Northeast Utilities Service Company Retirement Plan

Plan Document
For Represented and Non-Represented Employees
As Amended and Restated January 1, 2012
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NORTHEAST UTILITIES SERVICE COMPANY

RETIREMENT PLAN

ARTICLE 1

STATEMENT OF PURPOSE

1.1 Establishment of Plan. Northeast Utilities Service Company established the Plan effective as of July 1, 1966 for the purpose of providing retirement income for eligible employees and related benefits for certain of their beneficiaries. The Plan, which has been amended and restated from time to time, is further amended and restated as hereinafter set forth, effective as of January 1, 2012, except as otherwise indicated herein.

1.2 Plan Design. The Plan is designed to supplement benefits provided under the Federal Social Security Act.

1.3 ERISA Plan. The Plan and its related Trust Agreement, which forms a part of the Plan, are intended to meet the requirements of ERISA and of Code Sections 401(a) and 501(a).

1.4 Plan Terms. The terms of the Plan are set forth herein except with respect to superseding provisions that appear in the supplements or addenda to the Plan for designated employee groups.

(a) Addendum A addresses the merger of the Pension Plan of Public Service Company of New Hampshire into the Plan and describes the applicable provisions.

(b) Addendum B addresses the transfer of assets and liabilities from the Niagara Mohawk Pension Plan into the Plan and describes the applicable provisions.

(c) Addendum C addresses the merger of the Yankee Energy System, Inc. Retirement Plan (“Yankee Pension Plan”) into the Plan effective January 1, 2003 and describes the applicable provisions. Effective January 1, 2008, the benefits of participants covered by the Yankee Pension Plan as of December 31, 2002 and any new participants eligible for a Yankee Pension Plan benefit on or after January 1, 2003 (“Yankee Participants”) shall be governed by the benefits, rights and features of the Yankee Pension Plan as set forth on Addendum C. No participant in the Yankee Pension Plan who was not an active participant in the Plan on or after January 1, 2003 shall by virtue of said plan merger be a Participant for purposes of the accrual, vesting or payment of benefits under the terms of Articles 2 through 21 of the Plan.

1.5 Applicability of Plan. Except as may be otherwise specifically provided in the Plan or as otherwise required by law, the provisions of the Plan shall apply only to persons retiring or otherwise terminating employment after December 31, 2011. The rights of any Participant whose employment terminated before January 1, 2012 will be determined by the provisions of the Plan as in effect at the time of the Participant’s termination of employment, unless specifically provided otherwise herein.
ARTICLE 2
DEFINITIONS

Whenever used herein, the following terms shall have the meanings set forth below unless a different meaning is plainly required by the context in which such term is used, or a different definition is set forth in the applicable section, addendum or supplement:

“Active Employee” shall mean an Employee who is at work performing the regular duties of his or her employment or who is on employer-approved leave of absence, sick leave, vacation, or holiday.

“Active Participant” shall mean an Employee who at the particular time shall be an Active Participant in the Plan in accordance with the provisions of Article 4. An Employee shall not be treated as an Active Participant on and after his or her Opt-Out Date, or other date he or she becomes eligible for K-Vantage Contributions under the 401k Plan.

“Actuarial Equivalent” shall mean an amount of equal value, determined as follows:

(a) For annuities starting on or after January 1, 2005, for (i) purposes of calculating Actuarial Equivalence of optional forms of benefit and (ii) actuarial adjustment to spousal benefits as provided in Section 9.2(b):

(i) Participant mortality shall be determined according to the 1994 Uninsured Pensioner Mortality Table (blended fifty percent (50%) male, fifty percent (50%) female) published by the Society of Actuaries;

(ii) Contingent Annuitant or other beneficiary mortality shall be determined according to the 1994 Uninsured Pensioner Mortality Table (blended fifty percent (50%) male, fifty percent (50%) female) published by the Society of Actuaries; and

(iii) six and one-half percent (6½%) interest shall be used to determine the present value of all benefit payment options;

provided that, notwithstanding the foregoing, no such optional form of benefit or spousal benefit shall be less than what it would have been had the annuity started on December 31, 2004.

(b) For all other purposes:

(i) Participant mortality shall be determined according to the 1971 Towers, Perrin, Forster & Crosby Mortality Table;

(ii) Contingent Annuitant or other beneficiary mortality shall be determined according to the 1971 Towers, Perrin, Forster & Crosby Mortality Table with a six (6) year age setback; and

(iii) six and one-half percent (6½%) interest shall be used to determine the present value of all benefit payment options.
(c) Notwithstanding the foregoing, the mortality table and interest rate for the purposes of determining an Actuarial Equivalent amount for lump sum distributions and satisfying any other requirements related to the use of assumptions under Code Section 417(e)(3) shall be determined as follows:

(i) For periods before January 1, 2008:

   (A) The applicable mortality table shall be based on the prevailing commissioner’s standard table (described in Code Section 807(d)(5)(A)) used to determine reserves for group annuity contracts issued on the date such equivalent current value is being determined (for annuity starting dates on or after December 31, 2002 as set forth in Revenue Ruling 2001-62 and for periods before December 31, 2002, as set forth in Revenue Ruling 95-6).

   (B) The applicable interest rate for each Plan Year shall be the annual interest rate on thirty (30) year Treasury Securities as in effect on the December 1 preceding such Plan Year.

(ii) For periods on or after January 1, 2008:

   (A) The applicable mortality table for each Plan Year shall be the mortality table prescribed by the Secretary of the Treasury pursuant to Code Section 417(e)(3)(B). Notwithstanding the foregoing, for the period from January 1, 2008 through December 31, 2008, for purposes of making adjustments pursuant to Section 7.3, the applicable mortality table shall be the mortality table under subsection (c)(i)(A) of this definition.

   (B) The applicable interest rate for each Plan Year shall be the adjusted first, second, and third segment rates as determined pursuant to Code Section 417(e)(3)(C) and (D) for the December 1 preceding such Plan Year.

“Administrator” shall mean the Vice President – Human Resources of the Company.

“Affiliate” shall mean a member of (a) the controlled group of corporations (as defined in Code Section 414(b)), (b) the group of trades or businesses (whether or not incorporated) under common control (as defined in Code Section 414(c)), (c) an affiliated service group (as defined in Code Section 414(m)) or (d) any other group of entities required to be aggregated with the Company under Code Section 414(o) of which the Company is a member, but only with respect to periods during which the Company itself was a member of such group.

“Associate Company” shall mean any company designated from time to time by the Board, for which there exists a legitimate business reason, based on all of the relevant facts and circumstances, to credit a Participant or Participants with imputed service or pre-participation service for a period of service with another employer, and any predecessor of or successor to any such company. For purposes of Section 7.3 and Article 20, “Associate Company” shall mean only an Affiliate.
“Basic Retirement Amount” shall mean the benefit of a Participant determined in accordance with Article 7.

“Beneficiary” shall mean a Participant’s surviving Spouse or surviving Same-Sex Life Partner, if applicable, or if the person is not married and has no Same-Sex Life Partner, if the Participant waives that designation with required Consent, or if such individual cannot be located, then any other person designated by a Participant pursuant to Section 9.9 hereof who is entitled to receive any benefits payable hereunder upon the Participant’s death, or the executor or administrator of the Participant’s estate if there is no surviving Spouse or surviving Same-Sex Life Partner and if no other Beneficiary shall have been effectively designated by the Participant.

“Benefit Commencement Date” shall mean the date as of which benefits are first payable under the Plan in respect of a Participant.

“Board” shall mean the Board of Directors of Northeast Utilities Service Company.

“Code” shall mean the Internal Revenue Code of 1986, as it may from time to time be amended. A reference to any section of the Code shall be deemed to refer not only to such section, as it may from time to time be amended, but also to any successor statutory provision(s).

“Company” shall mean Northeast Utilities Service Company and its successor or successors.

“Compensation” shall mean the amount described in (a) subject to the provisions of (b) below.

(a) Compensation shall mean a Participant’s actual regular earnings plus shift differentials, Sunday premium pay, on-call pay, and overtime earnings (computed at straight-time rates), cash awards received by a non-bargaining unit Employee (and bargaining unit Employee, as negotiated) under any of the incentive pay plans of the Employer that apply to broad Employee groups (excluding any incentive awards under the Northeast Utilities Incentive Plan, or any successor plan) as well as other payments derived from base pay or hours worked (including, without limitation, workers’ compensation, temporary assignment differentials, meal time, rest time, planned and canceled overtime (at straight-time rates), as well as any other amounts that a Participant shall be deemed to have earned pursuant to uniform rules adopted by the Administrator, excluding any earnings or amounts the receipt of which is deferred by a Participant pursuant to a plan or agreement that is not qualified under the Code; provided, however, that any Compensation which is deferred by a Participant pursuant to a cash or deferred arrangement qualified under Code Section 401(k), contributed or deferred by the Employer at the election of the Participant and which is not includible in the gross income of the Participant by reason of Code Section 132(f) or the amount of any reduction in a Participant’s Compensation that is contributed to a cafeteria plan qualified under Code Section 125 shall, with the exception of Section 7.3 hereof, be regarded as Compensation for purposes of the Plan. In the case of Employees on leave of absence for union business, Compensation shall be deemed to be earned at the current hourly rate established for that person’s job classification.

(b) Beginning January 1, 2012, Compensation in excess of $250,000 per annum (as adjusted for increases in the cost-of-living in accordance with Code Section 401(a)(17)(B)) shall be disregarded, provided, however, notwithstanding the following statement regarding years beginning on or after January 1, 1997 (and before January 1, 2002), the $200,000 compensation
limit will be applied for Compensation paid in years beginning prior to January 1, 2002 in determining a Participant’s Final Average Earnings in years beginning after December 31, 2001.

“Consent” shall mean the consent of a surviving Spouse (or effective November 1, 2006, a surviving Same-Sex Life Partner) to the designation by the Participant of any other Beneficiary, made in writing on a form provided by the Administrator, which form shall contain the surviving Spouse’s or Same-Sex Life Partner’s acknowledgment of the effect of such consent and shall be witnessed by the Administrator or his or her representative. Any consent necessary under the Plan shall be valid only with respect to the Spouse or Same-Sex Life Partner who signs the consent, or in the event of a deemed consent, the designated Spouse or Same-Sex Life Partner. Additionally, a revocation of a prior consent by the Participant’s Spouse or Same-Sex Life Partner may be made by a Participant without the consent of the Spouse or Same-Sex Life Partner at any time before the commencement of benefits. The number of revocations shall not be limited. Notwithstanding the foregoing, such written consent shall not be required if it is established to the satisfaction of the Administrator or his or her representative that such consent may not be obtained because there is no Spouse or Same-Sex Life Partner, because the Spouse or Same-Sex Life Partner cannot be located, or because of such other circumstances as the Secretary of the Treasury may prescribe by Treasury Regulations.

“Contiguous Service” or “Contiguous Prior Service” shall mean a period of service with one (1) or more specified entities during which no interruption in service occurs or the interruption in service is for a period of less than one (1) year.

“Contingent Annuitant” shall mean the contingent annuitant designated by a Participant pursuant to Section 8.4.

“Contingent Annuitant Option” shall mean the form of payment provided in Section 8.2(b) of the Plan.

“Covered Compensation” shall mean with respect to any Participant for a Plan Year the average (without indexing) of the Taxable Wage Bases in effect for each calendar year during the thirty-five (35) year period ending with the last day of the calendar year in which the Participant attains (or will attain) Social Security Retirement Age. A Participant’s Covered Compensation shall be adjusted each Plan Year and no increase in Covered Compensation shall decrease a Participant’s Basic Retirement Amount. In determining the Participant’s Covered Compensation for a Plan Year, the Taxable Wage Base in effect for the current Plan Year and any subsequent Plan Year will be assumed to be the same as the Taxable Wage Base in effect as of the beginning of the Plan Year for which the determination is being made. A Participant’s Covered Compensation for a Plan Year before the thirty-five (35) year period described above is the Taxable Wage Base in effect as of the beginning of the Plan Year. A Participant’s Covered Compensation for a Plan Year after the thirty-five (35) year period described above is the Participant’s Covered Compensation for the Plan Year during which the Participant attained Social Security Retirement Age.

“Credited Interest” shall mean the interest on a Participant’s own Employee Contributions compounded annually at a rate which is not less than the rate in effect under the applicable former retirement plan of the Participating Company, or in the case of Plan Years beginning after
December 31, 1975, if more, five percent (5%). Notwithstanding the foregoing, for purposes of Section 6.10, for Plan Years beginning after December 31, 1987, the rate shall be:

(a) one hundred twenty percent (120%) of the federal mid-term rate (as in effect under Code Section 1274 for the first month of a Plan Year) from the beginning of the first Plan Year beginning after December 31, 1987 and ending with the date on which the determination is being made, and

(b) the interest rate used under the Plan pursuant to subsection (c) of the definition of Actuarial Equivalent herein (as of the determination date) for the period beginning with the determination date and ending on the date on which the Participant would reach the Participant’s Normal Retirement Date.

“Credited Service” shall mean service credited in accordance with Article 3.

“Deferred Retirement Date” shall mean the first day of the month coinciding with or next following the date as of which a Participant retires subsequent to the Normal Retirement Date in accordance with Section 5.4.

“Disability Retirement Date” shall mean the date as of which a Participant retires prior to the Normal Retirement Date in accordance with Section 5.3.

“Early Retirement Date” shall mean the date as of which a Participant retires prior to the Normal Retirement Date in accordance with Section 5.2.

“Earliest Retirement Age” shall mean the earliest date on which the Participant could have elected to receive retirement benefits under the Plan.

“Eligible Retired Medical Participant” shall mean a Participant who is a former Employee:

(a) who has satisfied eligibility requirements to receive retiree medical benefits under the Northeast Utilities Service Company Retiree Health Plan, as amended from time to time; and

(b) who is not a Key Employee as defined in Section 20.2.

“Eligible Rollover Distribution” shall have the meaning set forth in Article 21.

“Employee” shall mean (a) a non-bargaining unit employee, and (b) a bargaining unit employee to the extent provided in his or her applicable collective bargaining agreement; provided, in all cases, that the individual is on the Employer’s W-2 payroll and excluding any Non-Benefits Employee.

“Employee Contributions” shall mean the contributions made by an Employee under the terms of a prior plan and held under the Plan.

“Employer” shall mean the Company and/or each Participating Company other than a Yankee Company, except that:
(a) for purposes of an Employee who transfers from the Employer to a Yankee Company on or after March 1, 2000, the Yankee Companies will be Employers with respect to such Employee from the date of such transfer until such Employee terminates employment with the Employer, and

(b) neither the Company nor any Participating Company shall be an Employer hereunder for purposes of any employee of such company while such employee is an Active Participant in the Yankee Pension Plan on or after March 1, 2000.

Notwithstanding the foregoing, subsections (a) and (b) shall not apply for purposes of any Employee the terms of whose employment are governed by a collective bargaining agreement until these provisions are approved by said bargaining unit. On and after January 1, 2003, a Yankee Company shall be a Participating Company to the extent designated as such as a result of the merger of the Yankee Pension Plan, subject to the provisions of the Plan and Addendum C.

“Employment Date” shall mean the date an Employee is first hired for employment by an Employer.

“Enrolled Actuary” shall mean an actuary selected by the Administrator who has been “enrolled” in accordance with ERISA.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as it may from time to time be amended. A reference to any section of ERISA shall be deemed to refer not only to such section, as it may from time to time be amended, but also to any successor statutory provision(s).

“Fiduciary” shall mean any person to the extent that he or she (a) exercises any discretionary authority or discretionary control respecting management of the Plan or exercises any authority or control respecting management or disposition of the Plan’s assets, (b) renders investment advice for a fee or other compensation with respect to any moneys or other property of the Plan, or has any authority or responsibility to do so, or (c) has any discretionary authority or discretionary responsibility in the administration of the Plan.

“Fifty Percent (50%) Joint and Survivor Annuity” shall mean a Contingent Annuitant Option under Section 8.2(b) of the Plan providing for payments to the Participant for his or her life commencing on the Benefit Commencement Date with a survivor annuity payable monthly to his or her Spouse (and effective November 1, 2006, his or her Same-Sex Life Partner) equal to fifty percent (50%) of such amount.

“Final Average Earnings” shall mean, except as provided by Addenda to the Plan, a Participant’s highest average annual Compensation earned for Credited Service during any sixty (60) consecutive payroll months (or lesser actual period of receiving Compensation) preceding the calendar month in which Credited Service ends. In determining a Participant’s sixty (60) consecutive payroll months of highest average annual Compensation, (a) periods during which the Participant was not receiving Compensation shall be disregarded, and (b) periods during which the Participant was not an Active Participant shall be disregarded.
“401k Plan” shall mean the Northeast Utilities Service Company 401k Plan, as amended from time to time.

“Funding Fiduciary” shall mean the Treasurer of the Company.

“Highly Compensated Employee” means an Employee, in any Plan Year, who performed services for the Employer during the Plan Year and who is in one or more of the following groups:

(a) during the current or immediately preceding Plan Year, was at any time a Five-Percent Owner of the Employer (“Five-Percent Owner” shall mean any Employee who owns more than five percent (5%) of the outstanding stock of an Employer or stock possessing more than five percent (5%) of the total outstanding combined voting power of all stock of an Employer. An Employee shall be considered to own stock that he or she owns directly and also stock that he or she is deemed to own under Code Section 318 by substituting “5 percent” for “50 percent” in Code Section 318(a)(2)(C)); or

(b) during the immediately preceding Plan Year received HCE Compensation in excess of $80,000, as adjusted pursuant to Code Section 415(d).

For purposes of this definition, “HCE Compensation” means compensation as defined in Code Section 414(s).

“Hour of Service” shall mean:

(a) each hour for which an Employee is directly or indirectly paid, or entitled to payment, by the Company or an Affiliate for the performance of duties. These hours shall be credited to the Employee for the computation period or periods in which the duties are performed; and

(b) each hour for which an Employee is directly or indirectly paid or entitled to payment by the Company or an Affiliate, for reason (such as but not limited to vacation, sickness or disability) other than for the performance of duties (irrespective of whether the employment relationship has terminated). These hours shall be credited to the Employee for the computation period or periods in which the non performance of duties occurs; and

(c) each hour for which back pay, irrespective of mitigation of damages, has been either awarded or agreed to by the Company or an Affiliate. These hours shall be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment was made. These same Hours of Service shall not be credited under both paragraphs (a) and (b) of this Section, and under this paragraph (c); and

(d) each hour for which an Employee is entitled to receive credit for service under a policy of the Company or an Affiliate while on an authorized unpaid leave of absence; and
(e) Hours of Service shall be computed and credited in accordance with paragraphs (b) and (c) of Section 2530.200b-2 of the Department of Labor Regulations, which are incorporated herein by reference.

“Insurance Company” shall mean the insurance company or insurance companies from time to time acting under the Insurance Contract.

“Insurance Contract” shall mean the contract or contracts between the Company and any Insurance Company under which amounts may be deposited by an Employer and under which payments may be made as provided under the Plan.

“K-Vantage Contribution” shall mean an Employer contribution to a K-Vantage Opt-Out Employee under the terms of the 401k Plan.

“K-Vantage Election Period” shall mean the period determined by the Administrator, applied on a uniform and nondiscriminatory basis, during which an employee, who is offered the K-Vantage Option under the 401k Plan, may elect to participate in the K-Vantage Option in lieu of continuing to be an Active Participant in the Plan.

“K-Vantage Employee” shall mean an Employee who meets the requirements of subsection a or b below:

(a) Employment Dates on and after January 1, 2006.

(i) An Employee whose Employment Date is on or after January 1, 2006 (January 1, 2007 for a collective bargaining Employee under whose collective bargaining agreement participation in the K-Vantage Option instead of active participation in the Plan is negotiated, or such later date agreed upon by the bargaining unit) who is not a Re-Hired Retiree, who is not subject to the terms of a collective bargaining agreement or is subject to the terms of a collective bargaining agreement under which participation in the K-Vantage Option instead of active participation in the Plan is provided for shall be a K-Vantage Employee; and

(ii) An Employee whose Employment Date is on or after January 1, 2006 who is not a Re-Hired Retiree, who was subject to the terms of a collective bargaining agreement under which no bargain occurred providing for participation in the K-Vantage Option, who changes job position or Employers and who is no longer subject to the terms of a collective bargaining agreement shall be a K-Vantage Employee.

(b) Re-Employment Dates on or after January 1, 2006. A Non-Bargaining Employee whose Re-Employment Date is on or after January 1, 2006 (January 1, 2007 for a collective bargaining Employee under whose collective bargaining agreement participation in the K-Vantage Option instead of active participation in the Plan is negotiated, or such later date agreed upon by the bargaining unit) and who is not a Re-Hired Retiree shall be a K-Vantage Employee; provided, however, that a Non-Bargaining Employee who terminates employment with an Employer after December 31, 2005 and before January 1, 2007 and who returns to employment with an Employer classified as a “K-Vantage Employer” as a Non-Bargaining Employee on a Re-Employment Date before January 1, 2008 shall not be a K-Vantage Employee.
“K-Vantage Option” shall mean the option to elect to receive K-Vantage Contributions under the 401k Plan instead of being an Active Participant in the Plan.

“K-Vantage Opt-In Entry Date” shall mean the first date an Employee is eligible to receive a K-Vantage Contribution.

“K-Vantage Opt-Out Date” shall mean the first day of the calendar month (subject to administrative feasibility) next following the end of the K-Vantage Election Period, but no sooner than January 1, 2007.

“K-Vantage Opt-Out Employee” shall mean:

(a) Employment Dates before January 1, 2006. An Employee whose Employment Date occurs before January 1, 2006, who is not a Re-Hired Retiree, who is not a member of a collective bargaining group of employees, and who elects to participate in the K-Vantage Option commencing on the Employee’s K-Vantage Opt-In Entry Date in lieu of accruing benefit service in the Plan;

(b) Re-Employment Dates before January 1, 2008. A Non-Bargaining Employee whose Employment Date occurs before January 1, 2006, is not a Re-Hired Retiree, who terminates employment with an Employer on or after January 1, 2006 but before January 1, 2007, and whose Re-Employment Date, if applicable, is before January 1, 2008 will not be a K-Vantage Employee, but will be a “K-Vantage Opt-In Employee” if he or she returns to employment as a Non-Bargaining Employee and elects to receive K-Vantage Contribution allocations commencing on the Employee’s K-Vantage Opt-In Entry Date.

(c) Collective Bargaining Units. An Employee who is not a Re-Hired Retiree Participant, who is a member of a collective bargaining unit of employees that has bargained for and agreed to participate in the K-Vantage Option in lieu of accruing benefit service in the Plan, and who has elected to become a K-Vantage Employee commencing on the Employee’s K-Vantage Opt-In Entry Date;

(d) Transferred Employees. An Employee who transfers employment from an Affiliate to which the K-Vantage Option is unavailable to a Participating Company on or after January 1, 2006, who is not a Re-Hired Retiree, and who has elected to participate in the K-Vantage Option commencing on the Employee’s K-Vantage Opt-In Entry Date in lieu of accruing benefit service in the Retirement Plan.

A K-Vantage Opt-Out Employee will cease to be an Active Participant in the Plan as of his or her K-Vantage Opt-Out Date. Notwithstanding any contrary provision in the Plan, an Employee who is an Active Participant on or after January 1, 2006 (such later date determined under the applicable collective bargaining agreement for collective bargaining employees), and who is determined by the Administrator to be totally disabled on or after that date, will not be eligible to become a K-Vantage Opt-Out Employee.

“Level Income Option” shall mean the form of payment provided in Section 8.2(d) of the Plan.
“**Mandatory Employee Contribution**” shall mean Employee Contributions which were required as a condition of employment, as a condition of participation under the terms of a prior plan, or as a condition of obtaining benefits under a prior plan attributable to employer contributions pursuant to such plan.

“**Medical Benefits**” shall mean benefits related to sickness, accident, hospitalization and medical expenses, including without limitation medical care as defined in Code Section 213(d); premiums for sickness, accident, or hospitalization insurance; premiums paid to health maintenance organizations; payments for Medicare Part B reimbursement; or similar premiums and payments.

“**NAESCO**” shall mean North Atlantic Energy Service Corporation.

“**Named Associated Utility**” shall mean any of the following entities:

(a) Each of the entities which are or have been joint owners of the Seabrook Nuclear Station; provided, however, that such entities shall be deemed to be “Named Associated Utilities” only during such period as they are or were joint owners of Seabrook Nuclear Station; and

(b) Each entity which, at the date of hire of an Employee, is an associate company in the same holding-company system as any of the entities described in subsection (a) of this Section. For purposes of this subsection (b), the terms “associate company” and “holding-company system” shall have the same meanings as provided under the Public Utility Holding Company Act of 1935.

Appendix B sets forth a list of the companies that were, as of January 1, 1993, joint owners described in subsection (a) of this Section and the period during which such companies qualified as joint owners.

“**Named Associated Utility Benefit**” shall mean an amount equal to the annual amount of retirement benefit, expressed as a single life annuity and assuming no provision of pre-retirement survivor benefits, payable to a Participant under the pension plan, if any, in effect at the Named Associated Utility of which the Participant was an employee, including amounts no longer payable because the Participant received a full or partial lump sum settlement of the benefit to which the Participant was entitled under such pension plan; provided, however, that the foregoing amount shall be reduced by the early retirement reduction factors, if any, under said pension plan of such Named Associated Utility that would apply if the benefit under such plan were payable (even if not actually paid) to the Participant at the same time as the benefit payable under the Plan, but if the benefit under such plan is not so payable to the Participant, the foregoing amount first shall be reduced by such early retirement reduction factors as if such benefit were being paid at the earliest date payable to the Participant under such plan and second shall be further reduced by the factors set forth in the following table (which are derived from the actuarial factors set forth in the definition of “Actuarial Value” in Section I(A)(1) of the PSNH Plan as in effect on December 31, 1992) for the period of time between such earliest date and the date the benefit under the Plan commences to be paid:
Age Benefit Is Payable Under The Plan

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In the event that the Named Associated Utility of which the Participant was an employee does not maintain a defined benefit pension plan or if such Participant is not covered by or eligible to participate in the defined benefit pension plan in effect at such Named Associated Utility, the annual amount of retirement benefit constituting the reduction shall be calculated by taking the portion of the Participant’s account balances under all defined contribution plans maintained by the Named Associated Utility that is attributable to employer contributions (other than salary deferrals by such Participant under a so-called “401(k)” plan) as of the valuation date under said plan immediately following the date of the Participant’s termination of service with the Named Associated Utility (but adding thereto any amounts distributed from said plan prior to said valuation date), plus interest thereon from said valuation date until the date for commencement of the Participant’s benefits under the Plan at the rate of nine percent (9%) per annum, and converting said amount to a single life annuity, commencing at the age when benefit payments to the Participant under the Plan will commence, using the Pension Benefit Guaranty Corporation’s layered, deferred annuity rates in effect as of the earlier of (x) the date of the Participant’s commencement of participation in the PSNH Plan and (y) the later of January 1, 1993 and the date of the Participant’s commencement of participation in the Plan, and the UP 1984 Mortality Table with ages set forward one (1) year and assuming no pre-retirement mortality discount.

“Named Fiduciary” shall mean any person designated as such in Section 11.1.

“Newly Hired Participant” shall mean a Participant (a) whose employment is not governed by a collective bargaining agreement, who is hired on or after January 1, 1995, and who on December 31, 1994 had no Credited Service under the Plan, or (b) whose employment is governed by a collective bargaining agreement which provides for the Newly Hired Participant benefit formula and who is hired on or after the date provided in such agreement and who on the day prior to such date had no Credited Service under the Plan; provided that a Participant who receives Credited Service pursuant to Section 3.3 or Section 3.4 with respect to a period of time prior to January 1, 1995 (or such date as is provided in the relevant collective bargaining agreement) shall not be a Newly Hired Participant.
“Niagara Mohawk Pension Plan” shall mean such plan as in effect as of July 1, 1998.

“NMEM Participant” shall mean an employee of Niagara Mohawk Energy Marketing, Inc. who became an Active Participant upon the acquisition of such company by Select Energy, Inc., as covered by the terms of Addendum B.

“NMEM Pension Benefit” as of any date shall mean an NMEM Participant’s accrued benefit under the Niagara Mohawk Pension Plan as of the date of the acquisition of Niagara Mohawk Energy Marketing, Inc. by Select Energy, Inc., adjusted to take into account (a) with respect to the “transition formula” defined therein, such Participant’s actual base salary from the Employer between the acquisition date and the date in question and (b) with respect to the “cash balance formula” defined therein, adjusted to take into account future “interest credits” (as defined therein) from the acquisition date to the date in question.

“Non-Bargaining Employee” shall mean any worker the terms of whose employment are not governed by a collective bargaining agreement.

“Non-Benefits Employee” shall mean any worker who has signed an employment agreement, independent contractor agreement or other agreement with the Employer stating that such worker is not eligible to participate in the Plan, and any other worker that the Employer treats as an independent contractor or designates as a “Non-Benefits Employee,” during the period that the worker is so treated or designated. A worker is treated as an independent contractor if payment for such worker’s services is memorialized, in whole or part, on a Form 1099 and not on a Form W-2 issued by or on behalf of the Employer. Classification of a worker as an independent contractor by the Administrator shall be final, conclusive and binding and without regard to characterization of the individual as an employee by any court or administrative agency. Any worker who is considered a “leased employee” of the Company or an Affiliate within the meaning of Code Section 414(n) is classified as a “Non-Benefits Employee.” Notwithstanding the preceding provisions, a leased employee shall be included as an Employee for purposes of applying the requirements described in Code Section 414(n)(3). For purposes of this Section, a “leased employee” means any person who is not an employee of the Company or an Affiliate and who provides services to the Company or Affiliate if (a) such services are provided pursuant to an agreement between the Company or Affiliate and any other person; (b) such person has performed such services for the Company or Affiliate (or for the Company or Affiliate and related persons determined in accordance with Code Section 414(n)(6)) on a substantially full-time basis for a period of at least one (1) year; and (c) such services are performed under primary direction or control by the Company or Affiliate.

“Normal Retirement Date” shall mean the first day of the month coinciding with or next following a Participant’s sixty-fifth (65th) birthday.

“Normal Retirement Age” shall mean the age set forth in Section 5.1.

“Notice to the Administrator” shall mean written notice, which is properly completed and executed by the party giving such notice and which is delivered to the Administrator by hand or by mail. Notice to the Administrator shall be deemed to be given when it is actually received by the Administrator.
“1-Year Break in Service” shall mean a period of twelve (12) consecutive months beginning on the date that an individual’s service with an Employer (or an Affiliate for purposes of Years of Vesting Service) is severed (as further described under Section 4.2(a) of the Plan) after December 31, 1975 and during which the Employee does not complete an Hour of Service. Notwithstanding the foregoing, a 1-Year Break in Service shall not commence until the second (2nd) anniversary of the date of severance from service if such severance is caused by:

(a) the pregnancy of the Employee,
(b) the birth of a child of the Employee,
(c) the placement of a child with the Employee in connection with the Employee’s adoption of such child, or
(d) the need for caring for a child referred to in clause (b) or (c) immediately following such birth or placement, but only if the Employee has furnished to the Administrator such timely information as may be reasonably required to establish that the absence from work is for one (1) or more of the reasons described in clauses (a) through (d).

For purposes of determining whether an Employee has incurred a 1-Year Break in Service, any period of absence which constitutes leave permitted under the Family and Medical Leave Act of 1993 shall be disregarded.

“Optional Form of Payment” shall mean a form of payment of a Participant’s benefits in other than the normal form of payment provided in Section 8.1 of the Plan.

