



# **Lumen Combined Pension Plan Embarq Pension Component**

**Summary Plan Description with Appendices**

Lumen Technologies, Inc.  
January 2024

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# SECTION 1: Introduction

## Overview

Lumen Technologies, Inc. and its participating subsidiaries (“Lumen” or the “Company”) maintain the Lumen Combined Pension Plan (the “Plan”), a defined benefit retirement plan intended to provide a company paid source of income for eligible employees to assist in planning for your retirement. This Summary Plan Description, referred to as the “SPD”, explains the main provisions and features of the Embarq Pension Component of the Plan. It describes your retirement benefits and rights as well as your obligations under the Plan. It is important for you to understand that because this SPD is only a summary, it does not and cannot modify the terms of the Plan document. The goal is to give you accurate but easily understandable information about the Plan. If, however, there is a conflict between this SPD and the official Plan document, the Plan document will control. Capitalized terms are defined in this SPD or in the Plan document. You may request a copy of the Plan document from the Lumen Pension Service Center at 888-324-0689. A reasonable fee may be charged for the paper copy.

The Plan is subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and is intended to be qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended (the “Code”).

**Note:** Pension benefits are determined by the Company and the Lumen Plan Design Committee and do not create a contract of employment. The Company and the Lumen Plan Design Committee reserve the right to change, modify, amend, discontinue, or terminate the Plan and the pension benefits under the Plan from time to time and over time without prior notice except as required by law. The Plan Administrator, the Lumen Employee Benefits Committee, and its delegates (the “Committee”) has the right to interpret and resolve any ambiguities in the Plan or any document relating to the Plan.

To access your pension information, refer to Section 4 “**How to Request a Retirement Kit**”.

## Historical Information

January 1, 1966 – The United System Employee Retirement Pension Plan (the “USERP”) was adopted.

January 1, 1990 - The US Sprint Communications Company Pension Plan was merged into the USERP and the USERP was restated as the Sprint Retirement Pension Plan (the “SRPP”) and participants in the US Sprint Plan and USERP became participants in the Sprint Retirement Pension Plan.

December 31, 1993 - The Centel Retirement Pension Plan and the Centel Retirement Pension Plan for Bargaining Unit Employees were merged into the SRPP and participants in the Centel plans became participants in the SRPP.

May 17, 2006 - The Sprint Nextel Corporation spun off its Local Telecommunications Division and formed the Embarq Corporation and the Embarq Corporation adopted the Embarq Retirement Pension Plan (the “ERPP”), which was a spin-off from the SRPP.

December 31, 2010 - The ERPP froze participation for all non-bargaining employees hired on or after January 1, 2011; bargaining employees hired, rehired, or transferred after December 31, 2010, may be eligible to participate in the Plan, as permitted by the specific union’s pension agreement (refer to the “Union’s Agreement” for the specific details).

January 1, 2013 - the Madison River Communications Corp. Employees’ Retirement Plan was merged into the ERPP to form a single defined benefit plan. If you were a participant in the Madison River Plan and/or certain other plans whose benefits were transferred to this Embarq plan in the past, your benefit will differ from the benefits you would have received if you had participated only in this Plan.

The Embarq Retirement Pension Plan consisted of both Addendum A, the ERPP and Addendum B, the Madison River Communications Corp. Employees' Retirement Plan. Addendum B was maintained for benefit eligible Employees of Coastal Utilities, Inc., Gallatin River Communications L.L.C., Madison River Communications, L.L.C., and Mebtel, Inc.

Effective December 31, 2014, the ERPP (which included both Embarq and Madison River) and the Qwest Pension Plan were merged into the CenturyLink Retirement Plan to form a single defined benefit pension plan, which was called the CenturyLink Combined Pension Plan.

The portion of the CenturyLink Combined Pension Plan that incorporated the provisions of Addendum A of the ERPP was substantially the same form as it existed immediately prior to the merger and was known as the Embarq Pension Component of the CenturyLink Combined Pension Plan.

On November 12, 2020, the CenturyLink Combined Pension Plan was renamed the Lumen Combined Pension Plan or the Combined Plan.

Note that the Plan provides that there will be no duplication of benefits under any of the multiple Components or multiple parts of this Plan and as a result you will not accrue benefits under this Plan for service that was counted for and generated a benefit under another Component of the Lumen Combined Pension Plan (or under the Combined Plan).

## What Part of this Summary Plan Description (SPD) Applies to Me?

If you are an eligible employee of a legacy Embarq Company, this SPD covers you. Section 1 through Section 7 applies to everyone who met the eligibility requirements of the Embarq Pension Component.

For details of how your pension benefit is calculated, how your service is credited, the forms of payment available to you and other pension benefits, you will need to refer to a specific Appendix (1-3) as described below. Depending on your employment history, you may have a pension benefit under more than one appendix (for example, if you transferred between unions or legacy companies). The benefits that apply to you are illustrated when you use the online Pension Estimator.

This Embarq Pension Component SPD generally includes amendments adopted by the Combined Plan through December 2023 and describes the rules of the Plan applicable to Participants who are currently employed. If you have terminated employment this SPD will describe your benefits more generally and the SPD in effect at your termination of employment may have more specific details. However, you should refer to this SPD for information about the administration of the Plan, for example, who to contact if you have any questions about the Plan, your pension and subsequent Plan amendments which affect your benefits.

**Appendix 1** – Embarq Non-Bargaining Employees. This Appendix A and the terms of eligibility apply to you if you are, or were, an employee not covered by a Pension Agreement and your hire date is prior to January 1, 2011.

**Appendix 2** – Embarq Bargaining Unit Employees. This Appendix B and the terms of eligibility apply to you if you are, or were, an employee in one of the union locals listed in the following table and your employment in this union local occurs before the “Hired Before” date listed in the following table:

Union Local	Hired Before
CWA 1101	January 1, 2016
CWA 3680 /3680A /3681 /3682 /3685	January 1, 2016
CWA 3871	July 1, 2015
CWA 4470/4471/4474/4475/4322	July 1, 2016
CWA 4700	July 1, 2015

Union Local	Hired Before
CWA 6372 (KS/MO)	July 1, 2016
CWA 13000	July 1, 2015
IBEW 2	July 1, 2013
IBEW 392	January 1, 2016
IBEW 688*	April 22, 2014
*ONLY the titles of Retail Sales Consultant and Senior Retail Sales Consultant	
IBEW 688 (all job titles except as noted in this table above)	January 1, 2016
IBEW 723	July 1, 2015
IBEW 827A	July 1, 2013
IBEW 1649	July 1, 2014
IBEW 1912	January 1, 2016
IBEW 1996	January 1, 2014
IBEW 2337 (formerly IBEW 20)	January 1, 2015

**Appendix 3 – Centel Bargaining Unit Employees.** This Appendix C and the terms of eligibility apply to you if you are, or were, an employee in one of the union locals listed in the following table and your employment in this union local occurs before the “Hired Before” date listed in the following table and under the terms of the Agreement are eligible to participate in the Plan:

Union Local	Hired Before
CWA 2204	July 1, 2016
CWA 6174	January 1, 2015
IBEW 1181	January 1, 2016
IBEW 1537	January 1, 2015
IBEW 3672	July 1, 2015

## SECTION 2: The Parties Responsible For The Plan And Its Operation

The Plan Sponsor, the Plan Administrator, the Investment Fiduciary, and the Trustee are the key parties that have duties and responsibilities regarding the Plan and its operation. Each of these party's specific duties and responsibilities regarding the Plan are summarized below.

