

IEEE BENEFITS

September 2007

PENSION PLANS – IEEE

DEFINED BENEFIT PLANS

- Each plan provides a fixed benefit at retirement and IEEE will make whatever contributions necessary to provide the benefit.

ELIGIBILITY REQUIREMENTS

- First day of month following completion of 6 months of service.

ELIGIBILITY FOR RETIREMENT

- Normal – Age 65 or completion of 5 years of service, whichever is later
- Early – Age 55 with 5 years of service
- Deferred – Any date subsequent to normal retirement

VESTING

3 Full Years – 33 1/3%

4 Full Years – 66 2/3%

5 Full Years – 100%

- Benefits are usually payable at normal retirement date

PENSION BENEFIT

- Based on length of service from date of hire, compensation and age at retirement.
- Annual pension benefit is 1.5% of average compensation (over the last 60 months, or the best 5 consecutive calendar years), for each year of service to a maximum of 30 years. Plus, 0.5% of average compensation for each year in excess of 30.

BASIS FOR PENSION BENEFIT CALCULATION

- 60 Months Certain and Continuous annuity (5 years C&C)

PENSION PLANS – IEEE (cont.)

NORMAL BENEFIT OPTION

- The normal form of retirement income for a married member is a Joint and 50% Survivor annuity unless waived by the spouse. For a single member, 5 year C&C.

EARLY RETIREMENT

- Pension benefit is reduced 3% per year between age 65 and age 55 so that early retirement at age 55 reduces the benefit by 30%.

DEFERRED RETIREMENT

- Service credits continue past member's normal retirement date.

METHOD OF PAYMENT

- The normal form of payment for both retirees and vested terminated members is an annuity.
- Option to receive vested accrued benefits in the form of a single lump-sum distribution.

DEATH BENEFIT

- Once vested, 50% survivor annuity provided for spouse of married employee or vested terminated member.
- Payable as an annuity or lump-sum distribution.

COST OF LIVING ADJUSTMENT (COLA)

- Not part of retirement plan
- At the discretion of the Executive Committee, a COLA can be approved.

PENSION PLANS – IEEE (cont.)

ADDITIONAL RETIREE BENEFIT

- Eligible for \$2,500 of life insurance
- Retirees receive an annual reimbursement for health insurance premiums (including Medicare).
- Not part of Retirement Plan.
- The reimbursement schedule for retirees is as follows:

Age 55-65	Up to \$1,600 per year
Age 65 and older	Up to \$ 800 per year

COST

- 100% company paid.

Note: Effective 30 June 2007, the Defined Benefit Pension Plans were frozen and replaced with a Defined Contribution Retirement Plan.

DEFINED CONTRIBUTION RETIREMENT PLAN

ELIGIBILITY

- All regular full-time and part-time employees are eligible on their date of hire.

CONTRIBUTIONS

- All contributions are made by the IEEE.

CONTRIBUTION SCHEDULE

- The allocation of contributions to each participant's account is based on a schedule under which each participant will receive points that equal the total of the participant's age and completed service with the IEEE.
- The bi-weekly contribution will be the employee's gross earnings for the pay period multiplied by the contribution rate.

<u>Points</u>	<u>Contribution Rate</u>
00 – 20	0.50%
21 – 30	1.00%
31 – 40	2.00%
41 – 50	3.75%
51 – 60	6.75%
61 – 70	9.75%
71 +	13.50%

VESTING SCHEDULE

- In increments of 25% based on completed years of service.

DISTRIBUTION OPTION

- Lump sum distribution.

SAVINGS AND INVESTMENT PLAN – 401(k)

ELIGIBILITY

- Participate the pay period following 30 days of employment.

EMPLOYEE CONTRIBUTION

- For salaries up to \$100,000 defined as “lower paid” by the IRS, from 2% to 75% of salary can be tax deferred with upper limit of \$15,500 per law for 2007.
- For salaries of \$100,000 and more, defined as “higher paid” by the IRS, limited by percentages saved by “lower paid” and can be tax deferred with upper limit of \$15,500 per law for 2007.
- After-tax provision in the Plan.
- Age 50 catch-up provision.
- Contributions may be increased or decreased once each calendar quarter.

IEEE MATCHING CONTRIBUTION

- 100% of the first 4% of employee pre-tax contribution.

GRADUATED VESTING

- In increments of 25% based on years of service.

WITHDRAWALS

- Normal – Retire, reach age 59½, disabled, die
- Early – Buy primary residence, education, medical bills. Need proof of immediate financial need, tax penalty

LOAN PROVISION

- Two loans may be outstanding at any time
- The minimum amount of each loan is \$1,000

SAVINGS AND INVESTMENT PLAN – 401(k) (cont.)