“Optional Joint and Survivor Annuity” shall mean, effective January 1, 2008, a Contingent Annuitant Option under Section 8.2(b) of the Plan providing for payments to the Participant for his or her life commencing on the Benefit Commencement Date with a survivor annuity payable monthly to his or her Spouse (or his or her Same-Sex Life Partner) equal to seventy-five percent (75%) of such amount.

“Participant” shall mean an individual who at the particular time shall be either (a) an Active Participant or (b) a former Active Participant entitled to any benefits under the Plan.

“Participating Company” shall mean any company which has been designated by the Board to participate in the Plan and whose board of directors has accepted such designation, as set forth in Appendix A to the Plan.

“Pension Committee” shall mean a committee of at least three (3) officers of the Company or a Participating Company, other than Named Fiduciaries, appointed by the Chairman of the Company.

“Plan” shall mean the Northeast Utilities Service Company Retirement Plan, as set forth herein and as it may from time to time be amended.

“Plan Year” shall mean each calendar year.
“PSNH” shall mean Public Service Company of New Hampshire.

“PSNH Plan” shall mean the Pension Plan of Public Service Company of New Hampshire, as amended from time to time, which has been merged with the Plan effective January 1, 1993.

“Re-Employment Date” shall mean the date an Employee is re-hired for employment by an Employer, after having severed employment, by retirement or otherwise, with all Employers.

“Re-Hired Retiree” shall mean an Employee who (a) terminated employment with an Employer, and (b) received his or her accrued benefit in the Plan in a lump sum or has commenced to receive pension benefits under the Plan prior to his or her date of re-employment.

“Same-Sex Life Partner” shall mean an individual who satisfies the requirements of (a) and (b) below:

(a) **Registration.** An individual who is the same sex as a Participant who together with the Participant registers with the Administrator declaring under the Plan that the individual and the Participant:

   (i) are joined by marriage or civil union under statute or judicial decision in a state which recognizes legal unions of same-sex couples and in which the couple reside and qualify to enter into such union,

   (ii) or are in a long-term committed relationship of mutual caring and support which is not solely for the purpose of obtaining or maintaining benefit coverage or protections from the Employer, established by their submission of a notarized affidavit to the Administrator, in cases where subsection (i) does not apply because the Participant and his or her Same-Sex Life Partner do not reside in a state which recognizes legal unions of same-sex couples.

(b) **No Prior Termination.** An individual who registers his or her relationship under subsection (a) with the Administrator shall continue to be the Participant’s Same-Sex Life Partner unless such relationship has terminated. When a Participant’s marriage, civil union, or relationship with his or her Same-Sex Life Partner established by notarized affidavit terminates, the Participant is required to provide notice to the Plan by supplying a decree of divorce or legal separation, or legal termination of civil union (where the relationship was established by subsection (i) above), or affidavit averring that the same-sex life partnership has terminated (where the relationship was established by subsection (ii) above), within thirty (30) days of separation or termination, as the case may be. If the Administrator determines, in its sole discretion, that such requirements are not met and that changing the Participant’s status under the Plan is necessary or desirable under the law, the Administrator may refuse to pay survivor benefits to the former life partner, may refuse to require his or her consent to a beneficiary designation, or may adopt any other reasonable course of action as circumstances dictate.

(c) **Administration.** The Administrator may set forth rules governing the content and manner of furnishing pertinent declarations to the Plan, including affidavits or other evidence, which rules may be changed without prior notice to Employees or former Employees. If the Plan relies on a notarized affidavit establishing a same-sex life partnership and the Employee or...
former Employee either moves to a state which recognizes the legal union, by marriage or civil union, of same-sex couples, by statute or judicial decision or where his or her state of residence subsequently establishes such law by statute or judicial decision, the Employee’s or former Employee’s Same-Sex Life Partner will no longer be recognized as his or her Same-Sex Life Partner unless he or she and the Employee or former Employee seek legal union under such statute or judicial decision no later than the first day of the month on or following the lapse of twelve (12) months following the first date on which the couple resided in the state or the legislation’s enactment date.

“Social Security Retirement Age” shall mean the age used as the retirement age under Section 216(1) of the Social Security Act, except that such Section shall be applied without regard to the age increase factor and as if the early retirement age under Section 216(1)(2) of the Social Security Act were sixty-two (62).

“Spouse” shall mean a Participant’s legal spouse as recognized pursuant to federal law. A Participant is required to provide notice to the Administrator that he or she no longer is married by supplying a decree of divorce or legal separation within thirty-one (31) days of its issuance.

“Spouse’s Benefit” shall mean the benefit payable following a Participant’s death, if any, to a Spouse and, on and after January 1, 2006, to a Same-Sex Life Partner pursuant to the terms of Article 9.

“Straight Life Annuity” shall mean the benefit option set forth in Section 8.2(a) of the Plan.

“Taxable Wage Base” shall mean, with respect to any calendar year, the maximum amount of earnings which may be considered wages for such year under Code Section 3121(a)(1).

“Ten-Year Certain and Life Option” shall mean the benefit option set forth in Section 8.2(c) of the Plan.

“Trust Agreement” shall mean the agreement or agreements between the Company and any Trustee under which amounts may be deposited by an Employer and under which payments may be made as provided under the Plan.

“Trustee” shall mean the trustee or trustees at any time acting under the Trust Agreement.

“Trust Fund” shall mean the fund held by the Trustee under the terms of the Trust Agreement from which payments may be made as provided under the Plan. To the extent permitted by the Trust Agreement and applicable law, the Funding Fiduciary may cause the Trustee to commingle the assets of the Plan with assets of one or more plans, and commingle the Trust Fund with funds of other trusts of similar nature for the exclusive benefit of employees. The assets of any plan so held shall not be subject to any claim arising under any other plan, and under no circumstances shall any of the Plan assets be available to provide the benefits under another plan.

“Yankee Participant” shall mean a participant who is entitled to a benefit under the Plan based on the Yankee Provisions.

“Yankee Pension Plan” shall mean the Yankee Energy System, Inc. Retirement Plan.

“Yankee Provisions” shall mean the applicable terms of the Yankee Pension Plan as set forth in Addendum C.

“Year of Vesting Service” shall mean:

(a) For periods on and after January 1, 1976, the number of completed twelve (12) month periods of service beginning on the month which contains the date an Employee first performs an Hour of Service (or following a 1 Year-Break in Service, completes an Hour of Service upon re-employment) with the Company or any Affiliate (or January 1, 1976, if later) and ending with the month that contains the date that an Employee’s 1-Year Break in Service begins. Notwithstanding the foregoing, service prior to a 1-Year Break in Service which occurred:

(i) prior to January 1, 1985 shall be disregarded if:

(1) on the last day of a 1-Year Break in Service the Employee did not have a vested right to any part of the Basic Retirement Amount, and

(2) such Employee’s period of severance from the service of an Affiliate equals or exceeds his or her Years of Vesting Service prior to such 1-Year Break in Service (excluding any Years of Vesting Service not required to be taken into account under this rule by reason of any prior 1-Year Break in Service), and

(ii) after December 31, 1984 shall be disregarded if:

(1) on the last day of such 1-Year Break in Service the Employee did not have a vested right to any part of the Basic Retirement Amount, and

(2) such Employee’s period of severance from the service of an Affiliate subsequent to the commencement of the 1-Year Break in Service equals or exceeds the greater of (i) five (5) years or (ii) his or her Years of Vesting Service prior to such 1-Year Break in Service (excluding any Years of Vesting Service not required to be taken into account under this rule by reason of any prior 1-Year Breaks in Service).

(b) For periods prior to January 1, 1976, Years of Vesting Service, if any, shall be the number of completed twelve (12) month periods of Credited Service as determined under Section 3.2.

(c) An Employee who terminates employment with an Affiliate shall not be deemed to have severed his or her service if such Employee resumes employment with the Employer before incurring a 1-Year Break in Service.
(d) Anything to the contrary notwithstanding, an Employee who is transferred from an Affiliate to an Associate Company shall not be deemed to have severed his or her service until such Employee severs from the service of such Associate Company (or from an Affiliate if he or she is subsequently transferred back to an Affiliate).

(e) For purposes of determining “Years of Vesting Service,” any additional periods of service described under Article 3 shall also be counted as periods of service. In addition, service with respect to the Yankee Companies shall only count as Years of Vesting Service commencing on March 1, 2000, unless otherwise required to be counted under this Section.

(f) To the extent required by Code Section 414(a)(1) and not otherwise counted hereunder, if an Affiliate maintains a plan that is or was the qualified retirement plan of a predecessor employer, an Employee’s service with such predecessor employer shall be taken into account in determining his or her Years of Vesting Service.
ARTICLE 3
CREDITED SERVICE

3.1 **Use of Complete Calendar Months.** A Participant’s Credited Service shall include the entire month which contains the Participant’s first day of service, as well as the entire month which includes the Participant’s last day of service.

3.2 **Credited Service Prior to January 1, 1976.** An Employee shall receive Credited Service for all completed years and completed months (expressed as twelfths (1/12ths) of a year) of uninterrupted service with the Employer prior to January 1, 1976, calculated from such Employee’s most recent date of employment by the Employer, subject, however, to the following rules:

   (a) Credited Service shall include Contiguous Service prior to January 1, 1976 with the Company and any one or more Participating Companies (Contiguous Prior Service with the Company and one or more Participating Companies shall not be deemed broken by an absence which, under the provisions of the then-effectives retirement plan of the Company and any Participating Company, did not constitute a termination of employment);

   (b) Credited Service shall include any periods prior to January 1, 1976 during which an Employee is deemed not to have severed his or her service as described in Section 4.2(a);

   (c) Credited Service shall not include any period prior to January 1, 1976 during which an Employee failed to participate although eligible to do so, including any period prior to the effective date of a plan if he or she did not join the plan when first eligible;

   (d) Credited Service shall not include any period with respect to which Mandatory Employee Contributions have been or are withdrawn prior to January 1, 1976, including any withdrawal pursuant to Section 8.5;

   (e) Credited Service shall not include any periods of voluntary nonparticipation prior to January 1, 1976; and

   (f) Credited Service prior to January 1, 1976 shall be disregarded in determining the Credited Service of an Employee who severs from the service of the Employer prior to January 1, 1976 if such Employee is later re-employed on or after such date (provided, however, that service shall not be deemed severed by an absence which did not constitute a termination of employment under the Plan as in effect at the time of such severance).

3.3 **Credited Service After December 31, 1975.** An Employee shall receive Credited Service for all completed years and completed months (expressed as twelfths (1/12ths) of years) that such Employee is an Active Participant on or after January 1, 1976 (and for all completed years and completed months (expressed as twelfths (1/12ths) of years)). Notwithstanding the foregoing, service prior to a 1-Year Break in Service:

   (a) which occurred prior to January 1, 1985 shall be disregarded if:
(i) on the last day of such 1-Year Break in Service the Employee did not have a vested right to any part of the Basic Retirement Amount, and

(ii) such Employee’s period of severance from the service of the Employer equals or exceeds his or her Credited Service prior to such 1-Year Break in Service (excluding any period of Credited Service not required to be taken into account under this rule by reason of any prior 1-Year Break in Service), and

(b) service prior to a 1-Year Break in Service which occurred after December 31, 1984 shall be disregarded if:

(i) on the last day of such 1-Year Break in Service the Employee did not have a vested right to any part of the Basic Retirement Amount, and

(ii) such Employee’s period of severance from the service of the Employer subsequent to the commencement of the 1-Year Break in Service equals or exceeds the greater of (i) five (5) years or (ii) his or her Credited Service prior to such 1-Year Break in Service (excluding any period of Credited Service not required to be taken into account under this rule by reason of any prior 1-Year Breaks in Service).

3.4 **Credited Service for Contiguous Prior Service with an Associate Company.** An Employee who is transferred to an Employer from an Associate Company which is not a Participating Company shall receive Credited Service for his or her Contiguous Prior Service with such Associate Company, in addition to any Credited Service to which he or she may be entitled pursuant to Sections 3.1 and 3.2.

3.5 **Credited Service for Contiguous Prior Service with a Named Associated Utility.**

(a) The Credited Service of each Participant who was employed by NAESCO or the New Hampshire Yankee Division of PSNH following employment with a Named Associated Utility that is not a Participating Company shall, subject to subsections (b), (c) and (d), include:

(i) service as defined under the pension plan of such Named Associated Utility for service with such Named Associated Utility; provided, however, that such service is Contiguous Service with Credited Service;

(ii) with respect to the Plan Year in which such Participant was employed by NAESCO or the New Hampshire Yankee Division of PSNH following employment with such Named Associated Utility, contiguous service with a Named Associated Utility that is not credited under the pension plan of such Named Associated Utility and which, if such service were provided as a Participant, would be counted as Credited Service; and

(iii) Contiguous Service with a Named Associated Utility that is not credited under the pension plan of such Named Associated Utility on account of the application of the break in service rules to a nonvested participant in such plan pursuant to Code Section 411(a)(6)(D).
(b) For purposes of subsections (a)(i), (a)(ii) and (a)(iii) above, service with a Named Associated Utility is Contiguous Service only if the Participant is or was either employed by PSNH and assigned to its New Hampshire Yankee Division or employed by NAESCO within one (1) year following employment with such Named Associated Utility.

(c) In no event shall a Participant receive Credited Service under Sections 3.1, 3.2 or 3.3 and credit for service with a Named Associated Utility under subsections (a)(i), (a)(ii) or (a)(iii) above for the same period of time.

(d) In the event that the Named Associated Utility of which the Participant was an employee does not maintain a defined benefit pension plan or if such Participant is not covered by or eligible to participate in the defined benefit pension plan in effect at such Named Associated Utility, service as defined under any one defined contribution plan maintained by the Named Associated Utility in which such Participant participated shall be considered service for purposes of subsections (a)(i), (a)(ii) and (a)(iii) above.

3.6 Compliance with USERRA. Effective December 12, 1994, notwithstanding any provision of the Plan to the contrary, contributions, benefits and services credit with respect to qualified military service shall be provided in accordance with Code Section 414(u).
ARTICLE 4
PARTICIPATION

4.1 Eligible Employees.

(a) After December 31, 2005.

(i) New Employment Dates. An Employee who is a K-Vantage Employee is not eligible for participation in the Plan.

(ii) Re-Employment Dates. An Employee (1) whose Employment Date occurs before January 1, 2006 (January 1, 2007 or such later date if determined pursuant to collective bargaining for bargaining employees for which participation in the K-Vantage Option instead of active participation in the Plan has been agreed upon), (2) who severs employment with all Employers, by retirement or otherwise, and (3) who again becomes an Employee on or after January 1, 2006 (January 1, 2007 or such later date if determined pursuant to collective bargaining), on his or her Re-Employment Date, may not again become an Active Participant unless (A) he or she is a Re-Hired Retiree who makes an election to participate in the Plan under Section 4.3, or (B) he or she severs employment with the Employer before January 1, 2007 and has a Re-Employment Date before January 1, 2008.

(iii) Transferred Employees. An Employee (1) whose Employment Date is on or after January 1, 2006 and (2) who is an Active Participant and a member of a collective bargaining group of employees that has not bargained for participation in the K-Vantage Option will cease to be an Active Participant in the Plan on the date he or she transfers employment to a Non-Bargaining Employee position or one that is subject to the terms of a collective bargaining agreement for which participation in the K-Vantage Option instead of active participation in the Plan has been agreed upon.

(iv) K-Vantage Opt-Out Employees. Any Active Participant who makes an election during the K-Vantage Election Period to participate in the K-Vantage Option and becomes a K-Vantage Opt-Out Employee will cease to be an Active Participant as provided in Section 4.2(b) below.

(b) Before January 1, 2006. Each Employee on January 1, 1976 who was participating in the Plan on December 31, 1975, under the terms of the Plan as in effect on that date, shall continue as an Active Participant. Each other current or future Employee whose Employment Date with an Employer occurs prior to January 1, 2006 shall become an Active Participant as of the latest of:

(i) January 1, 1976,

(ii) the date on which the Employee first commences employment with an Employer other than by transfer from a Yankee Company on or after March 1, 2000,
(iii) the date on which the company by which the Employee is employed becomes a Participating Company, or

(iv) the date as of which the Plan is accepted by the bargaining unit, if any, which represents the Employee.

Notwithstanding the foregoing, the clause in subsection (b)(ii) beginning with the words “other than” and ending with “March 1, 2000” shall not apply for purposes of any Employee the terms of whose employment are governed by a collective bargaining agreement until these provisions are approved by said bargaining unit.

4.2 Termination and Waiver of Participation.

(a) Termination of Participation. Any Employee who shall become an Active Participant in accordance with the provisions of Section 4.1 shall cease to be an Active Participant as of the date on which such Employee’s service with the Employer is severed. An Employee shall not be deemed to have severed his or her service during:

(i) any period of absence because of service in the military forces of the United States, provided the Employee returns to work within the period during which his or her re-employment rights are guaranteed by applicable federal law following his or her discharge or severance from such service; provided, further, that if an Employee who is a Participant dies on or after January 1, 2007 while performing “qualified military service,” as that term is defined in Code Section 414(u), the Employee will be treated as though he or she had resumed employment immediately before his or her date of death for purposes of providing death benefits under the Plan,

(ii) any period of layoff not in excess of one (1) year in duration which, in accordance with established Employer practice, is not considered an interruption of employment,

(iii) any period during which the Employee is on any leave of absence with or without pay (including any leave of absence for union business), if approved by such Employee’s Employer, except that the service of a Newly Hired Participant shall be deemed to be severed for purposes of the Plan, on such date as such Participant begins to collect benefits under the Company’s long-term disability plan,

(iv) any period of absence as a result of a Disability Retirement pursuant to Section 5.3, provided the Employee makes application for re-employment within thirty (30) days following the discontinuance of such disability, and

(v) any other period of absence approved by the Employer, including paid holidays, paid vacations and sick leaves.

If an Employee remains on layoff for a period in excess of one (1) year, such Employee shall be deemed to have severed his or her service on the first anniversary of the first day of such layoff. The transfer of an Employee from one Employer to another Employer shall not in any way affect
his or her status as an Active Participant, unless the Employee, by such transfer, becomes eligible for the K-Vantage Option.

(b) Waiver of Participation. Effective on and after January 1, 2006 (January 1, 2007 for collective bargaining employees or such later date as agreed upon if participation in the K-Vantage Option instead of active participation in the Plan has been subject to collective bargaining), an Employee who is not a K-Vantage Employee may elect to become a K-Vantage Opt-Out Employee on such date or dates determined by the Administrator. Any such election shall be made on a form or in a manner prescribed by the Administrator, and, once made, shall be irrevocable. Failure of an Employee to make the election will be deemed an election to remain an Active Participant in the Plan and not participate in the K-Vantage Option.

An Employee will cease to be an Active Participant on his or her K-Vantage Opt-Out Date and, with respect to his or her periods of employment on and after the K-Vantage Opt-Out Date, will receive Years of Vesting Service and Credited Service only for purposes of determining his or her eligibility for early retirement reduction factors under Sections 5.2 and 6.2 of the Plan. The amount of his or her retirement benefits under the Plan shall be calculated on the basis of the Participant’s accrued benefit as of the day before the K-Vantage Opt-Out Date, or other applicable date he or she ceases to accrue benefits in the Plan, without reference to the Participant’s Compensation on and after the K-Vantage Opt-Out Date for purposes of determining the Participant’s Final Average Earnings under the Plan.

4.3 Resumption of Participation. An Employee who has had a separation from service, is re-employed by the Employer and is not a K-Vantage Employee shall again become an Active Participant as of his or her Re-Employment Date, subject to the following sentence. An Employee who is not an Active Participant by reason of Section 4.2 following retirement on an Early Retirement Date, a Normal Retirement Date, or a Deferred Retirement Date, and whose Benefit Commencement Date has occurred or who has elected to receive a lump sum benefit in lieu of an annuity form (if such form of payment is offered), shall not become an Active Participant upon re-employment by the Employer, unless upon commencement of such employment the Employee makes an irrevocable election to participate in the Plan on a form prescribed by the Administrator, in which case the Employee shall become an Active Participant as of the date such employment commences.
ARTICLE 5
RETIREMENT DATES

5.1 Normal Retirement Date; Normal Retirement Age. The Normal Retirement Date of a Participant shall be the first day of the month coinciding with or next following his or her sixty-fifth (65th) birthday. The Normal Retirement Age of a Participant is age sixty-five (65).

5.2 Early Retirement. A Participant who is an Active Employee may elect to retire on the first day of any month prior to the Normal Retirement Date, provided that prior to separation from service such Participant has attained age fifty-five (55) and completed at least ten (10) years of Credited Service. A Participant (excluding for purposes of this sentence each member of a collective bargaining unit prior to the time such bargaining unit accepts this benefits change by agreement with the Employer) whose employment is involuntarily terminated without cause, who has attained age fifty (50) but not age fifty-five (55) as of the date of termination, and the sum of whose age and Credited Service in whole months as of the date of termination equals or exceeds sixty-five (65) years may elect to retire on the first day of any month prior to the Normal Retirement Date. Such election must be made by Notice to the Administrator no later than three (3) months before the intended Early Retirement Date, unless the Administrator determines that the requested reduction in the notice period is administratively practicable and in the best interests of the Participant and his or her Employer. A Participant whose employment with the Employer terminates other than by retirement after such Participant has attained age fifty-five (55) and completed at least ten (10) years of Credited Service shall be deemed, for purposes of the Plan, to have retired with an Early Retirement Date on the first day of the month coinciding with or next following the date of termination.

5.3 Disability Retirement. A Participant with a Disability Retirement Date prior to January 1, 1996 shall continue to be subject to the provisions of the Plan in effect at the time of such retirement.

5.4 Deferred Retirement. A Participant may continue in employment after the Normal Retirement Date and elect to retire at any time after the Normal Retirement Date. Notwithstanding the foregoing, in the case of a Participant who was employed in a bona fide executive or high policymaking position for the two (2) year period immediately preceding the Normal Retirement Date and who is entitled to an immediate nonforfeitable annual retirement benefit from the pension, profit-sharing, savings, and deferred compensation plans of the Employer which equals, in the aggregate, at least $44,000, employment after the Normal Retirement Date shall only be permitted with the consent of the Employer. For the purpose of determining the annual retirement benefit pursuant to the preceding sentence, if such retirement benefit is in a form other than a Straight Life Annuity (with no ancillary benefits) or if Participants contribute to any such plan or make rollover contributions, such benefit shall be adjusted pursuant to regulations prescribed by the Equal Employment Opportunity Commission, so that the benefit is the equivalent of a Straight Life Annuity (with no ancillary benefits) under a plan to which Participants do not contribute and under which no rollover contributions are made. In no case, however, shall periodic distributions of benefits under the Plan commence, or a lump sum distribution be made, later than April 1 of the calendar year following the later of (a) the
calendar year in which such Participant attains age seventy and one-half (70½), or (b) the calendar year in which such Participant retires, except that for a Participant who is a Five-Percent Owner of an Employer with respect to the Plan Year ending in the calendar year in which the Participant attains age seventy and one-half (70½) distributions of benefits under the Plan shall be made or commence no later than April 1 of the calendar year following the calendar year in which the Participant attains age seventy and one-half (70½). At the close of each Plan Year prior to a Participant’s actual separation from service beginning with the Plan Year in which such Participant attains age seventy and one-half (70½), such Participant’s Basic Retirement Amount shall be the greater of (a) the Actuarial Equivalent of the Basic Retirement Amount such Participant was entitled to at the close of the prior Plan Year, or (b) the Participant’s Basic Retirement Amount determined at the close of the Plan Year. Notwithstanding the foregoing, with respect to distributions made in the 2002 calendar year, the Plan will apply the minimum distribution requirements of Code Section 401(a)(9) in accordance with the regulations proposed by the Internal Revenue Service on January 17, 2001, notwithstanding any provision of the Plan to the contrary. Required minimum distributions made in calendar years beginning with the 2003 calendar year will be determined and made in accordance with Treasury Regulations Sections 1.401(a)(9)-1 through 1.401(a)(9)-9, including the modifications made to such sections that were published in the Federal Register on April 17, 2002 and June 15, 2004.
ARTICLE 6
RETIREMENT BENEFITS

6.1 Retirement Benefits of Employees Retiring on or After Normal Retirement Date. A Participant who retires from the service of the Employer on or after his or her Normal Retirement Date on or after January 1, 1976 shall be entitled to receive his or her Basic Retirement Amount (as determined pursuant to Article 7) in the form of payment determined pursuant to Article 8 commencing as of the Normal Retirement Date or Deferred Retirement Date, whichever is applicable.

6.2 Retirement Benefits of Employees Retiring on an Early Retirement Date. A Participant who retires from the service of the Employer on an Early Retirement Date on or after January 1, 1976 (or who is transferred to an Associate Company which is not a Participating Company and subsequently retires on an Early Retirement Date on or after January 1, 1976 from such Associate Company) shall be entitled to receive his or her Basic Retirement Amount (as determined pursuant to Article 7) in the form of payment determined pursuant to Article 8 commencing as of the Normal Retirement Date. At his or her option, such Participant may elect by Notice to the Administrator to have such retirement benefits commence on the Early Retirement Date or any later Benefit Commencement Date (not after his or her Normal Retirement Date) as such Participant shall specify, in which case such Participant shall be entitled to receive the amount of benefit otherwise computed under Section 7.1 multiplied by the appropriate factor from the following table; provided that for all Participants except for any Participant the terms of whose employment are governed by a collective bargaining agreement which does not reflect this benefit, such factor shall be one and zero tenths (1.0) so long as (a) the Participant’s Early Retirement Date is on or after January 1, 2000, (b) on such date the Participant is at least fifty-five (55) years of age, and (c) the sum of the Participant’s years and complete months of Credited Service plus the Participant’s years and complete months of age as of the Early Retirement Date exceeds eighty-five (85) years and no months. Notwithstanding the foregoing, such factor shall be one and zero tenths (1.0) for Participants who were members of Local 420 or 457 of the IBEW and retired from the service of The Connecticut Light and Power Company on October 1, 1998.
Early Retirement Date Discount Factors
for Benefit Commencement Dates Before Age Sixty-Five (65)

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If the Benefit Commencement Date is other than the Participant’s birthday, then the factor to be used shall be the factor for the Participant’s age at the Participant’s most recent birthday plus one-twelfth (1/12th) of the difference between such factor and the factor for the next higher age for each complete month that has elapsed since the Participant’s most recent birthday.

**6.3 Retirement Benefits of Vested Former Participants.** A Participant who terminates employment with the Employer other than by retirement:

(a) after completing at least five (5) Years of Vesting Service (or who is transferred to an Associate Company and subsequently completes five (5) years of Vesting Service), or

(b) who regardless of Vesting Service accepts a position with:

(i) Consolidated Edison Energy Massachusetts, Inc. upon the closing of the transactions contemplated by the Purchase and Sale Agreement, dated as of January 21, 1999, by and between Western Massachusetts Electric Company and Consolidated Edison Energy, Inc., pursuant to the offers of employment made in accordance with Section 5.7 of said agreement,
shall be entitled to receive his or her Basic Retirement Amount (as determined pursuant to Article 7) in the form of payment determined pursuant to Article 8 commencing as of the Normal Retirement Date. Such a Participant may, at his or her option, elect by Notice to the Administrator to receive the Actuarially Equivalent of his or her Basic Retirement Amount (or, in the case of such a Participant whose employment with the Employer terminated on October 29, 1993 as the result of system wide reduction in force after such Participant had attained at least age fifty (50) and completed at least ten (10) years of Credited Service, the product of his or her Basic Retirement Amount multiplied by the applicable factor set forth in the table in Section 6.2) in the form of payment determined pursuant to Article 8 commencing on the first day of any month coinciding with or following (A) termination of employment with the Employer (or such Associate Company), and (B) attainment of age fifty-five (55), but no later than the Normal Retirement Date. If such Participant withdraws his or her Employee Contributions plus Credited Interest, such Participant’s retirement benefits shall be recomputed in accordance with Section 7.5.

6.4 Other Terminations on or After January 1, 1976. A Participant who terminates employment with the Employer other than by retirement on an Early Retirement Date, a Normal Retirement Date or a Deferred Retirement Date and other than as contemplated in Section 6.3(b) above, on or after January 1, 1976 and before completing five (5) Years of Vesting Service shall be entitled to withdraw his or her Employee Contributions plus Credited Interest pursuant to Section 8.5, if any, and shall be entitled to no other benefits under the Plan. Notwithstanding the foregoing, a Participant shall be entitled to benefits pursuant to Section 6.1.

6.5 Retirement Benefits of Employees Transferred from Associate Companies. Anything in the Plan to the contrary notwithstanding, in the case of a Participant who is transferred to the Employer from an Associate Company which is not a Participating Company, and who subsequently retires or otherwise terminates employment pursuant to Section 6.1, 6.2, or 6.3, the following rules shall apply:

(a) The Participant’s retirement benefits shall first be determined pursuant to Section 6.1, 6.2, or 6.3, whichever is applicable.

(b) The resulting benefit shall then be reduced by the amount of the annual income paid or payable to the Participant from the retirement plan or plans of the Associate Company in respect of any period or periods of service by a Participant under said plan or plans, which period or periods also count as Credited Service under the Plan. Such amount shall be calculated on the
assumption that it is payable in the same form and commencing at the same time as the benefits payable under the Plan.

6.6 **Death Prior to Benefit Commencement Date.** Except as otherwise provided in Article 9 and Section 6.10, no death benefits shall be payable upon the death of a Participant prior to his or her Benefit Commencement Date.

6.7 **Commencement of Benefit Payments.** The payment of benefits under the Plan shall begin not later than the sixtieth (60th) day after the close of the Plan Year in which the latest of the following events occurs: (a) the Participant attains age sixty-five (65); (b) the close of the Plan Year in which occurs the tenth (10th) anniversary of the year in which the Participant commenced participation occurs; or (c) the Participant terminates service with the Employer.

6.8 **Suspension and Resumption of Benefit Payments.**

(a) **Participant Works Beyond Normal Retirement Age.** Anything in the Plan to the contrary notwithstanding, except the second paragraph of Section 5.4, if a Participant attains Normal Retirement Age and remains in the service of the Employer, such Participant’s benefit payments under the Plan shall be suspended so long as he or she (i) completes eighty (80) or more hours of service per month, and (ii) occupies a position that the Employer anticipates the Participant will fill for at least six (6) months’ duration.

(b) **Participant Returns to Service Following Commencement of Annuity.** Anything in the Plan to the contrary notwithstanding, except the second paragraph of Section 5.4, if a Participant retires on an Early Retirement Date, a Normal Retirement Date, or a Deferred Retirement Date, does not elect to receive a lump sum payment (if such form of payment was offered) in lieu of an annuity form, and subsequently returns to the service of the Employer and makes the election referred to in Section 4.3, and such Participant makes an election to suspend his or her benefit, such Participant’s benefit payments under the Plan shall be suspended during the period of re-employment. Upon the subsequent retirement of such a Participant, his or her Basic Retirement Amount shall be calculated in accordance with Article 7 using the Participant’s then-current age, Credited Service and Final Average Earnings and in addition any other enhanced Credited Service and/or age and/or enhanced pension payments granted under any prior Plan supplement under which the Participant retired, and the result shall be reduced by the Actuarial Equivalent of the benefit payments he or she has already received.

(c) **Participant Returns to Service Following Payment of Lump Sum.** Anything in the Plan to the contrary notwithstanding, any Participant who retires on an Early Retirement Date, a Normal Retirement Date or a Deferred Retirement Date and who is eligible for and elects to receive a lump sum payment in lieu of an annuity form and subsequently returns to the service of the Employer and makes the election referred to in Section 4.3 shall have his or her Basic Retirement Amount recalculated upon the subsequent retirement of such Participant in accordance with Article 7 using the Participant’s then-current age, Credited Service and Final Average Earnings and in addition any other enhanced Credited Service and/or age and/or enhanced pension payments granted under any prior Plan supplement under which the Participant retired, and the result shall be reduced by the Actuarial Equivalent (as set forth in subsection (b) of the definition of Actuarial Equivalent herein) of the benefit payments that he or
she has already received. To the extent a Participant received a lump sum payment in accordance with Section 17.7, the Participant shall repay the lump sum in order to receive prior Credited Service, as described thereunder.