**Plan Sponsor.** The Plan Sponsor is Lumen Technologies, Inc.; the address and phone number for the Plan Sponsor is:

Lumen Technologies, Inc.  
100 CenturyLink Drive  
Monroe, Louisiana 71203  
318-388-9000

**Employer Identification Number or EIN.** The "Employer Identification Number" assigned to Lumen by the Internal Revenue Service is 72-0651161.

**Participating Employer.** A "participating Employer" is any employer that is related to Embarq Corporation and has elected to allow its non-bargaining employees and certain bargaining employees (covered under a bargaining agreement that so provides) to participate in the Plan.

**Company.** "Company" is the term used in this SPD that refers to the Embarq Corporation and the participating Employers either individually or jointly as the context requires.

**Plan Administrator.** The "Plan Administrator" keeps the Plan's records and has the sole authority, right and discretion to determine all matters of fact or interpretation relative to the administration of the Plan, including questions of eligibility for participation, benefits, interpretation of Plan provisions, communications with Participants and their Beneficiaries, and otherwise generally is responsible for Plan operations. Except as provided by law, the decisions of the Plan Administrator, and any other person or group to whom the Plan Administrator has delegated its authority and discretion, will be conclusive and binding on all persons.

The Plan Administrator is the Lumen Employee Benefits Committee (the "Committee" or "EBC"). The Committee has the ultimate responsibility to manage the operation and administration of the Plan. The Committee has delegated certain authority and discretion for the daily operation and administration of the Plan.

You may direct any correspondence, claims, and/or appeals to the Committee at the following address:

Lumen Employee Benefits Committee  
Attention: Pension Plan Claims  
214 East 24th Street  
Vancouver, WA 98663-3212

Facsimile: 360-905-5931  
For questions call: 888-324-0689

The Committee is not responsible for Plan investments and does not have the power to amend the Plan. For Investment Fiduciary information refer to page 8 and for Plan Amendment or Termination information refer to page 17.

The Committee may delegate all or some of its authority to delegates. References to the Committee include these delegates. The Committee may delegate authority with respect to certain matters to officers, Lumen employees and third-party administrators.

**Plan Design Committee.** Lumen, as Plan Sponsor, reserves the right to amend and/or terminate the Plan at any time for any reason, including changing, reducing, freezing, or eliminating one or more of the Plan's benefit formulas. The Plan may be amended and/or terminated by the Board of Directors of Lumen. The Plan also may be amended and/or terminated by the Plan Design Committee or other person(s) to the extent such authority

has been delegated to them by the Board of Directors of Lumen or the Plan Design Committee.

**Investment Fiduciary – CenturyLink Investment Management Company.** The CenturyLink Investment Management Company, (“CIM”), has been appointed by the Board of Directors of Lumen to serve as the Plan’s named fiduciary for all purposes related to the management and investment of Plan assets. CIM is located at:

CenturyLink Investment Management Company  
931 14th Street, Suite 1200  
Denver, CO 80202-2994

CIM’s responsibilities include the authority to determine asset allocation ranges and investment strategies for plan assets; the appointment and removal of trustees, investment managers and other investment-related service providers; monitoring the performance of all investment-related service providers; and all other activities related to the oversight of trust assets. CIM appoints professional investment managers including those registered under the Investment Advisors Act of 1940 to manage most of the Plan’s assets; CIM staff also manages a portion of the assets internally.

Plan asset investments are diversified across asset classes including equities, bonds, and alternative investments such as real estate. Derivative instruments, (primarily exchange-traded futures, forwards, swaps, and options) are also used to reduce risk as well as enhance returns. Investment strategies are continually monitored and subject to change from time to time and over time.

You will receive annually either by mail or have available online a notice that provides additional description of the Plan’s investments. You can also learn more about the Lumen Combined Pension Plan and its investment strategies in Lumen’s most recently filed Form 10K which is available online at [ir.lumen.com](http://ir.lumen.com).

You may also obtain a copy of Form 10K upon written request to Investor Relations at the following address:

Investor Relations  
Lumen  
100 CenturyLink Drive  
Monroe, LA 71203

**Trustee.** A trust has been designated exclusively for the Plan. The Plan’s trust fund is known as the CenturyLink, Inc. Defined Benefit Master (the “Trust”). All benefits are paid by the Trust unless no longer a liability of the Plan or as otherwise determined by the Plan Design Committee.

A trustee is responsible for making certain that the Trust holds the assets of the Plan for the exclusive benefit of the Participants and Beneficiaries. The trustee of the Trust is The Northern Trust Company (the “Trustee”).

The Northern Trust Company will serve as the Plan’s Trustee until it is removed by CIM or resigns. The Northern Trust Company is not responsible for the management, investment and/or control of the assets of the Trust established with respect to the Plan and/or for the disbursement of benefits, except as directed by CIM or the Committee, as applicable.

You may contact the Trustee at:

The Northern Trust Company  
50 S. LaSalle St  
Chicago, IL 60603  
  
Phone: 312-557-3540

**Agent for Service of Legal Process.** In the event, you determine it necessary to take action against the Plan, “service of legal process” may be made upon:

CT Corporation System  
700 E. Arapahoe Rd., Suite 220  
Centennial, CO 80112



and

Lumen Associate General Counsel / ERISA  
100 CenturyLink Drive  
Monroe, LA 71203

Service of legal process may also be served on the Trustee or the Committee at the addresses indicated within this SPD.

**Please Note:** Any lawsuit to enforce a benefit claim or to interpret the Plan may be brought only after exhausting the Plan's claims and appeals process. Further it may only be brought by civil action in the United States District Court for the Western District of Louisiana. By virtue of your participation in the Plan, you are deemed to have irrevocably consented to this jurisdiction and venue in the Court and you also are deemed to have agreed to irrevocably waive any defense based on lack of venue, personal jurisdiction, *forum non conveniens*, transfer, priority doctrines and any other defenses of similar type or import.

## **SECTION 3: Federal Tax Liens And Qualified Domestic Relations Orders (QDRO)**

The Plan is designed to provide benefits solely for you and, depending on the form of benefit you elect, your designated Beneficiary, in the event of your death. Your pension benefits provided under the Plan are not subject to assignment, alienation, sale, anticipation, attachment, pledge, encumbrance, charge, execution, garnishment, exclusion of levy of any kind, either voluntary or involuntary, or any other form of transfer.

Generally, state, and local laws will not be recognized unless required under applicable federal law, such as the Employee Retirement Income Security Act (ERISA), as amended from time to time. However, the Plan will comply with federal tax levies, tax liens and a court order in connection with a divorce or support claim, that may require that some or all of your Plan benefit must be payable to your Spouse, former Spouse, child or other dependent. A “Qualified Domestic Relations Order” or “QDRO” is a court order that instructs the Plan to make payments to someone other than you, the Participant. The person entitled to receive this payment is known as the “Alternate Payee.”

