Same-Sex Spouse/Life Partner Benefits

NUSCO Retirement Plan
NUSCO 401k Plan
NUSCO Retiree Life Insurance Plan
NUSCO Retiree Health Plan
NUSCO Flexible Benefits Plan
The Basics

Northeast Utilities Service Company (NUSCO) has extended certain spousal benefits to same-sex spouse/life partners. Same-sex spouse/life partner means same-sex couples joined by legal marriage, civil union and/or by commitment evidenced by affidavit (where applicable). In some cases, federal law dictates benefit or tax rules which enable NUSCO to offer certain benefits and features only to heterosexual married couples and their dependents.

This brochure summarizes current law and NUSCO’s policies regarding your option to cover a same-sex spouse/life partner and any eligible dependents across the range of NUSCO benefits. The terms of this NUSCO Same-Sex Spouse/Life Partner Benefits brochure are incorporated in and become part of the applicable NUSCO Plan Documents. If there is any conflict between this brochure and any formal Plan Document (including the Summary Plan Description) or insurance contract, the Plan Document or contract rules. NUSCO reserves the right to change, supplement, amend or terminate the guidelines in this brochure and any benefit or program rules at any time without prior notice.

If you have questions after reading this brochure, please call the HR Service Center at (860) 665-5660 or toll free at 1-800-841-8684. You may also e-mail your questions to HRServiceCenter@NU.com.
Enrolling For Benefits

Your rights and obligations under the NUSCO same-sex spouse/life partner guidelines depend upon the state in which you live. To extend NUSCO benefits to a same-sex spouse/life partner, you must provide the HR Service Center with proof of the relationship according to your state of residency:

• States with laws allowing same-sex marriage:
  Marriage certificate
• States with laws allowing same-sex civil unions:
  Civil union certificate
• States with no same-sex marriage laws:
  Notarized affidavit

If your state of residency does not currently have laws allowing same-sex marriage and later passes a law allowing same-sex marriage, you will have one year to provide a marriage license or civil union certificate to NU’s HR Service Center.

If you change your state of residency, you will also have one year to provide any updated documents, if applicable. (For example, if you move from a state with laws allowing same-sex marriage to one that does not recognize a same-sex marriage, you will need to provide a notarized affidavit to NU’s HR Service Center within 12 months.)

You may also be required to fill out other standard forms used to affect any change in status.

NUSCO treats all benefit elections—and the identities of covered dependents—confidentially. Information about employee elections regarding same-sex spouse/life partner benefits will be subject to the same protection, processes, and protocols in place for all employee information.

Benefits Extended to Same-Sex Spouse/Life Partners

• Medical and Dental Coverage
• Dependent Life Insurance and AD&D
• Family and Medical Leave (FLMA)
• Employee Assistance Program (EAP)
• Retirement and 401k benefits

1. Medical and Dental Coverage

For Same-Sex Spouse/Life Partner

Same-sex spouse/life partners may be covered under the NUSCO medical and dental programs as long as the employee/retiree is a participant in these programs.

For Child Dependents

As is true for all NU employees/retirees, children of employees/retirees may be covered as dependents under the medical and dental programs according to eligibility rules. In addition, children of your same-sex spouse/life partner are also eligible for coverage up to age 26. To enroll a child dependent in the NUSCO medical and dental programs, you must submit certain documents (such as birth certificates, adoption records, court-approved guardianship papers, or court orders) to the HR Service Center to verify dependent eligibility. For more information on the dependent eligibility process, call the HR Service Center.

Enrollment and Changes

You may add or eliminate coverage for a same-sex spouse/life partner:

1. As a newly-hired or newly retired employee
2. When the relationship begins or ends by providing a marriage license or civil union certificate; or a divorce decree if you were joined by legal marriage or civil union
3. During the annual open enrollment period

You can enroll your same-sex spouse/life partner and his or her children (who satisfy the requirements above) during the annual open enrollment period. You can also enroll within 30 days of employment, retirement, marriage, civil union, or filing of an affidavit of same-sex spouse/life partnership, or birth or adoption of a dependent child. For more information on documentation requirements for your individual situation, contact the HR Service Center.
Tax Consequences for Employees

Your share of active employee contributions for medical and/or dental coverage provided to a same-sex spouse/life partner (and his or her children) will be deducted from your paycheck. Unless your same-sex spouse/life partner qualifies as your tax dependent, your contributions for your life partner’s medical and/or dental coverage must be made on an after-tax basis, in accordance with IRS rules.

