially if your Wage Bases increase over time. As mentioned above, if you do not buy-back, you earn an additional benefit based only on your new service period. A buy-back payment must be made in one lump sum within five years of rehire.

2. PARTICIPATION RULES AND BENEFIT CHOICES FOR REHIRED RETIREES.

If you are rehired by a Participating Employer after you have retired and your monthly benefits have started, you have two choices: (i) stop receiving benefits and link your two service periods together; or (ii) continue to draw your monthly benefit and begin earning an additional benefit based only on your second period of service (sometimes referred to as opening a “second account”).

Again, it is important to contact United Benefits Group immediately if you are rehired. Remember that your retirement must have been legitimate. If it was not, you may be required to forfeit benefits you have already received.

If you do not make an election within 30 days of re-employment, you will be deemed to have elected to open a “second account.” You will continue to receive monthly payments based on benefits accrued during your previous employment term. Please note that if you were rehired on or after April 1, 2006, any payment later made as a result of a subsequent term of employment will be made in the same form as your first term’s benefit (unless that benefit is a Level Income Option and the additional benefits would start at or after age 62).

As discussed in the “Post-June 2019 Participants” section of this Summary, if you are rehired your decision to “buy back” or open a “second account” will impact whether you are a “Post-June 2019 Participant”.

TRANSFERRING YOUR EMPLOYMENT

One of the most attractive features of the Plan is your ability to transfer employment to any of the hundreds of employers that participate in the Plan without affecting your accrued benefits. Your creditable service, vesting, personal contributions, and wage history transfer with you.

Employees of employers that participate in both the Co-op Plan and a defined benefit pension plan administered by ABC will participate in only one of the two plans.

RECIPROCAL AGREEMENT WITH ASSOCIATED BENEFITS CORPORATION (ABC)

The Co-op Plan also maintains an arrangement with certain plans sponsored by Associated Benefits Corporation of West Des Moines, Iowa ("ABC"). These plans include: The Restated Contributory Retirement Plan for Cooperatives, The Restated Noncontributory Retirement Plan for Cooperatives, and The Modified Contributory Retirement Plan for Cooperatives.

Under this reciprocal arrangement, you enjoy the following privileges if you transfer your employment from a Co-op Plan employer to an ABC Plan employer (within two years of your termination with a Co-op Plan employer) or vice-versa:

1. You enter the new plan on the first of the month following your transfer. You do not have to wait for a regular entry date.
2. Your vesting service under one plan counts as vesting service under the other plan.
3. While your Creditable (Credited) Service in one plan will not count in the benefit formula of the other plan, it will count for purposes of determining your eligibility for the Rule of 85 in both plans.
4. If you qualify for Early Retirement in one Plan and have not received an immediate distribution of your employee contributions and interest under this Plan, you will be deemed to qualify for Early Retirement in both plans.

EMPLOYER SUSPENSION

The Plan allows your employer to suspend its participation in the Plan by following certain procedures. A suspension differs from a withdrawal, which permanently ends the employer's participation and results in all of its employees' benefits ceasing to accrue. This section describes the procedures for starting and stopping a suspension and explains its effects.

STEPS REQUIRED TO SUSPEND

Your employer's suspension may be effective as of the first day of any month. To effectuate its suspension, the Plan would require the employer to take two steps. First, at least 60 days before the suspension's effective date, it would have to file with the Plan's Retirement Committee a written request to suspend. Second, at least 45 days before the suspension's effective date, it would have to mail to each of its employed Plan participants a written notice of suspension. Under no condition could a suspension begin without those notices being timely provided.

RETURN FROM SUSPENSION

The Plan allows a suspended employer to again become a fully active participating employer as of the first day of any month following notice to the Retirement Committee 60 days in advance and to participants 30 days in advance.

EFFECTS OF SUSPENSION

During suspension no employees of your employer would receive Creditable Service. As a result, your Accrued Benefit would increase only by increases in your Wage Bases, which would continue to be counted and included toward your Final Average Wage Base. You would also cease to make employee contributions during a period of suspension. Moreover, employees who have not yet become participants would not accrue any benefits under the Plan because they would neither be receiving Creditable Service nor making employee contributions, though they would be considered to enter the Plan under the normal participation rules and would be credited with Wage Bases and Vesting Service that would apply if your employer again became an active participating employer.