The Plan has procedures which reflect applicable Federal pension laws which must be satisfied before the Committee or its delegate will determine that an order is a QDRO. You may obtain, without charge, a copy of the Plan’s QDRO procedures by calling, faxing, or sending a request to:

WTW QDRO Service Center  
DEPT: LUM  
PO Box 981909  
El Paso, TX 79998  
Attn: QDRO Team

Phone: 855-481-2661  
Facsimile: 310-789-5984

The Plan will comply with the terms of a court order if the Committee’s delegate, the Willis Towers Watson QDRO Service Center, determines that the Domestic Relations Order is qualified (QDRO). In such event, the amount available to you from the Plan will be restricted. These restrictions will also apply for any period during which the Committee’s delegate is determining if a written court order (or written proposed order) satisfies the QDRO requirements specified by the Internal Revenue Code.

The Committee’s delegate will notify you of its receipt of any court order that may apply to your benefit from the Plan and that the order is being examined to determine whether it is a QDRO. Then, within a reasonable period of time, the Committee’s delegate will notify you and the other involved parties of its determination.

## SECTION 4: Applying For A Plan Benefit

### How to Request a Retirement Kit

You, or in the event of your death, your Beneficiary, must apply to receive benefits from the Plan. Plan benefits are not paid automatically. **No Plan benefit will be paid until a completed Retirement Kit for a Plan benefit has been filed.** The completed Retirement Kit filed is the application. It must be appropriately signed and not expired.

You must request a Retirement Kit at least 30 days but not more than 180 days in advance of your anticipated Benefit Commencement Date. If you request your Retirement Kit by the 15th of any given month your Benefit Commencement Date will be the 1st of the following month. Due to the Plan Administrative procedures, the actual payment date may be later than your Benefit Commencement Date but will include a retroactive payment to your Benefit Commencement Date. Please note that payments are made on the first business day of each month, for the current month, and the benefit may be subject to an adjustment once your data is validated. You may request more than one retirement kit over the course of a year. A Retirement Kit is valid for 90 days from your Benefit Commencement Date. **If you do not timely complete and return the forms within 90 days, a new Retirement Kit is required, and your Benefit Commencement Date will be revised accordingly, it will not be retroactive.**

The pension benefit amount in your Retirement Kit is an estimate and not binding. You are required to review the data (for example: your date of birth, date of hire, service history, rate of pay, job history, etc.) used in your estimate and immediately notify the Lumen Pension Service Center of any errors. If there is an error in the data used in calculating your pension benefit for the estimate, when finalizing your pension benefit this error will be corrected and you will be paid the correct amount, even if it is less than the estimated amount. The Plan, by law, can only pay participants the amount to which they are entitled under the terms of the Plan. Actual interest rates and the final amount of your pension may vary from the estimate.

Prior to making a decision about your retirement date, you may run estimates online (in most cases) or you may request estimates of your Plan benefit. You should be prepared to provide the approximate dates when you desire to begin to receive your retirement benefit payment and any Beneficiary information, if applicable. The estimate(s) will list the monthly benefit amount under the different form of payment options available under the Plan.

When your employment ends you may Retire Online, and/or you may request pension information or request a Retirement Kit by phone. Specific details are provided below.

- **If you are a Participant who is an active employee**, pension information is available online by accessing the Benefits and Wellness page on InsideLink or by accessing [lumen.com/pension](https://lumen.com/pension) using your User ID and password. Enhanced security has been added to the online site and users must authenticate their identity. The on-screen instructions are self-explanatory. You may also contact the Lumen Pension Service Center, Monday through Friday, from 8 a.m. to 7 p.m. Central Time, at 888-324-0689 to request a pension estimate and/or a Retirement Kit. You may request it in a paper version, free of charge.
- **If you are a terminated vested Participant or a Beneficiary**, pension information may be available online by accessing [lumenpension.ehr.com](https://lumenpension.ehr.com) using your User ID and password. Enhanced security has been added to the online site and users must authenticate their identity. The on-screen instructions are self-explanatory. You may also contact the Lumen Pension Service Center, Monday through Friday, from 8 a.m. to 7 p.m. Central time, at 888-324-0689 to request a pension estimate and/or a Retirement Kit. You may request it in a paper version, free of charge.
- **If you are a deceased Participant's Beneficiary or an Alternate Payee**, you should contact the Lumen Pension Service Center, Monday through Friday, from 8 a.m. to 7 p.m. Central Time at 888-324-0689 to request pension information.

**Reminder to keep your address current:** You should always keep Lumen and the Lumen Pension Service Center at 888-324-0689 informed of your current address so Lumen and the Lumen Pension Service Center are able to communicate with you. Refer to Section 5, “**Keep Your Home Address and Name Up to Date**” for instructions.

## Claims and Appeals Procedure

**Filing a Benefits Claim.** A claimant or their duly authorized representative may file a claim for a Plan benefit to which the Claimant believes they are entitled to. Any benefit claim filed (1) must be in writing and delivered to the Committee or its delegate within 24 months after the earlier of (A) the date on which the Plan benefit commenced to be paid or (B) the date on which the Claimant or their duly authorized representative knew or, with the exercise of reasonable diligence, should have known, that (i) the Plan benefit should have commenced to be paid, or, if earlier, (ii) the employment records on which the Plan benefits are based are claimed or alleged to be incorrect and (2) must comply with such other procedures as the Committee in its sole discretion from time to time shall require.

Delivery of the claim must be made by first class mail, postage prepaid, or by facsimile. Participants have an affirmative obligation to seek to correct their employment record history, as contained in the Company's HRIS (which system may be modified from time to time), as soon as they are aware of omissions, inaccuracies or errors, but in no event later than 24 months after they were notified in writing by the Plan Administrator of the Plan's official records. Refer to "**Filing a Lawsuit**" as there is a deadline for filing a claim.

Your claim for benefits must be in writing and delivered to the Plan Administrator by first class U.S. mail, facsimile or hand-delivered to the below address:

Plan Administrator  
Lumen Employee Benefits Committee  
Attention: Pension Plan Claims  
214 East 24th Street  
Vancouver, WA 98663-3212

Facsimile: 360-905-5931

**Initial Review of a Benefit Claim.** The Plan Administrator, or its designee, will review your written claim within a reasonable period of time, generally within 90 days after its receipt of the claim. The Plan Administrator may extend this period by an additional 90 days if special circumstances require an extension of time for processing your claim. If an extension is required, you will be notified in writing before the expiration of the initial 90-day decision period of the reason for the extension and the date by which the Plan Administrator expects to render its decision.

The Plan Administrator will make a decision regarding a claim within 180 days after its receipt of the claim if the time period was extended as described above.

The Plan Administrator has full discretion to grant or deny your claim in whole or in part, and you will receive written notice of the decision. Any denial of your claim in whole or in part is an "adverse benefit determination."

**Notice of Benefit Claim Denial.** If the Plan Administrator makes an adverse benefit determination with respect to your claim, you will receive a written notice explaining the adverse benefit determination. This will include:

- The specific reason(s) for the adverse benefits determination;
- The references to the specific Plan provisions on which the adverse benefits determination is based;
- A description of any additional material or information you will need to provide to the Plan Administrator for it to reconsider your claim and an explanation of why such material or information is necessary; and
- An explanation of how you can appeal the adverse benefit determination; the applicable time limits; and your right, upon request and at no charge, to have reasonable access to and to obtain copies of all "relevant documents".

