

## EXPLANATION OF QUALIFIED JOINT & SURVIVOR ANNUITY

This notice provides information to you about your distribution options under the Southwest Ohio Regional Council of Carpenters Pension Plan (“the Plan”). You should read this notice carefully before completing your application for benefits under the Plan.

### I. FORMS OF BENEFIT AVAILABLE

Your benefit under the Plan is computed as a monthly annuity payable for your lifetime. If you are single, the automatic form of payment is a Single Life Annuity, unless you elect otherwise. If you are married, your benefit will be paid as an actuarially equivalent Qualified Joint & 50% Survivor Annuity, unless you waive that form of payment and your spouse consents.

If you elect to commence receipt of your benefit prior at attaining your Normal Retirement Age, the benefit payable will be reduced in accordance with the Early Retirement provisions of the Plan Document.

### II. QUALIFIED JOINT & SURVIVOR ANNUITY

Terms and Conditions. The Qualified Joint & 50% Survivor Annuity provides lifetime payments to the participant and, after his or her death, provides lifetime payments to his or her surviving spouse. A participant’s spouse at the time his or her benefits begin remains his or her spouse, even in the case of a divorce. Each annuity payment to the surviving spouse will be equal to 50% of the benefit payable to the participant at the time of his or her death. The Qualified Joint & 50% Survivor Annuity will be actuarially equivalent to the amount payable as a Single Life Annuity, but the actual amount payable will be less than the amount payable as a Single Life Annuity because money has to be kept in reserve for the survivor benefit.

Right to Waive. You may waive the Qualified Joint & 50% Survivor Annuity. The waiver may be made at any time during the 90 days prior to the commencement of benefit payments. You have at least 30 days after receiving this Notice to decide whether to waive the Qualified Joint & Survivor Annuity, but if you waive the Qualified Joint & Survivor Annuity and your spouse consents to such waiver, payment of your benefit may commence in less than 30 days (but at least 7 days) after this Notice was provided.

Effect of Waiver. The effect of a waiver is that the participant’s surviving spouse will not be entitled to a lifetime survivor annuity after the participant dies.

Right of Spouse. A waiver by a married participant is not effective unless the participant’s spouse signs a consent acknowledging the effect of the waiver which must be witnessed by a notary public. If unique circumstances prevent a participant from obtaining his or her spouse’s consent, he or she should contact the plan administrator. A spouse’s consent applies only to that spouse. If a participant remarries before benefits commence, a waiver will be in effective until the new spouse consents.

Right to Revoke. A waiver may be revoked at any time during the election period described above. The consent of the participant’s spouse is not required for this revocation. The effect of a revocation is as if the waiver had never been made. If the participant again wants to waive the Joint & Survivor Annuity, he or she must complete a new waiver and again obtain his or her spouse’s consent.

### III. OPTIONAL FORMS OF PAYMENT

The plan also provides certain optional forms of payment, which are actuarially equivalent to the basic form. The optional forms are briefly described below:

**Single Life Annuity.** Under this option, you would receive a monthly benefit for your life. Upon your death, no further benefits would be paid to your spouse (if applicable) or your estate. While this is the normal form a payment for unmarried participants, it is an optional form of payment for married participants.

**Joint & 75% Survivor Annuity.** Under this option, you would receive a monthly benefit for your life. Upon your death, if your spouse were still living, he or she would then be entitled to a monthly benefit payment equal to 75% of the amount you were receiving at the time of your death.

**Joint & 100% Survivor Annuity.** Under this option, you would receive a monthly benefit for your life. Upon your death, if your spouse were still living, he or she would then be entitled to a monthly benefit payment equal to the amount you were receiving at the time of your death.

**Life Annuity with 120 payments guaranteed.** Under this option, you would receive a monthly benefit for your life. If you should die before receiving 120 monthly benefits, then monthly payments in the same amount would be paid to your designated beneficiary until a total of 120 payments have been made.

For more information regarding forms of payment, please refer to your Benefit Election Form.

### IV. FINANCIAL EFFECT OF ELECTING DISTRIBUTIONS FORMS

The Benefit Election Form shows the financial effects of each form of distribution. The amounts shown have been calculated based on the participant and spouse information included on the form.

### V. RELATIVE VALUE OF DISTRIBUTION FORMS

It is also important for you to understand the relative value of each form of payment as of your Benefit Commencement Date. Calculating the present value of each form of payment, and comparing the resulting present value to the present value of the Normal Form of Payment make the relative value comparison. It is intended to allow you to compare the value of benefits paid in different forms.

These calculations are performed using interest and life expectancy assumptions. All comparisons provided are based on average life expectancies. The relative value of payments ultimately made will depend upon actual longevity. All of the optional forms of payment offered under your plan are actuarially equivalent based upon the participant and spouse data shown on the Benefit Election Form, and using an interest rate of 7.00% and the UP-1984 Unisex Mortality Table. For example:

FORMS OF PAYMENT	RELATIVE VALUE
Single Life Annuity	100% = Basis for Comparison Values
Joint & 50% Survivor Annuity (QJSA)	100% of the same value as the Single Life Annuity
Joint & 75% Survivor Annuity	100% of the same value as the Single Life Annuity
Joint & 100% Survivor Annuity	100% of the same value as the Single Life Annuity
Life Annuity with 120 payments guaranteed	100% of the same value as the Single Life Annuity