Notwithstanding the description above, a Highly Compensated Employee (as determined, solely for this purpose, by reference to compensation received in the prior Plan Year) of a suspended employer will not be credited with any Wage Bases that would otherwise have been credited after the date the suspension becomes effective.

GLOSSARY OF PENSION TERMS USED IN THIS SUMMARY

These definitions are written to be general and understandable. The complete and legal definitions of many of these terms are contained in the Plan document.

ACCRUED BENEFIT: This is the benefit that you have earned through your participation in the Plan. It is determined by the Plan's Benefit Formula, and is expressed in terms of the monthly benefit receivable when you reach your Normal Retirement Date.

ACTUARIAL EQUIVALENT: A lump sum amount that is the mathematical equivalent of a stream of lifetime monthly payments.

ANNUITY: A series of monthly payments made to a retiree or his Joint Annuitant, usually for life.

BENEFICIARY: A person designated by a Participant or one who, by the terms of the Plan, is or may become eligible for benefits under the Plan. If you are married, your Beneficiary must be your spouse unless your spouse consents in writing to your designation of a different Beneficiary.

BENEFIT FORMULA: The mathematical equation that determines your benefit at your Normal Retirement Date.

CONTINGENT BENEFICIARY: A person designated by a Participant who may become eligible to receive benefits upon the death of a primary beneficiary.

CREDITABLE SERVICE: The sum of a Participant's Participating Service and funded Past Service. This number is a variable in the Plan's Benefit Formula.

DEFERRED RETIREMENT ANNUITY: This is the benefit that you will receive if you retire after your Normal Retirement Date.

DISABILITY RETIREMENT: If you become totally and permanently disabled while working for a Participating Employer, you will be eligible to receive a disability retirement

benefit if you satisfy the eligibility requirements in the "Disability Retirement" section of this booklet.

EARLY RETIREMENT: Any retirement that occurs after attaining age 55, but before Normal Retirement Date (age 65 in most situations or age 67 for most Post-June 2019 Participants) is considered to be Early Retirement. You may qualify for Early Retirement even before age 55 if you satisfy the Rule of 85's requirements.

ERISA: The Employee Retirement Income Security Act of 1974, as amended. This is the federal law that governs retirement plans.

FARMLAND PLAN: This is the Farmland Foods, Inc. Employee Retirement Plan, which was formerly known as the Farmland Industries, Inc. Employee Retirement Plan.

FINAL AVERAGE WAGE BASE: This is the highest four of the last ten annual Wage Bases reported to the Plan, expressed in monthly terms. This number is a variable in the Plan's Benefit Formula.

HIGHLY COMPENSATED EMPLOYEE: For 2019, this is an employee who had compensation from the employer in excess of \$120,000 in 2018 or was a five percent owner at any time in 2018 or 2019. The IRS may annually adjust the \$120,000 amount in future years.

INDIVIDUAL MEMBER BENEFIT: This is a straight life annuity, which pays equal monthly amounts to a Participant for the remainder of his or her life.

JOINT ANNUITY: (Also known as a Joint and Survivor Annuity) An Annuity paid for the life of the Participant with a survivor annuity payable to the Participant's spouse following the Participant's death. The Joint Annuity is the Actuarial Equivalent of the Individual Member Benefit.

KFSA PLAN: This is a Kansas Farmers Service Association Plan.

MID-AMERICA PLAN: This is the Mid-America Retirement Plan.

NORMAL RETIREMENT DATE: This is your 65th birthday (or your 67th birthday, if you are a Post-June 2019 Participant), or January 1 of the calendar year in which you will reach the fifth anniversary of your Plan participation, whichever occurs last.

PARTICIPANT: An employee who joins, contributes to, and earns a benefit from the Plan.

PARTICIPATING EMPLOYER: An organization that participates in the Plan.

PARTICIPATING SERVICE: The number of whole and/or partial years that an employee actually participates in the Plan. This is included in your Creditable Service, which is a variable in the Plan's Benefit Formula.

PAST SERVICE: Years of service granted to a Participant for work performed before the employer entered the Retirement Plan. Only a small percentage of Participants received Past Service. It is gradually funded over the lesser of 20 years or the number of years remaining until age 65. Past Service is not counted as Creditable Service until funded.