**How to file an Appeal if Your Claim for Benefits is Denied.** If the Plan Administrator denies your claim (which is also called an "adverse benefit determination"), you, your authorized representative or your Beneficiary may appeal the adverse benefit determination by requesting the Committee to review the claim denial.

Your appeal must be in writing and delivered to the Committee by first class U.S. mail (or overnight delivery

services), facsimile or hand-delivered to the below address:

Lumen Employee Benefits Committee  
Attention: Pension Plan Claims  
214 East 24th Street  
Vancouver, WA 98663-3212

Facsimile: 360-905-5931

**Timing.** To file an appeal, you, your authorized representative, or your Beneficiary must file a written request for review of the denial with the Committee within 60 days after you are notified of the Committee's adverse benefit determination.

**Your Rights During the Plan Administrator's Review of Your Appeal.** As a part of your request for review, you have the right, upon request and at no charge, to have reasonable access to and to obtain copies of all relevant documents.

You also have the right to submit, in writing, documents, records and other information relating to the claim, for consideration by the Committee during its review of the adverse benefit determination.

**The Committee's Review of Your Appeal.** The Committee will review your written request for review of the adverse benefit determination within a reasonable period of time, generally within 60 days after its receipt of your request for review unless the Committee extends this period for an additional 60 days due to special circumstances which require an extension of time for processing your appeal. If an extension is required, you will be notified in writing before the expiration of the initial 60-day period of the reason for the extension and the date by which the Committee expects to render its decision.

The Committee will make a decision regarding an appeal within 120 days after its receipt of the appeal if the time period was extended as described above.

The Committee's review of the appeal will:

- Consider all comments, documents, records and other information submitted by you, your authorized representative or your Beneficiary relating to the appeal and claim without regard to whether such information was previously submitted or considered in the initial decision about the claim; and
- Review the appeal in a manner that does not afford deference to the initial decision to deny your claim.

**Disability Retirement Review.** A claimant's appeal in connection with a denial of a disability pension benefit based on whether the claimant is "disabled" (as defined by Lumen's Disability Plan) will be determined by the Lumen Disability Plan Claims Administrator as it is the fiduciary for that determination. The Plan, by its terms, defers to the findings and conclusions of the Lumen Disability Plan Claims Administrator for this specific purpose.

**Notice of the Committee's Decision About the Appeal.** The Committee will notify you of its decision on review. If the Committee has denied your appeal, you will receive a written notice explaining its decision. This notice will include:

- The specific reasons for the decision;
- The references to the specific Plan provisions on which the decision is based; and
- A statement of your right, upon request and at no charge, to have reasonable access to and to obtain copies of all relevant documents, and a statement of your right to bring a civil action under Section 502(a) of ERISA following an adverse benefits determination.

No legal action for recovery of Plan benefits may be commenced before you have exhausted the claims and appeals procedures described above.

**Time Limitation on Filing a Lawsuit:** Once you exhaust the claims and appeals procedures as described above,

you may timely pursue other legal remedies, however, you may not file a civil action, proceeding or lawsuit against the Plan or any person acting with respect to the Plan, including, but not limited to, Lumen, Plan Sponsor, any Participating Company, the Committee or any fiduciary, or any third-party service provider, after the last day of the 12th month following the later of:

- a. the 60th day after you (the claimant) receive an adverse benefit determination; or
- b. the date on which the adverse benefit determination on appeal was issued with respect to such Plan benefit claim.

**Where You Must File a Lawsuit.** Any lawsuit to enforce a benefit claim or to interpret the Plan may be brought only after exhausting the Plan's claims and appeals process by civil action in the United States District Court for the Western District of Louisiana. By virtue of your participation in the Plan, you are deemed to have irrevocably consented to this jurisdiction and venue in the Court and you also are deemed to have agreed to irrevocably waive any defense based on lack of venue, personal jurisdiction, *forum non conveniens*, transfer, priority doctrines and any other defenses of similar type or import.

# SECTION 5: Important Legal Information About The Plan

## About the Plan

**Official Plan Name.** The official name of the “Plan” is the Lumen Combined Pension Plan. Your benefits are paid under the Embarq Pension Component of the Lumen Combined Pension Plan.

**Plan Number or PN.** The “Plan Number” or “PN” assigned to the Plan is 001.

**Type of Plan.** The Plan is a pension plan, specifically a “defined benefit plan.” A “defined benefit plan” is a retirement plan that provides a specific benefit amount payable upon your retirement and can be paid as a fixed monthly annuity, a total lump sum benefit or as a split benefit (a fixed monthly annuity with a partial lump sum benefit).

The amount of your monthly pension benefit depends on several factors, including your compensation (or your Wage Schedule/Pension Band if you are participating in the Embarq Bargaining or Centel Bargaining portion of the Plan), your total Credited & Vesting Years of Service, and the age at which you choose to commence your benefit. Descriptions and examples of the benefits provided by the Plan are included in this SPD.

**Cost of Plan.** The entire cost of the pension benefit under the Plan is paid by the Company. Employees do not and are not permitted to contribute to the Plan. Contributions to the Plan are actuarially determined and paid by the Company into a trust established exclusively for designated Plan purposes.

**Funding of Pension Benefits.** The Plan’s pension benefits are paid from a trust that is held separate from the assets of the Company unless no longer a liability of the Plan or as otherwise determined by the Lumen Plan Design Committee. The assets in this trust may only be used for the benefit of the Plan Participants and to the extent the benefits are a liability of the Plan (as determined by the Lumen Plan Design Committee). If the Plan becomes underfunded as this term is defined by the Code, the Company must make contributions to the pension trust.

**Funding Based Limits.** The Plan complies with the Pension Protection Act of 2006 requirements regarding underfunded plans. The Internal Revenue Code sets limitations on the accrual and payments of benefits that would apply to the Plan if it were to have an adjusted funding target attainment percentage (AFTAP) for the plan year of less than 80 percent. For example, if the AFTAP is less than 80 percent, only a portion of the benefit can be paid in a form that provides a benefit that exceeds the amount that would be paid as a single life annuity under the Plan (for example, a single lump sum), and the Plan cannot be amended to increase benefit accruals. If distribution limitations apply to the Plan, the Plan Administrator will notify Participants and Beneficiaries in writing after such a limitation is determined to apply to the Plan.

**Payment of Benefits from Trust Fund or Otherwise.** Except as expressly set forth in the Plan, as may be amended from time to time and over time, in no event will any payments hereunder be the liability of either the Committee (or the Plan Design Committee or CIM), the Company or a Participating Company; all payments shall be paid out of the Trust Fund unless no longer the liability of the Plan, or as otherwise determined by the Plan Design Committee.

**Pension Benefit Guaranty Corporation.** Certain pension benefits under this Plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the Plan terminates (ends) without enough money to pay all pension benefits, the PBGC will step in to pay pension benefits. Most Participants will receive all the pension benefits they would have received under their Plan, but some Participants may have their benefit reduced or lose certain benefits.

