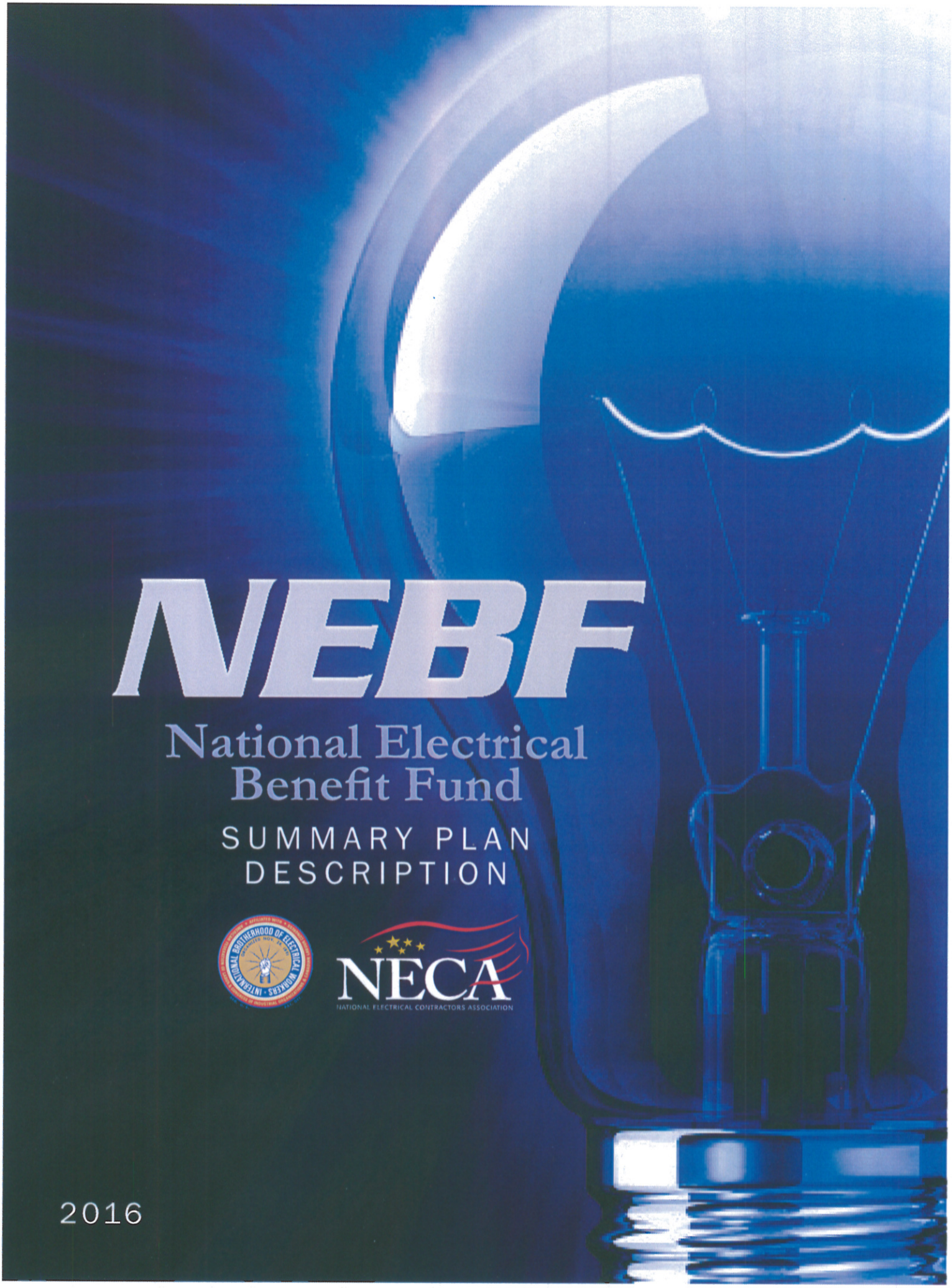


NEBF

National Electrical Benefit Fund

SUMMARY PLAN DESCRIPTION

NECA
NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION

2016

INTRODUCTION

The National Electrical Benefit Fund (NEBF) was established as a result of an agreement between the International Brotherhood of Electrical Workers (IBEW) and the National Electrical Contractors Association (NECA) in 1946 to provide workers in the electrical construction industry with a retirement plan.

This booklet is a "Summary Plan Description" (SPD) and contains a summary of the Plan of Benefits for the NEBF (the Plan) in effect as of January 1, 2016. As a summary, this SPD cannot cover all of the details of the Plan; it is an overview. The Plan governs all questions concerning benefits, rights, and responsibilities under the Plan. In the event of a conflict between the SPD and the Plan, the Plan will govern.

There have been many changes to the Plan since it was established. Your benefit is generally based on the rules of the NEBF at the time you begin receiving a benefit. Therefore, before making any decision that could affect your rights or responsibilities under the Plan — such as a decision to retire — you should contact the NEBF office and ask about how the Plan applies to your situation. If you have any questions about the NEBF, you should contact the NEBF office.

CONTACTING NEBF

We invite you to visit NEBF's website at www.nebf.com where you can find all of the basic forms and documents used by NEBF and the latest information concerning NEBF.

You may also contact NEBF by writing to the address shown below. If you would like to speak to a Pension Services Representative, you may call between the hours of 8:00 a.m. and 5:00 p.m. (EST), Monday through Friday.

National Electrical Benefit Fund
2400 Research Boulevard, Suite 500
Rockville, MD 20850-3266
Telephone: 301-556-4300
Fax: 301-556-0100
www.nebf.com

TABLE OF CONTENTS

Section 1	- What Is NEBF?	1
Section 2	- Participating in NEBF	1
Section 3	- Becoming Vested	1
Section 4	- Earning Credits Toward a Benefit	2
Section 5	- Losing Vesting Service and Pension Credits	5
Section 6	- Determining Your Benefit Amount	6
Section 7	- Types of Benefits	8
Section 8	- Applying for a Benefit	27
Section 9	- Effective Date of a Benefit	31
Section 10	- Receiving a Benefit	31
Section 11	- Suspension or Termination of a Benefit	32
Section 12	- Benefits Available in the Event of a Divorce	33
Section 13	- Benefits Available in the Event of Death	34
Section 14	- Benefit Application Processing and Appeal Procedures	36
Section 15	- Your Rights Under the Employee Retirement Income Security Act of 1974 (ERISA)	40
Section 16	- Important Information About Your Plan	42
Section 17	- Glossary	44
Section 18	- Forms and Website	46

Section 1 — What Is NEBF?

The National Electrical Benefit Fund (NEBF) is a Taft-Hartley, multiemployer, defined benefit pension plan that provides retirement benefits and related benefits to employees in the electrical industry.

Participants accumulate credit in NEBF based upon their years of Covered Employment. Qualifications for benefits and the amount of those benefits are based upon a Participant's years of service with Covered Employers, age at retirement, type of benefit selected, and the pension rate at time of retirement.

How Are Contributions Made?

Contributions are made each month by Covered Employers on behalf of employees who are covered by either:

- A collective bargaining agreement with the International Brotherhood of Electrical Workers (IBEW) or one of its Local Unions, ***or***
- A signed participation agreement with NEBF.

How Much Does My Employer Contribute to NEBF?

Covered Employers contribute 3% of their covered employees' gross labor payroll each month to NEBF.

Can I Contribute to NEBF?

No. All contributions to NEBF are made by Covered Employers. Covered employees do not themselves make contributions to NEBF and do not have individual accounts in NEBF.

Section 2 — Participating in NEBF

You become a Participant in NEBF on your first day of Covered Employment. Your hours in Covered Employment will count toward your eligibility for a benefit from NEBF. You shall no longer be a Participant upon the loss of your Vesting Service Credits.

Once you become Vested, you have a right to a benefit from NEBF, and you cannot lose that right. If you stop working in Covered Employment before you are Vested, you remain a Participant until your Vesting Service Credits are lost.

Section 3 — Becoming Vested

Effective January 1, 1988, you are considered Vested when you have accumulated five Vesting Service Credits or reach age 65 with earned Pension Credits. Different rules apply to becoming Vested prior to January 1, 1988.

Why Is It Important to Be Vested?

There are three reasons why it is important to be Vested.

1. You have a right to a benefit from NEBF, and you cannot lose that right.
2. You will not lose any Vesting Service Credits or Pension Credits that you have already earned should you incur a Break in Service.
3. You may earn additional Pension Credits if you return to Covered Employment without having to become Vested again.

What Happens If I Do Not Become Vested?

If you are not Vested and incur a Break in Service, you lose all Vesting Service Credits and Pension Credits that you have accumulated. However, if you retire at age 65 or older and have not lost your Pension Credits, you may be eligible for a benefit even if you are not Vested.

Section 4 — Earning Credits Toward a Benefit

Your eligibility for a benefit and the amount of that benefit depend on the number of credits you earn. Generally, credits are earned for hours worked in Covered Employment. There are two types of credits you can earn: Vesting Service Credits and Pension Credits.

Section 4.1 — Vesting Service Credits

Vesting Service Credits determine your right to a benefit. To be Vested means that you have a non-forfeitable right to a benefit from NEBF.

How Do I Earn Vesting Service Credits?

Generally, you earn Vesting Service Credits by accumulating hours worked in Covered Employment in Good Years. There is a 1,000 hour requirement for each Vesting Service Credit.

You generally earn one Vesting Service Credit for each year you work 1,000 hours or more. The hours in excess of 1,000 can be used to meet the 1,000 hour requirement for other Good Years in which you worked less than 1,000 hours.

For hours to count toward the 1,000 hour requirement, you must have a Good Year. A Good Year is generally a year in which you work 300 or more hours in Covered Employment. You can earn only one Vesting Service Credit in any calendar year.

In the event you believe you are entitled to Vesting Service Credits for time not reflected in NEBF's records, it will be your responsibility to produce records proving your entitlement to such Vesting Service Credits.

Can I Earn Vesting Service Credits for Time When I Was in Non-Covered Employment?

Yes, you can earn Vesting Service Credits for time when you were in Non-Covered Employment if you meet either of the requirements in A or B below:

A	• You have previously worked in Covered Employment, ***and*** • You work 300 hours or more in Non-Covered Employment for a Covered Employer.

OR

B	• You earn a Past Service Credit (see Section 4.2.2).

Can I Earn Vesting Service Credits for My Time While on Maternity or Paternity Leave?
If you leave and return to Covered Employment for maternity or paternity leave, you may be granted hours that count toward the 1,000 hour requirement for a Vesting Service Credit. It is your responsibility to provide NEBF with timely information to determine your right to these hours.

Can I Earn Vesting Service Credits for My Time in Military Service?
You may receive $83^1/_3$ hours for each month during the term of your military service plus the length of time taken to return to Covered Employment or Non-Covered Employment for a Covered Employer that count toward the 1,000 hour requirement for a Vesting Service Credit, if you meet the following requirements:

- You previously worked in Covered Employment, ***and***
- You leave Covered Employment or Non-Covered Employment with a Covered Employer to enter military service, ***and***
- You enter military service for the first time or because you are recalled, ***and***
- You leave military service after your first term of service or the period of recall, ***and***
- You return to Covered Employment or Non-Covered Employment with a Covered Employer within three months of leaving military service.

It is important that you notify NEBF when you leave employment to enter the military and when you are discharged and return to employment. NEBF also complies with USERRA, if that law provides greater benefits.

Section 4.2 — Pension Credits

Pension credits are generally earned while working in Covered Employment. They are used to determine your benefit amount. You cannot earn Pension Credits for hours worked in Non-Covered Employment. Pension Credits are not based on union membership.

There are two types of Pension Credits: Benefit Service Credits and Past Service Credits. These are added together to give the total number of Pension Credits that are used to determine your benefit amount.

Section 4.2.1 — Benefit Service Credits

Benefit Service Credits are earned based upon the number of hours you work in Covered Employment.