QUALIFIED DOMESTIC RELATIONS ORDER: A court order issued under state domestic relations law that creates an alternate payee's right to receive plan benefits otherwise payable to a Participant, usually on account of divorce. The alternate payee may be the Participant's spouse, former spouse, or dependent.

PLAN: In this booklet, the Plan means the Co-op Retirement Plan.

PLAN YEAR: The 12-month period beginning April 1 and ending the subsequent March 31.

RULE OF 85: A special early retirement program that waives the normal Early

Retirement discounts if you meet these requirements:

- (1) The sum of your age plus Creditable Service equals at least 85;
- (2) Your last ten years of Creditable Service are earned in the Plan; and
- (3) Your last ten years of employment are "continuous."

SEVERANCE FROM SERVICE: This occurs when you quit, are discharged, retire, or die or if you are absent from work for more than one year for any other reason.

SUMMARY PLAN DESCRIPTION: A detailed summary of the Plan's provisions that is designed to be easily read and provide a general understanding. It is commonly called an "SPD."

TERMINATION ANNUITY: The monthly benefit payable at Normal Retirement Date to a vested Participant who terminated employment before becoming eligible for Early Retirement.

TRUSTEE: The party authorized to hold the assets of the Plan for the benefit of the Participants: JPMorgan Chase Bank of New York.

TRUST FUND: A fund established under local trust law to hold and administer the Plan assets.

VESTING SERVICE: The elapsed time beginning on the date you are hired, and ending on the date you incur a Severance From Service. This is the basic rule; there are several exceptions.

WAGE BASE: Generally, the Participant's annual wages subject to federal income tax withholding divided by the number of months of Participating Service the Participant received for the year. Additionally, though, payments received by Highly Compensated Employees from deferred compensation plans are excluded from the Wage Base, and pretax employee contributions to company-sponsored 401(k), 403(b), 457, or Section 125 Cafeteria Plans are added back in.

PLAN INFORMATION AND YOUR RIGHTS UNDER ERISA

ERISA – The Employee Retirement Income Security Act of 1974 – is a federal law that regulates employee benefit plans. ERISA requires that Summary Plan Descriptions contain certain information.

The Plan’s official name is the Co-op Retirement Plan. The plan number that identifies the Plan is 001. The Plan is a multiple-employer contributory defined benefit plan.

The organization that sponsors the Plan is United Benefits Group. The employer identification number assigned to United Benefits Group is 01-0689331. A complete, updated list of the employers participating in the Plan is available to participants and beneficiaries upon written request to the Plan Administrator, and is available for examination at the Plan Administrator’s office or online at www.ubgretire.com.

The Plan Administrator is the Co-op Retirement Plan Retirement Committee. Committee members are appointed by the Board of Directors of United Benefits Group and may be contacted by writing in care of the Co-op Retirement Plan, P.O. Box 169005, Kansas City, Missouri 64116-9005; or you may call (800) 816-5535 during business hours. The Retirement Committee has been designated as agent for service of legal process and may be served at the address in the previous sentence. Service of legal process may also be made upon the Trustee or Plan Administrator.

The Plan Trustee is JPMorgan Chase Bank. The Trustee’s address is 1 Chase Manhattan Plaza, 19th Floor, New York, NY 10005-1401, and its phone number is (212) 552-0229. The Trustee maintains the Co-op Retirement Plan Trust, in which the Plan’s assets accumulate in order to provide benefits.

Fiscal records for the Plan are maintained on an annual basis, from April 1 to March 31.

As a participant in the Co-op Retirement Plan you are entitled to certain rights and protections under ERISA. ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the plan administrator’s office and at other specified locations all documents governing the plan and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure room of the Pension and Welfare Benefit Administration.
- Obtain upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Administrator may make a reasonable charge for the copies.
- Receive a summary of the plan’s annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (typically, age 65) and if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12)

months. The plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called “fiduciaries” of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the plan’s decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in

Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline for the Pension and Welfare Benefits Administration.

YOUR BENEFITS ARE PROTECTED

Your benefits under the Plan may not be assigned, pledged as collateral for loans, encumbered, or in any other way alienated. The Plan’s purpose is to provide retirement income and it can be used for no other purpose. However, the Plan is required to obey any Qualified Domestic Relations Order (“QDRO”), which may force it to pay part of your benefit to your former spouse. Participants and beneficiaries can obtain from the Plan Administrator, without charge, a copy of the Plan’s procedures governing QDROs. You should obtain competent legal counsel before going to divorce court.