**6.9 Employee Contributions Plus Credited Interest.** Anything in the Plan to the contrary notwithstanding, the amount of the total benefit payable with respect to a Participant shall not be less than the total of his or her Employee Contributions plus Credited Interest. If the amount of the benefits otherwise paid pursuant to the Plan is less than such Employee Contributions plus Credited Interest, the difference shall be paid to the Participant or the Participant’s surviving Spouse or Same-Sex Life Partner, if such Spouse or Same-Sex Life Partner has been married (or registered) to the Participant throughout the one (1) year period ending on the date of the Participant’s death, or, in the absence of such a Spouse or Same-Sex Life Partner, to the Participant’s designated beneficiary in a lump sum as soon as practical after the death of the Participant. If no person shall be designated as the Beneficiary, or if the person designated as the Beneficiary does not survive the Participant, the Beneficiary shall be the estate of the Participant.

**6.10 Retirement Benefits of Former PSNH Plan Participants.** In addition to any benefit accrued by reason of Credited Service under the Plan, a participant in the PSNH Plan prior to January 1, 1993 but not employed by PSNH or NAESCO on January 1, 1993 who had a benefit accrued under the PSNH Plan prior to January 1, 1993 which was not in pay status on January 1, 2005 may elect by Notice to the Administrator in accordance with Section 8.4 to commence receiving his or her benefit accrued under the PSNH Plan in any form and at such time as permitted pursuant to the terms of the PSNH Plan as in effect on December 31, 1992.

**6.11 Retirement Benefits of Employees with Service Credit from Named Associated Utilities.** Anything in the Plan to the contrary notwithstanding, for purposes of Sections 6.1, 6.2, and 6.3, the retirement benefit of a Participant who receives service credit for time employed by a Named Associated Utility which is not a Participating Company (“Named Associated Utility Service”) shall be the greater of:

- (a) The Participant’s retirement benefit as determined pursuant to Section 6.1, 6.2 or 6.3, as the case may be, but excluding from Credited Service for the purpose of such determination all Named Associated Utility Service; and

- (b) The Participant’s retirement benefit as determined pursuant to Section 6.1, 6.2 or 6.3, as the case may be, reduced by the Participant’s Named Associated Utility Benefit.
ARTICLE 7
BASIC RETIREMENT AMOUNT

7.1 Basic Retirement Amount. Subject to the provisions of Section 6.5, Section 6.11, Section 7.5, and Section 7.6, the Basic Retirement Amount of a Participant shall be:

(a) for Participants the terms of whose employment are not governed by a collective bargaining agreement and for Participants the terms of whose employment are governed by a collective bargaining unit that provides for this benefit, an annual benefit commencing on the Normal Retirement Date or, if later, the date of retirement in equal monthly installments for life in an annual amount equal to the sum of:

(i) one and twenty-five tenths percent (1.25%) of the Participant’s Final Average Earnings not in excess of such Participant’s Covered Compensation and one and one-half percent (1.50%) of any such excess, multiplied by such Participant’s Credited Service not in excess of twenty-five (25) years, plus

(ii) one and thirty-five tenths percent (1.35%) of the Participant’s Final Average Earnings not in excess of such Participant’s Covered Compensation and one and one-half percent (1.50%) of any such excess, multiplied by such Participant’s Credited Service between twenty-five (25) and thirty-five (35) years, plus

(iii) one and thirty-five tenths percent (1.35%) of the Participant’s Final Average Earnings multiplied by such Participant’s Credited Service in excess of thirty-five (35) years; and

(b) for all other Participants, an annual benefit payable to such Participants commencing on the Normal Retirement Date or, if later, the date of retirement in equal monthly installments for life in an annual amount equal to the sum of:

(i) one and twenty-five tenths percent (1.25%) (one and twenty tenths percent (1.20%), for Newly Hired Participants) of a Participant’s Final Average Earnings not in excess of such Participant’s Covered Compensation and one and one-half percent (1.50%) (one and sixty-five tenths percent (1.65%), for Newly Hired Participants) of any such excess, multiplied by such Participant’s Credited Service not in excess of thirty-five (35) years, plus

(ii) (only for Participants other than Newly Hired Participants) one-half of one percent (.50%) of a Participant’s Final Average Earnings multiplied by such Participant’s Credited Service in excess of thirty-five (35) years.

7.2 Special Rule. Anything in the Plan to the contrary notwithstanding, the Basic Retirement Amount of a Participant who retires on the Normal Retirement Date, an Early Retirement Date, or a Deferred Retirement Date shall not be less than the greatest Basic Retirement Amount to which such Participant would have been entitled if such Participant had
retired prior to the date of such Participant’s actual retirement. In addition, the Basic Retirement Amount of a Participant shall not be less than the amounts in subsections (a), (b) and (c) below:

(a) the Basic Retirement Amount to which such Participant would have been entitled had such Participant terminated employment on the earlier of the Participant’s actual date of termination or November 30, 1991 under the terms of the Plan in effect prior to September 16, 1991 (for Participants who are described in Code Section 414(q)(1)(A) or (B), the earlier of (a) a Participant’s actual date of termination or (b) the later of December 31, 1988 or the last day of the Plan Year in which such Participant was first so described, but no later than November 30, 1991).

(b) For a “Section 401(a)(17) employee,” the accrued benefit under the Plan will be the greater of the accrued benefit determined for such employee under (i) or (ii) below:

(i) the employee’s accrued benefit determined with respect to the benefit formula applicable for the Plan Year beginning on January 1, 1997, as applied to the employee’s total years of service taken into account under the Plan for the purposes of benefit accruals, or

(ii) the sum of (1) the employee’s accrued benefit as of the last day of the last Plan Year beginning on or after January 1, 1997, frozen in accordance with Treasury Regulations Section 1.401(a)(4)-13, and (2) the employee’s accrued benefit determined under the benefit formula applicable for the Plan Year beginning on or after January 1, 1997, as applied to the employee’s years of service credited to the employee for Plan Years beginning on or after January 1, 1997, for purposes of benefit accruals.

For purposes of this subsection (b), a “Section 401(a)(17) employee” means an employee who is not an Active Participant after December 31, 2001 and whose current accrued benefit as of a date on or after the first day of the first Plan Year beginning on or after January 1, 1997 is based on Compensation for a year beginning on or after January 1, 1997 that exceeded $150,000 (as adjusted for increases in the cost-of-living in accordance with Code Section 401(a)(17)(B)).

(c) Unless otherwise provided under the Plan, the Basic Retirement Amount of each Newly Hired Participant the terms of whose employment are not covered by a bargaining unit agreement, and of each Newly Hired Participant the terms of whose employment are covered by a bargaining unit agreement that has adopted this change, shall be frozen as of December 31, 2001, and such Participant shall from such date forward accrue his or her benefit using the formula applicable to Participants other than Newly Hired Participants, provided that such Participant’s Basic Retirement Amount shall not be less than such frozen amount. A Newly Hired Participant with a frozen benefit whose frozen benefit is less than such Basic Retirement Amount shall not be considered a Newly Hired Participant for purposes of Sections 4.2, 6.2, 6.4, 9.1, 9.2, or 9.3 of the Plan.

7.3 Maximum Benefit.

(a) General. Anything in the Plan to the contrary notwithstanding, in no case shall the maximum annual benefit payable from the Plan to a Participant commencing on his or her Normal Retirement Date, Early Retirement Date or Deferred Retirement Date or to a Spouse
pursuant to Article 9 hereof when combined with any benefits payable under any other “defined benefit plan” (as defined in Code Section 414(j)) maintained by an Employer or an Associate Company exceed the limit set forth in Code Section 415(b), which, for Plan Years ending after December 31, 2011, is the lesser of (i) $200,000, or (ii) one hundred percent (100%) of the Participant’s average Section 415 Compensation (including all amounts received from the Employer for services actually rendered) for the Participant’s high three (3) consecutive calendar years of service. For the purpose of calculating the maximum benefit, benefits attributable to a Participant’s own contributions shall not be taken into account. This limitation shall not apply to a Participant who experienced a severance from employment with the Employer (or, if earlier, an annuity starting date) and whose date of severance (or annuity starting date) was before the first day of the first Limitation Year ending after December 31, 2001. The foregoing maximum benefit shall be subject to adjustment as follows:

(i) The $200,000 limitation set forth in this Section 7.3 shall be subject to cost-of-living adjustments by the Secretary of the Treasury or his or her delegate pursuant to Code Section 415(d) and official guidance issued thereunder. Such adjustment shall apply to the Limitation Year ending with or within the calendar year of the effective date of such adjustment, but the Participant’s benefit shall not reflect the adjusted limit prior to January 1 of that calendar year. The adjusted limit for a Limitation Year shall not apply to a Participant who has experienced a severance from employment with the Employer (or, if earlier, an annuity starting date) and whose date of severance (an annuity starting date) is before the first day of the Limitation Year for which the adjustment is effective. The dollar limitation under this Section 7.3 shall be adjusted for age, service, and other factors in accordance with Code Section 415 and the Treasury Regulations thereunder, which are specifically incorporated by reference pursuant to Section 7.3(j).

(ii) In the case of a Participant who has completed less than ten (10) years of Credited Service, the maximum benefit shall be reduced by multiplying it by a fraction, the numerator of which is the Participant’s years of Credited Service and the denominator of which is ten (10).

(iii) If a Participant’s retirement benefits commence prior to age sixty-two (62), the maximum dollar limitation shall be the actuarial equivalent (using the actuarial assumptions described in the definition of Actuarial Equivalent; provided, however, that the interest rate assumption may not be less than five percent (5%)) of an annual benefit beginning at age sixty-two (62), as determined above, reduced for each month by which benefits commence before the month in which the Participant attains age sixty-two (62). Any decrease in the dollar limitation determined in accordance with this paragraph (iii) shall not reflect the mortality decrement to the extent that benefits will not be forfeited upon the death of the Participant.

(iv) If the Participant’s retirement benefits commence subsequent to age sixty-five (65), the maximum dollar limitation referred to above shall be increased actuarially (using the actuarial assumptions described in the definition of Actuarial Equivalent; provided, however, that the interest rate assumption may not exceed five percent (5%)) to reflect such late commencement. For these purposes, mortality between age sixty-five (65) and the age at which benefits commence shall be ignored.
If the mode of payment of a retirement benefit is other than a Straight Life Annuity (as provided in Sections 8.1(a) and 8.2(a) hereof) or a joint and survivor annuity (as provided in Sections 8.1(b) and 8.2(b) hereof), such other mode of payment shall be no greater than the Actuarial Equivalent (provided, however, that the interest rate assumption used for determining Actuarial Equivalent may not be less than five percent (5%)) of the maximum retirement benefit which is payable as a Straight Life Annuity. Notwithstanding the foregoing, if a benefit is payable in a form that is not subject to Code Section 417(e), then such form of benefit shall be adjusted to an actuarially equivalent Straight Life Annuity commencing at the same annuity starting date in accordance with Code Section 415 and the Treasury Regulations issued thereunder.

Notwithstanding the provisions of subsections (i), (ii), (iii), (iv) and (v) above, the maximum dollar limitation shall be adjusted if a participant’s benefit begins prior to age sixty-two (62) or after age sixty-five (65), or if the benefit is paid in any form other than a single life annuity or qualified joint and survivor annuity, in accordance with Code Section 415(b)(2) and any guidance issued thereunder, including final regulations under Code Section 415.

Notwithstanding the foregoing, so long as no Employer or Associate Company has ever maintained a “defined contribution plan” (as defined in Code Section 414(i)) in which the Participant has participated, the maximum benefit stated above shall not be deemed to be exceeded if the retirement benefits payable with respect to such Participant under the Plan and under any other “defined benefit plan” (as defined in Code Section 414(j)) maintained by an Employer or an Associate Company do not exceed $10,000 for the Plan Year and for any prior Year; provided that, in the case of a Participant who has completed less than ten (10) years of Credited Service, the $10,000 figure shall be adjusted in the manner provided in subsection (ii) above.

If a Participant is or has ever been covered under more than one (1) qualified defined benefit plan maintained by the Employer or a predecessor employer, then the sum of the Participant’s benefits from all such plans (whether or not terminated), when expressed as an Annual Benefit, shall not exceed the limitation prescribed by Section 7.3(a). If the sum of the benefits that a Participant would otherwise accrue would exceed the limitation prescribed by Section 7.3(a), then the Annual Benefit under the Plan shall be reduced to the extent necessary to satisfy the limitation in Section 7.3(a).

(b) In the case of a Participant prior to September 30, 1983, the maximum benefit shall not be less than the Participant’s Basic Retirement Amount as of September 30, 1983, and in the case of a Participant prior to January 1, 1987, the maximum benefit shall not be less than the Participant’s Basic Retirement Amount as of December 31, 1986.

(c) For purposes of subsections (a)(iii), (a)(iv) and a(v), the mortality table used to determine the Actuarial Equivalent of such benefit shall be the mortality table based on the prevailing commissioner’s standard table (described in Code Section 807(d)(5)(A)) used to determine reserves for group annuity contracts issued on the date such Actuarial Equivalent is being determined (effective on and after December 31, 2002, as set forth in Revenue Ruling 2001-62). For purposes of adjusting the amount of any benefit subject to Code Section 417(e)(3)
pursuant to Code Section 415, the interest rate assumption shall be the rate set forth in subsection (c) of the definition of Actuarial Equivalent herein. Notwithstanding the foregoing, if a benefit is payable in a form that is subject to Code Section 417(e), the form of benefit shall be adjusted to an actuarially equivalent Straight Life Annuity commencing at the same annuity starting date, computed in accordance with subsections (i) and (ii) below:

(i) If the annuity starting date of the Participant’s form of benefit is in a Plan Year beginning in 2004 or 2005, the greater of the amount determined using (A) the interest rate specified in the definition of Actuarial Equivalent herein and the mortality table (or other tabular factor) specified in the definition of Actuarial Equivalent herein for actuarial equivalence or (B) a five and five tenths percent (5.5%) interest rate and the applicable mortality table prescribed by Revenue Ruling 2001-62.

(ii) If the annuity starting date of the Participant’s form of benefit is in a Plan Year beginning on or after January 1, 2006, the greatest of the amount determined using (A) the interest rate specified in the definition of Actuarial Equivalent herein and the mortality table (or other tabular factor) specified in the definition of Actuarial Equivalent herein for actuarial equivalence; (B) a five and five tenths percent (5.5%) interest rate and the applicable mortality table specified in the definition of Actuarial Equivalent herein; or (C) the applicable interest rate specified in the definition of Actuarial Equivalent herein and the applicable mortality table specified in the definition of Actuarial Equivalent herein, divided by one and five hundredths (1.05).

For purposes of adjusting any benefit subject to Code Section 415, the mortality table shall be the mortality table prescribed by the Secretary of the Treasury pursuant to Code Section 417(e)(3)(B), as described in subsection (c) of the definition of Actuarial Equivalent herein.

(d) The term “Section 415 Compensation” shall mean wages, salaries, and fees for professional services and other amounts received (without regard to whether an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer maintaining the Plan to the extent that the amounts are includible in gross income, including, but not limited to, commissions paid to salespersons, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements, or other expense allowances under a nonaccountable plan (as described in Treasury Regulations Section 1.62-2(c)), and excluding the following:

(i) Employer contributions (other than elective contributions described in Code Section 402(e)(3), 408(k)(6), 408(p)(2)(A)(i), or 457(b)) to a plan of deferred compensation (including a simplified employee pension or a simple retirement account described in Code Section 408(p)), to the extent such contributions are not includible in the Employee’s gross income for the taxable year in which contributed, and any distributions (whether or not includible in gross income) from a plan of deferred compensation;

(ii) amounts realized from the exercise of a nonstatutory stock option or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
(iii) amounts realized from the sale, exchange or other disposition of stock acquired under a statutory stock option;

(iv) other amounts that receive special tax benefits, such as premiums for group term life insurance (but only to the extent that the premiums are not includible in the gross income of the Employee and are not salary reduction amounts that are described in Code Section 125); and

(v) other items of remuneration that are similar to any of the items listed in (i) through (iv).

(e) For any self-employed individual, the term “Section 415 Compensation” shall mean earned income.

(f) Except as set forth in Section 7.3(d), Section 415 Compensation for a Limitation Year is the Compensation actually paid or made available during such Limitation Year. For Limitation Years beginning after December 31, 1997, this includes amounts that would be included in income but for an election under Code Section 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b), and for Limitation Years beginning after December 31, 2000, this includes amounts not includible in income by reason of Code Section 132(f)(4). For Limitation Years beginning after December 31, 2001, amounts under Code Section 125 shall not include any amounts not available to a Participant in cash in lieu of group health coverage because the Participant is unable to certify that he or she has other health coverage. An amount will be treated as an amount under Code Section 125 only if the Employer does not request or collect information regarding the Participant’s other health coverage as part of the enrollment process for the Employer’s health plan. For Limitation Years beginning on or after July 1, 2007, “Section 415 Compensation” includes the following additional amounts paid after the Limitation Year:

(i) Amounts earned but not paid, solely because of the timing of pay periods and pay dates, until the first few weeks of the next Limitation Year, provided such amounts are not included in the following Limitation Year.

(ii) Amounts paid to an Employee within two and one-half (2½) months after the Employee’s severance from employment date, or, if later, the end of the Limitation Year that includes the Employee’s severance from employment date, that would have been Section 415 Compensation if paid during the Limitation Year, provided that (A) the payment is regular compensation for services that would have been paid to the Employee if he or she had continued in employment with the Employer, (B) the payment is for unused accrued bona fide sick, vacation or other leave that the Employee would have been able to use if employment had continued, or (C) the payment is received by the Employee pursuant to a nonqualified unfunded deferred compensation plan and would have been paid at the same time if employment had continued, but only to the extent includible in gross income.

(iii) Amounts paid to (A) an individual who does not currently perform services for the Employer by reason of qualified military service (as defined in Code Section 414(u)(1)) to the extent these payments do not exceed the amounts the individual
would have received if he or she had continued to perform services for the Employer rather than entering qualified military service; or (B) a Participant who is permanently and totally disabled, as defined in Code Section 22(e)(3), provided that salary continuation applies to all Participants who are permanently and totally disabled for a fixed or determinable period, or the Participant was not a highly compensated employee, as defined in Code Section 414(q), immediately before becoming disabled.

(iv) Back pay, as defined in Treasury Regulations Section 1.415(c)-2(g)(8), shall be treated as Section 415 Compensation for the Limitation Year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included in the definition of Section 415 Compensation.

Effective January 1, 2009, differential wages, as defined by Code Section 3401(h), shall be treated as Section 415 Compensation.

(g) Section 415 Compensation shall not include amounts paid as compensation to a nonresident alien, as defined in Code Section 7701(b)(1)(B), who is not a Participant in the Plan, to the extent the compensation is excludable from gross income and is not effectively connected with the conduct of a trade or business within the United States.

(h) The term “Section 415 Compensation” for any Limitation Year shall not reflect compensation in excess of the limitation under Code Section 401(a)(17) that applies to such Limitation Year.

(i) Other Definitions.

(i) “Annual Benefit” shall mean a benefit that is payable annually in the form of a Straight Life Annuity, and shall include social security supplements described in Code Section 411(a)(9) and benefits transferred from another defined benefit plan (other than transfers of distributable benefits from a plan not maintained by the Employer), and shall exclude Employee contributions and rollover contributions. A benefit payable in any form other than a Straight Life Annuity shall be adjusted to a Straight Life Annuity that begins at the same time as such other form and is payable on the first day of each month as set forth in Section 7.3(c), before applying the limitations of this Section 7.3, provided that no adjustment shall be made for (A) survivor benefits payable under a qualified joint and survivor annuity (as defined in Code Section 417(b)) to the extent not payable if the Participant’s benefit were paid in another form, (B) ancillary benefits not directly related to retirement benefits, or (C) automatic benefit increases defined in Treasury Regulations Section 1.415(b)-1(c)(5). For a Participant with benefits commencing on more than one annuity starting date, the Annual Benefit (and satisfaction of this Section 7) shall be determined as of each such annuity starting date, actuarially adjusted for past and future distributions commencing at other annuity starting dates. The existence of multiple annuity starting dates shall be determined in accordance with Treasury Regulations Section 1.415(b)-1(b)(1)(iii), and without regard to Treasury Regulations Section 1.401(a)-20, Q&A 10(d).
(ii) “Highest Average Compensation” shall mean the average of a Participant’s Compensation for the period of consecutive calendar years up to three (3) during which the Participant had the greatest aggregate compensation from the Employer.

(iii) “Limitation Year” shall mean the calendar year.

(j) Incorporation by Reference. Notwithstanding any other provision in the Plan, the Annual Benefit accrued, distributed, or otherwise made payable in any form under the Plan with respect to a Participant, in any Limitation Year, shall not exceed the applicable limitations under Code Section 415 and Treasury Regulations and other official guidance issued thereunder, the terms of which are expressly incorporated herein by reference. Default provisions shall apply to the extent an optional provision is not specified in the Plan. This Section 7.3(j) shall supersede any and all provisions of the Plan that are inconsistent with this Section 7.3(j).

7.4 Limitation on Benefit Accruals. Anything in the Plan to the contrary notwithstanding, no Highly Compensated Employee shall accrue a benefit under the Plan for any Plan Year beginning on or after January 1, 1994 if the Plan does not satisfy a safe harbor set forth in Treasury Regulations Section 1.401(a)(4)-3(b) for such Plan Year, to the extent that such accrual would cause the Plan to fail the general test set forth in Treasury Regulations Section 1.401(a)(4)-3(c) for such Plan Year. Effective for Limitation Years beginning on or after July 1, 2007, if the benefit that a Participant would otherwise accrue in a Limitation Year would produce an Annual Benefit in excess of the limitation prescribed by Section 7.3(a), then the rate of accrual shall be frozen or reduced to the extent necessary to comply with said limitation.

7.5 Reduction of Basic Retirement Amount. In the event that Mandatory Employee Contributions are withdrawn by a Participant on or after January 1, 1976, the portion of the Basic Retirement Amount attributable to periods during which Mandatory Employee Contributions were made shall be reduced in proportion to such amounts withdrawn.

7.6 Funding-Based Limitations. The provisions of this Section 7.6 describe the funding-based limitations and are subject to the definitions set forth in 7.6(e).

(a) Unpredictable Contingent Event Benefits.

(i) Notwithstanding any provision in the Plan to the contrary, the Plan may not pay any Unpredictable Contingent Event Benefit with respect to any event occurring during any Plan Year if the Adjusted Funding Target Attainment Percentage for the Plan Year—

(A) is less than sixty percent (60%); or

(B) would be less than sixty percent (60%) after taking such occurrence into account.

(ii) Section 7.6(a)(i) shall cease to apply with respect to a Plan Year, effective as of the first day of the Plan Year, upon payment by the Company of a contribution (in addition to any minimum required contribution under Code Section 430) equal to:
(A) in the case of Section 7.6(a)(i)(A), the amount of the increase in the Plan’s funding target under Code Section 430 for the Plan Year that is attributable to the event referenced in Section 7.6(a)(i); and

(B) in the case of Section 7.6(a)(i)(B), the amount sufficient to result in an Adjusted Funding Target Attainment Percentage of sixty percent (60%).

(b) Limits on Plan Amendments.

(i) No amendment that has the effect of increasing Plan liability by increasing benefits, establishing new benefits, changing the rate of benefit accrual, or accelerating vesting may take effect during any Plan Year if the Adjusted Funding Target Attainment Percentage for the Plan Year—

(A) is less than eighty percent (80%); or

(B) would be less than eighty percent (80%) after taking such amendment into account.

(ii) Section 7.6(b)(i) shall not apply to any amendment that—

(A) increases benefits solely with respect to future periods;

(B) increases benefits under a formula that is not based on a Participant’s compensation, but only if the rate of increase is not greater than the contemporaneous rate of increase in average wages of Participants covered by the amendment, measured since the effective date of the most recent benefit increase applicable to all such Participants; or

(2) accelerates vesting only to the extent required by the Code or ERISA.

(iii) Section 7.6(b)(i) shall cease to apply upon payment by the Company of a contribution (in addition to any minimum required contribution under Code Section 430) equal to:

(A) in the case of Section 7.6(b)(i)(A), the amount of the increase in the Plan’s funding target under Code Section 430 for the Plan Year that is attributable to the amendment; and

(B) in the case of Section 7.6(b)(i)(B), the amount sufficient to result in an Adjusted Funding Target Attainment Percentage of eighty percent (80%).
(c) **Limits on Accelerated Benefit Distributions.**

(i) Notwithstanding any provision in the Plan to the contrary, the Plan may not make any distribution under any payment option that includes a Prohibited Payment with an Annuity Starting Date on or after the applicable measurement date (as determined under Code Section 436) if—

(A) the Plan’s Adjusted Funding Target Attainment Percentage for the Plan Year is less than sixty percent (60%); or

(B) the Company is a debtor in a case under Title 11, United States Code, or similar federal or state law, except for payments with an Annuity Starting Date on or after the Plan’s enrolled actuary certifies that the Plan’s Adjusted Funding Target Attainment Percentage for the Plan Year is not less than one hundred percent (100%).

If a distribution option that is otherwise available under the Plan is not available to a Participant or Beneficiary as a result of the limit described in this Section 7.6(c)(i), such Participant or Beneficiary may elect another distribution option available under the Plan that does not include a Prohibited Payment or may defer distribution of his or her benefit to a later date (but not later than the latest commencement date permitted under the Plan).

(ii) **Partial Prohibited Payments.**

(A) Notwithstanding any provision in the Plan to the contrary, if Section 7.6(c)(i) does not apply and if the Plan’s Adjusted Funding Target Attainment Percentage is at least sixty percent (60%), but less than eighty percent (80%), the Plan shall not make any distribution under any payment option that includes a Prohibited Payment with an Annuity Starting Date on or after the applicable measurement date (as determined under Code Section 436) if the amount of such payment would exceed the lesser of:

(I) fifty percent (50%) of the Actuarial Equivalent present value (determined using the interest and mortality assumptions described in subsection (c) of the definition of Actuarial Equivalent herein) of the amount that would have been payable under the payment option that includes the Prohibited Payment without regard to the limitations described in this Section 7.6(c)(ii); or

(II) the Actuarial Equivalent present value (determined under guidance prescribed by the Pension Benefit Guaranty Corporation using the interest and mortality assumptions described in subsection (c) of the definition of Actuarial Equivalent herein) of the maximum guaranteed benefit under ERISA Section 4022 for the Plan Year in which the Annuity Starting Date occurs.
(B) If a distribution option that is otherwise available under the Plan is not available to a Participant as a result of the limit described in this Section 7.6(c)(ii), the Participant or Beneficiary may elect to—

(I) defer payment to a later date (but not later than the latest commencement date permitted under the Plan);

(II) commence distribution under any other available distribution option that does not include a Prohibited Payment; or

(III) receive the Unrestricted Portion of his or her benefit in the form of payment that includes a Prohibited Payment and the remainder of his or her benefit under any other distribution option available under the Plan that does not include a Prohibited Payment.

(d) Limits on Accruals.

(i) Notwithstanding any provision in the Plan to the contrary, if the Plan’s Adjusted Funding Target Attainment Percentage for a Plan Year is less than sixty percent (60%), benefit accruals under the Plan shall cease as of the applicable measurement date, as determined under Code Section 436.

(ii) Section 7.6(d)(i) shall cease to apply with respect to a Plan Year, effective as of the first day of the Plan Year, upon payment by the Company of a contribution (in addition to any minimum required contribution under Code Section 430) that is sufficient to result in an Adjusted Funding Target Attainment Percentage of sixty percent (60%), as determined under Code Section 436.

(e) Definitions. For purposes of this Section 7.6, the following terms shall have the meanings set forth below:

(i) “Adjusted Funding Target Attainment Percentage” means the amount determined in accordance with Code Section 436(j), including any applicable adjustments described in Code Section 436(f) and any applicable presumptions under Code Section 436(h).

(ii) “Annuity Starting Date” means:

(A) the first day of the first period for which an amount is paid as an annuity as described in Code Section 417(f)(2)(A)(i);

(B) in the case of a benefit not payable in the form of an annuity, the annuity starting date for the Fifty Percent (50%) Joint and Survivor Annuity that is payable under the Plan at the same time as such benefit;
in the case of an amount payable under a retroactive annuity starting date, the benefit commencement date (instead of the date in subsections (ii)(A) and (B) above);

(D) the date of purchase of an irrevocable commitment from an insurer to pay benefits under the Plan; and

(E) the date of any transfer described in Section 7.6(e)(iii)(C).

(iii) “Prohibited Payment” means:

(A) any payment in excess of the monthly amount payable under a single life annuity (plus a Social Security supplement described in Code Section 411(a)(9)) to a Participant or Beneficiary whose Annuity Starting Date occurs during any period in which the limits described in Section 7.6(c)(ii) are in effect;

(B) any payment for the purchase of an irrevocable commitment from an insurer to pay benefits;

(C) any transfer of assets and liabilities to another plan maintained by the Company or an Affiliate that is made to avoid or terminate any benefit limitations under Code Section 436; and

(D) any other payment designated in applicable regulations or other guidance as a Prohibited Payment.

Notwithstanding the preceding provisions, a lump sum payment that does not exceed the amount that can be distributed under Code Section 411(a)(11) without the consent of the Participant shall not be treated as a Prohibited Payment.

(iv) “Unpredictable Contingent Event Benefit” means any benefit or increase in benefits to the extent such benefit or increase would not be payable but for the occurrence of a plant shutdown (or similar event) or an event other than the attainment of any age, performance of any service, receipt or derivation of any compensation, or the occurrence of death or disability.

(v) “Unrestricted Portion” means generally the lesser of:

(A) fifty percent (50%) of the benefit amount that would have been payable as of the Annuity Starting Date without regard to the limitation described in Section 7.6(c)(ii); or

(B) the amount determined under Section 7.6(c)(ii)(A)(II) above.

With respect to The Level Income Option, the Unrestricted Portion means the amount that would be payable in such form as of the Annuity Starting Date with respect to fifty
percent (50%) of the Participant’s or Beneficiary’s accrued benefit, reduced (if necessary) so that the Actuarial Equivalent present value of such distribution (as determined in accordance with Section 7.6(c)(ii)(A)(II)) does not exceed the maximum guaranteed benefit under ERISA Section 4022 for the Plan Year in which the Annuity Starting Date occurs.

(f) Application and Construction. The limitations described in this Section 7.6 shall be applied and construed in accordance with Code Section 436, related regulations, and any other applicable guidance issued pursuant to Code Section 436, including, but not limited to, any rules, regulations, or guidance related to the duration of such limitations and methods for avoiding or terminating such limitations.
ARTICLE 8
PAYMENT OF BASIC RETIREMENT AMOUNT

8.1 Normal Form of Payment. Unless a different form of payment provided by this Article 8 is elected pursuant to Section 8.2 or payments are made pursuant to Section 17.7:

(a) Participants Without a Spouse and No Same-Sex Life Partner. A Participant who neither has a Spouse nor a Same-Sex Life Partner on the Benefit Commencement Date shall receive retirement benefits determined pursuant to Article 6 in the form of a Straight Life Annuity for his or her life, providing no death benefit, except as provided under Section 6.10 of the Plan; and

(b) Participants with a Spouse or Same-Sex Life Partner. A Participant who has a Spouse or, effective November 1, 2006, who has a Same-Sex Life Partner, on the Benefit Commencement Date shall receive the Actuarial Equivalent of the retirement benefits determined pursuant to Article 6 in the form of a Fifty Percent (50%) Joint and Survivor Annuity with the Participant’s Spouse or Same-Sex Life Partner, if applicable, as the automatic Beneficiary, unless such surviving Spouse or Same-Sex Life Partner has provided Consent in accordance with Section 8.4 to the designation by the Participant of any other Beneficiary or by election of an optional form of payment or, effective January 1, 2008, an Optional Joint and Survivor Annuity under Section 8.4.