Tax Consequences for Employees and Retirees

If your same-sex spouse/life partner is not your tax dependent, current tax law requires that you include the fair market value of the same-sex spouse/life partner’s medical and/or dental coverage—less the amount of contributions you paid—in your gross income as “imputed income.” The resulting value is subject to applicable withholding and income taxes. Any federal or state tax consequences of providing health coverage to same-sex spouse/life partners under this policy are the sole responsibility of the employee and same-sex spouse/life partner.

Continuing Coverage After NUSCO Coverage Ends

NUSCO will provide COBRA continuation of medical and dental coverage for your same-sex spouse/life partner and covered dependents if you or your same-sex spouse/life partner lose coverage through termination of employment, termination of the relationship, or death.

In addition, if you die while employed, your same-sex spouse/life partner and eligible dependents may be eligible for medical coverage as explained in the “Coverage for Surviving Dependents” section of the NUSCO Flexible Benefits Plan Summary Plan Description for Union and Nonunion Employees.

2. Dependent Life Insurance and AD&D

Dependent Life Insurance and Accidental Death and Dismemberment (AD&D) insurance is extended to same-sex spouse/life partners and their children if those children qualify for health coverage under the NUSCO Flexible Benefits Plan. For further information, please see the NUSCO Flexible Benefits Plan Summary Plan Description for Union and Nonunion Employees.

3. Family and Medical Leave (FMLA)

The NUSCO FMLA policy allows employees time to care for their same-sex spouse/life partners and their qualified children who are suffering from a serious health condition. For further information, please contact the HR Service Center or see NUP 16: Family and Medical Leaves of Absence on NU’s employee intranet, the NUnet.

4. Employee Assistance Program (EAP)

The NUSCO EAP is available to employees and their household members—including a same-sex spouse/life partner and his or her children that live with you. For further information, please contact the HR Service Center or go to www.cignabehavioral.com, employee ID: northeastutilities.

5. NUSCO Retirement Plan and NUSCO 401k Plan

The same-sex spouse/life partner of an employee or retiree (or a former employee, if vested) is eligible to receive a death benefit under both the NUSCO Retirement Plan (pension plan) and the 401k Plan on the same terms as an opposite sex spouse. If you register a same-sex spouse/life partner, your partner becomes your automatic beneficiary—even if you have previously identified a different beneficiary. This automatic beneficiary provision applies if you have been in the same-sex spouse/life partnership for at least one year, and the partnership was properly documented and has not terminated at the time of your death.

You may choose to change beneficiaries at any time. But to choose a beneficiary other than your same-sex spouse/life partner, you must have the written, notarized consent of your same-sex spouse/life partner. For further information, please see the summary plan descriptions for the NUSCO Retirement and NUSCO 401k Plans.
### Employee Benefits Summary Chart

The following charts summarize the NUSCO benefits as they apply to same-sex spouse/life partners of NU employees. The summary plan description for the employee health plan includes more details regarding coverage rules.

<table>
<thead>
<tr>
<th>Employee Benefit</th>
<th>Brief Description</th>
<th>Applies to Same-Sex Spouse/Life Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical/Dental Coverage</td>
<td>Covers employee’s spouse, dependent children and stepchildren, and other children under legal guardianship</td>
<td>Yes</td>
</tr>
<tr>
<td>Medical/Dental COBRA Coverage</td>
<td>Medical and dental benefit coverage for employee and spouse continues for a period of time if coverage is lost due to termination, divorce, death, or loss of dependent status</td>
<td>Yes</td>
</tr>
<tr>
<td>Medical/Dental Surviving Dependent Coverage</td>
<td>Continuing coverage of surviving spouse and dependents after employee’s death. Coverage length and contribution rates vary depending on years of service and remarriage.</td>
<td>Yes</td>
</tr>
<tr>
<td>Medical/Dental Contributions</td>
<td>Employee can make pre-tax contributions for family coverage</td>
<td>No. Prohibited by federal regulation.</td>
</tr>
<tr>
<td>Group Life Insurance</td>
<td>Covers employee. If a beneficiary is not selected, the primary beneficiary automatically becomes the spouse.</td>
<td>Yes</td>
</tr>
<tr>
<td>Dependent Life Insurance</td>
<td>Life insurance coverage for the employee’s spouse and dependent children</td>
<td>Yes</td>
</tr>
<tr>
<td>Health Care Flexible Spending Accounts (FSA)</td>
<td>Pre-tax contributions to pay unreimbursed health and dental care costs</td>
<td>No. Prohibited by federal regulation.</td>
</tr>
<tr>
<td>Dependent Care FSA</td>
<td>Pre-tax contributions to pay for eligible dependent care related expenses</td>
<td>No. Pre-tax contributions for children of same-sex spouse/life partners are prohibited by federal regulation.</td>
</tr>
<tr>
<td>Accidental Death &amp; Dismemberment (AD&amp;D)</td>
<td>Coverage for spouse and dependent children’s lives</td>
<td>Yes</td>
</tr>
<tr>
<td>Employee Assistance Program (EAP)</td>
<td>Counseling and support services for employees and family members</td>
<td>Yes</td>
</tr>
<tr>
<td>Family and Medical Leave Act (FMLA)</td>
<td>12-16 weeks of job-protected leave each year for “serious health condition” incurred by participant, spouse, dependents, or other family members; or upon birth/adoption of a child to participant or spouse</td>
<td>Yes</td>
</tr>
<tr>
<td>Group Home &amp; Auto</td>
<td>Discount home and auto insurance for employee, spouse, and dependents</td>
<td>Yes</td>
</tr>
<tr>
<td>Long-Term Care</td>
<td>Voluntary insurance for employee and spouse</td>
<td>Yes</td>
</tr>
<tr>
<td>401k (including K-Vantage account) Plan Death Benefit</td>
<td>Spouse is the automatic beneficiary unless he or she consents to a different beneficiary in writing. Employee and spouse must have been married at least one year prior to employee's death for spouse to automatically be the beneficiary.</td>
<td>Yes</td>
</tr>
<tr>
<td>Group Legal</td>
<td>Limited legal advice and representation for employee, spouse, and dependent children</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Retiree Benefits Summary Chart