How Do I Earn Benefit Service Credits?

Generally, you earn Benefit Service Credits by accumulating hours worked in Covered Employment in Good Years. There is a 1,000 hour requirement for each Benefit Service Credit.

You generally earn one Benefit Service Credit for each year you work 1,000 hours or more. The hours in excess of 1,000 can be used to meet the 1,000 hour requirement for other Good Years in which you worked less than 1,000 hours.

For hours to count toward the 1,000 hour requirement, you must have a Good Year. A Good Year is generally a year in which you work 300 or more hours in Covered Employment. You can earn only one Benefit Service Credit in any calendar year.

In the event you believe you are entitled to Benefit Service Credits for time not reflected in NEBF's records, it will be your responsibility to produce records proving your entitlement to such Benefit Service Credits.

Can I Earn Benefit Service Credits for Time When I Was in Non-Covered Employment?

No, you cannot earn Benefit Service Credits for working in Non-Covered Employment. Benefit Service Credits are only earned for working in Covered Employment.

Can I Earn Benefit Service Credits for My Time While on Maternity or Paternity Leave?

No, you cannot earn Benefit Service Credits for time while on maternity or paternity leave.

Can I Earn Benefit Service Credits for My Time in Military Service?

You may receive $83^1/_3$ hours for each month during the term of your military service plus the length of time taken to return to Covered Employment or Non-Covered Employment for a Covered Employer that count toward the 1,000 hour requirement for a Benefit Service Credit, if you meet the following requirements:

- You previously worked in Covered Employment, ***and***
- You leave Covered Employment or Non-Covered Employment with a Covered Employer to enter military service, ***and***
- You enter military service for the first time or because you are recalled, ***and***
- You leave military service after your first term of service or the period of recall, ***and***
- You return to Covered Employment or Non-Covered Employment with a Covered Employer within three months of leaving military service.

It is important that you notify NEBF when you leave employment to enter the military and when you are discharged and return to employment. NEBF also complies with USERRA, if that law provides greater benefits.

Section 4.2.2 — Past Service Credits

Past service credits are credits that recognize the years you worked in a job classification that was not Covered Employment but later becomes Covered Employment for that employer.

How Do I Earn Past Service Credits?

You may earn a maximum of five Past Service Credits. These credits are earned on a one-for-one basis (one Past Service Credit for one Benefit Service Credit). Past Service Credits also count toward earning a Vesting Service Credit.

You earn one Past Service Credit ***in any year*** you meet the following requirements:

- You earn a Benefit Service Credit while in Covered Employment with your current employer, ***and***
- Your past employer becomes or remains a Covered Employer, ***and***
- Your past job classification is Covered Employment with that past employer.

In the event you believe you are entitled to Past Service Credits for time not reflected in NEBF's records, it will be your responsibility to produce records proving your entitlement to such Past Service Credits.

Section 5 — Losing Vesting Service Credits and Pension Credits

Once you are Vested, you do not lose the Vesting Service Credits or the Pension Credits you have earned. If you are not Vested and incur a Break in Service, all Vesting Service Credits and Pension Credits will be lost.

What Is a Break in Service?

After January 1, 1985, a Break in Service is a period of five consecutive calendar years when you do not have a Good Year in Covered Employment. Different rules apply to a Break in Service prior to January 1, 1985.

What Does a Break in Service Mean to Me?

The effect of a Break in Service depends on your vesting status. If you are Vested, you do not lose any previously accumulated Vesting Service Credits or Pension Credits. However, a Break in Service may affect your benefit amount.

If you are not Vested, you lose any previously accumulated Vesting Service Credits and Pension Credits.

Are There Circumstances Not Considered a Break in Service?

There are circumstances that are not considered a Break in Service because:

- You are unable to work in your job classification as a result of serious injury, illness, or disease, ***or***
- You are receiving or entitled to receive accident and/or sickness benefits or workmen's compensation, ***or***
- You are on strike or locked out for a maximum period of six months, ***or***
- You are on maternity or paternity leave, ***or***
- You are on military leave, ***or***
- You are working in Non-Covered Employment for a Covered Employer, ***or***
- You are working for an employer, under an IBEW contract, that does not make contributions to NEBF, ***or***
- You are working as an instructor in an IBEW/NECA apprenticeship program where such instructors are not covered by NEBF, ***or***
- You are working as an electrical inspector for a governmental authority, where such inspectors are not covered by NEBF, ***or***
- You are working as a full time employee of a State or National Labor Federation or a similar organization in which the IBEW or NECA is a member.

It is your responsibility to prove that one of the above circumstances applies.

Section 6 — Determining Your Benefit Amount

For each Benefit Service Period, the number of Pension Credits you have earned is multiplied by the pension rate, and the results are added together. The total is your benefit amount for that Benefit Service Period.

What Is a Benefit Service Period?

A Benefit Service Period is a period of time to which a particular pension rate applies. A Participant may have multiple Benefit Service Periods due to a gap in employment.

If you leave Covered Employment or are out of Covered Employment for a specific period of time, the Pension Credits you previously earned will be added together and a specific pension rate will be applied to them. Some Participants may have multiple pension rates applied in determining their benefit amount, while others may have only one.

Pension Rates

The pension rates paid for Pension Credits have improved over the years. The pension rate is based on the pension rates that are in effect at your Effective Date. The pension rate that is used to determine your benefit amount depends on two factors:

- When you left Covered Employment, ***and***
- How long you have been out of Covered Employment.

Over the years, there have been amendments to the Plan which have changed the rate in effect rules. The rate in effect rules are:

- If you left Covered Employment for three or more years and your last Good Year prior to leaving Covered Employment was 1989 or earlier, the pension rate applied to the Pension Credits you earned prior to that gap in employment will be the pension rate in effect three years after you left Covered Employment plus any increases which may apply to that rate.
- If you left Covered Employment for five or more years and your last Good Year prior to leaving Covered Employment was between 1990 and 1992, the pension rate applied to the Pension Credits you earned prior to that gap in employment will be the pension rate in effect five years after you left Covered Employment plus any increases which may apply to that rate.
- If you left Covered Employment for seven or more years and your last Good Year prior to leaving Covered Employment was 1993 or later, the pension rate applied to the Pension Credits you earned prior to that gap in employment will be the pension rate in effect seven years after you left Covered Employment plus any increases which may apply to that rate.
- If you have earned Pension Credits and have not left Covered Employment for the three, five, or seven year periods described above, or you have earned Pension Credits upon returning to Covered Employment following a gap, the pension rate applied to the Pension Credits you earned will be the rate in effect on the Effective Date of your benefit plus any increases which may apply to that rate.

Determining the Pension Rate

The table on the following page shows the pension rate or rates that apply to your benefit amount. There will be only one rate if you only have one Benefit Service Period. There will be more than one rate if you have more than one Benefit Service Period.

If you have a gap in Covered Employment, use the rate in effect rules discussed earlier in this section to determine if you have more than one Benefit Service Period.

Example 1

If you continuously work in Covered Employment until the date of your retirement in 2006, the pension rate applied to the Pension Credits you earned will be the rate in effect when you retire. The rate for 2006 is $32.00 for each Pension Credit.

Example 2

If you continuously work in Covered Employment from 1999 through 2003; do not work in Covered Employment in 2004 or 2005; and return to Covered Employment and retire in 2006, your gap in Covered Employment is not long enough to create a separate Benefit Service Period. The pension rate applied to the Pension Credits you earned will be the rate in effect when you retire. The rate for 2006 is $32.00 for each Pension Credit.

Example 3

If you left Covered Employment prior to retirement in 1987 and never returned, the 1990 pension rate will be applied to the Pension Credits you earned, giving you $19.68 for each Pension Credit.

CURRENT NORMAL RETIREMENT RATES

DATES	AMOUNT
Prior to July 1-1977	$8.03
July 1-1977 thru Dec 31-1980	$12.09
Jan 1-1981 thru Dec 31-1982	$13.42
Jan 1-1983 thru Dec 31-1984	$15.28
Jan 1-1985 thru Feb 28-1986	$15.99
Mar 1-1986 thru Dec 31-1986	$17.98
Jan 1-1987 thru Dec 31-1988	$18.63
Jan 1-1989 thru Dec 31-1989	$19.19
Jan 1-1990 thru Dec 31-1990	$19.68
Jan 1-1991 thru Dec 31-1991	$21.29
Jan 1-1992 thru Dec 31-1992	$21.82
Jan 1-1993 thru Dec 31-1993	$22.96
Jan 1-1994 thru Nov 30-1995	$23.64
Dec 1-1995 thru Dec 31-1996	$25.13
Jan 1-1997 thru Dec 31-1997	$26.22
Jan 1-1998 thru Dec 31-1998	$27.59
Jan 1-1999 thru Dec 31-1999	$29.13
Jan 1-2000 thru Dec 31-2000	$30.60
Jan 1-2001 thru Jun 30-2001	$31.00
July 1-2001 forward	$32.00

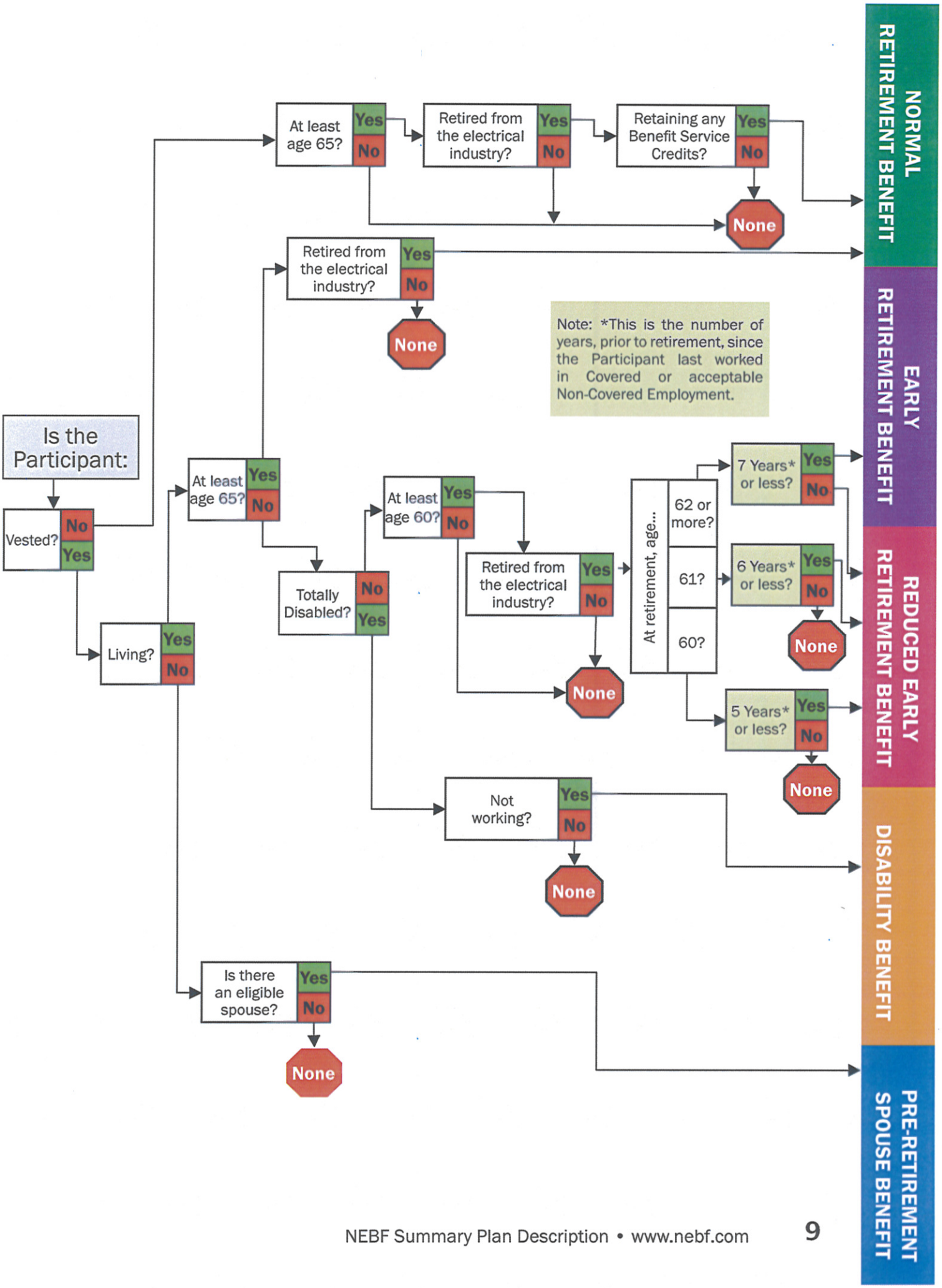
Section 7 — Types of Benefits

NEBF provides three types of benefits:

- Retirement Benefits
- Disability Benefits
- Pre-Retirement Spouse Benefits

Benefits are available to eligible Participants who submit an application. Each of the benefit types and its eligibility requirements are discussed in this section.