- The maximum amount of loan(s) may not exceed the lesser of \$50,000 or 50% of employee vested account balance.
- The interest rate is updated monthly based on the prime rate in the Wall Street Journal for the last business day of the prior month plus 1%.
- Minimum payroll repayment is \$25 biweekly per loan.

TAX CONSEQUENCES

- Disbursements from the plan subject to 20% withholding if not rolled over.

INVESTMENT ALLOCATION

- A choice of 12 investment options (core)
- May be changed on a daily basis
- Retirement Funds - provide automatic rebalancing between stocks, bonds and conservative bonds (non-core)
- TradeLink+ - participant directed investment option (non-core)

457(b) SAVINGS PLAN

ELIGIBILITY

- IRS requires the plan be restricted to a small group of management employees.

COVERAGE

- Participants may contribute up to \$15,500 tax deferred for 2007.
- No company match or loan provisions.
- Contributions are in addition to 401(k) pre-tax contributions.
- Plan provides a retirement supplement to 401(k) plan, company-paid pension plans and Social Security benefits.

HEALTH AND WELFARE BENEFIT ELIGIBILITY

All active regular full and part-time employees scheduled to work at least 25 hours per week, are eligible for benefits after one month of continuous employment.

FLEXIBLE BENEFIT PLANS

Designed to provide benefit options that help meet the varying needs of IEEE employees and their families. In addition to medical, dental, life and long term disability insurance protection, employees are offered a number of other voluntary benefit options.

EMPLOYEE CONTRIBUTION PERCENTAGES FOR MEDICAL/DENTAL

2007

<u>COVERAGE</u>	MEDICAL	DENTAL
CIGNA 1		AETNA 1
Employee	20%	20%
Employee + 1	29%	28%
Employee + 2	30%	35%
CIGNA 2		AETNA 2
Employee	11%	7%
Employee + 1	18%	10%
Employee + 2	20%	13%

CIGNA MEDICAL PLAN OPTIONS

CIGNA 1 - PPO

	In-Network	Out-of-Network
Co-Pay	\$0 (e.g. Doctor visits)	\$0 (e.g. Doctor visits)
Deductible	\$250/\$500	\$500/\$1,000
Emergency Room	\$100 co-pay (waived if admitted)	Subject to deductible/coinsurance
Coinsurance	100% after deductible	20% after deductible

CIGNA 2 - POS

	In-Network	Out-of-Network
Co-Pay	\$15	\$0 (e.g. Doctor visits)
Deductible	\$250/\$500*	\$500/\$1,000
Emergency Room	\$100 co-pay (waived if admitted)	Subject to deductible/coinsurance
Coinsurance	100% after deductible	30% after deductible

* Applies to all services other than a doctor visit.

AETNA DENTAL OPTIONS

DENTAL 1

	Part I/Part II/Part III	Deductible	Ortho
In-Network	100%/100%/70%	none	50% no max
Out-of-Network	100%/75%/60%	\$50/\$100	50% to \$1,500

DENTAL 2

	Part I/Part II/Part III	Deductible	Ortho
In-Network	100%/100%/70%	none	50% no max
Out-of-Network	100%/50%/50%	\$50/\$100	none

FLEXIBLE SPENDING ACCOUNT PLAN

HEALTHCARE REIMBURSEMENT ACCOUNT

- Allows employees to pay for unreimbursed medical and/or dental expenses incurred during the plan year on a before-tax basis.

DEPENDENT CARE REIMBURSEMENT ACCOUNT

- Allows employees to pay for qualified dependent care expenses, such as day care, incurred during the plan year on a before-tax basis.

MASS TRANSIT REIMBURSEMENT ACCOUNT

- Allows employees to pay for qualified transportation expenses, such as fares for trains, subways and buses, on a before-tax basis.

PARKING REIMBURSEMENT ACCOUNT

- Allows employees to pay for qualified parking expenses, such as parking near a mass transit stop or station upon commuting to work, on a before-tax basis.

MAIL ORDER PRESCRIPTION DRUG PLAN

Employees and their covered dependents can receive a 90-day supply of maintenance prescription drugs, unless otherwise specified by their physicians.