The following chart summarizes the NUSCO benefits as they apply to same-sex spouse/life partners of NU retirees. The summary plan description for the retiree health plan includes more details regarding coverage rules.

<table>
<thead>
<tr>
<th>Retiree Benefit</th>
<th>Brief Description</th>
<th>Applies to Same-Sex Spouse/Life Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical/Dental Coverage</td>
<td>Covers employee’s spouse, dependent children and stepchildren, and other children under legal guardianship</td>
<td>Yes</td>
</tr>
<tr>
<td>Medical/Dental COBRA Coverage</td>
<td>Medical and dental benefit coverage for retiree and spouse continues for a period of time if coverage is lost due to termination, divorce, death, or loss of dependent status</td>
<td>Yes</td>
</tr>
<tr>
<td>Medical/Dental Surviving Dependent Coverage</td>
<td>Continuing coverage of surviving spouse and dependents after retiree’s death. Coverage length and contribution rates vary depending on years of service and remarriage.</td>
<td>Yes</td>
</tr>
<tr>
<td>Medical/Dental Contributions</td>
<td>Enables retiree to make pre-tax contributions for family coverage</td>
<td>No. Prohibited by federal regulation.</td>
</tr>
<tr>
<td>Retiree Life Insurance</td>
<td>Allows retiree to select a beneficiary. If one is not selected, the primary beneficiary automatically becomes the spouse.</td>
<td>Yes</td>
</tr>
<tr>
<td>Group Home &amp; Auto</td>
<td>Discount home and auto insurance for retiree, spouse, and dependents</td>
<td>Yes</td>
</tr>
<tr>
<td>Long-Term Care</td>
<td>Voluntary long-term care insurance for retiree and spouse</td>
<td>Yes</td>
</tr>
<tr>
<td>401k (including K-Vantage account) Plan Death Benefit</td>
<td>The spouse is the automatic beneficiary unless he or she consents to a different beneficiary in writing. The retiree and spouse must have been married at least one year prior to the retiree’s death for the spouse to automatically be the beneficiary.</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Answers to Common Questions

1. Who qualifies as a same-sex spouse/life partner?

For benefits purposes, a person is considered the same-sex spouse/life partner of a Plan Participant if that person meets all the following criteria: He or she is the same-sex as the employee/retiree and is joined with him or her by civil union or marriage under the laws of the state in which they reside.

When state law does not provide for a same-sex marriage or civil union, the person is considered a same-sex spouse/life partner if the employee/retiree and the partner complete and submit an affidavit confirming that the life partner is:

- The same sex as the employee/retiree
- Over age 18
- The sole domestic partner of the employee/retiree and in a committed relationship
- Not married to anyone else and without another domestic partner
- In compliance with any other program rules

2. I keep hearing different terms like “same-sex spouse” and “same-sex domestic partner.” Do they mean the same thing?

For NUSCO benefits purposes, yes. The Company considers “same-sex spouse,” “same-sex domestic partner,” and “same-sex spouse/life partner,” as synonyms.

3. Will moving from one state to another affect the benefits my same-sex spouse/life partner can receive?

No. The Company will continue to provide same-sex spouse/life partner benefits regardless of a change in state of residency. However, certain states have different governing rules regarding same-sex spouse/life partnerships. (See question four.)