You can use the chart on the next page to quickly determine the NEBF benefit type you are eligible to receive. The descriptions can be easily located using the "color coded" tabs printed along the right hand side of the page.


NORMAL RETIREMENT BENEFIT
EARLY RETIREMENT BENEFIT
REDUCED EARLY RETIREMENT BENEFIT
DISABILITY BENEFIT
PRE-RETIREMENT SPOUSE BENEFIT
Is the Participant:
Vested? No Yes
Living? Yes No
At least age 65? Yes No
Retired from the electrical industry? Yes No
Retaining any Benefit Service Credits? Yes No
None
Retired from the electrical industry? Yes No
None
Note: *This is the number of years, prior to retirement, since the Participant last worked in Covered or acceptable Non-Covered Employment.
At least age 65? Yes No
Totally Disabled? No Yes
At least age 60? Yes No
Retired from the electrical industry? Yes No
None
At retirement, age...
62 or more?
61?
60?
7 Years* or less? Yes No
6 Years* or less? Yes No
None
5 Years* or less? Yes No
None
Not working? Yes No
None
Is there an eligible spouse? Yes No
None

Section 7.1 — Retirement Benefits

Retirement Benefits are available to eligible Participants who have retired from the electrical industry. There are two types of Retirement Benefits: Normal Retirement Benefit and Early Retirement Benefit.

An Early Retirement Benefit is available to an eligible Participant who is between the ages of 60 and 64. There are two kinds of Early Retirement Benefits: Early Retirement and Reduced Early Retirement. The kind of Early Retirement Benefit a Participant is eligible for depends on age, Effective Date, and the number of years a Participant has been out of Covered Employment.

Section 7.1.1 — Normal Retirement Benefit

Eligibility Requirements

You are eligible to receive a Normal Retirement Benefit when you meet the requirements in either A or B below:

A	• You are Vested, ***and*** • You are age 65 or older, ***and*** • You are retired from the electrical industry.

OR

B	• You are not Vested, ***and*** • You are age 65 or older, ***and*** • You are retired from the electrical industry, ***and*** • You have retained Pension Credits.

Options for a Normal Retirement Benefit

There are two options available for you to choose how to receive your benefit amount: Lifetime and Joint and Survivor. Which options are available to you will depend on your marital status when you apply for a benefit.

If you are not married when you apply for a Normal Retirement Benefit, you will receive your benefit as the Lifetime Option. However, if you are married when you apply, you will receive your benefit as the 50% Joint and Survivor Option unless you elect with your spouse's consent to receive your benefit as the Lifetime Option or the 75% Joint and Survivor Option.

What Is the Lifetime Option?

The Lifetime Option provides you with a monthly benefit for your lifetime only. At your death, no benefit is paid to your spouse.

What Is the Joint and Survivor Option?

The Joint and Survivor Option has two annuity benefits to choose from — the 50% Joint and Survivor Option and the 75% Joint and Survivor Option. Both benefit elections provide you with a reduced monthly benefit for your lifetime. At your death, the Survivor Benefit provides your spouse with a lifetime monthly benefit that is 50% or 75% of the amount you were receiving. When you choose the Joint and Survivor Option, you are really electing the Joint and Survivor Annuity Benefit, which is discussed below.

When Do I Choose an Option?

You must choose an option prior to receiving a benefit. To help you make your choice, the Pension Services Department will provide you with an explanation of the options available to you and your benefit amount for each option.

Can I Change My Option?

The option cannot be changed once you begin receiving a benefit. However, prior to receiving your first benefit amount, you may change the option chosen. You will need your spouse's consent if you change your option to the Lifetime Option or the 75% Joint and Survivor Option. In addition, prior to receiving your first benefit amount, your spouse can revoke his or her consent to the Lifetime Option or the 75% Joint and Survivor Option.

Joint and Survivor Annuity Benefit

The Joint and Survivor Annuity Benefit provides you with a reduced monthly benefit for your lifetime and at your death provides your spouse with a further reduced monthly benefit for your spouse's lifetime.

If you are married when you apply for a benefit, you will receive your benefit as the 50% Joint and Survivor Option unless you elect with your spouse's consent to receive your benefit as the Lifetime Option or the 75% Joint and Survivor Option.

Eligibility Requirements for a Joint and Survivor Annuity Benefit

If you apply for a Retirement Benefit, in order to be eligible for the Joint and Survivor Annuity Benefit, you must meet the following requirements:

- You have worked at least one hour in Covered Employment on or after September 1, 1974, ***and***
- You and your spouse were married on or before the Effective Date of your benefit.

In addition, for your spouse to be eligible for the Survivor Benefit at your death, you and your spouse must have been married for at least a one-year period prior to your death. Also, if your Pension Effective Date is prior to January 1, 2009, your spouse is not eligible for the 75% Joint and Survivor option.

Determining Your Benefit Amount

Your Normal Retirement Benefit is based on your benefit amount. There is no reduction based on your age on your Effective Date.

The benefit amount for the Lifetime Option and the two Joint and Survivor Options are approximately equal in actuarial value to each other. The benefit amount of the two Joint and Survivor Options are based on the life expectancy of you and the life expectancy of your spouse. The relative value of the total benefits ultimately paid under either option depends on how long you and your spouse actually live. When determining whether the Lifetime Option is approximately equal to the Joint and Survivor Options, NEBF uses an interest rate of 4.75% and a mortality table known as the "1994 Group Annuity Reserve" mortality table.

Depending on the payment option you choose, your benefit amount may be reduced. If you choose the Lifetime Option, your benefit amount will not be reduced. However, if you choose either of the Joint and Survivor Options, your benefit amount will be reduced. The total reduction will depend on the option you choose and the difference (in years and partial years) between your age and your spouse's age on your Effective Date. If the age difference between you and your spouse is less than one year, it is considered as a full year.

For the 50% Joint and Survivor Option, the reduction generally starts at 9.75% and is then adjusted by .5% for each year or partial year of difference in your ages. If your spouse is younger than you, the reduction for the 50% Joint and Survivor Option will be more than 9.75%. However, in some cases when your spouse is significantly younger, the reduction will be actuarially determined and will be less than the formula shown below. If your spouse is older than you, the reduction for the 50% Joint and Survivor Option will be less than 9.75%.

The following formula is used to determine the reduction of the 50% Joint and Survivor Option. You may use the formula or the table that follows to determine what your reduction will be:

Formula:

Your Age - Your Spouse's Age x .005 + .0975 = 50% Joint and Survivor Reduction

Table:

Difference Between Your Age and Your Spouse's Age in Years and Partial Years

	1	2	3	4	5	6	7	8	9	10
Spouse is Younger	10.25%	10.75%	11.25%	11.75%	12.25%	12.75%	13.25%	13.75%	14.25%	14.75%
Spouse is Older	9.25%	8.75%	8.25%	7.75%	7.25%	6.75%	6.25%	5.75%	5.25%	4.75%

The 75% Joint and Survivor Option is actuarially equivalent to the 50% Joint and Survivor Option and will be calculated based on each individual retiree's circumstances.

Will Income Taxes Be Withheld from My Benefit?

Your benefit amount will be subject to Federal income tax withholding unless you elect otherwise. NEBF will provide you with a tax election form. Therefore, you should contact your tax advisor to discuss your personal tax situation before submitting your application. You may change your withholding at any time by requesting a new tax election form from NEBF.

Section 7.1.2 — Early Retirement Benefit

Eligibility Requirements

You are eligible to receive an Early Retirement Benefit when you meet the requirements below:

- You are Vested, ***and***
- You are age 62, 63, or 64, ***and***
- You have worked for a Covered Employer for 300 or more hours in any of the seven calendar years immediately before the later of
  - The month following the receipt of your application, ***or***
  - The month following your retirement from the electrical industry, ***or***
  - The month of your 62nd birthday.

Options for an Early Retirement Benefit

There are two options available for you to choose how to receive your benefit amount: Lifetime and Joint and Survivor. Which options are available to you will depend on your marital status when you apply for a benefit.

If you are not married when you apply for an Early Retirement Benefit, you will receive your benefit as the Lifetime Option. However, if you are married when you apply, you will receive your benefit as the 50% Joint and Survivor Option unless you elect with your spouse's consent to receive your benefit as the Lifetime Option or the 75% Joint and Survivor Option.

What Is the Lifetime Option?

The Lifetime Option provides you with a monthly benefit for your lifetime only. At your death, no benefit is paid to your spouse.

What Is the Joint and Survivor Option?

The Joint and Survivor Option has two annuity benefits to choose from — the 50% Joint and Survivor Option and the 75% Joint and Survivor Option. Both benefit elections provide you with a reduced monthly benefit for your lifetime. At your death, the Survivor Benefit provides your spouse with a lifetime monthly benefit that is 50% or 75% of the amount you were receiving. When you choose the Joint and Survivor Option, you are really electing the Joint and Survivor Annuity Benefit, which is discussed on the next page.

When Do I Choose an Option?

You must choose an option prior to receiving a benefit. To help you make your choice, the Pension Services Department will provide you with an explanation of the options available to you and your benefit amount for each option.

Can I Change My Option?

The option cannot be changed once you begin receiving a benefit. However, prior to receiving your first benefit amount, you may change the option chosen. You will need your spouse's consent if you change your option to the Lifetime Option or the 75% Joint and Survivor Option. In addition, prior to receiving your first benefit amount, your spouse can revoke his or her consent to the Lifetime Option or the 75% Joint and Survivor Option.

Joint and Survivor Annuity Benefit

The Joint and Survivor Annuity Benefit provides you with a reduced monthly benefit for your lifetime and at your death provides your spouse with a further reduced monthly benefit for your spouse's lifetime.

If you are married when you apply for a benefit, you will receive your benefit as the 50% Joint and Survivor Option unless you elect with your spouse's consent to receive your benefit as the Lifetime Option or the 75% Joint and Survivor Option.

Eligibility Requirements for a Joint and Survivor Annuity Benefit

If you apply for a Retirement Benefit, in order to be eligible for the Joint and Survivor Annuity Benefit, you must meet the following requirements:

- You have worked at least one hour in Covered Employment on or after September 1, 1974, ***and***
- You and your spouse were married on or before the Effective Date of your benefit.

In addition, for your spouse to be eligible for the Survivor Benefit at your death, you and your spouse must have been married for at least a one-year period prior to your death. Also, if your pension effective date is prior to January 1, 2009, your spouse is not eligible for the 75% Joint and Survivor option.

Determining Your Benefit Amount

Your Early Retirement Benefit is based on your benefit amount. There is no reduction based on your age on your Effective Date.