8.2 Optional Forms of Payment. In accordance with the election procedure specified in Section 8.4, a Participant may, by Notice to the Administrator, elect to receive the Actuarial Equivalent of the retirement benefits determined pursuant to Article 6 in any of the following forms:

(a) Straight Life Annuity Option: Under the Straight Life Annuity Option benefits shall be payable to the Participant in equal monthly installments for life.

(b) Contingent Annuitant Option: Under the Contingent Annuitant Option benefits shall be payable to the Participant in equal monthly installments for life, and, upon the Participant’s death, benefit payments shall be continued to the Participant’s Contingent Annuitant for life in the same amount or a lesser amount, as specified by the Participant. Such lesser amount shall be seventy-five percent (75%), sixty-six and two thirds percent (66⅔%), or fifty percent (50%) of the amount of each monthly installment paid to the Participant. Any election under this Section 8.2(b) shall be subject to the provisions of (i), (ii) and (iii) below.

(i) Except as provided in Article 9, if a Participant elects the Contingent Annuitant Option and dies prior to his or her Benefit Commencement Date, the Contingent Annuitant shall not be entitled to any retirement benefits under the Plan. Notwithstanding the foregoing, where a Participant elects a Contingent Annuitant option and dies following termination of employment but prior to the Participant’s Benefit Commencement Date, either (1) the Participant’s Spouse (or, effective November 1, 2006, his or her Same-Sex Life Partner) shall receive a pre-retirement survivor annuity or (2) the Participant’s Spouse and/or Contingent Annuitants shall receive post-retirement spousal benefits and/or survivor annuities, as applicable, in accordance with the
Participant’s election, whichever option provides the highest aggregate Actuarial Equivalent value for such persons.

(ii) If a Participant elects the Contingent Annuitant Option and the Contingent Annuitant dies before the Participant dies, but such Contingent Annuitant’s death occurs on or after the Participant’s Benefit Commencement Date, the amount of the benefit payments to the Participant as determined pursuant to this Option shall remain unchanged.

(iii) If a Participant elects the Contingent Annuitant Option and the Contingent Annuitant dies before the Participant dies, but such Contingent Annuitant’s death occurs before the Participant’s Benefit Commencement Date, the election of the Contingent Annuitant Option shall automatically be revoked.

(c) Ten-Year Certain and Life Option: Under the Ten-Year Certain and Life Option benefits shall be payable to the Participant in equal monthly installments for life with the guarantee that payments shall be made for at least one hundred twenty (120) months. The following rules shall apply in the event of the Participant’s death.

(i) If the Participant dies before receiving payments for one hundred twenty (120) months, the monthly installments shall be paid to the Participant’s primary Beneficiary for the remainder of the guaranteed period.

(ii) If the Participant dies leaving no surviving primary Beneficiary or if the primary Beneficiary dies before payments for the guaranteed period have been completed, the monthly installments shall be paid to the Participant’s contingent Beneficiary for the remainder of the guaranteed period.

(iii) If the Participant dies leaving no surviving primary or contingent Beneficiary, the Actuarial Equivalent of such remaining payments shall be paid in a lump sum to the Participant’s estate. If the primary and contingent Beneficiaries die before such payments for the guaranteed period have been completed, the Actuarial Equivalent of such remaining payments shall be paid to the estate of the last surviving Beneficiary.

The election of a Ten-Year Certain and Life Option shall be void and of no effect if the Participant dies prior to the Benefit Commencement Date or if prior to such Benefit Commencement Date the Beneficiary dies and no other Beneficiary designation is then in effect, and benefit payments, if any, shall then be payable pursuant to Article 9.

(d) Level Income Option: Under the Level Income Option benefits shall be payable monthly to the Participant for life in amounts adjusted so that, insofar as it is practicable, such Participant shall receive level combined payments for life under the Plan and the Social Security Act, as in effect at the date of the Participant’s termination of employment. The amount of the Participant’s monthly payments prior to the commencement of payment of primary benefits under the Social Security Act shall be increased, and the amount of the monthly payments after such commencement shall be reduced, on a basis determined by the Administrator.
The Level Income Option is available only to Participants who retire on an Early Retirement Date. For the purpose of this Option, a Participant shall designate a Social Security date, which shall be the first day of the month coinciding with or next following either his or her Social Security Retirement Age or attainment of the earliest age at which he or she may become entitled to an old-age insurance benefit under the Social Security Act as constituted on his or her Benefit Commencement Date. A Participant may not, after his or her Benefit Commencement Date, revoke his or her election of this Option, change the Social Security date designated by him or her or otherwise change the provisions of this election in any way.

(e) Options with Spouse’s Benefit: To the extent a Participant elects (or is deemed to have elected) pursuant to this subsection (e) one of the forms of payment described in subsections (a) through (d) above, or under Section 8.1(b) above, and the requirements of Section 9.2 are satisfied, an eligible Spouse or Same-Sex Life Partner of a Participant shall be entitled to a Spouse’s Benefit in accordance with Section 9.2. As described under Section 9.2(b), if a Participant elects one of the forms described under Section 8.2(b) and the Contingent Annuitant is the Participant’s Spouse (or effective November 1, 2006, his or her Same-Sex Life Partner), the Spouse’s Benefit shall only result in an actuarial adjustment used to compute the form of payment as described in Section 9.2(b).

(f) Restrictions on Options: In no event may the Participant elect payment in the form of a lump sum (except as set forth in the applicable addendum attached hereto) or a period certain option for a period greater than one of the following periods prior to the commencement of payments, whichever is applicable: (i) the life expectancy of the Participant or (ii) the sum of the joint life and last survivor expectancy of the Participant and his designated Beneficiary.

(g) Required Distributions upon Death. Effective for calendar years beginning with the 2003 calendar year, if the Participant dies prior to receiving all benefits to which he or she may be entitled, the Participant’s benefits (or the remaining portion of such benefits if distribution thereof has already commenced) shall be distributed within five (5) years after the death of the Participant. The preceding sentence shall not apply, however, if:

(i) the distribution of the Participant’s benefits has already commenced and is being paid in accordance with the Contingent Annuitant Option or in a series of installments over a period permitted pursuant to the preceding paragraph;

(ii) the distribution of the Participant’s benefits is to be paid to the Participant’s surviving Spouse over a period certain not longer than the life expectancy of such Spouse and such distributions begin no later than the date the Participant would have attained age seventy and one-half (70½); or

(iii) with respect to any portion of the Participant’s benefits which are payable to or for the benefit of a designated Beneficiary, if such portion will be distributed over a period not extending beyond the life expectancy of such beneficiary and such distributions begin not later than one (1) year after the date of the Participant’s death (or such later date as the Secretary of the Treasury may by regulations prescribe).
(iv) If the surviving Spouse referred to in (ii) above dies before distributions to such Spouse begin, (iii) above shall be applied as if the surviving Spouse were the Participant. The foregoing sentence shall not apply if the Participant dies and leaves a surviving Same-Sex Life Partner. Any amount paid to a child shall be treated as if paid to the surviving Spouse of the Participant if such amount will become payable to the surviving Spouse upon such child reaching majority (or other designated event permitted under Treasury Regulations).

With respect to distributions made in the 2002 calendar year, the Plan will apply the minimum distribution requirements of Code Section 401(a)(9) in accordance with the regulations proposed by the Internal Revenue Service on January 17, 2001, notwithstanding any provision of the Plan to the contrary. Required minimum distributions made in calendar years beginning with the 2003 calendar year will be determined and made in accordance with Treasury Regulations Sections 1.401(a)(9)-1 through 1.401(a)(9)-9, including the modifications made to such sections that were published in the Federal Register on April 17, 2002 and June 15, 2004.

8.3 General Limitation. The forms of payment described in Section 8.2 shall be so limited that the present value of the payments to be made to the Participant, determined as of the Benefit Commencement Date, shall be more than fifty percent (50%) of the present value of the total payments to be made to the Participant and Contingent Annuitant or Beneficiary, determined as of said date.

8.4 Election Procedure.

(a) Notice Requirements. An election by a Participant to select an Optional Joint and Survivor Annuity or an Optional Form of Payment under Section 8.2 shall be made, and may be revoked, by Notice to the Administrator by a Participant at any time within the one hundred eighty (180) day period prior to such Participant’s Benefit Commencement Date. The Administrator shall furnish to a Participant, by personal delivery or mail, within one hundred eighty (180) days before his or her Benefit Commencement Date, the information set forth in Section 8.4(c) in written nontechnical language.

(b) Selection of an Optional Form of Payment During the Applicable Period. The period during which a Participant may make an election pursuant to Section 8.2 (including, effective January 1, 2008, an election of an Optional Joint and Survivor Annuity) is the one hundred eighty (180) day period ending on such Participant’s Benefit Commencement Date; provided, however, that if the Participant requests the additional information described in subsection (c), the election period shall be extended, if necessary, to include the sixty (60) day period following the day on which such additional information is personally delivered or mailed to the Participant. In the event the election period is extended, the commencement of the Participant’s benefit shall be delayed, if necessary, until the end of the extended election period.

An election under this Section must specify the form of benefit, and, if applicable to the elected optional form of payment, the Beneficiary (or primary and contingent beneficiaries, in the case of the Ten-Year Certain and Life Option). Subject to subsection (d), an election may be revoked by a Participant in writing during the election period, and after any such revocation, another election may be made during the election period.
After the explanation described in subsection (b) has been furnished, a Participant shall have at least thirty (30) days to make an election; provided, however, that a Participant’s Benefit Commencement Date may be less than thirty (30) days after such explanation has been furnished if the following conditions are met:

(i) The Administrator has informed such Participant, in writing, of his or her right to a period of at least thirty (30) days to make such election,

(ii) The Participant affirmatively elects to have distribution of his or her benefit commence,

(iii) The Participant is permitted to revoke such affirmative election at least until the Benefit Commencement Date, or, if later, at any time prior to the expiration of the seven (7) day period that begins the day after such written explanation is furnished to the Participant,

(iv) The Benefit Commencement Date is after the date such written explanation is provided to the Participant, and

(v) Distribution in accordance with such affirmative election does not commence before the expiration of the seven (7) day period that begins the day after the date such written explanation is provided to the Participant.

(c) Written Explanation. The Administrator shall furnish each Participant with a written explanation of:

(i) The terms and conditions of the normal form of benefit for a married Participant under Section 8.1(b) and, effective January 1, 2008, of the Optional Joint and Survivor Annuity;

(ii) The circumstances in which it will be provided unless the Participant has elected not to receive his or her benefits in the normal form;

(iii) The Participant’s right to make the election described in subsection (a);

(iv) The right of the Participant’s Spouse (or Same-Sex Life Partner, if any, effective November 1, 2006) to provide Consent to the election described in subsection (a);

(v) The right to make, and the effect of, a revocation of an Optional Form of Payment under subsection (a) or an Optional Joint and Survivor Annuity;

(vi) The relative financial effect on the Participant’s benefit of such an election;

(vii) The eligibility requirements, material features and relative values of the optional forms of benefit described in Section 8.2; and
(viii) The availability of the additional information described in subsection (d).

The written explanation shall be delivered or mailed (first-class mail, postage prepaid) not less than thirty (30) days nor more than one hundred eighty (180) days before the Benefit Commencement Date.

(d) Special Written Request from Participant. The Administrator shall furnish to a Participant upon receipt of a written request within the sixty (60) day period following the date on which the written explanation described in subsection (c) is mailed or personally delivered to the Participant, a further written explanation in nontechnical language of the terms and conditions of the normal form of benefit for a married participant under Section 8.1(b) and the financial effect, in terms of dollars per annuity payment, upon the particular Participant’s benefit of making the election described in subsection (a). The Administrator need not comply with more than one (1) such request made by a particular Participant. The explanation described herein shall be personally delivered or mailed (first-class mail, postage prepaid) to the Participant within thirty (30) days from the date of the Participant’s written request.

(e) Consent by Spouse/Same-Sex Life Partner. An election by a Participant under subsection (a) shall not be effective unless the Spouse (or, effective November 1, 2006, the Same-Sex Life Partner) of the Participant provides Consent, in writing, to such election within the applicable election period, and the Consent acknowledges the effect of such election and is witnessed by a notary public. A Consent by a Spouse or Same-Sex Life Partner under this Section shall be effective (only with respect to such Spouse or Same-Sex Life Partner) upon delivery thereof to the Plan. A Spouse or Same-Sex Life Partner may not revoke Consent to a specific waiver of the normal form of benefit for a married participant under Section 8.1(b). A revocation of an election by a Participant under subsection (a) does not require Spouse or Same-Sex Life Partner Consent.

8.5 Withdrawal of Employee Contributions. A Participant who terminates employment with the Employer other than by retirement may elect by Notice to the Administrator to withdraw the accumulated Employee Contributions plus Credited Interest held on his or her behalf under the Plan prior to the Benefit Commencement Date.
ARTICLE 9
SPOUSE’S BENEFIT

9.1 Spouse’s Benefit for Participant Who Dies While an Employee. If a Participant is married or has a Same-Sex Life Partner and dies on or before the Normal Retirement Date while he or she is an Employee and after having completed at least five (5) Years of Vesting Service, such Participant’s Spouse, or Same-Sex Life Partner, if then surviving and eligible, shall be entitled to receive benefit payments commencing on the first day of the month following the Participant’s death, or as otherwise provided below, in the form of equal monthly installments of the amount determined as follows:

(a) Employee Age Fifty-Five (55) or Older with Between Ten (10) and Twenty (20) Years of Credited Service. In the case of a Participant who is age fifty-five (55) or older, has completed at least ten (10) but less than twenty (20) years of Credited Service, and dies while an Employee, his or her Spouse or Same-Sex Life Partner shall be entitled to a death benefit equal to the amount of each monthly installment that he or she would have received if the Participant had retired on an Early Retirement Date on the first day of the month coinciding with or next following the date of his or her death, elected to receive benefits under Section 8.2(e) in the form of a Contingent Annuitant Option with a one hundred percent (100%) survivor annuity with the Participant’s surviving Spouse (or Same-Sex Life Partner, if applicable) as Contingent Annuitant, such benefit commencing on the first day of the month coinciding with or next following retirement, and died on the following day.

(b) Employee Age Forty-Five (45) or Older with at Least Twenty (20) Years of Credited Service. In the case of a Participant who is age forty-five (45) or older, who has completed at least twenty (20) years of Credited Service, and dies while an Employee, his or her Spouse (or Same-Sex Life Partner, if applicable) shall be entitled to a benefit equal to the same as the amount determined pursuant to subsection (a) above except that:

(i) there shall be no adjustment under Section 6.2 for the fact that the Benefit Commencement Date is prior to the Participant’s Normal Retirement Date, and

(ii) in the case of the Participant who was at least age forty-five (45) but less than age fifty-five (55) at his or her date of death, the Spouse’s Benefit described in Section 9.2 shall not be applicable.

(c) Other Vested Participants. In the case of a Participant who has completed at least five (5) Years of Vesting Service and dies while an Employee, and before:

(i) attaining age fifty-five (55) and completing ten (10) years of Credited Service, or

(ii) attaining age forty-five (45) and completing twenty (20) years of Credited Service,

his or her Spouse (or Same-Sex Life Partner, if applicable) shall be entitled to a death benefit that would be payable to him or her if the Participant had:
(A) separated from service on the date of death,

(B) survived to the Earliest Retirement Age,

(C) retired and elected to receive benefits in the form of a Fifty percent (50%) Joint and Survivor Annuity commencing at the Earliest Retirement Age, and

(D) died on the day after the Earliest Retirement Age.

For purposes of this Section 9.1(c), a surviving Spouse (or Same-Sex Life Partner, if applicable) shall begin to receive payments at the later of (I) the first day of the month coinciding with or next following the date of the Participant’s death, or (II) the Earliest Retirement Age, unless such surviving Spouse (or Same-Sex Life Partner, if applicable) elects a later date. A Spouse (or Same-Sex Life Partner, if applicable) shall be considered eligible for the purpose of this Section 9.1 only if the Spouse (or Same-Sex Life Partner, if applicable) shall have been married to the Participant, or registered with the Administrator as a Same-Sex Life Partner, throughout the one (1) year period ending on the date of the Participant’s death.

9.2 Spouse’s Benefit of Retirees.

(a) Eligibility for Benefit. A Spouse’s Benefit shall be paid to an eligible surviving Spouse (or eligible Same-Sex Life Partner, if applicable) of a Participant, as set forth in subsections (b) and (c) below; provided that the Participant:

(i) retires under the provisions of the Plan at an Early Retirement Date, a Normal Retirement Date, or a Deferred Retirement Date after attaining at least age fifty (50) and completing ten (10) or more years of Credited Service (or as otherwise applicable), and

(ii) selects (or is deemed to have selected) a form of benefit as described under Section 8.2(e), and

(iii) dies after his or her Benefit Commencement Date.

The death benefit shall commence on the first day of the month following the Participant’s death in equal monthly installments for life (or at such other time when any survivor benefit payable under the form selected in Article 8 for a period less than life is reduced to an amount that is less than the amount of the death benefit provided under this Section 9.2);

(b) If a Participant who satisfies the terms of subsection (a) above selects (or is deemed to have selected, including a deemed selection pursuant to Section 9.1(a)) a benefit in the form specified under Section 8.2(e) with respect to the benefits payable under Section 8.1(b) or 8.2(b) and the Contingent Annuitant is the Participant’s Spouse or Same-Sex Life Partner, the Spouse’s Benefit described in subsection (a) shall be applied as an offset to the actuarial reduction made to the amount of the monthly installments payable under such form to the Participant and his Spouse or Same-Sex Life Partner. The adjustment to the actuarial factors is intended to satisfy the requirements of subsection (d). Notwithstanding the foregoing, the
benefits of an eligible surviving Spouse (or Same-Sex Life Partner, if applicable) who was more than ten (10) years younger than the Participant shall be actuarially adjusted to take into account the extent to which such Spouse (or Same-Sex Life Partner, if applicable) was more than ten (10) years younger than such Participant.

(c) If a Participant who satisfies the terms of subsection (a) above selects (or is deemed to have selected) a benefit under Section 8.2(e) with respect to benefits payable in a form other than the forms specified in Sections 8.1(b) and 8.2(b) with the Participant’s Spouse or Same-Sex Life Partner as Contingent Annuitant, then an eligible Spouse or eligible Same-Sex Life Partner shall receive a death benefit equal to the Actuarial Equivalent of one-third (1/3rd) of the amount of each monthly installment that would have been paid to the Participant commencing on the Participant’s Benefit Commencement Date if he or she had elected the Straight Life Annuity Option. For purposes of this Section 9.2(c), a Spouse or Same-Sex Life Partner shall be considered “eligible” for the Spouse’s Benefit only if the Spouse (or Same-Sex Life Partner, if applicable) is married to (or Same-Sex Life Partner, if applicable, is registered with) the Participant on the Participant’s Benefit Commencement Date and on the Participant’s date of death.

(d) The provisions of this Section 9.2 shall not in any way restrict the rights of a Participant to elect one of the options provided for in Section 8.2, except that in no event shall the Spouse or Same-Sex Life Partner of a Participant receive monthly installments of more than one hundred percent (100%) of the amount of the monthly installments that were paid or would have been payable to the Participant.

9.3 **Spouse’s Benefits for Vested Transferred Participants.** The eligible Spouse or Same-Sex Life Partner of a Participant who is transferred from employment by an Employer to employment with an Associate Company which is not a Participating Company shall be entitled to:

(a) Spouse’s benefits in accordance with Section 9.1 if such Participant dies on or before the Normal Retirement Date while employed by an Associate Company which is not a Participating Company after satisfying the service requirements specified in Section 9.1 and if the Spouse is an eligible Spouse for the purposes of Section 9.1;

(b) in the case of a Participant other than a Newly Hired Participant, Spouse’s benefits in accordance with Section 9.2 if such Participant dies after retiring from the employment of an Associate Company which is not a Participating Company at early retirement, normal retirement, or deferred retirement and if the Spouse is an eligible Spouse for the purposes of Section 9.2; or

(c) Spouse’s benefits in accordance with Section 9.5 if such Participant dies while employed by an Associate Company which is not a Participating Company after the Normal Retirement Date but before deferred retirement and if the Spouse is an eligible Spouse for the purposes of Section 9.5.
For the purpose of determining whether a transferred Participant has satisfied the service requirement under subsection (a), subsequent contiguous service with the Associate Company shall be taken into account.

9.4 Spouse’s Benefits After Termination of Employment Before Retirement Date. If a Participant terminates employment after completing five (5) Years of Vesting Service, but before reaching the Normal Retirement Date or Early Retirement Date and dies prior to his or her Benefit Commencement Date, such Participant’s Spouse (or, effective November 1, 2006, his or her Same-Sex Life Partner), if then surviving and eligible, shall be entitled to receive benefit payments pursuant to this Section 9.4. Such pre-retirement survivor annuity coverage shall be automatic, and the Participant’s benefit under Article 6 shall be permanently reduced for the cost of such coverage, as described in this Section 9.4, unless the Participant waives such coverage and the Participant’s Spouse or Same-Sex Life Partner provides consent to such election to waive coverage.

(a) Death After Reaching Age Fifty-Five (55) and Completing Ten (10) Years of Credited Service. If such Participant dies after reaching age fifty-five (55) and having completed ten (10) years of Credited Service, such benefits shall be paid to the Participant’s surviving Spouse or Same-Sex Life Partner in equal monthly installments for life commencing on the first day of the month coinciding with or next following the date of the Participant’s death in a monthly amount equal to the amount of each monthly installment that such Spouse or Same-Sex Life Partner would have received as a death benefit if the Participant had retired and elected to receive benefits in the form specified in Section 8.1(b) commencing on the first day of the month coinciding with or next following the date of the Participant’s death and died on the following day.

(b) Death Before Reaching Age Fifty-Five (55) and After Five (5) Years of Vesting Service. If a Participant dies prior to satisfying the age and service requirements for early retirement pursuant to Section 5.2 and after terminating employment and completing five (5) Years of Vesting Service, such benefit payments shall be the same benefit payments that the Participant’s Spouse or Same-Sex Life Partner would have received if the Participant had:

(i) survived to the Earliest Retirement Age,

(ii) retired and elected to receive benefits in the form specified in Section 8.1(b) at the Earliest Retirement Age, and

(iii) died on the day after the Earliest Retirement Age.

For purposes of this Section 9.4(b), a surviving Spouse or Same-Sex Life Partner shall begin to receive payments at the later of (1) the first day of the month coinciding with or next following the date of the Participant’s death, or (2) the Earliest Retirement Age, unless such surviving Spouse or Same-Sex Life Partner elects a later date.

For purposes of this Section 9.4, a Spouse shall be considered eligible for the purposes of this Section 9.4 only if the Spouse shall have been married to the Participant throughout the one (1) year period ending on the date of the Participant’s death and a Same-Sex Life Partner shall be considered eligible for the purposes of this Section 9.4 only if the Same-Sex Life Partner shall
have been registered as such with the Administrator throughout the one (1) year period ending on the date of the Participant’s death.

(c) Waiver of Pre-Retirement Survivor Annuity Coverage. An election to waive the coverage provided pursuant to this Section 9.4 shall be made or revoked by Notice to the Administrator in accordance with an election procedure established by the Administrator. The Spouse’s or Same-Sex Life Partner’s waiver must be witnessed by the Administrator or his representative, or by a notary public. This waiver requirement will not be applicable if the Participant establishes to the satisfaction of the Administrator or his or her representative that such written consent may not be obtained because there is no Spouse or Same-Sex Life Partner or the Spouse or Same-Sex Life Partner cannot be located. Any waiver necessary under this provision shall be valid only with respect to the Spouse or Same-Sex Life Partner who signs the waiver, or in the event of a deemed waiver, the designated Spouse or Same-Sex Life Partner. Additionally, a revocation of a prior waiver of coverage pursuant to this Section 9.4 may be made by a Participant without the consent of the Spouse or Same-Sex Life Partner at any time before the date of the Participant’s death. The number of revocations shall not be limited. If a Participant does not waive coverage under this Section 9.4, or the Participant’s Spouse or Same-Sex Life Partner does not consent to such waiver of coverage, the Participant’s Basic Retirement Amount shall be permanently reduced to reflect the cost of this coverage as follows:

<table>
<thead>
<tr>
<th>Attained Age</th>
<th>Annual Reduction in Basic Retirement Amount for Each Year of Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>35 but not 45</td>
<td>.1%</td>
</tr>
<tr>
<td>45 but not 55</td>
<td>.2%</td>
</tr>
<tr>
<td>55 or over</td>
<td>.5%</td>
</tr>
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</table>

Within a reasonable time after a Participant terminates employment after completing five (5) Years of Vesting Service, the Administrator shall furnish to such Participant by personal delivery or mail the following information in written nontechnical language:

(i) a general description of the coverage provided pursuant to this Section 9.4 and the availability of the election not to receive such coverage;

(ii) a general description of the costs of such coverage;

(iii) the rights of a Participant’s Spouse (or Same-Sex Life Partner), as described above; and

(iv) the right to make, and the effect of, a revocation of a previous election to waive such coverage.

If an election to waive such coverage is received by the Administrator within sixty (60) days after the Administrator provides the Participant with such written information, the election will be deemed to be effective as of the Participant’s termination of employment. If an election not to receive such coverage is not received by the Administrator within sixty (60) days after the
Administrator provides the Participant with such written information, the election will be deemed to be effective as of the date the Administrator receives the election.

Except as otherwise provided in Section 9.3 and this Section 9.4, the Spouse or Same-Sex Life Partner of a Participant who terminates employment with the Employer other than by retirement shall not be entitled to any Spouse’s benefits pursuant to this Article 9.

9.5 **Spouse’s Benefits After Normal Retirement Date.** If a Participant continues in employment after the Normal Retirement Date and dies while employed by the Employer prior to his or her Deferred Retirement Date, such Participant’s Spouse, or Same-Sex Life Partner, if then surviving and eligible, shall be entitled to receive benefit payments commencing on the first day of the month following the Participant’s death in the form of equal monthly installments for life in an amount equal to the amount such Spouse or Same-Sex Life Partner would have received as a death benefit if the Participant had retired on the date of his or her death and elected to receive benefits under Section 8.2(e) in the form specified in Section 8.2(b) with the Participant’s Spouse or Same-Sex Life Partner as Contingent Annuitant commencing on the first day of the month coinciding with or next following retirement. A Spouse shall be considered eligible for the purposes of this Section 9.5 only if the Spouse shall have been married to the Participant throughout the one (1) year period ending on the date of the Participant’s death and a Same-Sex Life Partner shall be considered eligible for the purposes of this Section 9.5 only if the Same-Sex Life Partner shall have been registered with the Participant throughout the one (1) year period ending on the date of the Participant’s death.

9.6 **Proof of Death and Eligibility.** Proof of the Participant’s death and of eligibility under this Article 9 satisfactory to the Administrator must be furnished before benefits shall be paid to any Spouse or Same-Sex Life Partner hereunder.

9.7 **Death after Normal Retirement Date and Before Benefit Commencement Date.** If a Participant retires on or after his or her Normal Retirement Date and dies before his or her Benefit Commencement Date, his or her Spouse or Same-Sex Life Partner, if any, on the date of his or her death shall be entitled to the benefits that such Spouse or Same-Sex Life Partner would have received if the Participant’s benefit had been payable in the normal form of payments for married Participants, as specified in Section 8.1(b), commencing as of the date of the Participant’s death. A Spouse shall be considered eligible for the purposes of this Section 9.7 only if the Spouse shall have been married to the Participant throughout the one (1) year period ending on the date of the Participant’s death and a Same-Sex Life Partner shall be considered eligible for the purposes of this Section 9.7 only if the Same-Sex Life Partner shall have been registered with the Participant throughout the one (1) year period ending on the date of the Participant’s death.

9.8 **Qualified Domestic Relations Order.** The provisions of this Article 9 shall be subject to the terms of any qualified domestic relations order (as defined in Code Section 414(p)) which may be in effect at the time survivor benefits are payable hereunder. The former Spouse of a Participant shall be treated, under this Article 9, as such Participant’s surviving Spouse to the extent required by any qualified domestic relations order.
9.9 Designation of Beneficiary.

(a) Participant Is Married or Has Registered A Same-Sex Life Partner. In the event of the death of a Participant, if the Participant was married or had registered a Same-Sex Life Partner immediately before his or her death, benefits shall be paid under the Plan to the Participant’s surviving Spouse or surviving Same-Sex Life Partner, if any, or to any other Beneficiary who may be designated by the Participant under subsection (c) if such surviving Spouse or surviving Same-Sex Life Partner provided Consent to such designation and there is a nonforfeitable benefit payable under the Plan. For purposes of a Spouse’s (or Same-Sex Life Partner’s) entitlement to receive benefits pursuant to the foregoing sentence, only a Spouse who has been married to the Participant (or a Same-Sex Life Partner who has been registered as such with the Administrator) for the one (1) year period ending on the date of the Participant’s death shall be considered a surviving Spouse or Same-Sex Life Partner, unless otherwise specifically provided by a qualified domestic relations order pursuant to Code Section 414(p)(5) (not applicable to a Same-Sex Life Partner).

(b) No Spouse or Same-Sex Life Partner. In the event of the death of a Participant, if the Participant, immediately before his or her death, did not have a Spouse, had not registered a Same-Sex Life Partner with the Administrator, or, where applicable, he or she did not have a Spouse or Same-Sex Life Partner for the one (1) year period ending on the date of the Participant’s death, then any death benefits shall be paid under the Plan to the Participant’s designated Beneficiary under subsection (c).

(c) Filing with Administrator. Subject to the foregoing paragraphs of this Section, each Participant shall have the right before the Benefit Commencement Date to designate a Beneficiary or Beneficiaries to receive benefits, if any, payable hereunder on the death of the Participant, and from time to time to change any such designation. If the Participant fails to file such beneficial designation, signed by the Participant and evidenced by a written instrument with the Administrator, or if a designated Beneficiary (designated by the Participant in writing for the Plan) predeceases the Participant and no contingent Beneficiary is named, the Beneficiary shall be the Participant’s estate if any benefit is payable under the Plan. Any designation or change made pursuant to the first sentence of this subsection shall take effect as of the date of execution of such written instrument (provided the Benefit Commencement Date has not occurred) whether or not the Participant is living at the time of such filing, but without prejudice to the Fund on account of any payments made before receipt of such written instrument by the Administrator.
ARTICLE 10
CONTRIBUTIONS

10.1 **Employer Contributions.** Each Employer shall contribute from time to time to the Plan such amounts as may be determined to be necessary to fund the Plan as provided in Article 13 and to provide the benefits under the Plan with respect to Participants employed by such Employer.

10.2 **Forfeitures.** Forfeitures arising under the Plan from termination of employment, death or any other reason, to the extent not anticipated in determining costs hereunder, may not be applied to increase the benefits that any person would receive from the Plan prior to its termination or the complete discontinuance of contributions thereunder. The forfeitures attributable to an Employer shall instead be used to reduce subsequent contributions to the Plan by that Employer.