BENEFITS GUARANTEED

As mentioned earlier, your benefit is not dependent upon the performance of the Plan's investments. Your benefit is, instead, determined under the Plan's formula. Each year an independent actuary reviews the Plan to make sure that contributions are sufficient to fund these benefits when you reach retirement age.

The participating employers in the Co-op Retirement Plan have voluntarily agreed to make contributions to the Plan sufficient to provide the Plan with assets with which to pay pension benefits to Plan participants. Although the Board of Directors of United Benefits Group has not expressed any intent to terminate the Plan, it may do so at any time. If the Plan is terminated, the assets of the Plan will be allocated to provide benefits according to the following priorities:

1. Benefits attributable to employee contributions;
2. Benefits that have been payable for at least three years before Plan termination or that could have been payable for such 3-year period had the retired or terminated participant not elected to defer commencement of benefits;
3. Vested benefits insured by the Pension Benefit Guaranty Corporation;
4. All other benefits earned to date of termination under provisions in effect five years prior to such termination date;
5. All other benefits earned to date of termination under provisions effected more recently than five years prior to date of termination; and, then
6. Any other accrued benefits.

The Board of Directors does not expect to have to terminate or temporarily suspend the Plan, and while further benefit accruals could be reduced, no Plan alteration can reduce benefits already earned. If the Plan were terminated, all participants would immediately become fully vested.

Similarly, your employer has the right to terminate or suspend its participation in the Plan. While this could result in the cessation of further benefit accruals, your benefits already accrued may not be reduced. If your employer terminates its participation in the Plan, you would immediately become fully vested if your employer participated in the Plan for at least five years.

Your pension benefits under this plan are insured by the Pension Benefits Guaranty Corporation (PBGC), a federal insurance agency. If the Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they could have received under their plan, but some people may lose certain benefits.

The PBGC guarantee generally covers: (1) Normal and early retirement benefits; (2) disability benefits if you become disabled before the plan terminates; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) Benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates; (2) some or all of benefit increases and new benefits based on plan provisions that have been in place for fewer than five years at the time the plan terminates; (3) benefits that are not vested because you have not worked long enough for the company; (4) benefits for which you have not met all of the requirements at the time the plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan's normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how

much money your plan has and how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

CLAIMS PROCEDURES

When you apply to retire and receive benefits from the Plan, the Retirement Committee follows certain procedures in deciding whether to begin paying your benefits. These procedures differ depending on whether you are applying for an early, normal, or deferred retirement benefit, termination benefit, or a disability benefit. These different sets of procedures are described below.

Review of Claims for Retirement Benefits

The Retirement Committee or its designee (which includes members of United Benefits Group's Senior Pension Administrative Staff) will decide a claim within a reasonable time after it is received and has the right to require evidence reasonably needed to decide the claim. If a claim is fully or partially denied, you will be furnished a written notice that includes the following items:

1. The specific reason or reasons for the denial;
2. A specific reference to plan provisions on which the denial is based;
3. A description of any additional material or information necessary for you to perfect your claim and an explanation of why such material or information is necessary; and
4. Appropriate information regarding the steps to be taken if you wish to appeal your claim, including the period in which it will be decided, and a statement of your rights to bring a lawsuit under ERISA Section 502(a) following an adverse decision on an appeal of the decision.

This notice will be furnished by registered or certified mail to you within 90 days after the receipt of your claim by the Retirement Committee or its designee, unless the Retirement Committee or its designee determines that special circumstances require an extension of time for processing the claim. No

extension shall be for more than 90 days after the end of the initial 90-day period. If the Retirement Committee determines an extension of time for processing the claim is required, it will provide written notice of the extension to you before the end of the initial 90-day period. The extension notice will indicate the special circumstances requiring an extension of time and the date the Retirement Committee expects to render a decision.