The benefit amount for the Lifetime Option and the two Joint and Survivor Options are approximately equal in actuarial value to each other. The benefit amount of the two Joint and Survivor Options are based on the life expectancy of you and the life expectancy of your spouse. The relative value of the total benefits ultimately paid under either option depends on how long you and your spouse actually live. When determining whether the Lifetime Option is approximately equal to the Joint and Survivor Options, NEBF uses an interest rate of 4.75% and a mortality table known as the "1994 Group Annuity Reserve" mortality table.

Depending on the payment option you choose, your benefit amount may be further reduced. If you choose the Lifetime Option, your Unreduced Early Retirement Benefit will not be reduced. However, if you choose the Joint and Survivor Annuity Options, your benefit amount will be reduced. The total reduction will depend on the option you choose and the difference (in years and partial years) between your age and your spouse's age on your Effective Date. If the age difference between you and your spouse is less than one year, it is considered as a full year.

For the 50% Joint and Survivor Option, the reduction generally starts at 9.75% and is then adjusted by .5% for each year or partial year of difference in your ages. If your spouse is younger than you, the reduction for the 50% Joint and Survivor Option will be more than 9.75%. However, in some cases when your spouse is significantly younger, the reduction will be actuarially calculated and will be less than the formula shown

below. If your spouse is older than you, the reduction for the 50% Joint and Survivor Option will be less than 9.75%.

The following formula is used to determine the reduction of the 50% Joint and Survivor Option. You may use the formula or the table that follows to determine what your reduction will be:

Formula:

Your Age - Your Spouse's Age x .005 + .0975 = 50% Joint and Survivor Reduction

Table:

Difference Between Your Age and Your Spouse's Age in Years and Partial Years

	1	2	3	4	5	6	7	8	9	10
Spouse is Younger	10.25%	10.75%	11.25%	11.75%	12.25%	12.75%	13.25%	13.75%	14.25%	14.75%
Spouse is Older	9.25%	8.75%	8.25%	7.75%	7.25%	6.75%	6.25%	5.75%	5.25%	4.75%

The 75% Joint and Survivor Option is actuarially equivalent to the 50% Joint and Survivor Option and will be calculated based on each individual retiree's circumstances.

Will Income Taxes Be Withheld from My Benefit?

Your benefit amount will be subject to Federal income tax withholding unless you elect otherwise. NEBF will provide you with a tax election form. Therefore, you should contact your tax advisor to discuss your personal tax situation before submitting your application. You may change your withholding at any time by requesting a new tax election form from NEBF.

Section 7.1.3 — Reduced Early Retirement Benefit at Age 60 or 61

Eligibility Requirements

You are eligible to receive a Reduced Early Retirement Benefit at age 60 or 61 when you meet the requirements in either A or B below:

A

- You are Vested, ***and***
- You are age 60, ***and***
- You have worked for a Covered Employer for 300 or more hours in any of the five calendar years immediately before the later of
  - The month following the receipt of your application, ***or***
  - The month following your retirement from the electrical industry, ***or***
  - The month of your 60th birthday.

OR

B

- You are Vested, ***and***
- You are age 61, ***and***
- You have worked for a Covered Employer for 300 or more hours in any of the six calendar years immediately before the later of
  - The month following the receipt of your application, ***or***
  - The month following your retirement from the electrical industry, ***or***
  - The month of your 61st birthday.

Options for a Reduced Early Retirement Benefit

There are two options available for you to choose how to receive your benefit amount: Lifetime and Joint and Survivor. Which options are available to you will depend on your marital status when you apply for a benefit.

If you are not married when you apply for a Reduced Early Retirement Benefit, you will receive your benefit as the Lifetime Option. However, if you are married when you apply, you will receive your benefit as the 50% Joint and Survivor Option unless you elect with your spouse's consent to receive your benefit as the Lifetime Option or the 75% Joint and Survivor Option.

What Is the Lifetime Option?

The Lifetime Option provides you with a monthly benefit for your lifetime only. At your death, no benefit is paid to your spouse.

What Is the Joint and Survivor Option?

The Joint and Survivor Option has two annuity benefits to choose from — the 50% Joint

and Survivor Option and the 75% Joint and Survivor Option. Both benefit elections provide you with a reduced monthly benefit for your lifetime. At your death, the Survivor Benefit provides your spouse with a lifetime monthly benefit that is 50% or 75% of the amount you were receiving. When you choose the Joint and Survivor Option, you are really electing the Joint and Survivor Annuity Benefit, which is discussed below.

When Do I Choose an Option?

You must choose an option prior to receiving a benefit. To help you make your choice, the Pension Services Department will provide you with an explanation of the options available to you and your benefit amount for each option.

Can I Change My Option?

The option cannot be changed once you begin receiving a benefit. However, prior to receiving your first benefit amount, you may change the option chosen. You will need your spouse's consent if you change your option to the Lifetime Option or the 75% Joint and Survivor Option. In addition, prior to receiving your first benefit amount, your spouse can revoke his or her consent to the Lifetime Option or the 75% Joint and Survivor Option.

Joint and Survivor Annuity Benefit

The Joint and Survivor Annuity Benefit provides you with a reduced monthly benefit for your lifetime and at your death provides your spouse with a further reduced monthly benefit for your spouse's lifetime.

If you are married when you apply for a benefit, you will receive your benefit as the 50% Joint and Survivor Option unless you elect with your spouse's consent to receive your benefit as the Lifetime Option or the 75% Joint and Survivor Option.

Eligibility Requirements for a Joint and Survivor Annuity Benefit

If you apply for a Retirement Benefit, in order to be eligible for the Joint and Survivor Annuity Benefit, you must meet the following requirements:

- You have worked at least one hour in Covered Employment on or after September 1, 1974, ***and***
- You and your spouse were married on or before the Effective Date of your benefit.

In addition, for your spouse to be eligible for the Survivor Benefit at your death, you and your spouse must have been married for at least a one-year period prior to your death. Also, if your Pension Effective Date is prior to January 1, 2009, your spouse is not eligible for the 75% Joint and Survivor Option.

Determining Your Benefit Amount

Your Reduced Early Retirement Benefit is based on your benefit amount. There is a reduction based on your age at your Effective Date. Your benefit amount will be reduced by 9.25% for each full year or partial year you are under the age of 62 at your Effective Date. The reduction percentage does not change at any time.

- If you are age 60 on your Effective Date, your benefit amount will be reduced by 18.5%.
- If you are age 61 on your Effective Date, your benefit amount will be reduced by 9.25%.

The benefit amount for the Lifetime Option and the two Joint and Survivor Options are approximately equal in actuarial value to each other. The benefit amount of the two Joint and Survivor Options are based on the life expectancy of you and the life expectancy of your spouse. The relative value of the total benefits ultimately paid under either option depends on how long you and your spouse actually live. When determining whether the Lifetime Option is approximately equal to the Joint and Survivor Options, NEBF uses an interest rate of 4.75% and a mortality table known as the "1994 Group Annuity Reserve" mortality table.

Depending on the payment option you choose, your benefit amount may be further reduced. If you choose the Lifetime Option, your Reduced Early Retirement Benefit will not be further reduced. However, if you choose either of the Joint and Survivor Annuity Options, your benefit amount will be further reduced. The total reduction will depend on the option you choose and the difference (in years and partial years) between your age and your spouse's age on your Effective Date. If the age difference between you and your spouse is less than one year, it is considered as a full year.

For the 50% Joint and Survivor Option, the reduction generally starts at 9.75% and is then adjusted by .5% for each year or partial year of difference in your ages. If your spouse is younger than you, the reduction for the 50% Joint and Survivor Option will be more than 9.75%. However, in some cases when your spouse is significantly younger, the reduction will be actuarially calculated and will be less than the formula shown below. If your spouse is older than you, the reduction for the 50% Joint and Survivor Option will be less than 9.75%.

The following formula is used to determine the reduction of the 50% Joint and Survivor Option. You may use the formula or the table that follows to determine what your reduction will be:

Formula:

Your Age - Your Spouse's Age x .005 + .0975 = 50% Joint and Survivor Reduction

Table:

Difference Between Your Age and Your Spouse's Age in Years and Partial Years

	1	2	3	4	5	6	7	8	9	10
Spouse is Younger	10.25%	10.75%	11.25%	11.75%	12.25%	12.75%	13.25%	13.75%	14.25%	14.75%
Spouse is Older	9.25%	8.75%	8.25%	7.75%	7.25%	6.75%	6.25%	5.75%	5.25%	4.75%

The 75% Joint and Survivor Option is actuarially equivalent to the 50% Joint and Survivor Option and will be calculated based on each individual retiree's circumstances.

Will Income Taxes Be Withheld from My Benefit?

Your benefit amount will be subject to Federal income tax withholding unless you elect otherwise. NEBF will provide you with a tax election form. Therefore, you should contact your tax advisor to discuss your personal tax situation before submitting your application. You may change your withholding at any time by requesting a new tax election form from NEBF.

Section 7.1.4 — Reduced Early Retirement Benefit at Age 62, 63, or 64

Eligibility Requirements

You are eligible to receive a Reduced Early Retirement Benefit at age 62, 63, or 64 when you meet the following requirements:

- You are Vested, ***and***
- You are age 62, 63, or 64, ***and***
- You are retired from the electrical industry, ***and***
- You *did not work* for a Covered Employer for 300 or more hours in any of the seven calendar years immediately before your Effective Date.

Options for a Reduced Early Retirement Benefit

There are two options available for you to choose how to receive your benefit amount: Lifetime and Joint and Survivor. Which options are available to you will depend on your marital status when you apply for a benefit.

If you are not married when you apply for a Reduced Early Retirement Benefit, you will receive your benefit as the Lifetime Option. However, if you are married when you apply, you will receive your benefit as the 50% Joint and Survivor Option unless you elect with your spouse's consent to receive your benefit as the Lifetime Option or the 75% Joint and Survivor Option.

What Is the Lifetime Option?

The Lifetime Option provides you with a monthly benefit for your lifetime only. At your death, no benefit is paid to your spouse.

What Is the Joint and Survivor Option?

The Joint and Survivor Option has two annuity benefits to choose from — the 50% Joint and Survivor Option and the 75% Joint and Survivor Option. Both benefit elections provide you with a reduced monthly benefit for your lifetime. At your death, the Survivor Benefit provides your spouse with a lifetime monthly benefit that is 50% or 75% of the amount you were receiving. When you choose the Joint and Survivor Option, you are really electing the Joint and Survivor Annuity Benefit, which is discussed on the next page.

When Do I Choose an Option?

You must choose an option prior to receiving a benefit. To help you make your choice, the Pension Services Department will provide you with an explanation of the options available to you and your benefit amount for each option.

Can I Change My Option?

The option cannot be changed once you begin receiving a benefit. However, prior to receiving your first benefit amount, you may change the option chosen. You will need your spouse's consent if you change your option to the Lifetime Option or the 75% Joint and Survivor Option. In addition, prior to receiving your first benefit amount, your spouse can revoke his or her consent to the Lifetime Option or the 75% Joint and Survivor Option.

Joint and Survivor Annuity Benefit

The Joint and Survivor Annuity Benefit provides you with a reduced monthly benefit for your lifetime and at your death provides your spouse with a further reduced monthly benefit for your spouse's lifetime.

If you are married when you apply for a benefit, you will receive your benefit as the 50% Joint and Survivor Option unless you elect with your spouse's consent to receive your benefit as the Lifetime Option or the 75% Joint and Survivor Option.

Eligibility Requirements for a Joint and Survivor Annuity Benefit

If you apply for a Retirement Benefit, in order to be eligible for the Joint and Survivor Annuity Benefit, you must meet the following requirements:

- You have worked at least one hour in Covered Employment on or after September 1, 1974, ***and***
- You and your spouse were married on or before the Effective Date of your benefit.

In addition, for your spouse to be eligible for the Survivor Benefit at your death, you and your spouse must have been married for at least a one-year period prior to your death. Also, if your Pension Effective Date is prior to January 1, 2009, your spouse is not eligible for the 75% Joint and Survivor option.