4. What if I move to a state that has different rules governing the recognition of same-sex spouse/life partnerships?

If you move to a new state and continue to work for an NU System company, you will need to satisfy the same-sex requirements of the state to which you moved for NUSCO to continue recognizing your same-sex spouse/life partnership. If you move to a state that allows same-sex marriage or civil union, or later enacts legislation to allow same-sex marriage or civil union, you will need to provide a marriage license or civil union certificate for the state to which you moved within one year.

If you move to a state that does not recognize same-sex marriage or civil union, you will need to complete the NUSCO affidavit form and return it to the HR Service Center. If your employment ends, NUSCO will continue to rely on the standing affidavit, marriage license, or civil union certificate unless you change the designation because you move or you terminate the relationship and provide the appropriate documentation. If you have a vested retirement benefit or coverage under the NUSCO Retiree Health Plan, you have 12 months to provide the HR Service Center with any required documents as a result of a move or termination.

5. I have a same-sex spouse/life partner now but currently list someone else as my beneficiary. Can I change beneficiaries?

Yes. In the NUSCO welfare programs (such as life insurance), whom you designate as a beneficiary is up to you, the Plan Participant. You can change your beneficiary at any time.

However, a different answer applies under the retirement (pension) and 401k plans. Under the retirement and 401k plans, once you register your same-sex spouse/life partnership with the HR Service Center, your same-sex spouse/life partner becomes your automatic beneficiary. The plans generally require spouses and same-sex spouses/life partners to have been partners for one year before the automatic beneficial designation will apply. You should reference the applicable summary plan description for more information.
6. Why do the rules for same-sex spousal benefits have to be so involved?

There are two major reasons:

1. First and foremost, the federal government (as of this publication) does not recognize same-sex marriages. In fact, the Defense of Marriage Act (DOMA) specifically defines a spouse as a husband or wife of the opposite sex.

2. Secondly, the laws change frequently. States act independently to define marriage and some choose to include same-sex life partners. Rules that apply today can be amended tomorrow.

The intent of these rules is to provide benefits to same-sex spouse/life partners that are as closely aligned as possible (given state and federal laws) with rules for opposite sex spouses. The Company requires both opposite-sex and same-sex relationships to be legally binding and documented.

7. Can I maintain a former opposite-sex spouse (or dependent(s) from that relationship) as beneficiary on some NUSCO provided benefits and change the beneficiary to my same-sex spouse/life partner (and/or the dependents of my same-sex spouse/life partner) for other Company benefits?

You may identify any beneficiary under a life insurance policy. However, if you have registered a same-sex spouse/life partner with the HR Service Center, that individual will automatically become your beneficiary under the retirement and the 401k plans after one year. You can change the beneficiaries for these plans, but you first must obtain notarized written consent from your same-sex spouse/life partner.

8. What if my same-sex relationship ends?

If there is a divorce, legal separation, or other termination of your same-sex spouse/life partnership, report the change to the HR Service Center within 30 days of the event. You will need to file legal documentation of your marriage or civil union termination through the HR Service Center. The same-sex spouse/life partnership status will end as of the date of the divorce, legal separation, or signed termination affidavit. With affidavits, the NUSCO Plan Administrator reserves the right to assure that no earlier date applies.

Any medical or other welfare benefit plan or qualified plan coverage will cease according to the summary plan description for the plan or program. Any automatic beneficiary designation of your same-sex spouse/life partner under the retirement and 401k plans will remain in force unless you change them through the HR Service Center.
More Information

NUSCO has made every effort to ensure the accuracy of this brochure. However, if anything is unclear or ambiguous, the Vice President - Human Resources, as the Plan Administrator, reserves the right to interpret the respective plan and resolve the issue.

Summary Plan Documents

The terms of this NUSCO Same-Sex Spouse/Life Partner Benefits brochure are incorporated in and become part of the applicable NUSCO Plan Documents.

If there is any conflict between this brochure and any formal Plan Document (including the Summary Plan Description) or insurance contract, the Plan Document or contract rules. NUSCO reserves the right to change, supplement, amend or terminate the guidelines in this brochure and any rules on benefits or programs at any time without prior notice. The Plan Documents are as follows:

• Northeast Utilities Service Company Retirement Plan
• Northeast Utilities Service Company 401k Plan
• Northeast Utilities Service Company Retiree Life Insurance Plan
• Northeast Utilities Service Company Retiree Health Plan
• Northeast Utilities Service Company Flexible Benefits Plan

HR Service Center

If you have additional questions regarding same-sex spouse/life partner benefits, contact the HR Service Center.

The HR Service Center

Call: 1-800-841-8684 or (860) 665-5660

Write: HR Service Center
Northeast Utilities Service Company
P.O. Box 270
Hartford, CT 06141-0270

Or 107 Selden Street
Berlin, CT 06037

E-mail: HRServiceCenter@NU.com