LONG TERM DISABILITY

BENEFIT PAYABLE

- After 180 consecutive days of disability

DURATION OF BENEFIT

- If disabled at age 61 or younger, to age 65
- Schedule between ages 62 and 68
- If disabled at age 69 or older, 1 year

SCHEDULED BENEFIT AMOUNT

- Equal to 60% of salary
- Offset by any other benefits provided to a member such as workers' compensation and social security disability benefits
- Maximum monthly benefit paid \$10,000

COST

- 100% company paid

LONG TERM DISABILITY 10% BENEFIT

- Up to 70% of salary can be purchased by employee
- Rates are based on salary

LONG TERM DISABILITY POST TAX OPTION

- Includes the LTD premium the IEEE contributes on employee's behalf as taxable income to employee
- Any LTD benefits employee receives would not be taxable

LIFE INSURANCE PLANS

GROUP LIFE

- 2¼ times annual base salary
- Employees covered under a portable term life program
- 100% company paid

ADDITIONAL EMPLOYEE LIFE INSURANCE

- In increments of \$10,000 up to maximum of \$750,000
- Evidence of insurability required
- 100% employee paid

DEPENDENT LIFE INSURANCE

- For spouse and eligible dependent children
- Spouse - up to \$100,000, evidence of insurability required
- Each child - \$5,000
- 100% employee paid

ACCIDENTAL DEATH AND DISMEMBERMENT

- 2¼ times annual base salary
- 100% company paid

VOLUNTARY PERSONAL ACCIDENT INSURANCE

- Supplemental coverage for employee only or employee and spouse/children
- \$500,000 maximum
- 100% employee paid

LIFE INSURANCE PLANS (cont.)

BUSINESS TRAVEL ACCIDENT

- Eligible date of hire
- 100% company paid

PRINCIPAL SUM:

\$1,000,000 death benefit. Schedule for disability benefits.

Aggregate - \$5,000,000

EMPLOYEE ASSISTANCE PROGRAM

PLAN FEATURES

- Confidential counseling for family issues, emotional dilemmas, substance abuse, job related problems
- Worklife services for child care, adult and elder care
- 100% company paid

GROUP LEGAL SERVICE PLAN

- Provides quick access to legal assistance when needed
- Most covered services available for spouse and children
- Covered services include wills, real estate and child related matters
- One employee contribution amount covers all eligible family members
- 100% employee paid

LONG TERM CARE

PLAN FEATURES

- Coverage is portable
- Nursing Home plus At Home Care
- It can be purchased for the employee, spouse or parents (in-laws)
- Rates based on
 - Age
 - Amount of coverage
 - Duration of coverage
- 100% employee paid

VISION PLAN

PLAN FEATURES

In-Network

- Annual company paid eye exam for employees and eligible dependents
- \$10 copayment
- Employees may purchase optional eyewear materials. Lenses are covered at 100% every 12 months, frames every 24 months
- \$25 copayment

Out-of-Network

- Use non-network provider
- Reimbursed up to a scheduled amount

WORKERS' COMPENSATION

BENEFIT PAYABLE

- State determines when benefits begin
- For work related illness or injury

DURATION OF BENEFIT

- Depends on type of illness or injury

BENEFIT AMOUNT

- Statutory benefit which varies by state

COST

- 100% company paid

SHORT TERM DISABILITY

BENEFIT PAYABLE

- After absence from work for more than 5 consecutive work days

DURATION OF BENEFIT

- Up to 26 weeks for non-work related illness or injury

BENEFIT AMOUNT

- Statutory benefit which varies by state

COST

- 100% company paid

OTHER IEEE BENEFITS

TUITION REIMBURSEMENT PLAN

- For job related courses, maximum reimbursement is \$800 per course not exceeding \$2,400 per calendar year.
- For approved Undergraduate/Certificate Degree, reimbursement is 75% (up to \$600 per course), upon satisfactory completion of the course with the remaining 25% (up to \$200 per course), reimbursed one year after receiving the degree. Maximum reimbursement is \$3,600 per calendar year.
- For approved Graduate Degree, reimbursement is 75% (up to \$900 per course), upon satisfactory completion of the course with the remaining 25% (up to \$300 per course), reimbursed one year after receiving the degree. Maximum reimbursement is \$5,400 per calendar year.
- Eligible to enroll after 6 months of employment.

PAID VACATION

- Incorporated personal days from previous policy

1 st Year	12 days
2 nd thru 9 th Year	18 days per year
10 th Year and over	24 days per year
- Maximum carryover from one calendar year to the next is 10 days.

PAID EIFM DAYS

- EIFM - Employee plus Immediate Family Member
- Earn 1 EIFM day per month of service
- Employee and immediate family sick days are available

10 PAID HOLIDAYS