Determining Your Benefit Amount

Your Reduced Early Retirement Benefit is based on your benefit amount. There is a reduction based on your age at your Effective Date. Your benefit amount will be reduced by 6.67% for each full year or partial year you are under the age of 65 at your Effective Date. The reduction percentage does not change at any time.

- If you are age 62 on your Effective Date, your benefit amount will be reduced by 20%.
- If you are age 63 on your Effective Date, your benefit amount will be reduced by 13.33%.
- If you are age 64 on your Effective Date, your benefit amount will be reduced by 6.67%.

The benefit amount for the Lifetime Option and the two Joint and Survivor Options are approximately equal in actuarial value to each other. The benefit amount of the two Joint and Survivor Options are based on the life expectancy of you and the life expectancy of your spouse. The relative value of the total benefits ultimately paid under either option depends on how long you and your spouse actually live. When determining whether the Lifetime Option is approximately equal to the Joint and Survivor Options, NEBF uses an interest rate of 4.75% and a mortality table known as the "1994 Group Annuity Reserve" mortality table.

Depending on the payment option you choose, your benefit amount may be further reduced. If you choose the Lifetime Option, your Reduced Early Retirement Benefit will not be further reduced. However, if you choose either of the Joint and Survivor Options,

your benefit amount will be further reduced. The total reduction will depend on the option you choose and the difference (in years and partial years) between your age and your spouse's age on your Effective Date. If the age difference between you and your spouse is less than one year, it is considered as a full year.

For the 50% Joint and Survivor Option, the reduction generally starts at 9.75% and is then adjusted by .5% for each year or partial year of difference in your ages. If your spouse is younger than you, the reduction for the 50% Joint and Survivor Option will be more than 9.75%. However, in some cases when your spouse is significantly younger, the reduction will be actuarially calculated and will be less than the formula shown below. If your spouse is older than you, the reduction for the 50% Joint and Survivor Option will be less than 9.75%.

The following formula is used to determine the reduction of the 50% Joint and Survivor Option. You may use the formula or the table that follows to determine what your reduction will be:

Formula:

Your Age - Your Spouse's Age x .005 + .0975 = 50% Joint and Survivor Reduction

Table:

Difference Between Your Age and Your Spouse's Age in Years and Partial Years

	1	2	3	4	5	6	7	8	9	10
Spouse is Younger	10.25%	10.75%	11.25%	11.75%	12.25%	12.75%	13.25%	13.75%	14.25%	14.75%
Spouse is Older	9.25%	8.75%	8.25%	7.75%	7.25%	6.75%	6.25%	5.75%	5.25%	4.75%

The 75% Joint and Survivor Option is actuarially equivalent to the 50% Joint and Survivor Option and will be calculated based on each individual retiree's circumstances.

Will Income Taxes Be Withheld from My Benefit?

Your benefit amount will be subject to Federal income tax withholding unless you elect otherwise. NEBF will provide you with a tax election form. Therefore, you should contact your tax advisor to discuss your personal tax situation before submitting your application. You may change your withholding at any time by requesting a new tax election form from NEBF.

Section 7.2 — Disability Benefit

A Disability Benefit is available to an eligible Participant who is less than age 65 and who becomes Totally Disabled. If you are eligible to receive a Disability Benefit, your benefit amount is based upon the Pension Credits you have earned and the appropriate pension rate. However, if you have not earned at least 20 Pension Credits, your benefit amount will be based on a minimum of 20 Pension Credits.

Eligible Participants who are Totally Disabled can get a Disability Benefit if they have a Disability Award from the Social Security Administration showing that they are currently receiving a Social Security Disability Benefit or such other proof as the Trustees may require.

Your entitlement to a Disability Benefit is dependent upon you continuing to be Totally Disabled. NEBF will periodically request that you submit verification from the Social Security Administration of your continued eligibility for Social Security Disability Benefits or proof that you are still disabled.

The requirements for a NEBF Disability Benefit differ from the National Electrical Annuity Plan (NEAP) disability benefit which does not require that a Participant be Totally Disabled.

What Does It Mean to Be Totally Disabled?

You will be considered Totally Disabled if you are unable to perform any work as a result of either physical or mental impairment which is expected to result in death or last for a continuous period of at least twelve months.

Eligibility Requirements

You are eligible to receive a Disability Benefit when you meet the following requirements:

- You are Vested when you become Totally Disabled, ***and***
- You are less than age 65, ***and***
- You are Totally Disabled, ***and***
- You worked for a Covered Employer sometime within five years of becoming Totally Disabled.

Options for a Disability Benefit

There are two options available for you to choose how to receive your benefit amount: Lifetime and Joint and Survivor. Which options are available to you will depend on your marital status when you apply for a benefit.

If you are not married when you apply for a Disability Benefit, you will receive your benefit as the Lifetime Option for as long as you remain Totally Disabled. However, if you are married when you apply, you will receive your benefit as the 50% Joint and Survivor Option unless you elect with your spouse's consent to receive your benefit as the Lifetime Option or the 75% Joint and Survivor Option for as long as you remain Totally Disabled.

What Is the Lifetime Option?

The Lifetime Option provides you with a monthly benefit for your lifetime only. At your death, no benefit is paid to your spouse.

What Is the Joint and Survivor Option?

The Joint and Survivor Option has two annuity benefits to choose from — the 50% Joint and Survivor Option and the 75% Joint and Survivor Option. Both benefit elections provide you with a reduced monthly benefit for your lifetime. At your death, the Survivor Benefit provides your spouse with a lifetime monthly benefit that is 50% or 75% of the amount you were receiving. When you choose the Joint and Survivor Option, you are really electing the Joint and Survivor Annuity Benefit, which is discussed below.

When Do I Choose an Option?

You must choose an option prior to receiving a benefit. To help you make your choice, the Pension Services Department will provide you with an explanation of the options available to you and your benefit amount for each option.

Can I Change My Option?

The option cannot be changed once you begin receiving a benefit. However, prior to receiving your first benefit amount, you may change the option chosen. You will need your spouse's consent if you change your option to the Lifetime Option or the 75% Joint and Survivor Option. In addition, prior to receiving your first benefit amount, your spouse can revoke his or her consent to the Lifetime Option or the 75% Joint and Survivor Option.

Joint and Survivor Annuity Benefit

The Joint and Survivor Annuity Benefit provides you with a reduced monthly benefit for your lifetime and at your death provides your spouse with a further reduced monthly benefit for your spouse's lifetime.

If you are married when you apply for a benefit, you will receive your benefit as the 50% Joint and Survivor Option unless you elect with your spouse's consent to receive your benefit as the Lifetime Option or the 75% Joint and Survivor Option.

Eligibility Requirements for a Joint and Survivor Annuity Benefit

If you apply for a Disability Benefit, in order to be eligible for the Joint and Survivor Annuity Benefit, you must meet the following requirements:

- You and your spouse were married on the commencement date of your benefit, ***and***
- You became disabled on or after January 1, 1985.

In addition, for your spouse to be eligible for the Survivor Benefit at your death, you and your spouse must have been married for at least a one-year period prior to your death. Also, if your Pension Effective Date is prior to January 1, 2009, your spouse is not eligible for the 75% Joint and Survivor option.

Determining Your Benefit Amount

Your Disability Benefit is based on either a minimum of 20 Pension Credits or your benefit amount, whichever is greater. There is no reduction based on your age on your Effective Date.

The benefit amount for the Lifetime Option and the two Joint and Survivor Options are approximately equal in actuarial value to each other. The benefit amount of the two Joint and Survivor Options are based on the life expectancy of you and the life expectancy of your spouse. The relative value of the total benefits ultimately paid under either option depends on how long you and your spouse actually live. When determining whether the Lifetime Option is approximately equal to the Joint and Survivor Options, NEBF uses an interest rate of 4.75% and a mortality table known as the "RP-2000 Disability Mortality Table (set back four years)" for you and the "1994 Group Annuity Reserve" mortality table for your spouse.

Depending on the payment option you choose, your benefit amount may be further reduced. If you choose the Lifetime Option, your Disability Benefit will not be reduced. However, if you choose either of the Joint and Survivor Annuity Options, your benefit amount will be reduced. The total reduction will depend on the option you choose and the difference (in years and partial years) between your spouse's age and the age of 65 at your Effective Date. If the age difference is less than one year, it is considered as a full year.

For the 50% Joint and Survivor Option, the reduction generally starts at 9.75% and is then adjusted by .5% for each year or partial year between your spouse's age and the age of 65 at your Effective Date. If your spouse is younger than age 65, the reduction for the 50% Joint and Survivor Option will be more than 9.75%. If your spouse is older than age 65, the reduction for the 50% Joint and Survivor Option will be less than 9.75%.

The following formula is used to determine the reduction of the 50% Joint and Survivor Option. You may use the formula or the table that follows to determine what your reduction will be:

Formula:

Age 65 - Your Spouse's Age x .005 + .0975 = 50% Joint and Survivor Reduction

Table:

Difference Between Your Spouse's Age and Age 65 in Years and Partial Years

	1	2	3	4	5	6	7	8	9	10
Spouse is Younger	10.25%	10.75%	11.25%	11.75%	12.25%	12.75%	13.25%	13.75%	14.25%	14.75%
Spouse is Older	9.25%	8.75%	8.25%	7.75%	7.25%	6.75%	6.25%	5.75%	5.25%	4.75%

The 75% Joint and Survivor Option is actuarially equivalent to the 50% Joint and Survivor Option and will be calculated based on each individual retiree's circumstances.

Will Income Taxes Be Withheld from My Benefit?

Your benefit amount will be subject to Federal income tax withholding unless you elect otherwise. NEBF will provide you with a tax election form. Therefore, you should contact your tax advisor to discuss your personal tax situation before submitting your application. You may change your withholding at any time by requesting a new tax election form from NEBF.

Section 7.3 — Pre-Retirement Spouse Benefit

As of August 23, 1984, if you die before receiving a NEBF benefit, your spouse may be eligible for a Pre-Retirement Spouse Benefit. The earliest your spouse may begin receiving this benefit is the month following when you would have first been eligible for any NEBF benefit type.

This benefit is for your surviving spouse only. If your spouse were to die prior to applying for the Pre-Retirement Spouse Benefit, no benefit will become payable to your spouse's estate or beneficiaries.

Eligibility Requirements

Your spouse is eligible for a Pre-Retirement Spouse Benefit if you met the following requirements at the time of your death:

- You were Vested, ***and***
- You worked at least one hour in Covered Employment on or after September 1, 1974, ***and***
- You were married to your spouse for the one-year period prior to your death.

Determining the Benefit Amount

The Pre-Retirement Spouse Benefit is based on the benefit amount you would have received when you became eligible for any NEBF benefit type. It is paid as the Survivor Benefit of the 50% Joint and Survivor Option and will be 50% of the amount of the benefit you would have received.

Example

Your date of birth is February 2, 1956. You meet the eligibility requirements as explained above and you die in 2006. You have earned 26 Pension Credits, are age 50, and your spouse is age 48. The earliest your spouse would be eligible for this benefit would be March 2018, the month following what would have been your 62nd birthday.

The Pre-Retirement Spouse Benefit is always based upon 50% of the amount you would have received, less the reduction for Reduced Early Retirement and the 50% Joint and Survivor Option.

The benefit would be determined as follows:

- Your benefit amount would have been $832.00 (26 Pension Credits at $32.00 for each Pension Credit, the applicable pension rate in 2006);
- Less the Reduced Early Retirement reduction of $166.40 (20% at age 62);
- Less the 50% Joint and Survivor Option reduction of $71.55 (10.75% because your spouse is 2 years younger than you);
- Your benefit amount would have been $594.05 (the amount you would have received at age 62);
- Your spouse would receive a monthly Survivor Benefit of $297.02 (50% of the amount you would have received). This amount is the Pre-Retirement Spouse Benefit.

