

Upstate New York Engineers Pension Fund

Pension Benefit Options

Dear Participant:

Shown below are the Pension Benefit Options describing the forms of pension available to you. You are required to elect a pension option listed below. You can only make one election. Please read the description of the options available to you. The option you elect is permanent and is non-revocable.

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|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 50% Continuance | Provides you with an actuarial reduced pension for life. Then when you die, your surviving spouse is eligible to receive a lifetime monthly pension equal to 50% of your monthly pension. |
| 66 2/3% Continuance | Provides you with an actuarial reduced pension for life. Then when you die, your surviving spouse is eligible to receive a lifetime monthly pension equal to 66 2/3% of your monthly pension. |
| 75% Continuance | Provides you with an actuarial reduced pension for life. Then when you die, your surviving spouse is eligible to receive a lifetime monthly pension equal to 75% of your monthly pension. |
| 100% Continuance | Provides you with an actuarial reduced pension for life. Then when you die, your surviving spouse is eligible to receive a lifetime monthly pension equal to 100% of your monthly pension. |
| Ten Year Certain | Provides you with an actuarial reduced pension for life. If you die before you receive 120 monthly pension payments, then the monthly pension payments will continue to your Beneficiary of your estate until a total of 120 monthly pension payments have been made. This option is only available to participants age 62 or greater that have a minimum of 10 years vested credit. |
| Life Annuity | Provides you with a monthly pension. This form of pension does not provide a continuance to your surviving spouse or beneficiary. In the event you are married your legal spouse is require to consent to the Life Annuity form of pension which you have elected by completing the Spousal Waiver form. |

Upstate NY Engineers Pension Plan

The following chart shows the relative value of the optional forms of benefit compared to the value of the single life annuity for a hypothetical participant with a \$1,000 benefit commencing at ages 55, 60 and 62.

OPTIONAL FORM	AMOUNT OF DISTRIBUTION PER \$1,000 OF IMMEDIATE SINGLE LIFE ANNUITY	RELATIVE VALUE
Age 55 Commencement		
Life Annuity	\$1,000.00 per month	n/a
QJSA (Life Annuity with 50% Continuance to Surviving Spouse with Pop-Up)	\$885.00 per month (\$442.50 per month for survivor annuity)	approximately 99% of the value of the Life Annuity
Life Annuity with 66-2/3% Continuance to Surviving Spouse with Pop-Up	\$852.00 per month (\$568.00 per month for survivor annuity)	approximately 98% of the value of the Life Annuity
Life Annuity with 75% Continuance to Surviving Spouse with Pop-Up	\$822.00 per month (\$616.50 per month for survivor annuity)	approximately 96% of the value of the Life Annuity
Life Annuity with 100% Continuance to Surviving Spouse with Pop-Up	\$779.00 per month (\$779.00 per month for survivor annuity)	approximately 96% of the value of the Life Annuity
Age 60 Commencement		
Life Annuity	\$1,000.00 per month	n/a
QJSA (Life Annuity with 50% Continuance to Surviving Spouse with Pop-Up)	\$885.00 per month (\$442.50 per month for survivor annuity)	approximately 102% of the value of the Life Annuity
Life Annuity with 66-2/3% Continuance to Surviving Spouse with Pop-Up	\$852.00 per month (\$568.00 per month for survivor annuity)	approximately 102% of the value of the Life Annuity
Life Annuity with 75% Continuance to Surviving Spouse with Pop-Up	\$822.00 per month (\$616.50 per month for survivor annuity)	approximately 101% of the value of the Life Annuity
Life Annuity with 100% Continuance to Surviving Spouse with Pop-Up	\$779.00 per month (\$779.00 per month for survivor annuity)	approximately 101% of the value of the Life Annuity
Age 62 Commencement		
Life Annuity	\$1,000.00 per month	n/a
QJSA (Life Annuity with 50% Continuance to Surviving Spouse with Pop-Up)	\$885.00 per month (\$442.50 per month for survivor annuity)	approximately 103% of the value of the Life Annuity
Life Annuity with 66-2/3% Continuance to Surviving Spouse with Pop-Up	\$852.00 per month (\$568.00 per month for survivor annuity)	approximately 104% of the value of the Life Annuity
Life Annuity with 75% Continuance to Surviving Spouse with Pop-Up	\$822.00 per month (\$616.50 per month for survivor annuity)	approximately 102% of the value of the Life Annuity
Life Annuity with 100% Continuance to Surviving Spouse with Pop-Up	\$779.00 per month (\$779.00 per month for survivor annuity)	approximately 104% of the value of the Life Annuity
Ten Year Certain	\$937.00 per month	approximately 101% of the value of the Life Annuity