10.3 **Accumulated Employee Contributions.** Although no contributions by Participants are required, there shall be held as part of the assets of the Plan the accumulated contributions made by Employees while participating in the retirement plans of any Participating Companies prior to January 1, 1976. Any such prior Employee Contributions so held shall accrue Credited Interest. No Participant may recover prior contributions held under the Plan except as provided in Section 8.5.
ARTICLE 11
FIDUCIARY RESPONSIBILITIES

11.1 Named Fiduciaries. The Administrator and the Funding Fiduciary shall be the Named Fiduciaries with the authority to control and manage the operation and administration of the Plan, within the meaning of ERISA Section 402(a). Except to the extent that authority may be vested in others under the Plan or pursuant to a procedure for the delegation of authority set forth in Section 11.3, the Administrator shall have the authority and responsibilities described in Article 12 and the Funding Fiduciary shall have the authority and responsibilities described in Article 13.

11.2 Duties of Fiduciaries. Each Named Fiduciary and each other person or entity to whom authority is delegated under the Plan or pursuant to the procedure set forth in Section 11.3, shall discharge duties with respect to the Plan:

(a) solely in the interest of Participants and their Beneficiaries and for the exclusive purpose of providing benefits to Participants and their Beneficiaries and defraying reasonable expenses of administering the Plan;

(b) with the care, skill, prudence and diligence under the circumstances that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims;

(c) in accordance with the documents and instruments governing the Plan insofar as such documents and instruments are consistent with the provisions of ERISA; and

(d) to the extent that the Fiduciary exercises authority over Plan investments, by diversifying the investments of the Plan so as to minimize the risk of large losses, unless under such circumstances it is clearly prudent not to do so.

11.3 Delegation of Responsibilities. Each Named Fiduciary may designate persons other than Named Fiduciaries to carry out fiduciary responsibilities (other than trustee responsibilities as defined in ERISA Section 405(c)(3)) under the Plan. Any such delegation shall be in writing and shall clearly identify the delegate and the authority or responsibility being delegated. Such delegation shall be mailed or delivered to the delegate, and a copy thereof, signed or otherwise acknowledged by the delegate, shall be filed with the Secretary of the Company, who shall maintain a permanent record thereof, but whose responsibilities under the Plan shall not extend beyond the maintenance of such record.

11.4 Multiple Fiduciary Capacities. Any person or group of persons may serve in more than one Fiduciary capacity with respect to the Plan.

11.5 Provision of Services. Each Named Fiduciary and the Pension Committee may retain counsel and provide for such clerical, medical, financial, actuarial and other services as may be required for the effective administration of the Plan.
11.6 **Liability for Acts and Omissions of Co-Fiduciaries.** No Fiduciary under the Plan shall be liable for an act or omission of another person in carrying out any Fiduciary responsibility where such Fiduciary responsibility is allocated to such other person by the Plan or pursuant to a procedure established in the Plan except as otherwise provided in ERISA Section 405.

11.7 **Reliance.** Each Fiduciary shall be entitled to rely upon all tables, valuations, certificates, opinions and reports which shall be furnished by the Trustee or the Insurance Company, or which shall be furnished by any actuary, accountant, auditor, counsel or other expert who shall be employed or engaged hereunder.

11.8 **Indemnification.** The Company shall indemnify and hold harmless the Administrator, the Funding Fiduciary, each member of the Pension Committee, and any other Fiduciary with respect to the Plan, if he or she is, or was at the time of the act or failure to act in question, a director, officer or employee of an Employer, from any liability, claim, demand, suit or action of any type, including without limitation reasonable attorneys’ fees, arising from any action or failure to act, provided that such person acted in good faith, in a manner he or she reasonably believed to be in the best interests of the Employer or of the Participants and Beneficiaries of the Plan and consistent with the provisions of the Plan and, with respect to any criminal action or proceeding, that he or she had no reasonable cause to believe the conduct was unlawful.

11.9 **Agent for Service of Process.** The Secretary of the Company shall be the agent for service of legal process in connection with any claim or proceeding relating to the Plan.

11.10 **Reports to Pension Committee.** The Named Fiduciaries shall prepare at least annually a report for submission to the Pension Committee showing in reasonable summary the financial condition of the Plan including the investment performance of the Trust Fund and any Insurance Contract, and giving an account of the operation of the Plan for the past year or such shorter period as is covered by such report, and any further information which the Pension Committee may require.

11.11 **Pension Committee to Report to Board.** The Pension Committee shall prepare at least annually a report for submission to the Board describing in summary fashion the financial condition of the Plan, including the investment performance of the Trust Fund and any Insurance Contract, for the past year or such shorter period as is covered by such report, and any further information which the Board may require.
ARTICLE 12
ADMINISTRATION OF PLAN

12.1 Administrator. The Administrator is hereby designated as the “administrator” of the Plan within the meaning of ERISA Section 3(16)(A), and, in such capacity, shall have all the powers, duties and responsibilities delegated to such person under the provisions of the Plan and under the provisions of Part 1 of Subtitle B of Title I of ERISA (Report and Disclosure).

12.2 Preparation of Documents. The Administrator shall be responsible for preparing, or causing to be prepared, all reports, statements, descriptions and other documents referred to in ERISA, including, without limitation, the following:

(a) the summary plan description referred to in ERISA Section 102(a)(1);
(b) the plan description referred to in ERISA Section 102(a)(2);
(c) all material modifications and changes in the items specified in subsections (a) and (b);
(d) the annual report referred to in ERISA Section 103;
(e) any terminal and supplemental reports required by the Secretary of Labor pursuant to ERISA Section 101(c);
(f) the annual registration statement, actuarial reports, and other reports referred to in Code Sections 6057 and 6058; and
(g) the reports to the Pension Benefit Guaranty Corporation and the Trustee referred to in ERISA Sections 4041, 4043 and 4046.

In connection with the preparation of the annual report referred to in subsection (d) above, the Administrator (i) shall, to the extent required by ERISA Section 103, engage an independent qualified public accountant and an Enrolled Actuary; and (ii) may rely upon information provided by the Insurance Company, the Trustee or any other organization or entity which maintains information relating to the Plan and required to be furnished to the Administrator under ERISA Section 103(a)(2).

12.3 Filing of Documents. The Administrator shall be responsible for filing, or causing to be filed, with the Secretary of Labor, the Internal Revenue Service, the Pension Benefit Guaranty Corporation, or any other entity with which filings are required by law, all reports, descriptions, statements or other documents required to be filed by law, including, without limitation, the documents referred to in Section 12.2.

12.4 Furnishing of Documents to Participants. The Administrator shall be responsible for furnishing, or causing to be furnished, such reports, statements, descriptions and other documents set forth in ERISA Sections 104(b) and 105 to any Participant or Beneficiary entitled thereto, including, without limitation, the following:
(a) summary plan descriptions, modifications thereto, and updated summary plan descriptions referred to in ERISA Section 104(b)(1);

(b) the statements and schedules referred to in ERISA Section 104(b)(3);

(c) reports on accrued and vested benefits referred to in ERISA Section 105(a); and

(d) individual statements referred to in ERISA Section 105(a) to terminated Participants.

To the extent required by ERISA Section 104(b), the Administrator shall make available, or cause to be made available, copies of the Plan description, the latest annual report and any bargaining agreement, trust agreements, contracts, or other instruments under which the Plan is established or operated for examination by any Participant or Beneficiary in the principal office of the Administrator or delegate, and in such other places as may be necessary to make available all pertinent information to all Participants and Beneficiaries. Upon the written request of any Participant or Beneficiary, the Administrator shall furnish, or cause to be furnished, copies of the foregoing and may make a reasonable charge to cover the cost of furnishing such copies. Any requirement with respect to the Plan related to providing a written communication to a Participant (or any other individual) may be provided electronically in accordance with applicable regulations.

12.5 Recordkeeping. The Administrator shall be responsible for keeping, or causing to be kept, such records of all of the proceedings and acts and such other books and data and perform all such acts as may be necessary for proper administration of the Plan. In addition, to the extent required by ERISA Section 107, the Administrator shall be responsible for maintaining records on all matters on which disclosure is required which will provide in sufficient detail the necessary basic information and data from which the documents required to be filed with the Secretary of Labor may be verified, explained, or clarified and checked for accuracy and completeness for a period of not less than six (6) years after the documents are or would have been due for filing.

12.6 Bonding. The Administrator, or delegate, shall be responsible for ensuring that every Fiduciary of the Plan and every Plan official, as defined in ERISA Section 412, shall be bonded in the manner and to the extent required by said ERISA Section 412.

12.7 Administration of Plan. Subject to the procedure described in Section 12.3 above, the Administrator shall have sole responsibility for all aspects of the administration of the Plan, except for matters relating to Plan funding and the investment of Plan assets described in Article 13. Said responsibility shall include, without limitation, the handling of eligibility and enrollment of Participants in the Plan; the determination of Normal Retirement Dates, Early Retirement Dates and Deferred Retirement Dates; and all matters relating to benefits, Credited Service, vesting of benefits, and the like. Subject to the provisions of the Trust Agreement and the Insurance Contract, the Administrator shall be responsible for determining the amounts and the manner in which the funds of the Plan shall be disbursed and shall so direct the Insurance Company or Trustee making disbursements hereunder.
12.8 **Pension Committee.** The Pension Committee shall have authority to interpret any provision of the Plan and shall entertain appeals from decisions of the Administrator pursuant to the procedure specified in Article 15. All decisions and determinations of the Pension Committee shall, to the extent permitted by law, be final, conclusive and binding upon all persons having an interest in the Plan. The Pension Committee shall keep such records of proceedings and actions hereunder as it deems necessary to accurately reflect the same. Any act which the Plan authorizes or requires the Pension Committee to do may be done by a majority of the members of said Committee, and the action of such majority expressed by a vote at a meeting, or in writing without a meeting, shall constitute the action of said Committee and shall have the same effect for all purposes as if assented to by all of the members of the Committee at the time in office.

12.9 **Expenses.** Notwithstanding any provision of the Plan or the Trust Agreement to the contrary, payment of any reasonable expenses of administering the Plan, as determined by the Funding Fiduciary, shall be made from the Trust Fund, unless paid by the Employer.
ARTICLE 13
FUNDING OF PLAN

13.1 Responsibilities of Funding Fiduciary. The Funding Fiduciary shall be responsible for all matters relating to the funding of the Plan and the overseeing of the investment of Plan assets. The Funding Fiduciary may, pursuant to the procedure set forth in Section 11.3, delegate authority and responsibility to one or more persons, including without limitation any investment manager within the meaning of ERISA Section 3(38). The Funding Fiduciary shall obtain from each such investment manager, including the Insurance Company, written acknowledgment of its status as such an investment manager, a copy of which shall be filed with the Secretary of the Company. From time to time the Funding Fiduciary shall evaluate the investment performance of each Trustee and Insurance Company hereunder. The Funding Fiduciary may issue investment guidelines to any Trustee or Insurance Company. In the event that the Plan assets are held in a master or similar trust with assets of one or more other plans, the actions of the Funding Fiduciary, the Pension Committee, or any Trustee, Insurance Company, investment manager or other fiduciary with respect to the assets of such trust or with respect to units of such trust representing the Plan’s interest therein shall be deemed to be actions with respect to the Plan assets.

13.2 Actuarial Factors. The Funding Fiduciary shall from time to time cause to be adopted by amendment to the Plan mortality and other tables and interest rates upon which all actuarial calculations relating to the Plan shall be based, including the determination of appropriate Actuarial Equivalents. The Funding Fiduciary, or his or her delegate, shall maintain accounts showing the fiscal transactions of the Plan and shall keep in convenient form such data as may be necessary for actuarial valuations with respect to the operation and administration of the Plan.

13.3 Determination of Funding Needs. It is the Company’s intention that when the Basic Retirement Amount of a Participant becomes payable, there will be available in the Trust Fund and/or under an Insurance Contract either in the form of unallocated assets or in the form of paid-up annuity benefits, amounts which will be sufficient to provide the vested Basic Retirement Amount payable in accordance with the terms of the Plan. At least annually, the Funding Fiduciary shall determine, based upon actuarial determinations and other information provided, the amounts necessary to fund the benefits under the Plan and shall determine the amount of the contribution required from each Employer under Section 10.1. The Funding Fiduciary, with the advice and consent of the Pension Committee, shall determine the portion of said amount to be allocated to each Trustee and Insurance Company to be invested by them hereunder and shall pay over or cause to be paid over said amounts. In making such allocations there shall be taken into account evaluations made hereunder from time to time of the investment performance of each Trustee and Insurance Company.

13.4 Control of Plan Assets. Except to the extent otherwise provided herein, the Trustee and the Insurance Company shall have exclusive authority and discretion to manage and control the assets of the Plan paid over to them pursuant to Section 13.3.
13.5 **Appointment and Removal of Trustees and Insurance Companies.** Subject to the approval of the Pension Committee, the Funding Fiduciary shall have authority to engage any additional Trustee or Insurance Company, or to terminate the services of any Trustee or Insurance Company.

13.6 **Transfers of Assets.** Amounts held in the Trust Fund may be transferred from one Trustee to another Trustee approved hereunder or to an Insurance Company, and to the extent permitted by any Insurance Contract, amounts held by an Insurance Company may be transferred to the Trust Fund, to another contract with the same Insurance Company, or to another Insurance Company, from time to time as the Funding Fiduciary, with the advice and consent of the Pension Committee, shall direct. Amounts transferred to an Insurance Company hereunder may be used for the purchase of annuities. Whenever there shall have been purchased from an Insurance Company an annuity or annuities to provide all or any part of the retirement income to which any person is entitled under the Plan, the purchase of such annuity or annuities shall constitute full compliance with all obligations hereunder with respect to such person’s retirement income, and thereafter any such person shall look only to the Insurance Company for any payments to which he or she shall be entitled and in no event to the Company.

13.7 **Exclusive Benefit of Participants.** At no time prior to the full satisfaction of all liabilities of the Plan with respect to Participants and their beneficiaries shall any part of the assets of the Plan or the income therefrom revert to the Employer or be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their beneficiaries.
ARTICLE 13A
MEDICAL ACCOUNT

13A.1 401(h) Account. An account is added to the Plan from which Medical Benefits may be paid with respect to Eligible Retired Medical Participants pursuant to Code Section 401(h). Payments for benefits provided to a Spouse or dependent of an Eligible Retired Medical Participant are included in the phrase “with respect to.” The 401(h) Account shall be a separate account for recordkeeping purposes. The 401(h) Account need not be segregated from the other assets of the Plan for investment purposes; however, the Treasurer, as Funding Fiduciary, may segregate all or part of the 401(h) Account in its discretion, and, to the extent the 401(h) Account is so segregated, it may be held in a separate trust, qualifying under Code Section 501(a), established under the Plan. If the 401(h) Account is not segregated, the Funding Fiduciary shall adopt procedures for allocating investment earnings between accounts in a reasonable manner. Prior to the satisfaction of all obligations under the Plan to provide Medical Benefits, no part of the corpus or income of the 401(h) Account shall be used for, or diverted to any purpose other than the providing of such benefits or the necessary and appropriate expenses attributable to the administration of the 401(h) Account. However, upon the satisfaction of all obligations under the Plan to provide such benefits, any amount remaining in the 401(h) Account shall be returned to the Employer, in such proportions as is determined by the Funding Fiduciary.

13A.2 Payment of Medical Benefits. Medical Benefits shall be provided in such amounts, at such time or times, in such manner, and to such payees, as are provided under the Employer’s retiree medical programs as in effect from time to time. All assets of the 401(h) Account shall be available to provide benefits with respect to any Eligible Retired Medical Participant, and no separate fund or subaccount need be segregated for any such Participant.

13A.3 Contributions to the 401(h) Account. The Employer may make direct contributions to the 401(h) Account in such amounts and at such time or times as it determines in its discretion. Such contributions must be reasonable and ascertainable and are subject to the general conditions relating to Plan contributions under Article 10 of the Plan. However, in no event shall the aggregate amount of such contributions, when added to any contributions for any life insurance protection provided under the Plan, exceed twenty-five percent (25%) of the total actual contributions to the Plan under this Section 13A.3 and under the provisions of Article 10 (other than contributions to fund past service credits). Any forfeitures with respect to Medical Benefits under the 401(h) Account shall be applied as soon as possible to reduce Employer contributions to fund such benefits.

13A.4 Employer is Not Obligated to Maintain Retiree Medical Programs. Notwithstanding anything in this Article 13A, the establishment of a 401(h) Account to provide benefits to Eligible Retired Medical Participants shall not obligate the Employer to maintain any such benefits of the Employer, and the Employer shall retain the same ability to amend or terminate such benefits as if this Article 13A did not exist.
ARTICLE 14
AMENDMENTS AND TERMINATION

14.1 Right to Amend or Terminate. The Company hopes and expects to continue the Plan indefinitely. Nevertheless, the Company maintains the right to suspend, terminate, or completely discontinue contributions under the Plan; subject to the requirement that the Administrator shall file a notice of intent to terminate with the Pension Benefit Guaranty Corporation (“PBGC”) at least sixty (60) days prior to the proposed date of termination of the Plan, and shall comply with all other provisions of ERISA or the PBGC relating to plan terminations. In addition, the Board may amend or modify the Plan from time to time, provided, however, that no such action shall adversely affect Participants to the extent of their vested benefits, nor shall such action decrease a Participant’s Basic Retirement Amount or eliminate an optional form of distribution. Notwithstanding the foregoing, however, any modification or amendment of the Plan may be made retroactively if necessary or appropriate to qualify or maintain the Plan as a plan meeting the requirements of the Code and ERISA.

If an amendment or a change in the top-heavy status of the Plan changes the vesting schedule of the Plan, any Participant having three (3) or more Years of Vesting Service, within the meaning of Treasury Regulations Section 1.411(a)-8(b)(3), on the date which is sixty (60) days after such amendment or change is adopted or becomes effective (or, if later, sixty (60) days after written notice of the amendment or change is given) may, within a reasonable time after the effective date of the amendment or change, elect to remain subject to the vesting schedule in effect prior to such amendment or change.

Upon any termination or partial termination of the Plan, the rights of all affected Participants to their Basic Retirement Amounts to the date of such termination or partial termination shall, to the extent funded, be fully vested.

Anything in the Plan to the contrary notwithstanding, in the event of the termination or partial termination of the Plan, the rights of all affected Participants to benefits shall be forfeited to the extent that the assets of the Plan, or the allocable portion thereof, are insufficient to provide such benefits; to the extent, however, that the assets of the Plan, or the allocable portion thereof, are insufficient to provide such benefits to all affected Participants, such Participants shall have recourse to the PBGC.

14.2 Mergers, Consolidations and Transfers. The Plan shall not be automatically terminated by the Company’s acquisition by or merger into any other company, but the Plan shall be continued after such merger. provided that the successor company agrees to continue the Plan. All rights to amend, modify, suspend, or terminate the Plan shall be transferred to the successor company, effective as of the date of the merger.

The merger or consolidation of the Plan with, or transfer of assets and liabilities of the Plan to, any other qualified retirement plan shall be permitted only if the benefit that each Plan Participant would receive if the Plan were terminated immediately after such merger or consolidation, or transfer of assets and liabilities, would be at least as great as the benefit the Participant would have received had the Plan been terminated immediately before any such transaction.
14.3 **Distribution of Funds upon Termination.** In the event that the Plan shall be terminated or contributions permanently discontinued, the then present value of benefits vested in each Participant shall be determined as of the Plan termination date, and the assets of any fund then held by the Trustee or Insurance Company as reserves for retirement benefits for Participants under the Plan shall be allocated to the extent that they shall be sufficient, after providing for expenses of administration, in the order of precedence set forth below:

(a) There shall first be set aside the portion of each individual’s accrued benefit which is derived from a Participant’s own contributions held under the Plan;

(b) There shall next be set aside each benefit of an individual which was in pay status as of the beginning of the three (3) year period ending on the termination date of the Plan, based on the provisions of the Plan as in effect during the five (5) year period ending on such date under which such benefit would be the least;

(c) There shall next be set aside each benefit (other than a benefit described in clause (b) above) which would have been in pay status as of the beginning of the three (3) year period ending on the termination date of the Plan if the Participant had retired prior to the beginning of such three (3) year period and if payment of such benefit had commenced (in the normal form of annuity under the Plan) as of the beginning of such period, based on the provisions of the Plan as in effect during the five (5) year period ending on such date under which such benefit would be the least;

(d) There shall next be set aside all other benefits (if any) of individuals under the Plan guaranteed by the PBGC under Title IV of ERISA;

(e) There shall next be set aside all other vested benefits under the Plan; and

(f) There shall finally be set aside all other accrued benefits under the Plan.

If the assets of the fund held by the Trustee or Insurance Company as reserves for retirement income for Participants of the Plan, as of the date of the Plan termination, are not sufficient to provide in whole the amounts required within the classes described above, such assets will be allocated pro rata within the class in which the amounts first cannot be provided in full.

Allocation in any of the above-listed categories shall be adjusted for any allocation already made to the same Participant under a prior category. Allocation of assets may be modified by the Internal Revenue Service to meet nondiscrimination requirements. After all liabilities of the Plan have been satisfied, the Employer shall be entitled to any balance of the fund which shall remain.

14.4 **Provision of Benefits.** The benefits payable in accordance with Section 14.3 shall be provided through continuance of the existing Trust Agreement or Insurance Contracts or through a new instrument entered into for that purpose or through the purchase of a nontransferable annuity contract or contracts from a commercial life insurance company or by a combination thereof. If the allocations produce a Basic Retirement Amount of less than $120 per year, a lump sum payment which is the Actuarial Equivalent of such Basic Retirement Amount may be paid in lieu thereof.
14.5 **Replacement by Comparable Plan.** The Plan shall not be deemed terminated even though contributions by the Employer may cease under this instrument if it is replaced or supplemented by some other instrument incorporating a comparable plan consistent with the Code, ERISA and any similar provisions of subsequent revenue laws.

14.6 **Special Restriction on Benefits.**

(a) The annual payments to a Participant described in Section 14.6(b) are restricted to an amount equal in each year to the payments that would be made on behalf of the Participant under:

(i) A Straight Life Annuity that is the Actuarial Equivalent of the accrued benefit and other benefits to which the Participant is entitled under the Plan (other than a social security supplement), and

(ii) The amount of the payments that the Participant is entitled to receive under a social security supplement. The restrictions in this Section 14.6(a) do not apply, however, if any one of the following requirements is satisfied:

(A) After payment to a Participant described in Section 14.6(b) of all benefits payable to the Participant under the Plan, the value of Plan assets equals or exceeds one hundred ten percent (110%) of the value of current liabilities, as defined in Code Section 412(l)(7),

(B) The value of the benefits payable to the Participant under the Plan for a Participant described in Section 14.6(b) is less than one percent (1%) of the value of current liabilities before distribution, or

(C) the value of the benefits payable to the Participant under the Plan for a Participant described in Section 14.6(b) does not exceed the amount described in Code Section 411(a)(11)(A) (restrictions on certain mandatory distributions).

(b) The Participants whose benefits are restricted on distribution pursuant to Section 14.6(a) for a Plan Year shall be limited to a group of twenty-five (25) Highly Compensated Employees. The group shall consist of those Highly Compensated Employees with the greatest Compensation in the current or any prior Plan Year.
ARTICLE 15
CLAIMS PROCEDURES

15.1 **Filing a Claim for Benefits.** If a Participant or any other person entitled to benefits under the Plan (or the authorized representative of such Participant has any complaint or claim concerning any aspect of the operation or administration of the Plan or Trust, including but not limited to claims for benefits (collectively referred to herein as “claim” or “claims”), the Participant or person may submit the claim by filing a request with the Administrator. Such request shall be made by such written, telephonic or electronic means as shall be prescribed by the Administrator. All such claims must be submitted within the “applicable limitations period.” The “applicable limitations period” shall be two (2) years, beginning on (i) in the case of any payment, the date on which the payment was made, or (ii) for all other claims, the date on which the action that was complained of occurred. Additionally, upon denial of an appeal pursuant to Section 15.4, a Participant or such other person shall have one (1) year within which to bring suit against the Plan for any claim related to such denied appeal; any such suit initiated after such one (1) year period shall be precluded.

15.2 **Notice of Denial of Claim.** If a claim is wholly or partially denied, the Administrator shall furnish the claimant with written or electronic notification of the adverse benefit determination. Any electronic notification shall comply with the standards imposed by 29 C.F.R. Section 2520.104(b)-1(c)(1)(i), (iii) and (iv). The notification shall set forth in a manner calculated to be understood by the claimant:

(a) the specific reason or reasons for the adverse benefit determination;

(b) reference to the specific Plan provisions on which the determination is based;

(c) a description of any additional material or information necessary for the claimant to perfect his or her claim and an explanation why such material or information is necessary; and

(d) a description of the Plan’s procedures for review of an adverse benefit determination and the time limits applicable to such procedures, including a statement of the claimant’s right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review.

Such notification shall be furnished to the claimant within ninety (90) days after receipt of his or her claim, unless special circumstances require an extension of time for processing such claim. If an extension of time for processing is required, the Administrator shall, prior to the termination of the initial ninety (90) day period, furnish the claimant with written notice indicating the special circumstances requiring an extension of time and the date by which the Administrator expects to render the benefit determination. In no event shall an extension exceed a period of ninety (90) days from the end of the initial ninety (90) day period.

15.3 **Appeal of Denied Claim.** A claimant or his or her authorized representative may appeal an adverse benefit determination by filing a written request for review with the Pension Committee within sixty (60) days after receipt by the claimant of the notification of such adverse benefit determination. A claimant or his or her duly authorized representative:
(a) may submit to the Pension Committee written comments, documents, records, and other information relating to the claim for benefits; and

(b) shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant’s claim for benefits.

The Pension Committee’s review of any adverse benefit determination shall take into account all comments, documents, records and other information submitted by the claimant or his or her authorized representative relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

15.4 Decision on Appeal. The Pension Committee shall provide the claimant with written or electronic notification of the benefit determination on review not later than sixty (60) days after receipt of a request for review, unless special circumstances require an extension of time for processing. Any electronic notification shall comply with the standards imposed by 29 C.F.R. Section 2520.104b-1(c)(1)(i), (iii) and (iv). If an extension of time for processing is required, the Pension Committee shall, prior to the termination of the initial sixty (60) day period, furnish the claimant with written notice indicating the special circumstances requiring an extension of time and the date by which the Pension Committee expects to render the determination on review. In no event shall such extension exceed a period of sixty (60) days from the end of the initial sixty (60) day period.

In the case of an adverse benefit determination, the notification shall set forth in a manner calculated to be understood by the claimant:

(a) the specific reason or reasons for the adverse determination;

(b) reference to the specific Plan provisions on which the determination is based;

(c) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant’s claim for benefits; and

(d) a statement of the claimant’s right to bring a civil action under Section 502(a) of ERISA.
ARTICLE 16
WITHDRAWAL OF A PARTICIPATING COMPANY

16.1 Withdrawal of a Participating Company. Any one or more of the Participating Companies may terminate its or their participation and withdraw from the Plan by giving six (6) months’ notice in writing of its or their intention to withdraw to the Board, unless a shorter notice shall be agreed to by the Board.

16.2 Allocation of Assets. Upon such withdrawal or as soon as practicable after such withdrawal, the Company shall certify to the Trustee and/or the Insurance Company the equitable share or shares of such withdrawing company or companies in the Trust Fund and/or under the Insurance Contract, and the Trustee and/or Insurance Company shall set aside as soon as practicable such securities and other property as it shall, in its sole discretion, deem to be equal in value to such equitable share or shares. The Trustee and/or Insurance Company shall turn over as soon as practicable such securities and property to such legal representatives as may be designated by such withdrawing company or companies. The above provisions shall be effective as of June 12, 1989.

16.3 No Plan Termination. The withdrawal of a Participating Company from the Plan shall not constitute a termination of the Plan as thereafter in effect for any other Employer.

16.4 Plan Spin-Offs. Effective as of June 12, 1989, anything in the Plan to the contrary notwithstanding, if a Participating Company withdraws from the Plan in accordance with Section 16.1 (such withdrawing Participating Company hereinafter referred to as a “withdrawing company”) and, in accordance with Section 16.2, the Trustee and/or the Insurance Company transfers upon such withdrawal or as soon as practicable thereafter to the legal representative(s) designated by such withdrawing company, such withdrawing company’s equitable share or shares in the Trust Fund and/or under the Insurance Contract, all in accordance with the provisions of Code Section 414(1) governing the transfer of plan assets and liabilities, and in accordance with a resolution of the Board of Directors of the withdrawing company that provides that the provisions of this Section 16.4 shall apply and sets a schedule to accomplish said transfer which is acceptable to the Company, then, from and after the date of such withdrawal from the Plan and notwithstanding the fact that such withdrawing company’s equitable share or shares in the Trust Fund and/or under the Insurance Contract may be transferred after the date of such withdrawal, the employees of such withdrawing company shall cease to be Participants in the Plan, but such employees shall not be considered to have terminated service with an Employer or an Associate Company for purposes of the payment of benefits under the Plan; neither the Plan nor any Employer shall be under any obligation or liability to provide retirement or other benefits under the Plan to such employees or to any such employee’s Spouse, other beneficiary or alternate payee under Code Section 414(p); such employees, their Spouses, other beneficiaries and alternate payees under Code Section 414(p) shall look solely to the plan or plans maintained or to be maintained by or for the withdrawing company to which the assets of the Plan have been or will be transferred for the payment of any benefits accrued by such employees under the Plan prior to the withdrawal of such withdrawing company; and any service with an Employer or an Associate Company prior to the date of such withdrawing company’s withdrawal from the Plan shall be disregarded for all purposes under the
Plan even if any such employee is re-employed by an Employer or an Associate Company at any time after the date of withdrawal of such withdrawing company from the Plan.

16.5 **Spin-Off of New England Power Pool.** Anything in the Plan to the contrary notwithstanding,

(a) Upon the termination of employment of those employees of the Company who have accepted employment with the independent service organization (“ISO”) that is succeeding the New England Power Pool in the operation of the New England power grid (“NEPOOL Employees”), the NEPOOL Employees shall cease to be Participants in the Plan, but such NEPOOL Employees shall not be considered to have terminated service with an Employer or an Associate Company for purposes of the payment of benefits under the Plan until they have terminated employment with the ISO; and

(b) Upon the transfer by the Trustee of an equitable share (as determined by the Administrator, in accordance with the provisions of Code Section 414(1) governing the transfer of plan assets and liabilities) of the Trust Fund and/or the Insurance Contract to a trust or insurance contract maintained under an employee pension benefit plan of the ISO qualified under Code Section 401(a),

(i) neither the Plan nor any Employer shall be under any obligation or liability to provide retirement or other benefits under the Plan to the NEPOOL Employees or to any such employee’s Spouse, other beneficiary or alternate payee under Code Section 414(p);

(ii) such employees, their Spouses, other Beneficiaries and alternate payees under Code Section 414(p) shall look solely to the plan or plans maintained or to be maintained by the ISO for the payment of any benefits accrued by such employees under the Plan prior to such termination of employment; and

(iii) any service of a NEPOOL Employee with an Employer or an Associate Company prior to the date of such termination of employment shall be disregarded for all purposes under the Plan except for eligibility and vesting purposes, even if any such employee is re-employed by an Employer or an Associate Company at any time after the date of such termination.
ARTICLE 17
GENERAL PROVISIONS

17.1 Uniform Administration. Whenever in the administration of the Plan any action is required with respect to eligibility or classification of Employees or benefits, such action shall be uniform in nature as applied to all persons similarly situated.

17.2 Source of Payment. Payments of benefits under the Plan shall be made by means of distribution under an Insurance Contract or by direct disbursement from the Trust Fund to the extent that there shall be assets in the hands of the Trustee, whichever the Administrator or its designee shall choose. The Employer shall have no liability to make or continue from its own funds the payment of any benefits under the Plan.