The PBGC guarantee generally covers: (1) normal and early retirement pension benefits; (2) disability pension benefits if you become disabled before the Plan terminates; and (3) certain pension benefits for your survivors.

The PBGC guarantee generally does not cover: (1) pension benefits greater than the maximum guaranteed amount set by law for the year in which the Plan terminates; (2) some or all of pension benefit increases and new pension benefits based on Plan provisions that have been in place for fewer than 5 years at the time the

Plan terminates; (3) pension benefits that are not vested because you have not worked long enough for the Company or its Affiliates; (4) pension benefits for which you have not met all of the requirements at the time the Plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the Plan's normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain pension benefits are not guaranteed, you still may receive some of those pension benefits from the PBGC depending on how much money the Plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the pension benefits it guarantees, ask your Plan Administrator, or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 800-877-8399 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at [pbgc.gov](http://pbgc.gov).

**IRS Approval of the Plan.** The Plan is subject to the continuing approval of the IRS. If federal tax laws or IRS regulations change, Plan provisions may also change.

**Plan Year.** The "Plan Year" is the Plan's accounting period used for maintaining the Plan's financial and other records. The Plan Year is the 12-month period from January 1 through December 31.

**Obtain Benefit Information.** To obtain a pension benefit estimate or to request a Retirement Kit to commence your benefit, refer to Section 4, "**Applying for a Plan Benefit.**" The estimate(s) and/or your Retirement Kit are not binding; if there is any missing or incorrect information in the data used in the calculation, you will be paid the correct amount, even if it is less than the estimated amounts listed within your estimate(s) or Retirement Kit. You should review the data used in your estimate(s) or Retirement Kit and immediately notify the Lumen Pension Service Center of any missing or incorrect information.

**Pension Benefit Payment.** If you qualify for a pension benefit and have completed and timely returned all forms and elections as is explained in your Retirement Kit, pension payments in the form of an annuity are paid on the first business day of the month (or as soon as practicable thereafter following timely receipt of your election forms). In all cases, your termination of employment must be posted in the Lumen SAP payroll system before payment of the pension benefit can be processed.

**Returning to Work.** If you return to work for the Company after you retired, any monthly retirement benefits you are receiving from the Company will continue. You may be entitled to earn additional benefits while you are reemployed if you are eligible for additional accruals upon reemployment. Please note that benefit accruals under the Plan have been frozen for certain participants, so check to see if you are eligible for additional accruals in the Appendices to this SPD. When you later cease employment, any additional benefits will be paid under the applicable provisions of the Plan in effect at your subsequent termination. All benefit payments you received before you were reemployed and while you are reemployed, whether monthly payments or lump sum distributions, will be taken into account in computing the benefits you are entitled to receive when your employment terminates again.

**WHEN ARE YOU ELIGIBLE TO BE REHIRED BY LUMEN OR WORK FOR A SUPPLIER ON ASSIGNMENT FOR LUMEN AFTER YOU LEAVE YOUR LUMEN EMPLOYMENT:** Under the six-month "sit-out" rule, a former employee, including a retiree, cannot be rehired or retained by Lumen as an employee or as a contractor (even through a Supplier) during the six-month period following his or her termination date if during that six-month period the former employee or retiree (1) voluntarily takes a distribution from the Lumen 401(k) Savings Plan and is not age 59½ or (2) commences his or her Plan benefit. The sit-out rule applies regarding of whether you took a 401(k) or Plan distribution if you had any discussions with management prior to your termination date about being rehired or working for Lumen as a contractor. If you are subject to the six-month sit-out rule, you will be eligible to be rehired or retained as an employee or a contractor once the six-month sit-out rule expires. The six-month sit-out period is driven by IRS guidance requiring a true separation from employment before a participant can receive retirement benefits. It protects (i) the Company's tax-qualified



pension and 401(k) plans from disqualification which would cause adverse tax consequences for all Plan participants, (ii) you individually from excise taxes and (iii) both you and the Company from additional reporting obligations.

**Use of Social Security Number.** Lumen retains the right to use your Social Security Number for benefit administration purposes, including tax reporting. If a state law restricts the use of Social Security Numbers for benefit administration purposes, Lumen generally takes the position that ERISA preempts such state laws.

**Ways to Prevent Unauthorized Access to The Pension Site.** The following are some ways to help prevent unauthorized access to Employee Self-Serve on The Pension Site:

- Do not share your ESS access information or passwords with anyone.
- Do not write down your ESS access information or passwords. But, if you have to write them down, do not store them in a location that is easily accessible by others or on your computer in a location that can be easily hacked.
- Do change your password from time to time.
- Do periodically monitor your information on ESS and, if you notice something amiss immediately contact the Pension Service Center at 888-324-0689.

**How You Can “Lose” Your Benefit.** If you fail to keep your address updated such that the Plan and the Committee are unable to send you the necessary documents to begin your benefit, you could lose your benefit. Refer to “**Keep Your Home Address Up-To-Date**” on page 21, for instructions. However, please note if, at the time of your termination of employment you are not vested, and you incur a Break-in-Service and do not return to work for the Company, in accordance with the Break-in-Service rules you will not receive a benefit from the Plan.

**Plan Amendment or Termination.** The Plan Sponsor expects to continue the Plan indefinitely. The Plan Sponsor reserves the right to amend or modify in whole or in part the Plan in its sole and absolute discretion, at any time for any reason, including changing, reducing or eliminating one or more of the Plan’s contribution formulas. The Plan may be amended by the Lumen Plan Design Committee or other person(s) to the extent amendment authority has been delegated by the Board of Directors. The Plan as amended is the official Plan Document and in the event of conflict or ambiguity the Plan Document governs.

Lumen, as the Plan Sponsor, also reserves the right to terminate the Plan at any time, and each individual participating Employer has reserved the right to terminate participation in the Plan at any time. The Lumen Plan Design Committee, as authorized by the Board of Directors, may terminate the Plan.

If the Plan is terminated, you have certain rights to payment of your pension benefits, calculated as of the date of the termination. For instance, a Plan termination would not affect a pension benefit to which you had become eligible to receive prior to the termination to the extent the pension benefit had been funded under the trust fund.

If the Plan is wholly or partially terminated, the rights of all affected Participants and Beneficiaries to pension benefits calculated as of the date of the Plan termination become non-forfeitable, but only to the extent that there are sufficient Plan assets in the trust fund associated with the Plan sufficient to cover such pension benefits.

If the Plan is terminated, employees will not earn any further pension benefits or rights under the Plan regardless of continued employment with Lumen. Additionally, the Plan and the federal pension law (ERISA) specify the general manner and order that the assets of the trust fund associated with the Plan will be allocated, for purposes of paying pension benefits calculated as of the date of the Plan termination, to Participants and Beneficiaries.

Essentially, subject to ERISA, in the event of a Plan termination, the assets of the Plan trust fund would first be allocated to pay benefits to Participants and Beneficiaries who are already receiving pension benefits under the Plan at the time of the Plan termination or who had the right to receive such pension benefits if they had retired

immediately prior to such time. There are certain limitations on the amount of such assets that can be allocated to this highest priority. After pension benefits are provided to Participants or Beneficiaries in this highest priority, remaining assets would be allocated to other Participants and Beneficiaries in certain other priority categories relating to an employee's service, whether an employee's pension benefit was vested prior to the Plan termination, and the amount of the employee's calculated pension benefit at the date of the Plan termination.

