

RE-EMPLOYMENT

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

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

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

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

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

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

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

2. PARTICIPATION RULES AND BENEFIT CHOICES FOR REHIRED RETIREES.

If you are rehired by a Participating Employer after you have retired and your monthly benefits have started, you have a choice. You may either choose to stop receiving benefits and link your two service periods together, or you may continue to draw your monthly benefit and begin earning a supplemental benefit based only on your second period of service (sometimes referred to as opening a “second account”).

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

If you do not make an election within 30 days of re-employment, you will be deemed to have elected to open a “second account.” In other words, you will continue to receive monthly payments based on benefits accrued during your previously employment term. Please note that if you were rehired on or after April 1, 2006, any payment later made as a result of your second term of employment will be made in the same form that was used for your first term’s benefit.