17.3 No Right to Employment. Nothing herein contained shall be deemed to give an Employee the right to be retained in the service of the Employer or to interfere with the rights of the Employer to discharge any Employee at any time and to treat the Employee without regard to the effect which such treatment might have upon the Employee as a Participant.

17.4 Inalienability of Benefits; Domestic Relations Orders. With the exception of payments pursuant to a qualified domestic relations order within the meaning of Code Section 414(p) or as otherwise permitted pursuant to Code Section 401(a)(13), no benefit payable hereunder may be assigned, pledged, mortgaged or hypothecated, and to the extent permitted by law, no such benefit shall be subject to legal process or attachment for the payment of any claims against any person entitled to receive the same. Nothing in this Section 17.4 shall impair the right of any Participant to elect an optional form of benefit payments pursuant to Section 8.2.

(a) No person entitled to a benefit hereunder shall have the right to assign, commute, or encumber the benefits herein provided. To the maximum extent permitted by law, the benefits or payments herein provided shall not in any way be liable to attachment, garnishment or other process, or to be seized, taken, appropriated, or applied by any legal or equitable process to pay any debt or liability of such person (other than collection by the United States on a judgment resulting from an unpaid tax assessment or a federal tax levy made pursuant to Code Section 6331), except as provided in subsections (b) and (c).

(b) Subsection (a) above shall not apply to any offset of a Participant’s benefit hereunder against an amount that the Participant is ordered or required to pay to the Plan, and the Plan shall not be treated as failing to meet the requirements of Code Section 401(a)(13) solely by reason of such an offset, provided:

(i) the order or requirement to pay arises (A) under a judgment of conviction for a crime involving the Plan; (B) under a civil judgment (including a consent order or decree) entered by a court in an action brought in connection with a violation (or alleged violation) of Part 4 of Subtitle B of Title I of ERISA; or (C) pursuant to a settlement agreement between the Secretary of Labor and the Participant, or a settlement agreement between the PBGC and the Participant, in connection with a violation (or alleged violation) of Part 4 of Subtitle B of Title I of ERISA by a fiduciary or any other person;
(ii) the judgment, order, decree or settlement agreement expressly provides for the offset of all or a part of the amount ordered or required to be paid to the Plan against the Participant’s benefit hereunder; and

(iii) if the Participant has a Spouse at the time at which the offset is to be made, (A) either the Spouse has consented in writing to such offset and such consent is witnessed by a notary public (or it is established to the satisfaction of the Administrator that such consent may not be obtained because there is no Spouse or the Spouse cannot be located), or a valid election to waive the right of the Spouse to the normal form of benefit for a married participant under Section 8.1(b) of the Plan is in effect in accordance with the requirements of Code Section 417(a) and Section 8.4 of the Plan; (B) such Spouse is ordered or required in such judgment, order, decree or settlement to pay an amount to the Plan in connection with a violation of Part 4 of Subtitle B of Title I of ERISA; or (C) in such judgment, order, decree or settlement, such Spouse retains the right to receive the survivor annuity under the normal form of benefit for a married participant under Section 8.1(b) of the Plan and under the Spouse’s benefit described in Section 9.1 of the Plan, determined as if (I) the Participant terminated employment on the date of the offset; (II) there was no offset; (III) the Plan permitted commencement of benefits only on or after Normal Retirement Age; (IV) the Plan provided only the minimum-required qualified joint and survivor annuity; and (V) the amount of the Spouse’s benefit under Section 9.1 of the Plan is equal to the amount of the survivor annuity payable under the minimum-required qualified joint and survivor annuity.

For purposes of subsection (b)(iii)(C), the term “minimum-required qualified joint and survivor annuity” means the qualified joint and survivor annuity that is the actuarial equivalent of the Participant’s accrued benefit (within the meaning of Code Section 411(a)(7)) and under which the survivor annuity is fifty percent (50%) of the amount of the annuity which is payable during the joint lives of the Participant and his or her Spouse.

(c) Subsection (a) above shall not apply to the creation, assignment, or recognition of a right to any benefit payable with respect to a Participant pursuant to any domestic relations order that is determined by the Administrator to be a qualified domestic relations order within the meaning of Code Section 414(p).

(i) To the extent provided in any qualified domestic relations order, the former Spouse of a Participant shall be treated as the surviving Spouse of the Participant for purposes of the Plan.

(ii) The Administrator shall be responsible for promptly notifying the Participant and any alternate payee of the receipt of a domestic relations order and the Plan’s procedures for determining the qualified status of domestic relations orders. Within a reasonable time after receipt of such order, the Administrator shall be responsible for determining whether such order is a qualified domestic relations order and shall notify the Participant and each alternate payee of such determination.
(iii) The Administrator shall establish reasonable procedures to determine the qualified status of domestic relations orders and to administer distributions under such qualified orders.

(iv) During any period in which the issue of whether a domestic relations order is a qualified domestic relations order is being determined (by the Administrator, by a court of competent jurisdiction, or otherwise), the Administrator shall have the authority to segregate in a separate or an escrow account any amount that would have been payable to the alternate payee during such period if the order had been determined to be a qualified domestic relations order.

If within eighteen (18) months the order (or modification thereof) is determined to be a qualified domestic relations order, the Administrator shall pay the segregated amounts (plus interest thereon) to the person or persons entitled thereto. If within eighteen (18) months the order is not determined to be qualified or the issue as to whether the order is qualified is not resolved, then the Administrator shall have the authority to pay the segregated amounts (plus any interest thereon) to the person or persons who would have been entitled to such amounts if there had been no order. Any determination that an order is a qualified domestic relations order made after the close of the eighteen (18) month period, or the payment of such segregated amounts, if later, shall be applied prospectively only.

To the extent that any benefits are paid from the Plan as a result of a qualified domestic relations order, the Plan benefit otherwise payable to the Participant or the Participant’s surviving Spouse shall be reduced by the Actuarial Equivalent present value of any benefit required to be paid to the alternate payee under such order.

Nothing in this Section 17.4 shall impair the right of any Participant to elect an optional form of benefit payments pursuant to Section 8.2.

17.5 Payment Due Certain Persons. If the Administrator determines that any person to whom a payment is due hereunder is unable to care for his or her affairs by reason of physical or mental disability, or is a minor, the Administrator shall have the power to direct that any benefit payment due or becoming due to such person, unless a claim shall have been made therefore by a duly appointed legal representative, be paid to the Spouse, to a child or parent or other blood relative, or to a person with whom the person resides, without any responsibility of the Administrator to see to the application of such payment, and any such payment so made shall be a complete discharge of the liabilities of the Plan therefor.

17.6 Missing Persons. The Administrator may require that proof be given that any person entitled to payment of a benefit under the Plan was living on the due date of such payment, and shall maintain procedures for the periodic verification that persons receiving payments under the Plan are living and entitled to such payments. If such proof is not received within seven (7) years after the due date of such payment, and if no proof of death of the payee is received during such seven (7) year period, the obligation of the Plan as to the payment and as to the Plan benefits from which the payment results shall be the same as if the person had died.
immediately before the due date of the payment. If, however, at any time the missing person is located, his or her benefit under the Plan shall again become payable.

17.7 **Small Payments.** If the amount of monthly retirement income due a Participant, Contingent Annuitant, Beneficiary or Spouse is at least $5.00 but less than $10.00, the Administrator shall provide that retirement income payments be made quarterly with each such quarterly payment equal to three monthly payments. When monthly retirement income payable hereunder shall be determined to be less than $5.00, the Administrator shall provide for payment to the Participant, Contingent Annuitant, Beneficiary or Spouse, as the case may be, of a lump sum Actuarial Equivalent of the retirement income otherwise payable. In no case shall a distribution pursuant to this Section 17.7 be made if the amount of the distribution would exceed $1,000 ($5,000 before March 28, 2005). A Participant who receives a lump sum distribution pursuant to this Section 17.7 shall forfeit all Credited Service accrued prior to such distribution, and such forfeited Credited Service shall be disregarded if such Participant is subsequently re-employed, unless the Participant shall repay, before incurring a five (5) year period of severance from the service of the Employer, the entire amount of the lump sum distribution, plus interest compounded annually from the date of the distribution at the rate of five percent (5%) per annum, or at such other rate as the Secretary of the Treasury or the Secretary’s delegate shall prescribe by regulation pursuant to Code Section 411(c)(2)(D).

17.8 **No Divestment.** A Participant shall not, with or without cause, be divested of any accrued benefits that are vested under the terms of the Plan.

17.9 **No Duplication.** Notwithstanding any other provisions of the Plan, a former Active Participant shall not be entitled to payment of duplicate benefits upon again becoming an Active Participant.

17.10 **Furnishing Information.** In order to receive any benefits under the Plan, a Participant, Contingent Annuitant, Beneficiary or Spouse must furnish to the Administrator such information as the Administrator may request for the purpose of proper administration of the Plan.

17.11 **Vesting After Transfer of Employees.** Anything in the Plan to the contrary notwithstanding, if Employees are severed from the service of the Employer due to the transfer of a portion of the business of the Employer to another corporation or other business entity, and if such Employees continue to be employed by the new employer in the same capacity after the transfer, the Company may in its discretion permit such Employees to continue to accrue Credited Service for uninterrupted service with the new employer after the transfer but only for the purpose of determining whether the Employees have completed five (5) years of Vesting Service under Section 6.4.

17.12 **Construction.** The Plan shall be construed, enforced, and administered under the laws of the State of Connecticut and any applicable federal laws.

17.13 **Prior Designations.** Notwithstanding the requirements of Sections 7.2 and 8.2 hereof relating to the commencement or period of benefit payments, if a Participant has made a designation prior to January 1, 1984, which conforms to the requirements of Section 242(b)(2) of
the Tax Equity and Fiscal Responsibility Act of 1982, distributions of benefits under the Plan may be made in accordance with the terms of such designation. The Administrator shall be authorized to disregard any such designation, or any part thereof, if it determines that such action is necessary to preserve the tax qualification of the Plan.
ARTICLE 18
LIFE INSURANCE CONVERSION OPTION

18.1 Nature of Option. Any Participant who retires under the Plan and is eligible for Company-paid life insurance coverage under the Company’s group insurance plan for retirees may elect to surrender a portion of such life insurance coverage and to receive additional retirement income from the Plan. The amount of additional retirement income shall equal the Actuarial Equivalent of the life insurance surrendered. The amount of life insurance surrendered may be all or a portion of the Participant’s life insurance coverage, not to exceed $40,000.

18.2 Election Procedure. The election described in Section 18.1 may be made, by Notice to the Administrator, at any time either before or after a Participant’s Benefit Commencement Date. However, such election, once made, may only be revoked, by Notice to the Administrator, before the Participant’s Benefit Commencement Date. The Administrator shall furnish to each Active Participant, within a reasonable time (as determined by the Administrator) before such Participant’s Benefit Commencement Date, a written notification in non technical language of the availability of the conversion option and a written explanation in non technical language of the terms and conditions and financial effect thereof.

18.3 Form of Payment. If a Participant makes the election described in Section 18.1, the additional retirement income will be payable in the same form as the Participant’s other retirement income from the Plan, as determined in accordance with Section 8.1 or 8.2. The Spouse’s benefit described in Section 9.2 shall also apply to this additional retirement income.
ARTICLE 19
COST-OF-LIVING INCREASE

19.1 Cost-of-Living Increase. Effective with the payment for September 2007, the monthly retirement or survivor benefit (including the 1972 supplement and the 1979, 1982, 1986, 1990 and 1999 cost-of-living increases, if provided, but not including any portion of such total monthly benefit in excess of $1,500) paid to:

(a) a retired Participant (or his or her surviving Beneficiary) who terminated employment with a Participating Company before January 1, 2004, or

(b) a surviving Spouse who commenced a survivor annuity under Section 9.1 as a result of the death of his or her Spouse while an active Employee, provided that the surviving Spouse’s Benefit Commencement Date was on or before January 1, 2004,

and that is not being paid under Section 6.4 or 6.5, shall be increased (hereafter, the “cost-of-living increase”) by the percentage in the following table referencing the year of the Participant’s termination of employment on account of retirement (most recent termination of employment on account of retirement if the Participant was re-employed by a Participating Company subsequent to a termination), or of the day before the Benefit Commencement Date with reference to (b) above, as applicable.

<table>
<thead>
<tr>
<th>Year of Termination of Employment (or of the Day Preceding the Benefit Commencement Date for Surviving Spouse of Active Employee)</th>
<th>Percentage Increase in Monthly Retirement Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002-2003</td>
<td>3%</td>
</tr>
<tr>
<td>2000-2001</td>
<td>4%</td>
</tr>
<tr>
<td>1997-1999</td>
<td>5%</td>
</tr>
<tr>
<td>1994-1996</td>
<td>6%</td>
</tr>
<tr>
<td>1991-1993</td>
<td>7%</td>
</tr>
<tr>
<td>1990 or earlier</td>
<td>8%</td>
</tr>
</tbody>
</table>

The amount of the cost-of-living increase shall be determined with reference to the August 2007 form and amount of monthly retirement or survivor benefit; provided, however, that no monthly cost-of-living increase shall be less than $20. The cost-of-living increase will not be applied to any Participant (or survivor) who received a Plan benefit paid in lump sum form. Notwithstanding the above, no cost-of-living increase will be herein provided if the sum of the monthly retirement benefit provided to the Participant (or survivor benefit) under the Plan and all other pension or annuity plans or programs sponsored by Northeast Utilities and its subsidiaries, both qualified under Code Section 401(a) and non-qualified, in August 2007, exceeds $8,333.33. Eligibility for the cost-of-living increase under this Section 19.1 will be determined pursuant to uniform rules adopted by the Administrator.
ARTICLE 20
TOP-HEAVY PLAN PROVISIONS

20.1 Compensation. “Top-Heavy Compensation” for an Employee as used in this Article 20 shall mean compensation of an Employee within the meaning of Code Section 415(c)(3).

20.2 Key Employee. Any Employee or former Employee (and the Beneficiaries of such Employee) who at any time during the Determination Period was an officer of an Employer with Top-Heavy Compensation greater than $130,000 (as adjusted under Code Section 416(i)(1) for Plan Years beginning after December 31, 2002), a Five-Percent Owner of an Employer, or a One-Percent Owner of an Employer who has Top-Heavy Compensation of more than $150,000. The determination of who is a Key Employee shall be made in accordance with Code Section 416(i)(1) and the applicable regulations and other guidance of general applicability issued thereunder.

20.3 Top-Heavy Plan. For any Plan Year beginning after December 31, 1983, the Plan is top-heavy if any of the following conditions exists:

(a) If the Top-Heavy Ratio for the Plan exceeds sixty percent (60%) and the Plan is not part of any Required Aggregation Group or Permissive Aggregation Group of plans.

(b) If the Plan is a part of a Required Aggregation Group of plans (but which is not part of a Permissive Aggregation Group) and the Top-Heavy Ratio for the Required Aggregation Group of plans exceeds sixty percent (60%).

(c) If the Plan is a part of a Required Aggregation Group of plans and part of a Permissive Aggregation Group and the Top-Heavy Ratio for the Permissive Aggregation Group exceeds sixty percent (60%).

20.4 Top-Heavy Ratio.

(a) If the Employer maintains one or more defined benefit plans and the Employer has not maintained any defined contribution plan (including any simplified employee pension plan) which during the Determination Period(s) has or has had account balances, the Top-Heavy Ratio for the Plan alone or for the Required Aggregation Group or Permissive Aggregation Group as appropriate is a fraction, the numerator of which is the sum of the Present Values of accrued benefits of all Key Employees as of the Determination Date(s) (including any part of any accrued benefit distributed in the Determination Period(s)), and the denominator of which is the sum of the Present Values of all accrued benefits (including any part of any accrued benefit distributed in the Determination Period(s)), determined in accordance with Code Section 416 and the Regulations thereunder.

(b) If the Employer maintains one or more defined benefit plans and the Employer maintains or has maintained one or more defined contribution plans (including any simplified employee pension plan) which during the Determination Period(s) has or has had any account balances, the Top-Heavy Ratio for any Required Aggregation Group or Permissive Aggregation
Group, as appropriate, is a fraction, the numerator of which is the sum of the Present Values of accrued benefits under the aggregated defined benefit plan or plans for all Key Employees, determined in accordance with subsection (a) above, and the account balances under the aggregated defined contribution plan or plans for all Key Employees as of the Determination Date(s), and the denominator of which is the sum of the Present Values of accrued benefits under the aggregated defined benefit plan or plans, determined in accordance with subsection (a) above for all participants, and the account balances under the aggregated defined contribution plan or plans for all participants as of the Determination Date(s), all determined in accordance with Code Section 416 and the regulations thereunder. The account balances under a defined contribution plan in both the numerator and denominator of the Top-Heavy Ratio are adjusted for any distribution of an account balance made in the Determination Period.

(c) For purposes of subsections (a) and (b) above, the value of account balances and the Present Value of accrued benefits shall be determined as of the most recent Valuation Date that falls within or ends with the twelve (12) month period ending on the Determination Date, except as provided in Code Section 416 and the Treasury Regulations thereunder for the first and second plan years of a defined benefit plan. The account balances and accrued benefits of a Participant (i) who is not a Key Employee but who was a Key Employee in a prior year, or (ii) who has not received any Top-Heavy Compensation from any Employer maintaining the Plan at any time during the Determination Period or, effective for Plan Years beginning after December 31, 2001, who has not performed services for any Employer during the one (1) year period ending on the Determination Date shall be disregarded. The calculation of the Top-Heavy Ratio, and the extent to which distributions, rollovers, and transfers are taken into account, shall be made in accordance with Code Section 416 and the Treasury Regulations thereunder. Deductible Employee contributions shall not be taken into account for purposes of computing the Top-Heavy Ratio. When aggregating plans, the value of account balances and accrued benefits shall be calculated with reference to the Determination Date(s) that falls within the same calendar year.

(d) The accrued benefit of a Participant other than a Key Employee shall be determined under (i) the method, if any, that uniformly applies for accrual purposes under all defined benefit plans maintained by the Employer, or (ii) if there is no such method, as if such benefit accrued not more rapidly than the slowest accrual rate permitted under the fractional rule of Code Section 411(b)(1)(C).

(e) Effective for Plan Years beginning after December 31, 2001, the present values of accrued benefits and the amounts of account balances of an Employee as of the Determination Date shall be increased by the distributions made with respect to the Employee under the Plan and any plan aggregated with the Plan under Code Section 416(g)(2) during the one (1) year period ending on the Determination Date. The preceding sentence shall also apply to distributions under a terminated plan which, had it not been terminated, would have been aggregated with the Plan under Code Section 416(g)(2)(A)(i). In the case of a distribution made for a reason other than severance from employment, death or disability, this provision shall be applied by substituting “five-year period” for “one-year period.”

20.5 Permissive Aggregation Group. The Required Aggregation Group of plans plus any other plans or plan of the Employer and Associate Companies which, when considered as a
group with the Required Aggregation Group, would continue to satisfy the requirements of Code Sections 401(a)(4) and 410.

20.6 **Required Aggregation Group.** (a) Each qualified plan of the Employer and Associate Companies in which at least one Key Employee participated during the Determination Period, and (b) any other qualified plan of the Company or an Associate Company which enabled a plan described in (a) to meet the requirements of Code Section 401(a)(4) or 410 during the Determination Period.

20.7 **Determination Date.** With respect to a Plan Year, “Determination Date” shall mean the last day of the preceding Plan Year.

20.8 **Determination Period.** The Plan Year containing the Determination Date and the four (4) preceding Plan Years; provided, however, for Plan Years after December 31, 2001 the four (4) preceding years shall be disregarded.

20.9 **Valuation Date.** For purposes of computing the Top-Heavy Ratio, the Valuation Date shall be the normal annual valuation date for the Plan.

20.10 **Present Value.** For purposes of computing the Top-Heavy Ratio, any benefit shall be discounted using the actuarial factors in the definition of “Actuarial Equivalent.”

20.11 **Top-Heavy Vesting.** If the Plan is or becomes a Top-Heavy Plan in any Plan Year beginning after December 31, 1983, the following provisions shall supersede any conflicting provision in the Plan:

(a) **Vesting.** Notwithstanding the provisions of Sections 6.3, 6.4, 9.1, 9.3 and 9.4 hereof, a Participant, or such Participant’s eligible Spouse, to whom any of such Sections applies shall be entitled to receive a benefit determined using the following percentage of the Participant’s Basic Retirement Amount based upon the Participant’s Years of Vesting Service:

<table>
<thead>
<tr>
<th>If Years of Vesting Service Are</th>
<th>Then Vested Percentage Is</th>
</tr>
</thead>
<tbody>
<tr>
<td>less than 2</td>
<td>0%</td>
</tr>
<tr>
<td>2 but less than 3</td>
<td>20%</td>
</tr>
<tr>
<td>3 but less than 4</td>
<td>40%</td>
</tr>
<tr>
<td>4 but less than 5</td>
<td>60%</td>
</tr>
<tr>
<td>5 or more</td>
<td>100%</td>
</tr>
</tbody>
</table>

Notwithstanding the foregoing, an Active Participant shall be fully vested upon attaining age sixty-five (65).

(b) **Minimum Accrued Benefit.**

(i) Notwithstanding any other provision in the Plan except (ii), (iii), (iv) and (v) below, for any Plan Year in which the Plan is a Top-Heavy Plan, each Active
Participant who is not a Key Employee shall accrue a benefit (to be provided solely by Employer contributions and expressed as a life annuity commencing at age sixty-five (65)) of not less than two percent (2%) times years of service times his or her highest average Top-Heavy Compensation for the five (5) consecutive years for which the Participant had the highest Top-Heavy Compensation. The minimum accrual is determined without regard to any Social Security contribution. The minimum accrual applies even though under other Plan provisions the Participant would not otherwise be entitled to receive an accrual, or would have received a lesser accrual for the year because (A) the non-Key Employee fails to make mandatory contributions to the Plan, (B) the non-Key Employee’s Top-Heavy Compensation is less than a stated amount, (C) the non-Key Employee is not employed on the last day of the accrual computation period, or (D) the Plan is integrated with Social Security.

(ii) No additional benefit accruals shall be provided pursuant to (i) above to the extent that the total accruals on behalf of the Participant attributable to Employer contributions will provide a benefit expressed as a life annuity commencing at age sixty-five (65) that equals or exceeds twenty percent (20%) of the Participant’s highest average Top-Heavy Compensation for the five (5) consecutive years for which the Participant had the highest Top-Heavy Compensation.

(iii) The provisions in (i) above shall not apply to any Participant to the extent that the Participant is covered under any other plan or plans of the Employer which provide(s) for the minimum allocation or benefit applicable to Top-Heavy Plans.

(iv) All accruals of benefit derived from Employer Contributions, whether or not attributable to years for which the Plan is a Top-Heavy Plan, may be used in computing whether the minimum accrual requirements of subsection (ii) above are satisfied.

(v) For Plan Years beginning after December 31, 2001, any service with the Employer shall be disregarded to the extent that such service occurs during a Plan Year when the Plan benefits (within the meaning of Code Section 410(b)) no Key Employee or former Key Employee.
ARTICLE 21
DIRECT ROLLOVERS

21.1 Application of this Article. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee’s election under this Article, a distributee may elect, at the time and in the manner prescribed by the Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

21.2 Definitions. Whenever used in this Article, the following words shall have the following meanings:

(a) Eligible Rollover Distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee’s designated beneficiary, or for a specified period of ten (10) years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); and the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to Employer securities). Effective for distributions paid on or after January 1, 2007, an eligible rollover distribution may include a direct rollover to any qualified plan described in Code Section 401(a) or 403(a) or to an annuity contract described in Code Section 403(b) that agrees to separately account for the transferred amounts, including the amount includible in gross income and the amount not includible in gross income.

(b) Eligible Retirement Plan: An eligible retirement plan is an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), an annuity plan described in Code Section 403(a), or a qualified trust described in Code Section 401(a), that accepts the distributee’s eligible rollover distribution. Effective for distributions after December 31, 2001, “eligible retirement plan” shall also mean an annuity contract described in Code Section 403(b) and an eligible plan under Code Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from the Plan. The definition of “eligible retirement plan” shall also apply in the case of a distribution to a surviving Spouse or to a Spouse or former Spouse who is the alternate payee under a qualified domestic relations order, as defined in Code Section 414(p). Effective as of January 1, 2008, an eligible retirement plan shall also mean an individual retirement arrangement described in Code Section 408A.

(c) Distributee: A distributee includes an Employee or a former Employee. In addition, the Employee’s or former Employee’s surviving Spouse and the Employee’s or former Employee’s Spouse or former Spouse who is the alternate payee under a qualified domestic relations order, as defined in Code Section 414(p), are distributees with regard to the interest of the Spouse or former Spouse. Effective for distributions paid on or after January 1, 2010, a distributee includes a non-spouse Beneficiary of the Participant who is a “designated beneficiary” within the meaning of Code Section 401(a)(9)(E) and related regulations. Any such
Beneficiary may elect to roll over all or part of an “eligible rollover distribution” to an individual retirement plan described in Code Section 408(a) or 408(b) that the Beneficiary establishes for purposes of receiving the distribution.

(d) **Direct rollover:** A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.
ADDENDUM A

BENEFITS FOR REPRESENTED EMPLOYEES OF PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE AND NORTH ATLANTIC ENERGY SERVICE CORPORATION

This Addendum sets forth eligibility, participation and benefit provisions corresponding to the provisions of the Pension Plan of Public Service Company of New Hampshire ("PSNH Plan") as of December 31, 1992. These provisions continue to apply to Addendum A Participants following the merger of the PSNH Plan with the Northeast Utilities Service Company Retirement Plan effective as of January 1, 1993.

ARTICLE I
DEFINITIONS

(A) When used hereinafter, the following terms shall have the respective meanings set forth below, unless the context clearly indicates otherwise.

(1) “Actuarial Value” shall mean the cash value as of a specified date of a pension or other series of future payments based on a nine percent (9%) investment rate of return and the UP-1984 Table, with ages set forward one (1) year for Employees and set back four (4) years for Beneficiaries.

(2) “Company” shall mean Public Service Company of New Hampshire and North Atlantic Energy Service Corporation, unless the context clearly indicates that “Company” should refer solely to Public Service Company of New Hampshire.

(3) “Contingent Beneficiary” shall mean any person designated by an Employee pursuant to Article V or VI to receive retirement income on the death of the Employee.

(4) “Earnings” shall mean all compensation regularly paid to an Employee by the Company during the Plan Year as reported on Form W-2 (or any successor form), but including any amounts of deferred compensation under a plan meeting the requirements of Code Section 401(k) or 125, and excluding other amounts including, but not limited to, any amounts allocable to the Employee under the Plan, imputed income for life insurance premiums, moving and relocation expenses, company-provided automobile, all forms of severance or termination benefits (whether paid pursuant to a Company plan, policy or practice or pursuant to an agreement with an Employee), and any other incidental employment benefits; provided, however, that for Employees terminating employment on or after January 1, 1989, earnings considered under the Plan shall not exceed two hundred fifty thousand dollars ($250,000) (adjusted for changes in the cost-of-living as provided in Code Section 415(d)), and, except for purposes of determining the amount of Final Average Earnings in excess of Covered
Compensation, such maximum dollar limit shall be determined after aggregating the earnings of any Employee who is a 5-percent owner (as defined in Code Section 416(i)) or one of the top ten (10) Employees by pay who are Highly Compensated Employees (as defined in Code Section 414(q)) with the earnings of any Spouse or any lineal descendants who are not age nineteen (19) before the close of the Plan Year and who are also Employees.

(5) “Eligible Spouse” shall mean the person who is married to an Employee or Former PSNH Plan Participant on the date on which the payments from the Plan are to commence, provided that that person has been married to the Employee continuously for one (1) year immediately prior to the date of the Employee’s death.

(6) “Employee” shall mean any person in the employ of the Company in a position that is included, after December 31, 1992, in a collective bargaining agreement at the Company, and who, while the employment relationship exists, is paid or is entitled to payment for the performance of duties for the Company.

(7) “Final Average Earnings” shall mean the average of the highest consecutive five (5) years of Earnings. If any Employee with Service credited under subsection (a), (b), or (c) of Section I(A)(15) of this Addendum A or Section II(A)(21) of the PSNH Plan as in effect on December 31, 1992, has fewer than five (5) years of Earnings from the Company, Final Average Earnings shall include so many of the most recent consecutive years of earnings from any Named Associated Utility (on the same basis as Earnings for purposes of this Addendum A) as are necessary to provide a full five (5) years of Earnings. Years immediately prior to and subsequent to a Period of Severance shall be deemed as consecutive.

(8) “Hour of Service” shall mean:

(a) each hour for which an Employee is directly or indirectly paid, or entitled to payment, by the Company or an Affiliated Company for the performance of duties. These hours shall be credited to the Employee for the computation period or periods in which the duties are performed; and

(b) each hour for which an Employee is directly or indirectly paid, or entitled to payment, by the Company or an Affiliated Company for reasons (such as, but not limited to, vacation, sickness or disability) other than for the performance of duties (irrespective of whether the employment relationship has terminated). These hours shall be credited to the Employee for the computation period or periods in which the non-performance of duties occurs; and

(c) each hour for which back pay, irrespective of mitigation of damages, has been either awarded or agreed to by the Company or an Affiliated Company. These hours shall be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment was made. These same Hours of Service shall not be credited under both paragraph (a) or paragraph (b) of this Section, and under this paragraph (c); and
(d) each hour for which an Employee is entitled to receive credit for Service under a policy of the Company or an Affiliated Company while on an authorized unpaid leave of absence; and

(e) Hours of Service shall be computed and credited in accordance with paragraphs (b) and (c) of Section 2530.200b-2 of the Department of Labor Regulations which are incorporated herein by reference. To the extent not otherwise credited under these provisions, Hours of Service shall include any Hours of Service credited under the terms of the PSNH Plan as in effect on December 31, 1992.

(9) “Joint and Survivor Annuity” shall mean a benefit which is the actuarial equivalent of a retirement benefit computed in accordance with the appropriate provision of the Plan so that a reduced benefit is payable to the Participant for his lifetime with the provision that after his death a retirement benefit equal to one-half (½) the reduced benefit shall be payable to his Eligible Spouse for the lifetime of the Eligible Spouse if the Eligible Spouse survives the Employee.

(10) “Normal Retirement” shall mean retirement on the Employee’s sixty-fifth (65th) birthday, and shall be the date on which the Employee has a nonforfeitable right to his accrued benefit.

(11) “Period of Service” shall mean a period of service commencing on the Employee’s employment commencement date or re-employment commencement date, whichever is applicable and ending on the Severance from Service Date.

(12) “Period of Severance” shall mean the period of time commencing on the Severance from Service Date and ending on the date on which the Employee again performs an Hour of Service.

(13) “Covered Compensation” means, for a Plan Year, the average (without indexing) of the taxable wage bases as determined under Section 230 of the Social Security Act and in effect for each calendar year during the thirty-five (35) year period ending with the last day of the calendar year including the calendar year in which the Employee attains (or will attain) Social Security retirement age (as defined in Code Section 415(b)(8)); provided, however, for the purpose of computing benefits under this Addendum A, an Employee’s Covered Compensation shall not exceed the Covered Compensation of an Employee attaining Social Security retirement age in the current Plan Year. An Employee’s Covered Compensation for a Plan Year after the thirty-five (35) year period is the Employee’s Covered Compensation for the Plan Year during which the Employee attained Social Security retirement age. An Employee’s Covered Compensation is automatically adjusted for each Plan Year.