Will Income Taxes Be Withheld from a Pre-Retirement Spouse Benefit?

The Pre-Retirement Spouse Benefit will be subject to Federal income tax withholding unless otherwise elected. NEBF will provide your spouse with a tax election form. Therefore, your spouse should contact a tax advisor to discuss your spouse's personal tax situation. Your spouse may change the withholding amount at any time by requesting a new tax election form from NEBF.

Section 8 — Applying for a Benefit

You must apply for a benefit by submitting an application. The application must be approved before any benefit can be paid. Benefits from NEBF are generally not paid until you stop working in Covered Employment and leave the electrical industry.

When Should I Apply for a Retirement Benefit?

You should apply for a Retirement Benefit at least three months prior to your intended retirement date.

Advanced planning for your retirement can make applying for your benefits easier. It is recommended that you contact NEBF at least one year before your anticipated retirement. This will allow you and other sources time to gather and submit any required documents and information, and will allow NEBF the necessary time to have your benefit ready for your intended retirement date.

When Should I Apply for a Disability Benefit?

If you are applying for a Disability Benefit, you should apply as soon as possible.

When Must NEBF Begin Paying My Benefit?

The NEBF rules regarding the commencement of benefits for Participants who attain age $70^1/_2$ changed, effective February 27, 2002, so as not to permit in-service benefit distributions. When NEBF must begin paying your benefit depends on when you reach age $70^1/_2$, as follows:

- If you attain age $70^1/_2$ **prior** to February 27, 2002, NEBF must begin paying your benefit by April 1 of the year following the year in which you reach age $70^1/_2$.
- If you attain age $70^1/_2$ **on or after** February 27, 2002, NEBF must begin paying your benefit by the later of the April 1 of the year following the year in which you reach age $70^1/_2$ or actually retire from the electrical industry and are approved for a benefit.
- If you work past age $70^1/_2$, your benefit will be actuarially increased to take into account the period after age $70^1/_2$ in which you do not receive your benefit.

An exception to the $70^1/_2$ rule applies if you have a 5% or greater ownership interest in a Covered Employer and continue to work in Covered Employment past age $70^1/_2$. If that is the case, NEBF will be required to begin paying your benefit by April 1 of the year following the year in which you reach age $70^1/_2$.

When Should My Spouse Apply for a Pre-Retirement Spouse Benefit?

NEBF understands that your death will be a difficult time for your spouse, family, and friends. A Pension Services Representative will be available to help your spouse with any questions about a Pre-Retirement Spouse Benefit and determine if and when your spouse should apply for a benefit. ***Keep in mind that your spouse will not be eligible for a Pre-Retirement Spouse Benefit until you would have been eligible to receive a benefit had you survived.***

How Long Does It Take NEBF to Process an Application?

Federal laws governing NEBF allow 90 days to process an application for a Retirement Benefit and 45 days to process an application for a Disability Benefit.

NEBF's goal is to process an application within 30 days from the date it is received. NEBF's Pension Services Representatives make every effort to process your application in a timely manner so that you can begin receiving benefits the month following the month in which your application was received.

There may be instances when an application takes longer to process, especially if we need to contact you or the Social Security Administration for additional information. Please refer to Section 14 for a complete discussion of Benefit Application Processing and Appeal Procedures.

How Will I Know When My Application Has Been Approved?

If you are eligible for a benefit, you will receive an approval letter from NEBF.

If you are not eligible for a benefit, you will receive a letter explaining why you are not eligible. Should you disagree with NEBF's explanation, you have the right to appeal. Please refer to Section 14 for a complete discussion of Benefit Application Processing and Appeal Procedures.

Applying for a Retirement Benefit or a Disability Benefit

You apply for a Retirement Benefit or a Disability Benefit by submitting a completed and signed application to NEBF. You may obtain an application from your local union office, NEBF's website (www.nebf.com), or by contacting the NEBF office. When you contact NEBF to request an application, provide your full name, Social Security number, date of birth, and current mailing address.

Required Documents for a Retirement Benefit or a Disability Benefit

When you submit an application for a benefit, the following documents are required:

- A copy of your birth certificate. If you do not have a birth certificate, you may request one from the state or country where you were born, ***and***
- A copy of your Social Security card, ***and***
- If you have ever used a different name, you will need to submit documentation supporting the change in your name (for example: adoption papers or a court order).

If you have ever been divorced, Federal law provides that a former spouse may have a right to receive some portion of a Participant's benefit. Therefore, the following documents may also be required:

- Complete copies of all of your signed divorce decrees, ***and***
- Any Qualified Domestic Relations Orders (QDROs), ***or***
- Any marital settlement agreements, ***or***
- Any other relevant information.

If you are presently married, the following documents are also required:

- A copy of your marriage certificate, ***and***
- A copy of your spouse's birth certificate, ***and***
- A copy of your spouse's Social Security card, ***and***
- If your spouse's name on your marriage certificate is different from the one on the birth certificate, you will need to submit proof of the name change (such as a copy of the court order, adoption papers, or divorce decree).

If you are applying for a Disability Benefit, the following information is also required:

- A complete copy of your signed Social Security Disability Award showing that you are receiving a Disability Benefit and your date of entitlement, ***or***
- Such other proof as the Trustees may require.

NOTE: If your Social Security Disability Award is more than two years old, you will need to send NEBF proof from the Social Security Administration that (1) lists the date(s) of your entitlement to a Social Security Disability Benefit, and (2) certifies that you are currently receiving a Disability Benefit.

Can I Send the Above Required Documents at Any Time?

You do not have to wait to provide these documents with your application. You may provide them at any time. This will allow you and other sources the time to submit any additionally required documents or information, and will allow NEBF the time necessary to process your application and have your benefit ready for your intended retirement date.

What If I Do Not Have All of the Above Required Documents?

If you have not provided the required documents in advance, they should accompany your application. However, if all of the required documents are not available when you are filling out your application, such as a Social Security Disability Award, just send whatever documents you have available. Do not delay sending your application. Send the remainder of the documents to NEBF when they are available. Keep in mind that your application cannot be approved until all documentation has been received.

Applying for a Pre-Retirement Spouse Benefit

To be eligible for a Pre-Retirement Spouse Benefit, your spouse must complete and submit an application. If NEBF is aware of your marriage, an application will be mailed to your spouse at the appropriate time after NEBF is notified of your death. Your spouse may also obtain an application by contacting the NEBF office. When your spouse contacts the NEBF office to request an application, we will need your full name, your Social Security number, and your spouse's current mailing address.

Required Documents for a Pre-Retirement Spouse Benefit

When your spouse submits an application for a benefit, the following documents are required:

- A copy of your spouse's birth certificate. If your spouse does not have a birth certificate, one can be requested from the state or country where your spouse was born, ***and***
- A copy of your spouse's Social Security card, ***and***
- If your spouse has ever used a different name, your spouse will need to submit documentation supporting the change in their name (for example: adoption papers or a court order).

Your spouse must also submit the following documents for you:

- A copy of your marriage certificate, ***and***
- A copy of your birth certificate, ***and***
- If you have ever used a different name, your spouse will need to submit documentation supporting the change in your name (for example: adoption papers or a court order).

If you have ever divorced, Federal law provides that a former spouse may have a right to receive some portion of a Participant's benefit. Therefore, your spouse will need to submit the following documents for you:

- Complete copies of all of your signed divorce decrees, ***and***
- Any Qualified Domestic Relations Orders (QDROs), ***or***
- Any marital settlement agreements, ***or***
- Any other relevant information.

Applying for a Joint and Survivor Annuity Benefit

If you had chosen the 50% or 75% Joint and Survivor Option when you applied, your spouse does not need to reapply for the Joint and Survivor Annuity Benefit. This benefit will begin when NEBF receives a copy of your death certificate.

Required Documents for a Joint and Survivor Annuity Benefit

Your spouse may need to submit the following documents:

- A copy of your death certificate, ***and***
- A copy of your spouse's Social Security card, ***and***
- A copy of your marriage certificate, if not provided at the time you applied for benefits.

Section 9 — Effective Date of a Benefit

The Effective Date for your benefit is the date for which you are first eligible to receive a benefit.

The Effective Date for a Retirement Benefit

The Effective Date of your Retirement Benefit will be generally the latest of the following:

- The month following the receipt of your application, ***or***
- The month following the date you turn:
  - Age 65 (for a Normal Retirement Benefit)
  - Age 62 (for an Early Retirement Benefit)
  - Age 60 or 61 (if eligible for this type of Early Retirement Benefit), ***or***
- The month following your date of retirement from the electrical industry.

The Effective Date for a Disability Benefit

The Effective Date of your Disability Benefit will be as follows:

- For disabilities occurring prior to June 30, 1987, the Effective Date will be the date six (6) months after the disability occurred, ***or***
- For disabilities occurring on or after June 30, 1987, the Effective Date will be the month following the date the disability occurred.

The Effective Date for a Pre-Retirement Spouse Benefit

The Effective Date of your spouse's Pre-Retirement Spouse Benefit will be the month following the month in which you would have been first eligible for any NEBF benefit type.

The Effective Date for a Joint and Survivor Annuity Benefit

The Effective Date of your spouse's Survivor Benefit of the Joint and Survivor Annuity Benefit, if you have selected this option, will be the month following your date of death.

Section 10 — Receiving a Benefit

Benefits are processed and electronically deposited into your bank account on the last business day of the month.

Is Direct Deposit Required?

Yes. All applications are processed for direct deposit only. NEBF provides direct deposit into your personal checking or savings account or a joint account with an immediate family member. A direct deposit may not be made into a business account, another person's account, or a trust account.

There are many advantages to having direct deposit. Direct deposit will not cause a delay in you receiving your benefit. Direct deposit is safe, reliable, and helps guard against identity theft.

How Do I Sign Up for Direct Deposit?

You sign up for direct deposit by completing the Direct Deposit Authorization form in your application. Take the form to your bank or financial institution and have them complete the required section of the form. Send the completed form with your application to NEBF.

How Can I Change My Direct Deposit?

If you want to make a change to your direct deposit, immediately notify NEBF so that your benefit will not be delayed. Complete a new direct deposit form for your new financial institution and submit that form as soon as possible to the NEBF office. You may download the Direct Deposit Authorization form from NEBF's website (www.nebf.com), or contact the NEBF office.

Section 11 — Suspension or Termination of a Benefit

If you are receiving a Retirement Benefit and return to work in the electrical industry, your benefit may be suspended. If you are receiving a Disability Benefit and return to any type of work, your benefit will be terminated.

Suspension of a Retirement Benefit

Your Retirement Benefit may be suspended for any calendar month you work 40 or more hours in the electrical industry.

May I Return to Work and Still Receive a Retirement Benefit?

Your Retirement Benefit will not be suspended if you return to work in the electrical industry and:

- You are working less than 40 hours in a calendar month, ***or***
- You are working as an instructor in an IBEW/NECA apprenticeship program where such instructors are not covered by NEBF, ***or***
- You are working as an instructor in an IBEW/NECA apprenticeship program where such instructors are covered by NEBF and you are age 65 or older, ***or***
- You are working as an electrical inspector for a governmental authority where such inspectors are not covered by NEBF.

NOTE: NEBF's general rules regarding the commencement of benefits for Participants who attain age $70^1/_2$ changed, effective February 27, 2002, so as not to permit in-service benefit distributions. As a result, if you attain age $70^1/_2$ on or after February 27, 2002, and you continue to work or return to work for 40 or more hours in any month, NEBF still will be required to suspend your benefit for that month. However, an exception applies if you have a 5% or greater ownership interest in a Covered Employer and continue to work in Covered Employment past age $70^1/_2$. If that is the case, no suspension will occur and NEBF will be required to begin paying your benefit by April 1 of the year following the year in which you reach $70^1/_2$.

What Do I Need to Do When I Return to Work?