The pension benefits that are provided upon and after a Plan termination may be provided through the purchase of an insurance annuity, the distribution of a lump sum cash amount, and/or such other means and in such other form as the Plan Design Committee determines.

To the extent there are remaining assets in the Plan's trust fund after the allocation of amounts sufficient to cover retired employees or their annuitants, active employees who had the right to receive such pension benefit if they had retired immediately prior to such time, former employees with a Deferred Vested Pension Benefit, and other active employees, the Plan provides that amounts may be allocated for future death benefits that would have been paid from the Plan had it continued and to certain former employees who may have had certain pension rights under a predecessor plan.

The current provisions of the Plan state that if there are any remaining assets after making provision for the payment of all pension benefits earned to the date of the Plan termination to all Participants and Beneficiaries and others provided for in the Plan upon its termination, such remaining assets are to be applied solely for pension purposes in an equitable manner consistent with the purposes of the Plan. It should be noted that, as with other Plan provisions, the Plan Design Committee reserves the right to amend this provision relating to any remaining assets in the event of Plan termination. The Plan Design Committee also reserves the right to amend, at any time and from time to time in a manner consistent with required provisions under ERISA, Plan terms regarding the allocation of pension assets upon a Plan termination.

**Plan Administrative and Investment-Related Expenses.** All expenses of any party lawfully payable from the assets of the Plan shall be paid from such assets except to the extent the Company or its delegate determines otherwise.

**Power of Attorney or Letter of Guardianship/Conservatorship Recognized.** A representative may act on behalf of a Participant or Beneficiary if a valid Power of Attorney or Letter of Guardianship/Conservatorship has been submitted and approved by the Plan Administrator. The Plan Administrator shall have the sole discretionary authority to approve any Power of Attorney or Letter of Guardianship/Conservatorship and determine all matters under the Plan in connection with the application or effectiveness of any power granted thereunder.

**Internal Revenue Code Limits.** Internal Revenue Code (IRC) Section 415 limits the amount of the pension benefit payable to you from the Plan. This limit is largely based on age, compensation at retirement and Years of Service with the Company IRC Section 401(a)(17) limits the dollar amount of annual compensation that can be included in the calculation of your benefit.

**No Employment Contract.** Neither the establishment of the Plan nor the participation in the Plan by you is a contract of employment. You remain subject to discharge without regard to your participation in the Plan.

**Anti-Assignment.** You may not sell, assign, pledge, or transfer your benefits under the Plan before you receive them. In general, your Plan benefit is not subject to garnishment, execution, levy or other legal process by your creditors. However, there are some exceptions to this rule, including payment to a Spouse, former Spouse, child or other dependent required under a "Qualified Domestic Relations Order" issued by a court pursuant to a state domestic relations law and federal tax levies. Refer to Section 3, "**Qualified Domestic Relations Order (QDRO)**" for more information.

**Top-Heavy.** Under federal pension law, special benefits are required to be provided if the Plan is determined to be "top-heavy." The Plan will be top-heavy if the aggregate value of the accrued pension benefits for certain Participants who are "key employees" is 60% or more of the aggregate value of all other Participants' accrued pension benefits. Key employees are generally officers, certain shareholders, owners and some highly compensated employees. If the Plan were top-heavy for a Plan Year, each non-key employee must receive a

minimum pension benefit equal to 2% times his/her compensation for his/her highest 5 consecutive top-heavy years, except that in no event will the top-heavy plan minimum benefit exceed 20% of such compensation. If the Plan becomes top-heavy, each non-key employee will become 20% vested after a two-year Period of Service and will vest an additional 20% for each additional year.

**Invalid Provisions.** In the event, any provisions of the Plan may be held illegal or invalid for any reason, such illegality or invalidity will not affect remaining sections of the Plan and the Plan will be construed and enforced as if said illegal or invalid provisions had never been inserted into the Plan document.

**Error and Mistakes.** If a clerical error or other mistake is made by the Company, your Employer, the Plan Administrator, the Committee, CIM, members of the Employee Benefit Group of the Company's Human Resources Organization, a vendor, a Participant, or a Beneficiary that changes your Plan benefit, the clerical error or other mistake does not create a right to benefits under the Plan. Every effort is made to administer the Plan in a fully accurate manner, any inadvertent error, misstatement, or omission will be disregarded, and the actual Plan provisions will control. If an error is found, it will be corrected or adjusted appropriately as soon as practicable. Interest may not be payable with respect to a benefit that has been corrected or adjusted by the Committee, CIM or one of the Plan vendors or service providers or any agent of these parties. The Committee and its delegates have the authority to recover overpayments (with interest) from Plan Participants and Beneficiaries through all lawful process, including litigation, or by adjusting or suspending future benefit payments. It is your responsibility to confirm the accuracy of statements made by the Plan Administrator or its delegates.

**No Interest in Trust Fund; No Estoppel of Plan.** Irrespective of the amount of your vested pension under the Plan, neither you, your Beneficiary nor any other person will be entitled to or have any interest or right to any of the assets of the Trust Fund, except as and to the extent expressly provided under the terms and conditions of the Plan. Payments made from the Plan in connection with any claim for benefits does not establish the validity of that claim or provide any right to have such benefit payments continue for any period of time or prevent the Plan from recovering amounts paid to the extent the Committee determines that there was no right to those payments. No one who claims a right to benefit under the Plan may base that claim on any oral or written statement made by any person. **The provisions of the Plan shall govern over any inconsistent benefit information given to a person, orally or in writing, regardless of the source.**

**Termination of Your Interest and Rights in the Plan.** If you receive a lump sum payment of your Vested Accrued Benefit from the Plan, your right and interest in the Plan ceases after that payment has been made. If you are paid a lump sum, your Spouse or other Beneficiary has no right or interest in the Plan. Similarly, if after your death, your Spouse or other Beneficiary receives a lump sum payment or the sum of all installments, all of the rights and interests in the Plan that you and your Spouse, or other Beneficiary, may have had ceases at that time. If you die while being paid a single life annuity, all rights and interests in the Plan that you and your Spouse, or other Beneficiary, may have had ceases on the date of your death.

**Be Sure to Follow the Plan's Claims Procedure.** The Plan has a claims procedure that you should follow when you seek to: (1) apply for and receive benefits from the Plan, (2) enforce your rights under the terms of the Plan, or (3) clarify your right to future benefits under the terms of the Plan. See the description of the claim's procedure in this SPD for the Plan Component under which you have a claim. Because the Plan's claims and appeals procedure is intended to help resolve Plan benefit issues, the procedure must be fully followed and exhausted before you can file a lawsuit against the Plan.