(14) “Retired Employee” shall mean any Employee who is currently receiving, or who has terminated employment and is immediately eligible to receive, retirement income under the provisions of the Plan or the PSNH Plan at the time of his termination.
(15) “Service,” except as otherwise provided in this definition, shall mean the aggregate of all Periods of Service with any one or more of the following: the Company and, for Employees who were in the employ of the Company on December 31, 1964, New England Public Service Company and NEPSCO Services, Inc. When used only to determine whether a person is entitled to the rights of a Vested Former Employee or to determine the availability of benefits under subsections (2) and (3) of Section (A) of Article IV, Section (A) of Article VI, and Section (A) of Article VII, Service shall also include (a) Periods of Severance of twelve (12) months or less and (b) service with an Affiliated Company other than the Company. Service shall be measured in years and fractions thereof, each fraction being the number of full calendar months divided by twelve (12). For Employees assigned to the New Hampshire Yankee Division of the Company and Employees of NAESCO, Service shall also include:

(a) service as defined under the pension plan of a Named Associated Utility for service with such Named Associated Utility that is contiguous with Service as an Employee;

(b) with respect to the Plan Year in which an individual becomes an Employee, contiguous service with a Named Associated Utility that is not credited under the pension plan of such Named Associated Utility and which, if such Service were provided as an Employee, would be counted as Service under the provisions of this Addendum A; and

(c) contiguous service with a Named Associated Utility that is not credited under the pension plan of such Named Associated Utility on account of the application of the break in service rules to a nonvested participant in such plan pursuant to Code Section 411(a)(6)(D).

For purposes of subsections (a), (b) and (c) above:

(i) service with a Named Associated Utility is contiguous with Service as an Employee only if an individual is either employed by the Company and assigned to the New Hampshire Yankee Division of the Company or employed by NAESCO within one (1) year following employment with such Named Associated Utility;

(ii) in no event shall an Employee receive credit for Service as an Employee and credit for service with a Named Associated Utility for the same period of time; and

(iii) in the event that the Named Associated Utility of which the Employee was an employee does not maintain a defined benefit pension plan, or if such Employee is not covered by or eligible to participate in the defined benefit pension plan in effect at such Named Associated Utility, service as defined under any one defined contribution plan maintained by the Named Associated Utility in which such Employee participated shall be considered service.

(16) “Severance from Service Date” shall mean the earlier of the date on which an Employee resigns, retires, is discharged or dies, or the first anniversary of the first date of absence for any other reason, except that if an Employee is receiving benefits from the long-term disability plan of such Employee’s employing company, Severance from Service Date shall
mean the later of the first anniversary of the first date of absence or the date as of which the Employee’s benefits from the disability plan terminate, under the assumption that while an Employee remains a participant in such disability plan for purposes of determining Earnings and Covered Compensation, he will continue to receive compensation at the rate in effect on the date he commences to receive benefits from such disability plan. For an Employee who commences a period of absence due to a Parental Leave of Absence, Severance from Service Date means the second anniversary of the date on which an Employee commenced such absence, provided that only the period up to the first anniversary of the date on which the absence commenced shall be considered Service for purposes of determining the availability of benefits under subsections (2) and (3) of Section (A) of Article IV, Section (A) of Article VI, and Section (A) of Article VII.

(17) “Vested Former Employee” shall mean any former Employee whose employment terminated, for any reason other than death, subsequent to December 31, 1988 and who, at the time of termination, had completed five (5) years of Service but had not attained age fifty-five (55).

(18) “Annuity Starting Date” shall mean the first day of the first period for which an Employee’s retirement benefit is payable.

(19) “Parental Leave of Absence” means any leave of absence of an Employee, due to:

(a) the pregnancy of the Employee,

(b) the birth of a child of the Employee,

(c) the adoption of a child by the Employee, or

(d) the caring for such child during the period immediately following such birth or adoption.

(20) “Affiliated Company” means (a) any corporation, other than the Company, which is a member of a controlled group of corporations (as defined in Code Section 414(b)) with the Company; (b) any trade or business, whether or not incorporated, other than the Company which is under common control (as defined in Code Section 414(c)) with the Company; (c) any service organization, other than the Company, which is a member of an affiliated service group (as defined in Code Section 414(m)) with the Company and (d) any other entity required to be aggregated with the Company pursuant to regulations under Code Section 414(o).

(21) “Named Associated Utility” shall mean, for purposes of determining the service and benefits of an Employee assigned to the New Hampshire Yankee Division of the Company or an Employee of NAESCO, the following entities:

(a) Entities which are or have been joint owners of the Seabrook Nuclear Station; provided, however, that such entities shall be deemed to be “Named Associated
Utilities” only during such period as they are or were joint owners of Seabrook Nuclear Station; and

(b) Each entity which, at the date of hire of such Employee, is an associate company in the same holding-company system as any of the entities described in subsection (a) of this Section. For purposes of this Addendum A, the terms “associate company” and “holding-company system” shall have the same meanings as provided under the Public Utility Holding Company Act of 1935.

(22) “Benefit Transition Date” shall mean (a) for each person employed by PSNH or NAESCO on January 1, 1993 in a position not then included in a collective bargaining unit at PSNH or NAESCO, January 1, 1993; (b) for each person employed by PSNH or NAESCO on January 1, 1994 in a position then included in a collective bargaining unit, and who is not already a Plan Merger Participant, January 1, 1994; and (c) for each person whose position changes, by transfer, promotion, or otherwise, prior to January 1, 1994, from one included in a collective bargaining unit at PSNH or NAESCO to one not so included, and who is not a Plan Merger Participant prior to such change, the date of such change. Only persons included in (a), (b) or (c) above shall have a Benefit Transition Date.

(23) “Addendum A Participant” shall mean a person who after December 31, 1992 is employed in a position included in the collective bargaining units at PSNH or NAESCO, such status to commence on the later of January 1, 1993 and the date of such employment and to end on the earlier of the termination of such employment and such person’s Benefit Transition Date.

(24) “Former PSNH Plan Participant” shall mean a person who is not a Plan Merger Participant or an Addendum A Participant and who has a benefit accrued under the PSNH Plan which is not in pay status on January 1, 1993.

(25) “Plan Merger Participant” shall mean any person with a Benefit Transition Date, from and after that date.

(26) “PSNH Basic Retirement Amount” shall mean, for a Plan Merger Participant, the PSNH Plan Benefit of such Plan Merger Participant expressed as an annual benefit payable to such Plan Merger Participant commencing on the Normal Retirement Date or, if later, the date of retirement, in equal monthly installments for life using the actuarial assumptions in effect under the PSNH Plan as of December 31, 1992.

(27) “PSNH Plan Benefit” shall mean, for any Plan Merger Participant with a Benefit Transition Date of January 1, 1993, the accrued benefit of such Plan Merger Participant under the PSNH Plan as of the close of business on the day before such Benefit Transition Date, and for any other Plan Merger Participant, the accrued benefit of such Plan Merger Participant under the provisions of Addendum A of the Plan as of the close of business on the day before such Plan Merger Participant’s Benefit Transition Date. If the PSNH Plan Benefit of a Plan Merger Participant must be stated in a particular form and/or beginning on a particular date for any
purpose under the Plan, the benefit shall be calculated using (a) the Plan Merger Participant’s Covered Compensation as of such Benefit Transition Date, under the PSNH Plan or Addendum A of the Plan, as appropriate, and (b) the actuarial factors and early retirement factors as of such Benefit Transition Date, under the PSNH Plan or Addendum A of the Plan, as appropriate. Pursuant to Section 4 of Internal Revenue Procedure 92-42, Internal Revenue Service Notice 89-45 shall be treated as if it had been revoked with respect to all changes in benefit structure under the PSNH Plan that could have resulted in accrual of supplemental retirement benefits under Section (E) of Article XI, Section (E) of Article XII, and Section (D) of Article XIII of the PSNH Plan as in effect on December 31, 1992, but only with respect to benefit payments to be made on and after January 1, 1993.

Appendix A sets forth a list of the companies that are or were, as of January 1, 1993, joint owners described in subsection (a) of this Section and the period during which such companies qualified as joint owners.

(B) Where used herein, the masculine pronoun shall be deemed to include the feminine equivalent thereof.

(C) Unless otherwise specified in this Addendum, terms used herein shall have the respective meanings set forth in Article 2 of the NUSCO Plan, or if no such meaning is set forth, in ERISA or the Code.

ARTICLE II
DETERMINATION OF ELIGIBILITY AND AMOUNT OF ANNUITY

Termination of employment for any reason shall automatically result in the loss of all benefits provided under this Addendum A except as otherwise specifically provided by the Plan or applicable law.

ARTICLE III
ELIGIBILITY

(A) Present Employees Eligible for Plan Benefits After December 31, 1992. Each Employee in the service of the Company on January 1, 1993 who was included as a member of the PSNH Plan on December 31, 1992 shall be a member of the Plan under this Addendum A and continue to accrue benefits in accordance with, and be entitled to the benefits provided by the Plan under, this Addendum A.

(B) Other Employees. Each other Employee and each future Employee shall become a member of the Plan under this Addendum A on the January 1 or July 1 coinciding with or next following the date on which the Employee has completed one (1) Year of Eligibility Service; provided that (a) any former member of the PSNH Plan or former member of the Plan under this Addendum A who had completed a Year of Eligibility Service, who is re-hired as an Employee after a break in Eligibility Service, shall become a member of the Plan under this Addendum A immediately upon re-employment and (b) any former employee of the Company who at the time
such employment terminated had not yet become a member of the PSNH Plan or a member of
the Plan under this Addendum A who had completed a Year of Eligibility Service, and who is re-
 hired as an Employee after a break in Eligibility Service, shall become a member of the Plan
under this Addendum A on the later of his re-employment date or the January 1 or July 1 coinciding
with or following his completion of a Year of Eligibility Service; provided, further,
that a former employee’s prior Years of Eligibility Service shall be disregarded and such
employee shall be treated as a new Employee for eligibility purposes if he has incurred at least
five (5) consecutive one (1) year breaks in Eligibility Service. A one (1) year break in Eligibility
Service occurs in the eligibility computation period specified in Section (C) in which the
Employee is credited with less than five hundred and one (501) Hours of Service.

(C) Year of Eligibility Service. For purposes of this Article III, an Employee will be deemed
to have completed a Year of Eligibility Service if he completes one thousand (1,000) Hours of
Service in a twelve (12) month period commencing with his date of employment or re-
employment, if applicable. If, at the end of such twelve (12) month period, an Employee does
not have a Year of Eligibility Service, such twelve (12) month period shall be computed from the
first day of a Plan Year commencing with the Plan Year immediately following his date of
employment or re-employment, if applicable. For Employees assigned to the New Hampshire
Yankee Division of the Company or Employees of NAESCO, in either case if such Employees
were previously employed by a Named Associated Utility, hours of service credited to any such
Employee under a pension plan of such Named Associated Utility shall be considered Hours of
Service for purposes of this Article III, provided that such Employee’s service with such Named
Associated Utility is contiguous (as defined in Section (A)(15) of Article I of this Addendum A)
with such Employee’s Service as an Employee assigned to the New Hampshire Yankee Division
of the Company or as an Employee of NAESCO. In the event that the Named Associated Utility
of which such Employee was an employee does not maintain a defined benefit pension plan or if
such Employee is not covered by or eligible to participate in the defined benefit pension plan in
effect at such Named Associated Utility, hours of service as defined under any one defined
contribution plan maintained by the Named Associated Utility in which the Employee
participated shall be considered Hours of Service for purposes of this Article III, provided that
such Employee’s service with such Named Associated Utility is contiguous (as defined in
Section (A)(15) of Article I of this Addendum A) with such Employee’s Service as an Employee
assigned to the New Hampshire Yankee Division of the Company or as an Employee of
NAESCO.

ARTICLE IV
AVAILABILITY OF BENEFITS

(A) Types of Benefits

(1) An Employee retiring at or after attaining age sixty-five (65) shall be entitled to
one of the forms of pension provided for in Article V.
(2) An Employee retiring after attaining age fifty-five (55) and prior to attaining age sixty-five (65) and who has completed five (5) or more years of Service shall be entitled to one of the forms of pension provided for in Article VI.

(3) Should an Employee die subsequent to either completing five (5) or more years of Service or attaining age fifty-five (55) but prior to the date his pension becomes payable, his Eligible Spouse shall be entitled to a death benefit in accordance with the provisions of Article VII and other applicable terms of the Plan.

(4) A Vested Former Employee shall be fully vested in the pension benefits accrued to him based upon his Earnings and Service to the date of termination of his employment. Notwithstanding such termination, he shall retain, until such time as his pension becomes payable, all of the rights of an Employee under the PSNH Plan or this Addendum A, as the case may be, as in effect at the time of his termination or January 1, 1976, whichever is later, and be subject to all of the provisions applicable to Employees thereunder at that time, except that to the extent such rights and provisions are required to be modified to meet the requirements of any applicable law or statute, such modifications may be made.

(B) Election of Options. An Employee’s election of an option under Article V or VI shall be in accordance with the provisions of Section 8.4 of the Plan.

(C) Determination of Optional Benefits

(1) Should an Employee be eligible for and elect one of the options available under Article V or VI hereof, the amount of benefits to be paid to such Employee under the elected option shall, in the case of options available under Section (B) of Article V or subsections (6) and (7) of Section (A) of Article VI, have an Actuarial Value equal to the pension which would be payable to such Employee under Section (A) of Article V or subsection (1) or (5) of Section (A) of Article VI, whichever is applicable, but in any case based on Earnings and Service prior to retirement.

(2) No option will be granted under this Addendum A if the effect would be to extend payments beyond the joint and last survivor life expectancy of the Employee and his designated beneficiary (with no recalculation of life expectancies subsequent to the commencement of payments), nor shall such optional form of retirement benefit provide for benefit payments to any person other than the Employee (or his spouse in the case of the contingent beneficiary form of retirement benefit) which would provide for payments in an amount in excess of the maximum continuation percentage (for annuity benefits) and the maximum period certain (for period certain benefit features) for non-spouse contingent beneficiaries more than ten (10) years younger than the Employee as contained in tables under Treasury Regulations Section 1.401(a)(9)-2.
(3) Notwithstanding anything to the contrary contained in the Plan, any benefit paid under the PSNH Plan or this Addendum A after the death of an Employee shall not be paid over a period exceeding five (5) years, unless:

(a) the Employee dies after commencement of his benefit to be paid for a period certain over a period not exceeding the joint life expectancy of the Employee and his Contingent Beneficiary, and the death benefits thereunder provide for the continuation of payments upon the death of the Employee over a period at least as rapidly as being provided prior to the Employee’s death; or

(b) the death benefit is paid to his spouse in the form of a joint and survivor annuity.

(D) Non-Duplication of Benefits. No benefits shall be paid under this Addendum A which duplicate benefits which an Employee is receiving under any other qualified retirement or pension plan to which the Company contributes or has contributed on his behalf; provided, however, that this Section shall not apply with respect to any portion of benefits attributable to contributions by the Employee to such other qualified retirement or pension plan.

(E) Pensions Payable Monthly. Unless otherwise provided, pension payments under this Addendum A shall be in equal monthly installments and shall start with the month of retirement and end with the month of death. However, should the actuarial equivalent value of any benefit be $3,500 or less, or such other amount as is provided by applicable law or regulation, the Administrator shall cause said actuarially equivalent amount to be paid in a lump sum. For purposes of this Section (E) of Article IV, the actuarial equivalent shall be determined using an interest rate not greater than the PBGC rate for valuing immediate annuities for plan termination as of the first day of the Plan Year in which the distribution occurs.

ARTICLE V

BENEFITS UPON RETIREMENT AT OR AFTER AGE SIXTY-FIVE (65)

(A) (1) For Employees other than Employees described in Section (A)(2) of this Article V, an Employee who at or after age sixty-five (65) retires from the service of the Company on or after January 1, 1993, will receive an annual retirement benefit, pursuant to the provisions of the Plan, in an amount equal to the sum of (a) plus (b):

(a) 1.35% of the Employee’s Final Average Earnings multiplied by the Employee’s years of Service (up to a maximum of thirty (30) years); and

(b) 0.60% of the Employee’s Final Average Earnings in excess of one hundred fifty percent (150%) of Covered Compensation multiplied by the Employee’s years of Service (up to a maximum of thirty (30) years); provided, however, that if an Employee’s Social Security Retirement Age (as defined in Code Section 415(b)(8)) is over age sixty-five (65), then the 0.60% factor shall be reduced by the ratio of the applicable Annual Factor (as contained in Section (A) of Article VI) to 0.75%.
(2) For Employees assigned to the New Hampshire Yankee Division of the Company or Employees of NAESCO, an Employee who at or after age sixty-five (65) retires from the service of the Company on or after January 1, 1993 will receive an annual retirement benefit equal to the greater of (a) or (b) below:

(a) an annual amount calculated in accordance with Section (A)(1) of this Article V, but excluding from such calculation any Service that otherwise would be credited pursuant to Section (A)(15) of Article I of this Addendum A for service with a Named Associated Utility; or

(b) an annual amount calculated in accordance with Section (A)(1) of this Section V (including in such calculation any service with a Named Associated Utility that is considered Service as an Employee pursuant to Section (A)(15) of Article I of this Addendum A) reduced, however, by the following amount:

the annual amount of retirement benefit, expressed as a single life annuity and assuming no provision of pre-retirement survivor benefits, payable to the Employee under the pension plan, if any, in effect at the Named Associated Utility of which the Employee was an employee, as if such retirement benefit commenced to be paid at the same time as the benefit under the Plan, including amounts no longer payable because the Employee received a full or partial lump sum settlement of the benefit to which the Employee was entitled under such pension plan. In the event that the Named Associated Utility of which the Employee was an employee does not maintain a defined benefit pension plan or if such Employee is not covered by or eligible to participate in the defined benefit pension plan in effect at such Named Associated Utility, the annual amount of retirement benefit constituting the reduction shall be calculated by taking the portion of the Employee’s account balances under all defined contribution plans maintained by the Named Associated Utility that is attributable to employer contributions (other than salary deferrals by such Employee under a so-called “401(k)” plan) as of the valuation date under said plan immediately following the date of the Employee’s termination of service with the Named Associated Utility (but adding thereto any amounts distributed from said plan prior to said valuation date), plus interest thereon from said valuation date until the date for commencement of the Employee’s benefit under this Addendum A at the rate of nine percent (9%) per annum, and converting said amount to a single life annuity, commencing at age sixty-five (65) using the Pension Benefit Guaranty Corporation’s layered, deferred annuity rates in effect as of the date of the Employee’s commencement of participation in the PSNH Plan or, if later, the Plan, and assuming no pre-retirement mortality discount.

(B) In lieu of the pension provided by Section (A) of this Article, an Employee may elect one of the following optional forms of pension:
(1) Contingent Beneficiary Option. An Employee may elect to receive an actuarially reduced pension during his lifetime with the provision that after his death a pension equal to two-thirds ($\frac{2}{3}$) of the actuarially reduced monthly pension which the Employee received during lifetime will be paid to and for the lifetime of the Contingent Beneficiary, all subject to the following conditions:

(a) The option shall not become operative and no pension will be paid to or for the account of the Contingent Beneficiary until pension payments to the Employee electing this option shall have become payable on his Annuity Starting Date.

(b) Should the death of the Employee occur prior to the Annuity Starting Date, the option shall be inoperative and in lieu thereof, a death benefit shall be paid in accordance with the provisions of Article VII.

(c) Should the death of the Contingent Beneficiary occur during the lifetime of the Employee but prior to his Annuity Starting Date, this option shall be inoperative and the Employee shall be entitled to the full pension which would have been payable to him had this option not been elected, and shall again have the right to elect one of the forms of option set forth in this Article V, including this option.

(d) Should the death of the Contingent Beneficiary occur during the lifetime of the Employee but after his Annuity Starting Date, the Employee shall continue to receive, until the time of his death, the actuarially reduced pension elected by him under the provisions of this subsection (1).

(2) Ten-Year Certain Annuity Option. An Employee may elect to receive an actuarially reduced pension payable for ten (10) years beginning with his Annuity Starting Date and for life thereafter under the following conditions:

(a) The Employee may designate one or more successive beneficiaries to receive said pension for any unexpired part of the ten (10) year period should the Employee die prior to the end of said ten (10) year period.

(b) The Employee shall have the right to change or redesignate his beneficiary or successive beneficiaries at any time prior to the expiration of the ten (10) year period.

(c) Should the beneficiary or beneficiaries survive the Employee but die prior to the expiration of the ten (10) year period, or if there is no surviving designated beneficiary, the commuted value of the remaining payments shall be paid to the estate of the last survivor.

(C) A married Employee who is entitled to benefits under this Article V and who has not elected one of the forms of pension provided for in Sections (A) and (B) of Article V in accordance with the procedures in Section (B) of Article IV shall in the month of retirement begin to receive benefits in the form of a Joint and Survivor Annuity, which shall pay to the
Employee during his lifetime an actuarially reduced benefit and after his death pay fifty percent (50%) of said reduced benefit to the Employee’s spouse for the duration of the spouse’s life; said benefits would have an Actuarial Value equal to the pension which would be payable to such Employee under Section (A) of Article V but in any case based on Earnings and Service prior to retirement. For purposes of this Section (C) of Article V, the term “spouse” means the person to whom the Employee is married on his Annuity Starting Date.

(D) Notwithstanding the benefit provided by Section (A) of this Article V, an Employee’s pension benefit shall not be less than the benefit that the Employee would be entitled to based on the benefit formula in effect under the PSNH Plan on December 31, 1988 and calculated:

(1) as of July 13, 1989 for any Employee who is not a highly compensated employee described in Code Section 414(q)(1)(A) or (B), or

(2) as of December 31, 1988 for any Employee who is such a highly compensated employee.

ARTICLE VI
BENEFITS UPON RETIREMENT PRIOR TO AGE SIXTY-FIVE (65)

(A) An Employee who has attained age fifty-five (55) but not age sixty-five (65) and who has completed five (5) or more years of Service may, upon Notice to the Administrator in accordance with Section 8.4 of the Plan, be retired upon such one of the following forms of pension as he may elect:

(1) Pension Beginning Prior to Age Sixty-Five (65). For Employees other than Employees described in Section (A)(4) of this Article VI, an annual retirement benefit, pursuant to the provisions of the Plan, in an amount equal to (i) (reduced as provided in (a) below) plus (ii) (reduced as provided in (b) below):

   (a) 1.35% of the Employee’s Final Average Earnings multiplied by the Employee’s years of Service (up to a maximum of thirty (30) years); and

   (b) 0.60% of the Employee’s Final Average Earnings in excess of one hundred fifty percent (150%) of Covered Compensation multiplied by the Employee’s years of Service (up to a maximum of thirty (30) years).

(2) if such Employee has not attained the age of sixty-two (62), the amount determined under subsection (1)(a) above shall be reduced by a discount factor determined as follows: (i) for a person electing retirement prior to attainment of age fifty-eight (58), the discount factor shall be equal to the sum of twenty-seven percent (27%) plus a percentage equal to one-twelfth (1/12th) of seven percent (7%) times the number of full and partial months by which the retirement date precedes attainment of age fifty-eight (58); (ii) for a person electing retirement prior to attainment of age sixty-two (62) but after attainment of age fifty-eight (58), the discount factor shall be three percent (3%) plus a percentage equal to one-twelfth (1/12th) of
six percent (6%) times the number of full and partial months by which the retirement date precedes attainment of age sixty-two (62).

(3) in addition, if such Employee has not attained age sixty-five (65) when benefit payments commence, the 0.60% factor in subsection (1)(b) above shall be reduced by the ratio of the applicable Annual Factor (as set forth below) to 0.75%.

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(4) For Employees assigned to the New Hampshire Yankee Division of the Company or Employees of NAESCO, an annual retirement benefit equal to the greater of (a) or (b) below:

(a) an annual amount calculated in accordance with Section (A)(1) of this Article VI, but excluding from such calculation any Service that otherwise would be credited pursuant to Section (A)(15) of Article I for service with a Named Associated Utility;

(b) an annual amount calculated in accordance with Section (A)(1) of this Article VI (including in such calculation any service with a Named Associated Utility that is considered Service as an Employee pursuant to Section (A)(15) of Article I of this Addendum A), reduced, however, by the following amount:

c) the annual amount of retirement benefit, expressed as a single life annuity and assuming no provision of pre-retirement survivor benefits, payable to the Employee under the pension plan, if any, in effect at the Named Associated Utility of which the Employee was an employee, including amounts no longer payable because the Employee received a full or partial lump sum settlement of the benefit to which the Employee was entitled under such pension plan; provided, however, that the foregoing amount shall be reduced by the early retirement reduction factors, if any, under said pension plan of such Named Associated Utility that would apply if the benefit under such plan were payable (even if not actually paid) to the Employee at the same time as the benefit payable under the Plan, but if the benefit under such plan is not so payable to the Employee, the foregoing amount first shall be reduced by such early retirement reduction factors as if such benefit were being paid at the earliest date payable to the Employee under such plan, and second shall be further reduced by the factors set forth in the following table (which are derived from the actuarial factors set forth in the definition of “Actuarial Value” in Section (A)(1) of Article I) for the period of time between such earliest date and the date that the benefit under the Plan commences to be paid:
### Age Benefit Payable Under The Plan

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### Earliest Age Benefit Payable Under Retirement Plan of Named Associated Utility

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<th>Age</th>
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In the event that the Named Associated Utility of which the Employee was an employee does not maintain a defined benefit pension plan or if such Employee is not covered by or eligible to participate in the defined benefit pension plan in effect at such Named Associated Utility, the annual amount of retirement benefit constituting the reduction shall be calculated by taking the portion of the Employee’s account balances under all defined contribution plans maintained by the Named Associated Utility that is attributable to employer contributions (other than salary deferrals by such Employee under a so-called “401(k)” plan) as of the valuation date under said plan immediately following the date of the Employee’s termination of service with the Named Associated Utility (but adding thereto any amounts distributed from said plan prior to said valuation date), plus interest thereon from said valuation date until the date for commencement of the Employee’s benefits under this Addendum A at the rate of nine percent (9%) per annum, and converting said amount to a single life annuity, commencing at the age when benefit payments to the Employee under this Addendum A will commence, using the Pension Benefit Guaranty Corporation’s layered, deferred annuity rates in effect as of the date of the Employee’s commencement of participation in the PSNH Plan or the benefits under this Addendum A, as the case may be, and the UP 1984 Mortality Table with ages set forward one (1) year and assuming no pre-retirement mortality discount.

(5) Pension Deferred to Age Sixty-Five (65). A pension for life which shall begin in the month after the Employee attains age sixty-five (65) and shall be computed in accordance with Section (A)(2) or (A)(4) of this Article VI as the case may be, and shall be based on Covered Compensation determined as of, and Earnings and Service rendered to, the date of retirement prior to age sixty-five (65).
(6) Social Security Adjustment Option. A pension, payment to start in the month of retirement, which payment shall be increased during the period prior to attainment of age sixty-two (62) and thereafter reduced to an amount which when added to the primary benefits payable at age sixty-two (62) under the federal Social Security Act, will approximately equal such increased monthly pension during the period prior to attainment of age sixty-two (62), provided, however:

(a) In the event such payments prior to age sixty-two (62) be less in amount than the primary monthly benefits payable thereafter under the federal Social Security Act, such lesser payments shall be made during the period between retirement and age sixty-two (62), after which no further benefits will be paid by the Plan under this Addendum A.

(b) For the purposes of this option, the computation of the primary Social Security benefits payable at age sixty-two (62) shall be based upon the provisions of the applicable law in effect at the date the option is elected and upon Earnings prior to the date of retirement.

(7) Contingent Beneficiary Option and Ten-Year Certain Annuity Option. One of the forms of pension and subject to the same conditions as set forth in Sections (B)(1) and (B)(2) of Article V.

(B) An Employee may elect to defer his pension under the provisions of Section (A)(1), (A)(4) or (A)(5) of this Article VI, and if he so elects, then until such date as his pension becomes payable, he shall retain all of the rights of an Employee under the Plan except that the pension amount under this Addendum A shall be based on Covered Compensation determined as of, and Earnings and Service rendered to, the date on which the Employee last completed an Hour of Service.

(C) A married Employee who is entitled to benefits under this Article VI and who has not elected one of the forms of pension provided for in Section (A) of this Article in accordance with the procedures in Section (B) of Article IV shall, commencing in the month after he attains age sixty-five (65), receive benefits in the form of a Joint and Survivor Annuity, which shall pay to the Employee during his lifetime an actuarially reduced benefit and after his death pay fifty percent (50%) of said reduced benefit to the Employee’s Eligible Spouse for the duration of the spouse’s life; said benefits to have an Actuarial Value equal to the pension which would be payable to such Employee under Section (A) of Article V, but in any case based on Earnings and Service prior to retirement.

(D) Notwithstanding the benefit provided by Section (A) of this Article VI, an Employee’s pension benefit shall not be less than the benefit that the Employee would be entitled to based on the benefit formula in effect under the PSNH Plan on December 31, 1988 and calculated:

(1) as of July 13, 1989 for any Employee who is not a highly compensated employee described in Code Section 414(q)(1)(A) or (B), or
(2) as of December 31, 1988 for any Employee who is such a highly compensated employee.

(E) Re-Employment of Retired Employee Who Elected Special Early Retirement Incentive Benefit. If a Retired Employee who elected early retirement under the provisions of Section XII(F) of the PSNH Plan as in effect at the time of his retirement is re-employed as an Employee (except in a temporary position determined in accordance with Company personnel practices) by the Company after having commenced to receive the Special Early Retirement Incentive Benefit (as defined in such Section XII(F)), his annual retirement benefit shall be adjusted as follows:

(1) upon re-employment, his retirement benefit payments shall be reduced to the amount the Employee would have received had he elected to retire under Article XI or Article XII of the PSNH Plan as in effect at the time of his retirement, as applicable, but without regard to the provision of Section XII(F) thereof; and

(2) upon his subsequent retirement, his retirement benefit shall be recomputed under Article VIII with the reduction for prior benefit payments based on the value of all payments received, including the Special Early Retirement Incentive Benefit prior to the adjustment at re-employment. Such recomputed amount of pension benefit shall be based on his age, Earnings and Covered Compensation upon his subsequent retirement date computed under Article V or this Article VI, as applicable, but without regard to the provisions of said Section XII(F). Such recomputed amount of pension benefit shall not be reduced below the amount that the Employee would have received had he elected to retire under Article XI or XII of the PSNH Plan as in effect at the time of his retirement, as applicable, but without regard to the provisions of Section XII(F) thereof.

ARTICLE VII
DEATH BENEFIT

(A) Should an Employee who has at least one (1) Hour of Service on or after August 23, 1984 die prior to his Annuity Starting Date but either (1) on or subsequent to attainment of age fifty-five (55) or (2) prior to attainment of age fifty-five (55) but subsequent to completion of five (5) years of Service, there shall be paid to the Eligible Spouse of such Employee for life, beginning in the month after death if such Eligible Spouse consents to receive the benefit at such time, a level monthly pension equal in amount, in the case of benefits payable under (1), to one-half (½) of the pension to which the Employee would have been entitled at the date of his death without regard to the five (5) year Service requirement set forth in Section (A) of Article VI, had his pension then become payable, based on Earnings prior to the date of death, or, in the case of benefits payable under (2), to one-half (½) of the pension to which the Employee would have been entitled at age fifty-five (55) had he lived to said age and had his pension then become payable, based on Earnings prior to the date of death or termination of employment if earlier, but actuarially reduced from age fifty-five (55) to the date of death. If the Eligible Spouse does not consent to receive benefits on the last day of the month.
following the month in which the Employee died, then such benefit shall commence no later than the date the Employee would have attained age sixty-five (65).

(B) Should a Vested Former Employee who does not have one (1) Hour of Service on or after January 1, 1976 die prior to commencement of payment of his benefits, his Eligible Spouse shall be entitled to the death benefit under Section (A) of this Article VII if such Vested Former Employee either (1) dies subsequent to attaining age fifty-five (55), or (2) dies prior to attainment of age fifty-five (55), but subsequent to having completed twenty (20) years of Service.