If a claim is denied you may appeal the denial by sending a written application to the Retirement Committee or its designee. You will be entitled to a full and fair review of your claim and the related adverse benefit determination. No appeal will be considered unless it is received by the Retirement Committee or its designee within 65 days after receipt by the claimant of written notification of denial of the claim. You may submit written comments, documents, records, and other information related to the claim for benefits. You will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits. If a request for review is so filed, the review will take into account all comments, documents, records, and other information submitted by you related to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

This review will be made by the Retirement Committee at its next regularly scheduled quarterly meeting after receipt of the request, unless the meeting occurs within 30 days after the receipt of the request for review, in which case a decision will be made no later than the date of the second quarterly meeting following receipt of the request for review. If special circumstances require any further extension of time for processing, a decision will be rendered

not later than the third quarterly meeting after receipt of the request for review, and you will be notified in writing of the need for such an extension prior to the commencement of the extension. You will be given written notice of the decision resulting from the review, and the notice will include specific reasons for the decision and specific references to the Plan's provision on which the decision is based. If the appeal is wholly or partially denied, the Retirement Committee will furnish you with a written notice setting forth these specific reasons for the decision, specific references to the provisions in which the decision is based, an explanation of your rights to receive documents, records, and other information relevant to your claim, and your right to information regarding the right to sue under ERISA Section 502(a).

Review of Claims Involving Disability Benefits

In the case of a claim involving the determination of Total and Permanent Disability, the Retirement Committee or its designee will decide such a claim within a reasonable time after it is received and will have the right to require any evidence it may reasonably need to decide the claim. If the Retirement Committee or its designee wholly or partially denies a claim, it will furnish you with a written notice setting forth, the following items:

1. The specific reason or reasons for the denial;
 2. A specific reference to plan provisions on which the denial is based;
 3. A description of any additional material or information necessary for you to perfect your claim and an explanation of why such material or information is necessary;
 4. Appropriate information regarding the steps to be taken if you wish to appeal your claim, including the period in which it will be decided, and a statement of your rights to bring a lawsuit under ERISA Section 502(a)
5. following an adverse decision on an appeal of the decision;
 5. If the Retirement Committee relied upon an internal rule, guideline, protocol, or other similar criterion, the specific rule, guideline, protocol, or other similar criterion relied upon, or a statement that such a rule, guideline, protocol, or criterion was relied upon and that a copy of it will be provided upon request, at no charge; and
 6. An explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that this explanation will be provided upon request, at no charge, if the adverse decision is based on a medical necessity or experimental treatment or similar exclusion or limit.

The Retirement Committee or its designee will furnish this notice to you within 45 days after receipt of your claim by the Retirement Committee, unless it determines an extension of time is necessary due to circumstances beyond its control. If the Retirement Committee or its designee determines such an extension is necessary, it may extend the initial 45-day period described above for no more than 30 days, provided written notice of the extension is furnished to you before the end of the initial 45-day period. The extension notice shall describe the circumstances requiring the extension of time and the date by which the Retirement Committee expects to make a decision. If, prior to the end of the first 30-day extension period, the Retirement Committee determines that, due to circumstances beyond its control, it cannot render a decision within the extension period, it may extend the period for making the determination for an additional 30 days, provided written notice of the additional extension is furnished to you before the end of the first 30-day extension period. The extension notice will describe the circumstances requiring the additional extension of time and the date by which the Retirement Committee expects to

make a decision. The notices for extensions of time described in this paragraph will also specifically explain:

1. the standards on which the entitlement to the benefit is based;
2. the unresolved issues that prevent a determination;
3. the additional information needed to resolve these issues; and
4. that you will be provided with no less than 45 days to provide the specified information.

If a claim is denied, you may appeal the denial by sending a written application to the Retirement Committee or its designee. You will be entitled to a full and fair review of your claim and the related adverse benefit determination. No appeal will be considered unless it is received by the Retirement Committee or its designee within 180 days after receipt by you of written notification of denial of the claim. You may submit written comments, documents, records, and other information related to the claim for benefits. You will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits. If a request for review is filed, the review will take into account all comments, documents, records, and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

The review will be made by the Retirement Committee at its next regularly scheduled quarterly meeting after receipt of the request, unless the meeting occurs within 30 days after the receipt of the request for review, in which case a decision will be made no later than the date of the second quarterly meeting following receipt of the request for review. If special circumstances require a further extension of time for processing, a decision will be rendered not later than the third quarterly meeting after receipt of the request for review, and you will be notified in writing of the need for such an extension prior to the commencement of the extension. You will be given written notice of the decision resulting from the review, and the notice will include specific reasons for the decision and specific references to the pertinent Plan provisions on which the decision is based.