## Your ERISA Rights

As a Participant in the Embarq Pension Component, you are entitled to certain rights and protections pursuant to ERISA. ERISA provides that, as a Plan Participant, you are entitled to:

### Receive Information about Your Plan and Benefits.

- Examine, without charge, at the Committee's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including, if applicable, insurance contracts, collective

bargaining agreement, and a copy of the most recent annual report (Form 5500 Series) filed by the Plan with the United States Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

- Obtain, upon written request to the Committee or its delegate, copies of documents governing the operation of the Plan, including, if applicable, insurance contracts, collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Committee or its delegate may make a reasonable charge for the copies.
- Receive a summary of the Plan's most recent annual financial report. The Committee or its delegate is required by law to annually furnish each Participant with an Annual Funding Notice (AFN).
- Obtain a statement telling you whether you have a right to receive a pension benefit at Normal Retirement Age (generally age 65) and if so, an estimate of what your pension benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to a pension benefit, the statement will tell you how many more years you have to work to get a right to receive a pension benefit. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

**Prudent Actions by Plan Fiduciaries.** In addition to creating rights for Plan Participants, ERISA imposes duties on the people who are responsible for the operation of the Plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and Beneficiaries. No one, including your employer, your union (if applicable) or any other person, may terminate your employment or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

**Enforce Your Rights.** If your claim for a pension benefit results in an adverse benefit determination or you do not receive a response to your claim, in whole or in part, you have a right to know why, to obtain copies of documents relating to the decision without charge and to appeal any adverse benefit determination, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the most recent annual report from the Plan and do not receive them within 30 days, you may file suit in Federal court as designated by the Plan. In such a case, the court may require the Committee to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Committee. If you have a claim for pension benefits which is denied or ignored, in whole or in part, you may file suit in Federal court as designated by the Plan. However, you may only file suit if you have exhausted the Plan's claims and review procedures.

In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these cost and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

For detailed information on the claims and appeals process, or on filing a lawsuit, refer to Section 4 "**Claims and Appeals Procedure.**"

**Assistance with Your Questions.** If you have any questions about the Plan, you should contact the Lumen Pension Service Center (refer to Section 4 "**Request a Retirement Kit**") or the Committee or its delegate. If you have any questions about this statement or about your rights pursuant to ERISA, or if you need assistance in obtaining documents from the Committee, you should contact the nearest office of the Employee Benefits Security Administration ("EBSA"), U.S. Department of Labor, listed online or in your telephone directory, or the Division of Technical Assistance and Inquiries, EBSA, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the

publications hotline of the EBSA. Addresses and telephone numbers of regional and district EBSA offices are available through the EBSA Website [dol.gov/ebsa](https://dol.gov/ebsa).

**Request Copies of the Plan's Actual Documents.** This document is a Summary Plan Description ("SPD") of the Embarq Pension Component of the Lumen Combined Pension Plan and does not attempt to cover all rules and exceptions applicable to determining your pension benefits. Specific details are contained in the official Plan documents that regulate the operation of the Plan and govern any questions arising under the Plan. Plan Participants or the Beneficiaries of deceased Participants are eligible to examine, without charge, Plan documents, including the official Plan text, the Trust Agreement, the Annual Report, the Annual Funding Notice, and certain other documents and reports that are maintained by the Plan and/or filed with a federal government agency.

These documents are available for review during normal working hours at the following address:

Lumen  
214 East 24th Street  
Vancouver, WA 98663-3212

If Participants or Beneficiaries of deceased Participants are unable to examine the documents at the address listed above, they will need to request and specify the documents to be examined and at which Company work location they wish to examine them. Copies of such documents will be made available for examination at that work location within ten days of the date the request was submitted.

Participants or Beneficiaries of deceased Participants also may request that documents be sent to them at the address listed below. A reasonable fee will be charged for copies of the documents requested unless federal law requires that documents be furnished without charge.

Lumen Employee Benefits Committee  
ATTN: Plan Administrator  
214 East 24th Street  
Vancouver, WA 98663-3212

## Keep Your Home Address and Name Up to Date

Information about the Plan will be sent to your home address as found in the Plan's records. As a result, you must keep your address information up to date. If your name changes you must also update the Plan records.

- **If you are an active employee**, you can make address changes or name changes directly in Success Factors on the Lumen Intranet site - InsideLink. On the home page of InsideLink, click on the Success Factors icon and sign on. Next, select the MyProfile section on the MyInfo screen, scroll down on the page to either the Personal Information or Address Information section. Edit your information and make the necessary address or name changes and save your changes.
- **If you are a former employee eligible for a future benefit in the Plan**, it is even more important for you to keep your address and name information up to date. There are two ways you may do this.
  1. You may be able to sign into The Pension Site at [lumenpension.ehr.com](https://lumenpension.ehr.com). Go to the Profile tab and select My Information. Scroll to the address section and update your information directly online;or
  2. To request an address change or name change in writing you must submit a signed letter that includes the following information: your full name, last four digits of your social security number, your old address, your completed new address and your dated signature.
  3. If you fail to update your address, the Plan will be unable to pay out your benefit. If you are making a name change, you must include a copy of the documentation that supports the name change (marriage certificate, divorce decree, etc.). The letter should be mailed or faxed to:

Lumen Pension Service Center  
Dept: LUM  
P.O. Box 981909  
El Paso, TX 79998

Facsimile: 844-286-1282

- **If you are currently receiving a monthly pension payment**, it is even more important for you to keep your address and name information up to date.
  1. You can change your address by logging on to [lumenpension.ehr.com](https://lumenpension.ehr.com). Alternatively, you may call the Lumen Pension Service Center at 888-324-0689 for instructions.
  2. To request an address change or name change in writing you must submit a signed letter that includes the following information: your full name, last four digits of your social security number, your old address, your completed new address, and your dated signature.
  3. If you fail to update your address; the Plan will be unable to pay out your benefit. If you are making a name change, you must include a copy of the documentation that supports the name change (marriage certificate, divorce decree, etc.). The letter should be mailed or faxed to:

Lumen Pension Service Center  
Dept: LUM  
P.O. Box 981909  
El Paso, TX 79998

Facsimile: 844-286-1282

## SECTION 6: Federal Income Tax Effect On Payments You May Receive From The Plan

The following reflects the federal income tax consequences of participation in the Plan provided the Plan is a “qualified” plan under the Code. The Plan is intended to qualify under Section 401(a) of the Code. This section is only a summary, does not purport to be complete, and, among other things, does not cover state and local tax treatment of participation in the Plan. Furthermore, differences in Participants’ financial situations may cause federal, state, and local tax consequences of participation in the Plan to vary. Therefore, you should consult with an accountant, legal counsel, or other financial advisor regarding the tax consequences of your participation in the Plan.

Federal income tax will be withheld from a monthly annuity payment based on your election on Form W-4P. If you do not submit a completed Form W-4P, taxes will be automatically withheld on the basis of a married person claiming three withholding exemptions.