(C) Should a Vested Former Employee who has at least one (1) Hour of Service on or after January 1, 1976 die after August 23, 1984 and prior to commencement of payment of his benefits, his Eligible Spouse shall be entitled to the death benefit under Section (A) of this Article VII.

ARTICLE VIII
RE-EMPLOYMENT OF RETIRED EMPLOYEE AND SUSPENSION OF BENEFITS

(A) If a Retired Employee who is receiving benefits is re-employed as an Employee, his benefits under the PSNH Plan or under this Addendum A shall not be suspended but shall continue in the same form and amount; provided, however,

(1) that the amount of his pension benefit shall be recomputed based on his age, Earnings and Covered Compensation upon his subsequent retirement date and then shall be reduced by the Actuarial Equivalent value of the aggregate amount of pension benefit payments made to him prior to such subsequent retirement, except that such recomputed amount of pension benefit shall not be reduced below the amount of the previously calculated pension benefit.

(2) that if the Employee is married at the time of his subsequent retirement, the amount of pension benefit, if any, in excess of the pension benefit that the Employee is then receiving shall be payable as a Joint and Survivor Annuity as provided in Section (C) of Article V, unless a new election is made in accordance with the provisions in Section (B) of Article IV.

(B) If an Employee remains in the employ of the Company after his Normal Retirement Date, thereby deferring the payment of his pension, the Administrator shall notify the Employee of the deferral or suspension of his pension payments by personal delivery or first-class mail during the first calendar month or payroll period in which the Plan withholds payments. This notice shall contain such information and shall be given at such time as required by applicable law or the regulations under ERISA Regulations Section 2530.203-3.

No suspension of benefits under this Article VIII shall be effective if such suspension is prohibited by any provision of applicable law. An Employee shall not be considered to be “employed” during any month after his Normal Retirement Date for which he receives payment for Hours of Service performed on fewer than eight (8) days (or separate work shifts) in any such
month, and such Employee shall receive the pension payment for such month that he would have received.

In the event that notice of any such suspension is not provided to the Employee in accordance with the procedures in ERISA Regulations Section 2530.203-3, such Employee’s pension benefit under the PSNH Plan or this Addendum A shall be recalculated as of his subsequent retirement date, and will equal the greater of:

(1) a pension benefit calculated in the same manner as the Normal Retirement benefit, but utilizing the Employee’s Earnings, age and Covered Compensation to his actual retirement date, reduced by the Actuarial Value of any pension benefits previously paid; or

(2) the Actuarial Value of the Employee’s Normal Retirement benefit (adjusted to recognize any postponement of payment), reduced by the Actuarial Value of any pension benefits previously paid.

(C) Notwithstanding Section (B) above, if an Employee is required to commence payment of his pension benefits because he has reached the latest commencement date as provided in Section 5.4 of the Plan, then the Employee shall receive a pension benefit calculated in accordance with Article V, and, as of each December 31 thereafter, an additional amount, if any, will be paid to the Employee equal to the excess of (1) over (2) where:

(1) is the increase in the Employee’s recalculated pension benefit based on any additional years of Service, Earnings, Final Average Compensation, and Covered Compensation to the date of the recalculation; and

(2) is the Actuarial Value of retirement benefit payments received by the Employee under this Addendum A for the prior twelve (12) month period.
ADDENDUM B

PLAN PROVISIONS DUE TO THE TRANSFER OF ASSETS AND LIABILITIES FROM THE NIAGARA MOHAWK PENSION PLAN IN CONNECTION WITH THE ACQUISITION OF NIAGARA MOHAWK ENERGY MARKETING INC.

This Addendum sets forth special provisions that apply to NMEM Participants and/or certain provisions of the Niagara Mohawk Pension Plan as of July 1, 1998 and/or as incorporated by reference. In addition to the terms of the Plan, the provisions below apply to NMEM Participants following the merger of the Niagara Mohawk Plan with the Northeast Utilities Service Company Retirement Plan.

(A) Early Retirement. As of June 1, 2005, a NMEM Participant who chooses the transition benefit relative to his or her NMEM Pension Benefit in the Plan (excluding for purposes of this sentence each member of a collective bargaining unit prior to the time such bargaining unit accepts this benefits change by agreement with the Employer), whose employment is involuntarily terminated without cause, who has attained age fifty (50) but not age fifty-five (55) as of the date of termination, and the sum of whose age and Credited Service in whole months as of the date of termination equals or exceeds sixty-five (65) years may elect to retire on the first day of any month prior to the Normal Retirement Date. Such election must be made by Notice to the Administrator no later than three (3) months before the intended Early Retirement Date, unless the Administrator determines that the requested reduction in the notice period is administratively practicable and in the best interests of the Participant and his or her Employer.

(B) Retirement Benefits of Employees Retiring on Early Retirement Date. In accordance with the Plan, a Participant may elect by Notice to the Administrator to have such retirement benefits commence on the Early Retirement Date or any later date (not after his or her Normal Retirement Date) as such Participant shall specify, in which case such Participant shall be entitled to receive the amount of benefit otherwise computed under Section 7.1 multiplied by the appropriate factor set forth in Section 6.2 of the Plan; provided that for an NMEM Participant (a) such factor shall be 1.0 for that portion of the benefit attributable to an NMEM Pension Benefit if the sum of the Participant’s whole years of age plus whole years of Credited Service (counting for this purpose service credited under the Plan as well as under the Niagara Mohawk Pension Plan) is at least eighty-six (86) years or said Participant has attained age sixty (60), and (b) such factor for that portion of the benefit attributable to an NMEM Pension Benefit shall be .95, .90, .85, .80, or .75 if said participant has attained age fifty-nine (59), fifty-eight (58), fifty-seven (57), fifty-six (56), or fifty-five (55), respectively, and is not otherwise eligible for a factor of 1.0 pursuant to the terms of the Plan. Further, an NMEM Participant may not commence retirement benefits attributable to his or her NMEM Pension Benefit earlier than age fifty-five (55).

(C) Basic Retirement Amount of NMEM Participants. The Basic Retirement Amount of an NMEM Participant shall be an annual benefit payable to such Participant commencing on the Normal Retirement Date or, if later, the date of retirement in an amount equal to the sum of (1) such Participant’s NMEM Pension Benefit, based on the cash balance plan formula, plus (2) the benefit calculated under Section 7.1 of the Plan.
(D) **Optional Forms of Payment.** The following forms of benefit are available to NMEM Participants for payment of the Actuarial Equivalent (except as set forth in (4) below) of the Participant’s NMEM Pension Benefit.

1. **25% Joint and Survivor Annuity Option:** NMEM Pension Benefits shall be payable to the Participant in equal monthly installments for life, with the provision that, after the Participant’s death, benefit payments shall be continued to the Participant’s Spouse, if surviving, for life in the amount of twenty-five percent (25%) of the amount of each monthly installment paid to the Participant.

2. **Joint and Survivor Annuity Option with Pop-Up:** NMEM Pension Benefits shall be payable to the Participant in equal monthly installments for life, with the provision that, after the Participant’s death, benefit payments shall be continued to the Participant’s Spouse, if surviving, for life in the amount of one hundred percent (100%), fifty percent (50%), or twenty-five percent (25%) of the amount of each monthly installment paid to the Participant; provided that if the Spouse predeceases the Participant, the amount of benefit payable to the Participant shall be increased to the amount calculated without regard to the election of this option.

3. **Lump Sum:** NMEM Pension Benefits shall be paid in an Actuarial Equivalent lump sum payment as of the Benefit Commencement Date, no less than the account balance under the “cash balance formula” of the Niagara Mohawk Pension Plan.

4. **Early Retirement Option:** An NMEM Participant who participated in the Niagara Mohawk Pension Plan prior to January 1, 1998 who retires after reaching age fifty-five (55), has ten (10) or more years of Credited Service (including for this purpose service under the Niagara Mohawk Pension Plan) and elects a Benefit Commencement Date before the Normal Retirement Date, the Actuarial Equivalent of the NMEM Pension Benefit payable monthly in the form of a life annuity during the Participant’s life, but ending on the Participant’s Normal Retirement Date (and if the Participant dies prior to reaching his or her Normal Retirement Date, his or her surviving Spouse (or effective November 1, 2006, his or her Same-Sex Life Partner) shall continue to receive such payments for his or her life, but this spousal benefit shall not be considered in determining the Actuarial Equivalent amount), and, as of the Participant’s Normal Retirement Date, the remainder of the Participant’s NMEM Pension Benefit shall be paid monthly in the form of a one hundred percent (100%), fifty percent (50%), or twenty-five percent (25%) joint and survivor annuity, with or without the Pop-Up feature described in (2) above, or as a Straight Life Annuity with no survivor benefit, as elected (the “Normal Retirement Date Election”) by the Participant as part of the original election prior to the Benefit Commencement Date (all in Actuarial Equivalent amounts), but subject to change by the Participant at any time prior to the Normal Retirement Date, provided that the Spouse who previously consented to the waiver of a fifty percent (50%) joint and survivor option consents to the change. The latest election of an option executed before the Normal Retirement Date will take effect on the Normal Retirement Date or, if later, one (1) year from the date of the election. If the Participant’s Spouse who previously consented to the waiver of a fifty percent (50%) joint and survivor annuity predeceases the Participant before the Participant’s Normal Retirement Date, the Normal Retirement Date Election will be void and the Participant will continue to receive payments as a Straight Life Annuity after the Normal Retirement Date.
(E) **Market Rate of Return and Preservation of Capital.** Except to the extent required by Section (F) of Addendum B, for any Plan Year the interest crediting rate shall be no greater than a market rate of return in accordance with Treasury Regulations Section 1.411(b)5-1(d)(1). As of the Participant’s Benefit Commencement Date, the Participant’s benefit under the Plan shall be no less than the benefit determined as of that date based on the sum of all of the principal credits credited under the Plan in accordance with Treasury Regulations Section 1.411(b)5-1(d)(2).

(F) **Interest and Mortality upon Termination.** Only to the extent required by Treasury Regulations Section 1.411(b)5-1(e)(2), upon termination of the Plan:

1. The interest rate and mortality table used on and after termination for purposes of determining the amount of any benefit payable in the form of an annuity commencing at or after Normal Retirement Age are the interest rate and mortality table under the Plan for that purpose as of the termination date; provided, however, that if the interest rate is variable, then the rules for determining an interest rate pursuant to the terms of Section (F)(2) of Addendum B shall apply.

2. If the interest crediting rate used to determine the Participant’s accumulated benefit for the NMEM Pension Benefit based on the cash balance plan formula is a variable rate, then the interest crediting rate used to determine the Participant’s accumulated benefit for the NMEM Pension Benefit based on the cash balance plan formula after termination is equal to the average of the interest crediting rates used under the Plan during the five (5) year period ending on the termination date.

(G) **Three-Year Vesting.** Notwithstanding anything in the Plan to the contrary, a NMEM Participant with one (1) Hour of Service on and after January 1, 2008 with a benefit calculated under the cash balance formula shall be one hundred percent (100%) vested in his or her Basic Retirement Benefit after completing at least three (3) Years of Vesting Service.
ADDENDUM C

PLAN PROVISIONS FOR ELIGIBLE EMPLOYEES OF THE YANKEE COMPANIES AND
THE MERGER OF THE YANKEE PENSION PLAN

(A) Background and Application. The Yankee Energy System Inc. Retirement Plan for the
employees of Yankee Energy Company and participating subsidiaries (“Yankee Pension Plan”
and “Yankee Company,” respectively) was merged into the Plan on January 1, 2003. Employees
who were participants in the Yankee Pension Plan as of December 31, 2002 became Participants
of the Plan on January 1, 2003, and assets attributable to their benefits under the Yankee Pension
Plan were transferred to the Plan. This Addendum C sets forth the provisions applicable to:

(1) any active participant in the Yankee Pension Plan on December 31, 2002 who
became a Participant in the Plan on January 1, 2003, regardless of whether the Participant
transfers to another Employer, and

(2) any Employee who (a) first completes an Hour of Service on or after January 1,
2003, (b) that first Hour of Service is performed for a Yankee Company, regardless of whether
the Employee later transfers to another Employer or Affiliate, and (c) is eligible to participate
in the Plan pursuant to Article 4.

Any individual described in subsection (1) and (2) above shall be a “Yankee Participant.”

(B) Recognized Prior Service. As a result of the plan merger, all service recognized by a
Yankee Company under the terms of the Yankee Pension Plan for purposes of eligibility and
vesting for each Yankee Pension Plan participant as of December 31, 2002 who was not a
bargaining unit employee was also recognized and credited for the same purposes, as applicable,
under the terms of the Plan on January 1, 2003, except as provided in Section (E) below or as
otherwise set forth in the Plan.

(C) Frozen Yankee Accrued Benefits. Under no circumstances shall any Yankee Company
employee who became a Participant in the Plan on January 1, 2003 be entitled to a benefit under
the Plan that is less than the accrued benefit that he or she was entitled to receive under the
Yankee Pension Plan as of December 31, 2002. In no event shall an individual who had a
benefit under the Yankee Pension Plan on June 30, 1989 be entitled to a benefit less than his or
her accrued benefit as of that date.

(D) Accrued Benefit Under The Plan. A Yankee Participant whose participation in the Plan
became effective on or after January 1, 2003 (including participation in the Plan that became
effective on January 1, 2003 as a result of the plan merger) shall be entitled to benefits under the
Plan, subject to the applicable provisions below:

(1) Accrued Benefit. A Yankee Participant’s benefit under the Plan will be equal to the
Participant’s benefit based on the Participant’s total years and months of Credited Service
under the Yankee Pension Plan as of December 31, 2002 (if any) and, except as provided in
Section (E), the Participant’s total years and months of Credited Service under the Plan that do
not duplicate years and months of Credited Service under the Yankee Pension Plan.
(2) Plan Exceptions. Notwithstanding anything in the Plan to the contrary, a Yankee Participant shall not be entitled to have any rights under the Plan determined based on provisions applicable to Newly Hired Participants.

(E) Re-Employed Yankee Pension Plan Participants.

(1) Pre-2003 Termination of Employment. A participant in the Yankee Pension Plan who terminated employment with a Yankee Company before January 1, 2003 and is subsequently re-hired:

   (a) By an Employer other than a Yankee Company will have his or her benefit under the Plan provided in two parts: (i) his or her accrued benefit under the Yankee Pension Plan as of his or her termination of employment under that plan, and (ii) his or her accrued benefit under the Plan based on Credited Service on and after January 1, 2003 with an Employer other than a Yankee Company.

   (b) By a Yankee Company will have his or her accrued benefit under the Plan determined solely with reference to the benefits, rights and features of the Yankee Pension Plan and this Addendum C.

(2) Post-2002 Termination of Employment with Yankee Company. A Participant in the Yankee Pension Plan who terminates or terminated employment with a Yankee Company on or after January 1, 2003 and is subsequently re-hired by an Employer other than a Yankee Company will have his or her accrued benefit determined under the Plan with reference to total non-duplicative credited service under the Plan and the Yankee Pension Plan, subject to the provisions of Article 3 of the Plan regarding a 1-Year Break in Service.
Supplement U

to

Northeast Utilities Service Company Retirement Plan -
Provisions Regarding Displaced Utility Group Employees
Voluntary Retirement Program

1. Definitions. This Supplement U is a part of the Plan, and all terms bearing initial capital letters shall be defined as set forth in the Plan.

2. Effective Date. The provisions of this Supplement U shall be effective as of February 1, 2002; provided, however, that the provisions of Sections 6 and 7 hereof shall be effective for each Participant as of their Displacement Date (as hereinafter defined).

3. Purpose. This Supplement U to the Plan sets forth special provisions of the Plan which will apply to certain Employees of the Employer, as set forth below.

4. Eligibility. Each Employee of The Connecticut Light and Power Company (“CL&P”) or Northeast Utilities Service Company (“NUSCO”) who is an Active Participant in the Plan as of January 1, 2002 and on such date was not participating in the Yankee Energy System, Inc. Retirement Plan pursuant to the “home rule” provisions thereof, whose employment is not governed by a collective bargaining agreement or whose collective bargaining unit has agreed to the benefits of this Supplement U, and in each such case who is transferred to a job with the job title of “Interim/Displaced” as part of the reorganization of The Connecticut Light and Power Company in connection with the restructuring of the electric utility industry in Connecticut between January 22, 2002 and March 3, 2003, shall on such date (the “Displacement Date”) be an “Eligible Employee.” An Eligible Employee shall be eligible to receive the benefits provided pursuant to this Supplement U in addition to any benefits otherwise provided by the Plan, provided that such Employee (x) submits written notification as described in Section 5 hereof (the “Election”) within the period commencing on the date the Employee receives the forms and other information described in Section 5 (the “Election Commencement Date”) and ending at 4:30 p.m. on the date fifty-five (55) days following the Election Commencement Date (the “Election Due Date”), (y) voluntarily terminates from the service of the Employer without having accepted a regular position with the Employer or its Affiliated Companies on the last calendar day of a month between May 31, 2002 and May 31, 2003 as may be chosen by the Employer (the “Separation Date”), and (z) does not (1) revoke his or her Election prior to the date eight (8) days after the date of the Election (the “Election Date”) (the “Revocation Date”) or (2) accept employment with the Employer or any Affiliated Company of the Employer in a position other than “Interim/Displaced” at any time prior to the Revocation Date.

5. Notification. In order to receive the benefits provided pursuant to this Supplement U, an Employee eligible pursuant to Section 4 hereof must submit written notification, including a signed election form and General Release and Covenant Not to Sue in the form approved by the Administrator, by hand delivery or mail, to Director – Benefits of the Employee’s acceptance of the terms of this Supplement U, no later than 4:30 p.m. on the Election Due Date. A written notification submitted prior to 4:30 p.m. on the Election Due Date may be revoked not later than 4:30 p.m. on the Revocation Date, after which time such
notification shall be irrevocable. An employee may make only one notification and one revocation under the program described in this Supplement. An Employee eligible pursuant to Section 4 hereof who has provided and not revoked such written notification is hereinafter referred to as an “Electing Employee.”

6. Benefits. An Electing Employee whose employment terminates on his or her Separation Date as provided in Section 4 shall be vested in his or her Basic Retirement Amount for all purposes under the Plan, and shall receive in addition to his or her Basic Retirement Amount a Special Retirement Benefit under the Plan consisting of an annual payment for life beginning at age sixty-five (65) each in an amount equal to the sum of (a) three hundred sixty and 59/100 dollars ($360.59) plus (b) the product of (i) his or her annual base rate of pay as of the day before the Separation Date or January 1, 2002, whichever is higher (including any lump sum amount payable as the result of his or her last annual salary review prior to termination) limited to the extent required by Code Section 401(a)(17), times (ii) the greater of (A) four (4) and (B) the lesser of (1) twenty-six (26) and (2) the number of his or her years of Credited Service as of his or her Separation Date times (iii) three hundred forty-six thousand seven hundred forty-one hundred-millionths (.00346741).

7. Time and Form of Payment.

(a) An Electing Employee who separates from the service of the Employer on his or her Separation Date shall have the option of receiving his or her Basic Retirement Amount and Special Retirement Benefit either (i) in such form and commencing at such time as set forth in Article 8 of the Plan (calculated using the Actuarial Equivalent factors set forth in the definition of Actuarial Equivalent herein, except that if the Employee is Retirement-Eligible as of the Separation Date and such annuity commences prior to the Employee’s Normal Retirement Date, that portion of the annuity consisting of the Basic Retirement Amount shall be calculated using the factors set forth in Section 6.2 of the Plan), provided that no surviving Spouse benefit under Section 9.2 of the Plan, if applicable, shall be paid with respect to that portion of the annuity consisting of the Special Retirement Benefit; (ii) as a lump sum actuarial equivalent of the Basic Retirement Amount and the Special Retirement Benefit (not including, in the case of the Special Retirement Benefit, any surviving Spouse benefit under Section 9.2 of the Plan, if applicable), payable on the first day of the month which starts at least forty-five (45) days following the later of such Employee’s Revocation Date and Separation Date (the “Payment Date”); or (iii) in the form of an annuity actuarially equivalent to the payment calculated in (ii) above, commencing on the Payment Date and payable in accordance with Section 8.1 or 8.2(a) of the Plan, including, with respect to the portion of such annuity equivalent to the Basic Retirement Amount, a surviving Spouse benefit under Section 9.2 of the Plan, if applicable. The Electing Employee shall exercise this option in accordance with Section 8.4 of the Plan on a form to be provided by the Administrator.

(b) The actuarial equivalence of a lump sum and an annuity commencing at the same time shall be determined using the following assumptions:

For distributions in 2002:
Participant Mortality – 1983 Group Annuity Mortality Table, weighted fifty percent (50%) male/fifty percent (50%) female, as specified in IRS Revenue Ruling 95-6

Interest Rate – 5.48% (or, for Separation Dates in 2003, if less, the average yield on thirty (30) year U.S. Government Treasury securities for the month of August, 2002)

For distributions in 2003:

The greater of the amounts determined using the actuarial factors applicable to 2002 or using the following factors:

Participant Mortality – The mortality table prescribed by the Secretary of the Treasury for lump sum distributions payable in 2003

Interest Rate – the average yield on thirty (30) year U.S. Government Treasury securities for the month of August, 2002

The lump sum actuarial equivalent of the Special Retirement Benefit payable on the Separation Date shall be determined using the assumptions in the first sentence of this Section 7(b), after converting the Special Retirement Benefit to an annuity payable beginning on the Payment Date by multiplying it times the applicable factor from the table below (such table to be recalculated for Separation Dates occurring in 2003, if any, in the event that the mortality table prescribed by the Secretary of the Treasury for lump sum distributions payable in 2003 and the average yield on thirty (30) year U.S. Government Treasury securities for the month of August, 2002 would yield factors more favorable to Participants than the factors in such table), interpolated linearly to reflect age in years and whole months as of the Payment Date:

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The lump sum actuarial equivalent of the Basic Retirement Amount for a Retirement-Eligible Employee shall be determined using the assumptions in the first sentence of this Section 7(b), after converting the Basic Retirement Amount to an annuity payable beginning on the Payment Date by multiplying it times the applicable factor set forth in Section 6.2 of the Plan. The lump sum actuarial equivalent of the Basic Retirement Amount for a non-Retirement-Eligible Employee shall be determined using the assumptions in the first sentence of this Section 7(b), after converting the Basic Retirement Amount to an annuity payable beginning on the Payment Date using the assumptions set forth in the definition of Actuarial Equivalent herein.

(c) No cost-of-living increase that may be provided under the Plan shall apply to benefits taken in the form of a lump sum pursuant to subsection (a)(ii) above or to the Special Retirement Benefit.

(d) Each Retirement-Eligible Electing Employee shall have the Separation Date established as his or her Early Retirement Date, Normal Retirement Date or Deferred Retirement Date, as the case may be, for all purposes under the Plan. Each Electing Employee who is not Retirement-Eligible as of the Separation Date shall be a Vested Former Participant under the Plan.

(e) “Retirement-Eligible” for purposes of this Supplement U shall mean (A) at least age sixty-five (65), (B) at least age fifty (50) and less than age fifty-five (55) and having years of age plus Credited Service of at least sixty-five (65) or (C) at least age fifty-five (55) with at least ten (10) years of Credited Service as of June 1, 2003.

(f) “Applicable Section 6.2 Factor,” for purposes of this Supplement U, shall be the factor required by Section 6.2 of the Plan assuming benefit commencement as of the Payment Date; provided that (i) for a Retirement-Eligible Electing Employee the Applicable Section 6.2 Factor will be one (1.0) as of the Payment Date if it would have been one (1.0) on June 1, 2003 had the Employee’s service continued through such date on account of the Employee’s becoming at least fifty-five (55) years old with age plus Credited Service of at least eighty-five (85) years.

8. Limitation. The limitation of Code Section 415(b), including the dollar limitation of Code Section 415(b)(1)(A) (adjusted pursuant to Code Section 415(d)) as in effect on February 1, 2002, shall apply on and after said date, without further adjustment pursuant to Code Section 415(d) (notwithstanding the provisions of Section 7.3(a) of the Plan), to the additional benefits provided pursuant to this Supplement U to any Participant. Notwithstanding the foregoing, benefits under the Plan that cannot be provided to an Electing Employee because of the Code limitation or other Code limitations on benefits for Highly Compensated Employees shall, nevertheless, be provided by the Employer from its general corporate funds, and such provision of benefits in excess of the Code limitations shall constitute a separable part of the Plan that is not subject to said Code limitations and thus is an “excess benefit plan” within the meaning of Section 3(36) of ERISA.

9. Administration. As a part of the Plan, the provisions of this Supplement U shall be administered pursuant to Article 12 of the Plan.
Supplement V
to
Northeast Utilities Service Company Retirement Plan –
Provisions Regarding Prior Supplements

1. Definitions. This Supplement V is a part of the Plan, and all terms bearing initial capital letters shall be defined as set forth in the Plan.

2. Effective Date. The provisions of this Supplement V shall be effective as of January 1, 2005.

3. Purpose. This Supplement V to the Plan sets forth special provisions of the Plan which will apply to certain Employees of the Employer, as set forth below.

4. Eligibility. Each Employee who satisfies the requirements set forth in this Section 4 shall be an “Eligible Employee” for purposes of receiving the benefits provided pursuant to this Supplement V. An Employee shall be eligible to receive the benefits provided pursuant to this Supplement V, in addition to any benefits otherwise provided by the Plan, if: (a) such Employee satisfied all of the eligibility requirements applicable to any special or enhanced retirement program offered by the Employer pursuant to a prior supplement to the Plan (a “Supplement”) except for the requirement to voluntarily terminate from the service of the Employer within the time period prescribed by such Supplement; (b) such Employee voluntarily terminated from the service of the Employer prior to the beginning of such time period prescribed by such Supplement; (c) such Employee provided to the Administrator a duly notarized statement, in such form and including such content as the Administrator determines in its sole discretion to be reasonably satisfactory, to the effect that such Employee inquired of the Employer prior to such Employee’s voluntary termination from the service of the Employer as to whether a special or enhanced retirement program was under consideration by the Employer; (d) the inquiry described in (c) was made at a time that the Administrator determines, in its sole discretion, that the special or enhanced retirement program made available by such Supplement was under consideration by the Employer; (e) the notarized statement described in (c) is provided to the Administrator before the expiration of the statute of limitations applicable to such Employee’s claim under such Supplement, as determined by the Administrator in its sole discretion; and (f) such Employee executes a General Release and Covenant Not to Sue, in such form as the Administrator in its sole discretion may prescribe, waiving the Employee’s rights under the Age Discrimination in Employment Act and other applicable federal and state laws.

5. Benefits. An Eligible Employee shall receive, in addition to his or her Basic Retirement Amount, a Special Retirement Benefit under the Plan consisting of the enhancement provided by the Supplement described in Section 4 above.

6. Time and Form of Payment. The Special Retirement Benefit described in Section 5 above shall be paid in such form as the Eligible Employee shall have elected or as shall be in effect with respect to the payment of his or her Basic Retirement Amount; provided, however, that the payment of any back benefits for the period of time beginning on the Eligible Employee’s Benefit Commencement Date and ending on the date of payment or commencement
of payment of the Special Retirement Benefit provided herein shall be made in a lump sum with interest at the average rate of the fifty-two (52) week U.S. Treasury Bill determined on a calendar quarter basis from the Benefit Commencement Date through the calendar quarter immediately preceding the effective date of the General Release and Covenant Not to Sue provided in Section 4(f) above, such lump sum amount to be paid as soon as administratively practicable following the effective date of the General Release and Covenant Not to Sue.

7. **Limitation.** Anything in this Supplement V to the contrary notwithstanding, no Special Retirement Benefit shall be payable hereunder to the extent it exceeds any limitation under Code Section 401(a)(4) or 415 or any other limitation imposed upon the Plan by the Code, ERISA or regulations promulgated thereunder.

8. **Administration.** As a part of the Plan, the provisions of this Supplement V shall be administered pursuant to Article 12 of the Plan.
Supplement W

to
Northeast Utilities Service Company Retirement Plan –
Provisions Regarding Divestiture of Competitive Business Assets of the Company

1. Definitions. This Supplement W is a part of the Plan, and all terms bearing initial capital letters shall be defined as set forth in the Plan.

2. Effective Date. The provisions of this Supplement W shall be effective between the dates of January 1, 2006 and June 30, 2007.

3. Purpose. This Supplement W to the Plan sets forth special provisions of the Plan which will apply to certain Employees of the Employer affected by the divestiture of competitive business assets of the company, as set forth below.

4. Eligibility. Each Employee who satisfies the requirements set forth in this Section 4 shall be an “Eligible Employee” for purposes of receiving the benefits provided pursuant to this Supplement W. An Employee shall be eligible to receive the benefits provided pursuant to this Supplement W, in addition to any benefits otherwise provided by the Plan, if:

   (a) such Employee voluntarily terminates from the service of the Employer, pursuant to the terms of the sale of a competitive business of the Employer, for the purpose of accepting a position with the buyer of the competitive business;

   (b) such Employee, at the time of the voluntary termination from the service of the Employer, was at least fifty (50) years of age but less than fifty-five (55) years of age and the sum of such Employee’s age and Credited Service in whole months as of the date of termination equals or exceeds sixty-five (65) years; and

   (c) such Employee is not a member of a collective bargaining unit.

5. Benefits. An Eligible Employee, in accordance with Section 5.2 of the Plan, may elect to retire on the first day of any month prior to the Normal Retirement Date.

6. Time and Form of Payment. The time and form of payment of benefits will be in accordance with Article 8 of the Plan.

7. Limitation. Anything in this Supplement W to the contrary notwithstanding, no Special Retirement Benefit shall be payable hereunder to the extent it exceeds any limitation under Code Section 401(a)(4) or 415 or any other limitation imposed upon the Plan by the Code, ERISA or regulations promulgated thereunder.

8. Administration. As a part of the Plan, the provisions of this Supplement W shall be administered pursuant to Article 12 of the Plan.
APPENDIX A

PARTICIPATING COMPANIES as of January 1, 2008
(in addition to Northeast Utilities Service Company, the Plan Sponsor)

The Connecticut Light and Power Company
Public Service Company of New Hampshire
Select Energy, Inc.
Western Massachusetts Electric Company
Yankee Gas Services Company
APPENDIX B

As of January 1, 1993, the following entities were joint owners of Seabrook Nuclear Station for the periods indicated:

1. The United Illuminating Company (05/01/73 to present)
2. Central Maine Power Company (05/01/73 to 11/25/86)
3. The Connecticut Light and Power Company (05/01/73 to present)
4. Fitchburg Gas and Electric Light Company (05/01/73 to 11/25/86)
5. Montaup Electric Company (05/01/73 to present)
6. Community Electric Company (05/01/73 to 06/23/82)
7. Canal Electric Company (06/23/82 to present)
8. New England Power Company (05/01/73 to present)
9. Vermont Electric Power Company (05/01/73 to 05/01/78)
10. Central Vermont Public Service Corporation (10/25/74 to 11/25/86)
11. Green Mountain Power Corp. (10/25/74 to 12/17/75)
12. Hudson Light & Power Department (05/01/78 to present)
13. Vermont Electric Cooperative, Inc. (05/01/78 to 01/30/84)
14. Vermont Electric Generation and Transmission Cooperative, Inc. (01/30/84 to present)
15. Bangor Hydro-Electric Power Company (05/01/78 to 11/25/86)
16. Taunton Municipal Lighting Plant (05/01/78 to present)
17. Massachusetts Municipal Wholesale Electric Company (01/31/79 to present)
18. New Hampshire Electric Cooperative, Inc. (08/06/80 to present)
19. EUA Power Corporation (11/25/86 to present)
20. Maine Public Service Company (01/31/79 to 11/25/86)