When you return to work in the electrical industry, you must notify NEBF. Failure to notify NEBF of your return to work in the electrical industry may result in an overpayment of benefits. You will be required to return any overpayment you receive to NEBF.

What Do I Need to Do When I Stop Working?
When you stop working in the electrical industry, it is your responsibility to notify NEBF in writing so that you may resume receiving your benefit.

Once you begin receiving a benefit, any hours of Covered Employment performed prior to your Effective Date cannot be used toward any additional Pension Credits. However, you may be entitled to additional Pension Credits if:

- Your return to work is in Covered Employment, ***and***
- You meet the 1,000 hour requirement to earn a Pension Credit.

Termination of a Disability Benefit

If you are receiving a Disability Benefit and return to any type of work, your benefit will be terminated. Unlike a Retirement Benefit that allows you to work less than 40 hours in a calendar month in the electrical industry, you cannot work at all when receiving a Disability Benefit.

Failure to notify NEBF of your return to work may result in an overpayment of benefits. You will be required to return any overpayment you receive to NEBF.

Why Would My Disability Benefit Be Terminated?
Your Disability Benefit would generally be terminated if:

- You are employed at any job, ***or***
- You are no longer receiving a Social Security Disability Benefit, ***or***
- You are no longer considered Totally Disabled by the Trustees.

However, you may re-apply for any NEBF benefit type when you are again eligible.

What Happens If My Social Security Disability Benefit Changes?
If your Disability Benefit with the Social Security Administration should change, you must immediately notify NEBF in writing and submit any documentation of the change.

NEBF will periodically review your file. Your Disability Benefit will continue if you are still Totally Disabled, but will end if you are no longer Totally Disabled. However, you may re-apply for any NEBF benefit type when you are again eligible.

What Do I Need to Do When I Return to Work?
When you return to any type of work, you must notify NEBF. Failure to notify NEBF of your return to work may result in an overpayment of benefits. You will be required to return any overpayment you receive to NEBF.

Section 12 — Benefits Available in the Event of a Divorce

Beginning on January 1, 1985, Federal law provides that in the event of a divorce, a former spouse may have a right to receive some portion of a Participant's benefit directly from NEBF. In connection with a divorce or property settlement agreement, a court may direct that a portion of a Participant's benefit be paid to a former spouse. ***Such payment cannot be made to a spouse before the Participant is eligible for a benefit.***

NEBF will recognize such a court order and make direct payments to a former spouse only if there is a Qualified Domestic Relations Order (QDRO) as required by Federal law. You will need to provide NEBF with a complete copy of any and all signed divorce decrees and QDROs.

NEBF has written procedures for notifying you of our receipt of a court order affecting your benefit and for determining if the court order is an acceptable QDRO. A copy of the QDRO procedures may be obtained from NEBF upon written request.

NEBF also has model QDRO provisions to assist you in obtaining an acceptable QDRO. These too may be obtained from NEBF upon written request or downloaded at www.nebf.com.

If You Divorce While Receiving a Benefit

Will My Benefit Change If I Divorce While Receiving the Lifetime Option?
If you divorce while you are receiving the Lifetime Option, your benefit amount will not change. However, your former spouse may have a right to a portion of your benefit as specified in your divorce decree or QDRO.

Will My Benefit Change If I Divorce While Receiving the Joint and Survivor Option?
If you divorce while you are receiving the Joint and Survivor Option, your benefit amount will not change and your former spouse will still be eligible for a benefit at the time of your death.

If you divorce after July 1, 1998, and your divorce decree or QDRO specifies that your former spouse is no longer eligible for the Joint and Survivor Annuity Benefit, your benefit amount will be adjusted to the Lifetime Option effective the month following your divorce.

In either event, your former spouse may have a right to a portion of your benefit as specified in your divorce decree or QDRO.

Section 13 — Benefits Available in the Event of Death

Is There a Death Benefit?
No. However, if you submitted an application which was pending at the time of your death, NEBF may pay your estate any benefits for which you were eligible that were not paid to you during your lifetime.

When Should NEBF Be Notified of My Death?
It is important that NEBF be notified of your death and receive a copy of your death certificate as soon as possible.

NEBF understands that your death will be a difficult time for your spouse, family and friends. A Pension Services Representative will work with the person submitting your death certificate to help us to determine if and when any benefits are due.

If You Die Before Receiving a Benefit

If you die before receiving a benefit, your spouse may be eligible for a Pre-Retirement Spouse Benefit. The Pre-Retirement Spouse Benefit is fully described in Section 7.3.

If You Die While Receiving a Benefit

What Happens After NEBF Is Notified of My Death?

Once NEBF receives a copy of your death certificate, NEBF reviews your record to determine the type of benefit you were receiving at the time of your death.

If you were receiving the Lifetime Option, your estate will receive the final benefit. That amount will be for the month in which you died, then no further benefits will be due.

If you were receiving the Joint and Survivor Option, your estate will receive the benefit amount for the month in which you died. Your spouse will begin receiving the Survivor Benefit the month following your death. This benefit will continue until your spouse dies; then no further benefits will be due.

What Happens If NEBF Is Not Notified of My Death?

If you were receiving the Lifetime Option and NEBF is not notified of your death, your estate or the person who received the benefits *must repay* all benefits paid after your death.

If you were receiving the Joint and Survivor Option and NEBF is not notified of your death, your spouse, your estate or the person who received the benefits *must repay* all benefits paid after your death. The Trustees may withhold your spouse's Survivor Benefit until all benefits are repaid.

If Your Spouse Dies While You are Receiving a Benefit

When Should NEBF Be Notified of My Spouse's Death?

It is important that NEBF be notified of your spouse's death and receive a copy of the death certificate as soon as possible.

What Happens After NEBF Is Notified of My Spouse's Death?

Once NEBF receives a copy of your spouse's death certificate, NEBF reviews your record to determine the type of benefit you were receiving at the time of your spouse's death.

Will My Benefit Change If My Spouse Dies While I Am Receiving the Lifetime Option?

If you are receiving the Lifetime Option, and your spouse dies, your benefit amount will not change.

Will My Benefit Change If My Spouse Dies While I Am Receiving the Joint and Survivor Option?

If you are receiving the Joint and Survivor Option and your spouse dies, your benefit amount may change depending on the date of your spouse's death.

- If your spouse's date of death is June 30, 1998 or earlier, your benefit amount will not change.
- If your spouse's date of death is July 1, 1998 or later, your benefit amount will be adjusted to the Lifetime Option effective the month following your spouse's date of death.

What Happens If NEBF Is Not Notified of My Spouse's Death?

If NEBF is not notified of your spouse's death, any benefit increase owed to you may never be paid.

If Your Spouse Dies While Receiving the Joint and Survivor Annuity Benefit

When Should NEBF Be Notified of My Spouse's Death?
It is important that NEBF be notified of your spouse's death and receive a copy of the death certificate as soon as possible.

What Happens After NEBF Is Notified of My Spouse's Death?
Your spouse's estate will receive the benefit for the month in which your spouse died; then no further benefits will be due.

What Happens If NEBF Is Not Notified of My Spouse's Death?
If NEBF is not notified of your spouse's death, your spouse's estate or the person who received the benefits *must repay* all benefits received after your spouse's death.

Section 14 — Benefit Application Processing and Appeal Procedures

Retirement Benefits

Application Processing
When NEBF receives a completed application, the Executive Secretary-Treasurer will decide whether you are eligible for a Retirement Benefit and the amount of benefit to be paid. This decision will be made within 90 days if possible.

If this decision cannot be made within 90 days, you will be notified that an extension of time is necessary. The notice will explain the circumstances requiring the extension and will give you a date a decision can be expected. NEBF will have an additional 90 days in which to make a decision. If, at the end of the total 180 day period, NEBF still has not made a decision, NEBF will continue to process your application and make a decision as soon as possible. However, if you so desire, you may consider that your application has been denied and submit an appeal.

Denial of Application
If your application for a Retirement Benefit is wholly or partially denied by the Executive Secretary-Treasurer, you will receive a written notice. The notice, in layman's terms, will:

- State the specific reason or reasons for the denial and will reference the specific Plan provisions on which the denial is based.
- Describe any additional material or information necessary for you to complete the application and explain why it is necessary.
- Explain the time limits and procedures for appealing the denial of a Retirement Benefit.
- Include a statement of your right to bring a civil action under Section 502(a) of ERISA following a denial on review.

Appeal Procedures
You (or a designated representative) shall be entitled to request that the Trustees reconsider your NEBF application by submitting a written request within 60 days after the denial of your

Retirement Benefit. The appeal should contain a written statement of the reasons why you believe your application should be approved, and any other additional information you believe may be helpful. All appeals should be submitted to the Trustees at the business address of NEBF's administrative offices.

Upon written request and free of charge, you (or a designated representative) will receive reasonable access to and copies of all NEBF documents relating to the denial of your application or the amount of your Retirement Benefit.

Decision on Appeal

The review will be conducted by the Trustees and will take into account all comments, documents, records, and other information submitted by you (or a designated representative) relating to the appeal without regard to whether such information was submitted or considered in the initial benefit determination. A final decision as to the approval or denial of the appeal shall be made by the Trustees no later than the date of the first Trustees' meeting that follows receipt of the appeal, unless the appeal is received within the 30 days before that meeting.

When an appeal is received within the 30 days before a Trustees' meeting, a final decision as to the approval or denial of the appeal will be made no later than the date of the second Trustees' meeting following the Trustees' receipt of the appeal.

If special circumstances require an extension of time for processing, a final decision will be made not later than the third Trustees' meeting following the Trustees' receipt of the appeal. The Trustees will notify you in writing prior to the beginning of the extension and will describe the special circumstances and the date by which a final decision will be made.

The Trustees will notify you in writing of their final decision no later than 5 days after the final decision is made. The decision approving or denying your appeal shall include, in layman's terms:

- Specific reasons for the decision.
- References to the specific Plan provisions that support approval or the denial.
- A statement that you are entitled to receive, upon written request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the application and appeal.
- A statement describing your right to bring a civil action under Section 502(a) of ERISA.

The decision of the Trustees shall be final and binding.

Disability Benefit

Application Processing

When NEBF receives a completed application, the Executive Secretary-Treasurer will decide whether you are eligible for a Disability Benefit and the amount of benefit to be paid. This decision will be made within 45 days if possible.

If this decision cannot be made within 45 days, you will be notified that an extension of time is necessary. The notice will explain the circumstances requiring the extension and will give you a date a decision can be expected. NEBF will have an additional 30 days in which to make a decision.

If a decision cannot be made within the first 30 day extension, you will again be notified in writing of the circumstances requiring an additional 30 day extension and the date a decision can be expected. If, at the end of the total 105 day period, NEBF still has not made a decision, NEBF will continue to process your application and make a decision as soon as possible. However, if you so desire, you may consider that your application has been denied and submit an appeal.

Each notice of extension will, in layman's terms, also specifically explain:

- The Plan's standards on which entitlement to a benefit is based.
- The unresolved issues that prevent NEBF from reaching a decision.
- The additional information needed to resolve the issues. If additional information is required to process an application, you will have at least 45 days in which to provide such information.

Denial of Application

If your application for a Disability Benefit is wholly or partially denied by the Executive Secretary-Treasurer, you will receive a written notice. The notice, in layman's terms, will:

- State the specific reason or reasons for the denial with references to the specific Plan provisions on which the determination is based.
- If your application is denied based on an internal rule, guideline, protocol, or other similar provision, the notice will indicate copies of the above are available upon written request and free of charge.
- If your application is denied based on an exclusion or limit (such as a medical necessity requirement or experimental treatment exclusion), the notice will indicate that an explanation of the above is available upon written request and free of charge.
- Describe any additional material or information necessary for you to complete the application and explain why it is necessary.
- Explain the time limits and procedures for appealing the denial of a Disability Benefit.
- Include a statement of your right to bring a civil action under Section 502(a) of ERISA following a denial on review.