The calculations were prepared using a 7.00% interest rate, the UP1984 Mortality Table (+1,-5), and assuming that the participant has at least 10 years of vesting. The relative value of actual payments for an individual can vary depending on how long the individual and spouse live. These calculations assume that the spouse is three years younger than the participant. The calculation of the QJSA depends on the actual age of the spouse (for example, annuity payments will be significantly lower if the spouse is significantly younger than the participant). If you would like to request a calculation specific to your situation please contact the fund office. You may also receive a copy of the mortality tables used in preparing calculations upon request.

SUSPENSION OF BENEFITS NOTICE

This Notice summarizes the Fund's rules concerning the suspension of benefits because of work in "Prohibited Employment." This Notice does not replace the detailed suspension of benefits rules set forth in the Upstate New York Engineers Pension Plan ("Plan") and the Upstate New York Engineers Pension Fund Summary Plan Description ("SPD").

Your pension benefits will be suspended if you work at least forty (40) hours in a month of Prohibited Employment. "Prohibited Employment" is employment or self-employment that is in an industry covered by the Plan when your pension began, in the state or geographic area (as defined in 29 C.F.R. §2530.203-3) covered by the Plan when your pension began, and in the same trade or craft in which you worked at any time under the Plan when your pension began. In accordance with the regulations of the Department of Labor, monies withheld during a suspension of benefits period may be permanently withheld by the Fund depending on the details of the suspension.

The Fund will notify you of any suspension of your benefits by notice given by personal delivery or first-class mail during the first calendar month in which your benefits will be suspended. The notice will include the specific reasons for the suspension, a copy of relevant Plan provisions, a reference to the applicable regulations of the U.S. Department of Labor, and a statement of the procedure for obtaining review of the suspension. In addition, the notice will describe the procedure for notifying the Fund when your disqualifying employment ends. If the Fund intends to recover overpayments made to you while you worked in disqualifying employment, the suspension notice will explain the offset procedure, identify the amount expected to be recovered, and the periods of employment to which they relate.

You are required to immediately notify the Fund Office at 101 Intrepid Lane, PO Box 100, Colvin Station, Syracuse, NY 13205, if you engage in Prohibited Employment. If you want the Fund to review or reconsider a decision to suspend your benefits, you must send a written request to the Fund Office. If you are not satisfied with the decision of the Fund Office, you are entitled to appeal to the Fund's Trustees in accordance with the procedures described in the Plan and SPD. If you want to resume your pension benefit following suspension, please contact the Fund Office concerning the appropriate application forms.

If you work in Prohibited Employment and you fail to give the Fund Office notice within 30 days, the Trustees will presume that you are working in such employment during that month and any following month and, consequently, will suspend your benefit. You have the right to overcome the presumption by establishing your work is not Prohibited Employment in accordance with the procedures that are set forth later in this notice. When you stop working in Prohibited Employment, you must notify the Fund office of this. Your benefit payment will generally resume no later than the third month after the last calendar month in which your benefit was suspended.

Any overpayment made to you for any months you worked in Prohibited Employment will be deducted or offset from subsequent benefit payments. In such a case, after you stop working in Prohibited Employment, the Fund Office will use up to 100% your first pension check to recover any overpayments. In addition, the Fund Office will reduce subsequent benefit payments by as much as 25% until all the overpayments have been recovered.

If you are thinking about working while you are receiving retirement benefits, you may request a ruling as to whether the work you intend to perform will be considered disqualifying employment. Prepare a written summary of the job duties you expect to perform along with a letter asking whether this work will cause your benefits to be suspended. Send these materials to the Fund Office at 101 Intrepid Lane, PO Box 100, Colvin Station, Syracuse, NY 13205.

Please note, too, that if you attain Normal Retirement Age and continue working in Prohibited Employment without retiring, the Fund will not provide an actuarial adjustment due to your late retirement for the time you worked in Prohibited Employment. However, if such Prohibited Employment is employment requiring contributions to the Fund, you will receive benefits accruals for that employment. If you have attained Normal Retirement Age and continue to work in Prohibited Employment without retiring, the provision of this Notice to you constitutes a notification that your benefits are suspended.