If the appeal is fully or partially denied, the Retirement Committee or its designee will furnish you with a written notice setting forth the specific reasons for the decision, specific references to the pertinent Plan provisions upon which the decision is based, an explanation of your right to receive documents, records, and other information relevant to your claim, and your right to bring an action under ERISA Section 502(a), if necessary, information required under Items (5) and (6) above, and the following statement: "You and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your state insurance regulatory agency."

MERGER WITH ABC PLAN

In the event of the merger of a plan sponsored by Associated Benefits Corporation (an “ABC Plan”) into this Plan, benefits accrued under the ABC Plan will be combined with benefits under the Co-op Plan. Most of the Plan’s normal rules will apply to that combined benefit, but some special rules apply to the administration of benefits accrued under the ABC Plan and transferred to this Plan. The following rules apply only if your benefit was transferred to the Co-op Plan as a result of a merger with an ABC Plan.

EARNINGS AND SERVICE

“Monthly Earnings” under the ABC Plan will be considered “Wage Bases” for the Co-op Plan’s Benefit Formula, “Credited Service” under the ABC Plan will be considered “Creditable Service” under the Co-op Plan, and the Co-op Plan will count all ABC Plan vesting service.

ABC PLAN BENEFIT

Although, as noted above, the benefit accrued under the ABC Plan will be combined into one accrued benefit under the Co-op Plan, the Co-op Plan will still apply the ABC Plan’s actuarial assumptions to the portion of the benefit accrued under the ABC Plan. In addition, that portion – and only that portion – may be received through any of the Co-op Plan’s otherwise-available distribution forms or under one of the forms offered only by the ABC Plan (except in the case of a Disability Retirement). Those forms are: (i) 5-, 10-, or 15-year installment payments; or (ii) straight life annuity with 5- or 15-year guarantee. If you elect one of those forms for the ABC Plan portion, you will elect from among the Co-op Plan’s optional forms with respect to the remainder of your total accrued benefit. If you prefer to receive the ABC Plan portion in a form otherwise available under the Co-op Plan, that same form of distribution must apply to your entire benefit.

REQUIRED BEGINNING DATE

The “Deferred Retirement” section of this SPD describes your “Required Beginning Date” or “RBD.” If you reach age 70 1/2 on or after January 1, 1996, and are not a 5% owner, you may elect to defer your RBD to the first day of any month after the Plan’s typical RBD (that is, the April 1 following the calendar year in which you turn 70 1/2). In no event, however, may your RBD be deferred beyond the April 1 following the calendar year in which you retire.

BENEFICIARY DESIGNATIONS

Your designation of a beneficiary under the ABC Plan will apply for the Co-op Plan’s purposes unless and until you execute a new Co-op Plan beneficiary designation form. Your execution of such a form will supersede your ABC Plan election and will apply to your combined accrued benefit.

RETIREMENT STATUS

If you are receiving retirement payments from the ABC Plan at the time the ABC Plan and Co-op Plan merge, you have a choice. You may either choose to: (i) stop receiving benefits and link together your two service and wage periods; or (ii) continue to draw your monthly benefit and begin accruing an additional benefit based solely on your service and wages earned under the Co-op Plan. If you do not make an election within 45 days after the merger, you will be deemed to have elected option (ii) and your benefit payments will continue.

TERMINATION ANNUITY

The Section of this document entitled “Terminating Employment Before Age 55” explains that you may elect between Option A and Option B. It also explains that you may elect to receive the Termination Annuity attributable to your employer’s contributions as early as age 55, but at a reduced amount for any distribution beginning prior to age 65.

You may only make one such Option A or B election with respect to your entire, combined accrued benefit. With respect to the Termination Annuity attributable to employer contributions, however, you will have a choice. You may elect to receive that entire Termination Annuity as early as age 55, but subject to the Co-op Retirement Plan's reductions described in that earlier Section. In the alternative, you may elect to wait to receive the ABC Plan portion of that Termination Annuity at a later date permissible under the ABC Plan's terms and subject to the ABC Plan's smaller reduction, and to receive the remaining portion of the Termination Annuity as early as age 55 and subject to the Co-op Retirement Plan's reductions. Please do not hesitate to contact United Benefits Group if you would like to see an illustration of your options.