

CONTRIBUTIONS

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

HOW IS THE PLAN FUNDED?

Your retirement benefit is funded in three ways:

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

EMPLOYER CONTRIBUTIONS:

Your employer's contribution to the Plan is calculated annually to determine the level of funding needed to keep the Plan in a safe and sound condition. This determination uses realistic assumptions and federally mandated formulae to calculate the contributions your employer must make.

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

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

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

ANSWER: Prior to July 1, 2009, all employers paid the same percentage of covered payroll. Effective July 1, 2009, employers will pay different percentages of current compensation depending on the benefit accrual and employee contribution rates they have elected to apply to their employees.

EMPLOYEE CONTRIBUTIONS:

From April 1, 2009, through June 30, 2009, your contribution was 3 percent of your Compensation. Beginning July 1, 2009, your contribution is made at the percentage elected by your employer, which may be 0, 1, 2, 3, 4, or 5 percent. Your employer may elect to change that percentage as of every subsequent July 1. Your contributions are automatically withheld

from each paycheck and contributed to the Plan on an after-tax basis. You are always fully vested in your employee contributions and the accumulated interest thereon. You or your beneficiaries will always receive, at least, the value of your contributions and interest.

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

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

INVESTMENT EARNINGS:

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