Appeal Procedures

You (or a designated representative) shall be entitled to request that the Trustees reconsider your NEBF application by submitting a written request for appeal within 180 days after the denial of your Disability Benefit. The appeal should contain a written statement of the reasons why you believe your application should be approved and any other

additional information you believe may be helpful. All appeals should be submitted to the Trustees at the business address of NEBF's administrative offices.

Upon written request and free of charge, you (or a designated representative) will receive reasonable access to and copies of all NEBF documents relating to the denial of your application or the determination of the amount of your Disability Benefit.

Decision on Appeal

The review will be conducted by the Trustees and will take into account all comments, documents, records and other information submitted by you (or a designated representative) relating to the appeal without regard to whether such information was submitted or considered in the initial benefit determination. The review will identify the medical or vocational experts, if any, whose advice was obtained on behalf of the Plan.

If the original denial of the application was based on a medical judgment, the Trustees must consult with an appropriate healthcare professional. This professional must not have been consulted in the original application nor have worked for someone who was consulted.

A final decision as to the approval or denial of the appeal shall be made by the Trustees no later than the date of the first Trustees' meeting that follows receipt of the appeal, unless the appeal is received within the 30 days before that meeting.

When an appeal is received within the 30 days before a Trustees' meeting, a final decision as to the approval or denial of the appeal will be made no later than the date of the second Trustees' meeting following the Trustees' receipt of the appeal.

If special circumstances require an extension of time for processing, a final decision will be made not later than the third Trustees' meeting following the Trustees' receipt of the appeal. The Trustees will notify you in writing prior to the beginning of the extension and will describe the special circumstances and the date by which a final decision will be made.

The Trustees will notify you in writing of their final decision no later than 5 days after the final decision is made. The decision approving or denying your appeal shall, in layman's terms, include:

- Specific reasons for the decision.
- References to the specific Plan provisions that support the approval or the denial.
- If the appeal denial is based on an internal rule, guideline, protocol or other similar provision, the notice will indicate copies of the above are available upon written request and free of charge.
- If the appeal is denied based on an exclusion or limit (such as a medical necessity requirement or experimental treatment exclusion), the notice will indicate that an explanation of the above is available upon written request and free of charge.
- A statement that you are entitled to receive, upon written request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the application and appeal.

- A statement describing your right to bring a civil action under Section 502(a) of ERISA.
- The following statement: "You and the Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available to you is to contact your local U.S. Department of Labor Office or your State insurance regulatory agency.

The decision of the Trustees shall be final and binding.

Section 15 — Your Rights Under the Employee Retirement Income Security Act of 1974 (ERISA)

As a Participant in NEBF, you have certain rights and protections under ERISA. ERISA provides that all plan Participants be entitled to:

- Examine, without charge, at the Plan Administrator's office, all Plan documents, including Collective Bargaining Agreements and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports and plan descriptions.
- Obtain, on written request to the Plan Administrator, copies of all Plan documents governing the operation of the Plan, copies of the latest annual report (Form 5500), which is also available for examination at the Public Disclosure Room of the Employee Benefits Security Administration, and the updated Summary Plan Description. The Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this Summary Annual Report.
- Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age (age 65) and if so, what your benefits would be at Normal Retirement Age, if you stop working under the Plan now. If you currently do not have a right to a pension, the statement will tell you how much longer you have to work to get a right to a pension. You may request this statement once every 12 months. Your request for this statement must be made in writing to the Plan Administrator. NEBF must provide the statement free of charge.

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan are called "fiduciaries" of the Plan. They have a duty to operate in the interest of Plan Participants and Beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your application for a pension benefit is denied or ignored, or if the amount you will receive is smaller than you expected, you have a right to know why this was done and to

obtain, without charge, copies of documents relating to the decision and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the information and pay you up to $110 a day until you receive the information, unless the information was not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits that is denied or ignored, or if the amount you will receive is smaller than you expected, you may file suit in a state or Federal court. If you disagree with the Plan's decision about the qualified status of a Domestic Relations Order, you may file suit in Federal court. If you believe that Plan fiduciaries have misused the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about your rights under ERISA, or if you need help getting documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210.

You may also obtain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration.

Section 16 — Important Information About Your Plan

Plan Name:	**National Electrical Benefit Fund (NEBF)**
Employer Identification Number (EIN):	53-0181657
Plan Identification No:	001
Plan Year:	January 1 through December 31
Type of Plan:	Defined Benefit Plan
Administration:	The Plan is self-administered by the Trustees.
Trustees:	Lonnie R. Stephenson International President International Brotherhood of Electrical Workers 900 Seventh Street NW Washington, DC 20001 John M. Grau Chief Executive Officer National Electrical Contractors Association 3 Bethesda Metro Center Bethesda, MD 20814 Salvatore (Sam) J. Chilia International Secretary-Treasurer International Brotherhood of Electrical Workers 900 Seventh Street NW Washington, DC 20001 Dennis F. Quebe National Electrical Contractors Association 1985 Founders Drive Dayton, OH 45420
Plan Administrator:	Lawrence J. Bradley Executive Secretary-Treasurer National Electrical Benefit Fund 2400 Research Boulevard, Suite 500 Rockville, MD 20850-3266
Sponsoring Parties:	National Electrical Contractors Association and International Brotherhood of Electrical Workers
General Counsel:	David Potts-Dupre Potts-Dupre, Hawkins & Kramer 900 Seventh Street NW, Suite 1020 Washington, DC 20001

Agent for
Legal Process:

Lawrence J. Bradley
Executive Secretary-Treasurer
National Electrical Benefit Fund
2400 Research Boulevard, Suite 500
Rockville, MD 20850-3266

In addition, service of legal process may be made upon either of the NEBF Trustees or the General Counsel.

Authority of the Trustees — The Trustees administer the Plan. They have the right to administer the Plan according to the Plan Documents and to make any changes that are within their discretion. They may interpret the rules and terms of the Plan and determine all questions of coverage, eligibility, methods of providing or arranging for the benefits specified in the Plan, and all other related matters to ensure proper administration of NEBF.

Plan Amendment — The Trustees and the National Board are generally authorized to amend the Plan, prospectively and retroactively, although no such amendment may have the effect of retroactively depriving Participants or beneficiaries of rights already accrued under the Plan.

Termination — In the event of termination or partial termination of NEBF, as defined by law, a Participant's rights to benefits accrued to the date of termination or partial termination shall be non-forfeitable. NEBF generally may be terminated: (1) if, in the opinion of the Trustees and the National Board, and upon advice of NEBF's actuary, NEBF cannot carry out its intent and purposes or it is inadequate to meet the payments due under the Plan; (2) by written action of the IBEW and NECA; or (3) as may be otherwise provided by law. In the event of termination, Plan assets will be used first to pay obligations and expenses of the Plan and the remaining assets will be distributed among Participants and beneficiaries in accordance with applicable law.

Insurance — Your pension benefits under this multiemployer plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two or more unrelated employers, usually in a common industry.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first $11 of the monthly benefit accrual rate and (2) 75% of the next $33.

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

The PBGC guarantee generally does not cover: (1) Benefits greater than the maximum guaranteed amount set by law; (2) benefit increases and new benefits based on plan

provisions that have been in place for fewer than 5 years at the earlier of: (i) The date the plan terminates or (ii) the time the plan becomes insolvent; (3) benefits that are not vested because you have not worked long enough; (4) benefits for which you have not met all of the requirements at the time the plan becomes insolvent; (5) nonpension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number).

TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

Assignment of Benefits — You may not ask NEBF to pay your benefit to any other person or organization. Your benefit is only paid to you. However, NEBF may be directed by a court through an approved Qualified Domestic Relations Order (QDRO) to pay a portion of your benefit to a former spouse. You may obtain a copy of the QDRO procedures by writing to NEBF.

Top Heavy Plans — Special rules apply if the Plan becomes "Top Heavy". If that happens, the Plan Administrator will let you know about your rights under the Top Heavy rules.

Section 17 — Glossary

Benefit Service Credit — A credit that is generally earned based upon the number of hours worked in Covered Employment.

Benefit Service Period — A period of time to which a particular pension rate applies.

Break in Service — A period of five or more consecutive calendar years when you do not work in Covered Employment for more than 300 hours in a year.

Covered Employer — An employer who has agreed, through a collective bargaining agreement with the International Brotherhood of Electrical Workers or an IBEW Local Union, to make contributions to NEBF on behalf of the employees in its bargaining unit. Also, other eligible employers such as IBEW Local Unions, NECA Chapters, and certain employee benefit funds are considered covered if they sign a participation agreement. A complete list of the employers or employee organizations sponsoring the Plan may be obtained by Participants and beneficiaries upon written request to the Plan Administrator and is available for examination by Participants and beneficiaries.

Covered Employment — Work for a Covered Employer who is obligated to contribute to NEBF on your behalf.

Effective Date — The date for which you are first eligible to receive a benefit.

ERISA — The Employee Retirement Income Security Act of 1974. This is the basic law covering qualified plans and incorporates both the pertinent Internal Revenue Code provisions and labor law provisions. ERISA is the basic law designed to protect the right of Participants

and beneficiaries of employee benefit plans offered by employers, unions, and the like.

Good Year — Any year in which you work 300 or more hours in Covered Employment; or your first year in Covered Employment, if it was 1976 or later; or your first year in Covered Employment after a Break in Service, if it was 1976 or later.

IBEW — International Brotherhood of Electrical Workers.

Joint and Survivor Option/Joint and Survivor Annuity Benefit — A joint and survivor annuity that provides you with a reduced monthly benefit for your lifetime and at your death provides your spouse with a further reduced monthly benefit for your spouse's lifetime equaling either 50% or 75% of what you were receiving.

Lifetime Option — A lifetime annuity that provides you with a monthly benefit for your lifetime only.

National Employees Benefit Board — The National Employees Benefit Board, among other things, reviews the NEBF's operations and administration and the administration of the Plan. Its members are appointed by the IBEW and NECA in equal number.

NECA — National Electrical Contractors Association

Non-Covered Employment — Work for a Covered Employer for which the Covered Employer is not required to contribute to NEBF on your behalf.

Normal Retirement Age — The Normal Retirement Age is 65.

Participant — Any person receiving a Retirement Benefit or Disability Benefit from NEBF; any person who has completed the requirements for a Vested pension; any person with Vesting Service Credits and Pension Credits who has not lost these credits due to a Break in Service; and any other person employed in Covered Employment. Other eligible Participants may include: employees of the IBEW and its Local Unions, employees of NECA and its chartered chapters, employees of National, State, or Local Labor Federations, and employees of jointly administered IBEW/NECA organizations such as Joint Apprenticeship and Training Committees, Jointly Administered Trust Funds, etc.

Past Service Credit — A credit that may recognize your years of service in a job classification that was not Covered Employment with an employer but later becomes Covered Employment with that employer.

Pension Credit — A credit that is generally earned while working in Covered Employment and is used to determine your benefit amount.

Totally Disabled — A Participant is considered Totally Disabled when unable to engage in any work by reason of any medically determinable physical or mental impairment which can be expected to last for a continuous period of not less than 12 months or result in death.

Vested — Your right to a pension is protected and cannot be taken away.

Vesting Service Credit — A credit that is generally earned while working in Covered Employment and is used to determine your right to a benefit.

Section 18 — Forms and Website

To ensure that you receive important benefit information in the mail, it is important that you notify NEBF if you change your address.

We also encourage you to visit NEBF's website at www.nebf.com where you can find the latest information concerning NEBF. NEBF's website also provides you with additional forms and documents used by NEBF that can be downloaded, as well as online tutorials to inform and assist you in selecting and completing the correct forms needed to apply for a pension benefit.

Please consider opting in to receive future communications like this electronically.

Because it's simple, secure, safe,
and more cost-effective, please log on to
www.nebf.com/nebf and click 'Online Benefits'
to opt in to receive electronic communications!