If you elect to receive a lump sum distribution:

1. You may choose a direct rollover to a traditional or Roth IRA or another qualified retirement plan. If you choose a direct rollover, your pension payment will not be taxed in the current year and no income tax will be withheld (with the exception of amounts rolled over to a Roth IRA). However, your pension payment will be taxed later when you take it out of your IRA or another qualified retirement plan.
2. You may choose to have your lump sum distribution paid directly to you. If you choose to have a distribution made to you:
  - a. You will receive only 80% of your pension payment (less state taxes), because the Plan Administrator is required to withhold 20% of the pension payment and send it to the IRS as income tax withholding to be credited against your taxes.
  - b. Your pension payment will be taxed in the current year. You may be able to apply special tax rules that could reduce the tax you owe. However, if you receive the pension payment before age 59½ and do not roll it over to an IRA or another qualified retirement plan, you also may have to pay an additional 10% excise tax.
  - c. You can roll over your pension payment by paying it to an IRA or to another employer plan that accepts your rollover within 60 days of receiving the pension payment. The amount rolled over will not be taxed until you take it out of the IRA or employer plan (with the exception of a Roth IRA).
  - d. If you want to roll over 100% of your pension payment to an IRA or to an employer plan, you must replace the 20% (and any state taxes) that were withheld with other personal funds. If you roll over only a portion of your pension benefit that you received, you will be taxed on the 20% (and state taxes) that were withheld and that are not rolled over.
  - e. Required minimum distributions after age 70½ (if you were born before July 1, 1949), or after age 72 (if you were born after June 30, 1949), or after death cannot be rolled over.

You will receive a special tax notice when you receive your Retirement Kit. You should consult with an accountant, legal counsel, or other financial advisor regarding your specific tax implications.

The Company making contributions to the Plan will be entitled to federal income tax deductions for the contributions in the year which the contributions are made.

Finally, you can find more detailed information on the federal tax treatment of payments from employer plans in various IRS publications, including IRS Publication 575, Pension and Annuity Income; IRS Publication 590, Individual Retirement Arrangements (IRAs); and IRS Publication 571, Tax-Sheltered Annuity Plans (403(b) Plans). These publications are available from a local IRS office, from the IRS website at [irs.gov](https://www.irs.gov) or by calling 800-TAX-FORM.

## SECTION 7: Definitions

**Accrued Benefit.** Accrued Benefit is the sum of your benefit as determined on the basis of the specific benefit formula that is specified within each Appendix of this SPD.

**Actuarial Equivalent.** Actuarial Equivalent means a method of payment that has equal value per actuarial tables that consider life expectancy, interest rates and other factors.

**Affiliate.** Affiliate means a corporation or business that is a member of the controlled group of the Company or under common control with the Company.

**Annuity.** Annuity means the specified monthly pension benefit payable to a Participant or Beneficiary.

**Annuity Starting Date.** Annuity Starting Date means the first date with respect to which an amount is paid as an Annuity or lump sum and will always be the first of a given month. In the case of a benefit not paid as an Annuity, Annuity Starting Date means the first day on which all events have occurred which avail you to the Plan benefit, but not before the first day of the month following your employment termination date or, if later, the first day of the month following your receipt of the necessary distribution paperwork.

**Beneficiary.** Beneficiary means any individual designated by you to receive a benefit under the Plan after your death.

**Benefit Commencement Date.** Benefit Commencement Date means the later of (a) the first day of the following month after your employment ends, or (b) the first day of the following month in which proper notification has been given (refer to Section 4, “**How to Apply for a Plan Benefit,**” for the proper notification requirements).

**Break-in-Service.** Break-in-Service is a period of time that you are not employed by the Company for 12 consecutive months. Additional information is found within each Appendix in this SPD.

**Company.** Company means, for purposes of the Plan, Embarq Corporation or its successors.

**Continuous Service.** Continuous Service is specified within each Appendix of this SPD.

**Credited Service.** Credited Service is specified within each Appendix of this SPD.

**Deferred Vested Retirement.** Deferred Vested Retirement is specified within each Appendix of this SPD.

**Disability Plan.** Disability Plan means the Lumen Disability Plan or any other applicable long-term disability plan (or similar plan providing disability income benefits) maintained by the Company or one of its affiliates.

**Disability Retirement.** Disability Retirement is specified within each Appendix of this SPD.

**Early Retirement.** Early Retirement is specified within each Appendix of this SPD.

**Hour of Service.** An Hour of Service includes:

- Any hour for which you were paid or entitled to be paid, whether worked or not, by the Company or an Affiliate. However, no more than 501 Hours of Service shall be credited pursuant to time paid during which no services are rendered to the Company.
- Regularly scheduled hours during an approved leave of absence (if you meet the conditions of the leave and if you return to work when required).
- Hours covered by a back-pay award (unless already counted).
- Certain hours for which you are paid when your employment ends, such as unused paid time off (PTO).

**Note:** Service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code.

**Job Classification.** Job Classification means the wage bracket that determines the amount of an Employee’s



monthly benefit per year of Credited Service under a Pension Agreement.

**LTD Plan.** LTD Plan means the Lumen Disability Plan.

**Mandatory Commencement Date.** Mandatory Commencement Date (MCD) means the date that the Plan states a participant must begin payment. Effective January 1, 2024, the MCD is the April 1 following attainment of age 70 1/2.

**Normal Retirement Age.** Normal Retirement Age is specified within each Appendix of this SPD.

**Normal Retirement Date.** Normal Retirement Date is specified within each Appendix of this SPD.

**Participant.** Participant means an employee regularly employed by the Company except for leased employees, independent contractors, and employees of non-participating Employers. Refer to Participation as specified within each Appendix of this SPD.

**Pension Agreement.** Pension Agreement means an agreement pertaining to pension benefits which is part of a Collective Bargaining Agreement between a collective bargaining agent and Embarq Corporation.

**Pension Band.** Pension Band means the pension bracket in which an Employee's job classification falls that determines the amount of a bargaining Employee's monthly pension benefit.

**Plan Year.** The Plan Year shall begin each January 1 and end the following December 31.

**Period of Service.** Period of Service means a period of time beginning on a Participant's date of hire and ending on the Participant's termination of employment.

**Project Based Employee.** An Employee who (a) is categorized in the Company's payroll system as a "project based employee," (b) is hired by the Company for a known period that is projected not to exceed an aggregate of 24 months, whether or not the months are consecutive, (c) is employed by the Company to perform services pursuant to a specific contract, which is between the Company and an external customer of the Company and which contains an assessed "completed by" date.

**Retirement Kit.** Retirement Kit means the pension documents necessary for you to complete or review prior to commencing your pension benefit. The documents include but are not limited to your retirement application, election form of payment, pension option descriptions, federal tax notice, tax withholding election form, and direct deposit form.

**Special Early Retirement.** Special Early Retirement is specified within each Appendix of this SPD.

**Spouse.** Spouse means the individual to whom a Participant is lawfully married (on the earlier of the Participant's death or Annuity Starting Date) in accordance with the laws of the jurisdiction in which the marriage was celebrated (that is, where the marriage was entered into), whether the marriage is by civil or religious ceremony or by common law, provided the individual has been lawfully married to the Participant for 12 consecutive months prior to the applicable date. If the marriage occurred in a foreign jurisdiction, Spouse means the individual to whom the Participant is lawfully married under the laws of that foreign jurisdiction but only if the relationship would be recognized as marriage under the laws of at least one state, possession, or territory of the United States, regardless of domicile. Spouse also shall include a former Spouse to the extent that a QDRO requires such former Spouse to be treated as a Spouse or a surviving Spouse.

**Status.** Status means the status of a Participant with respect to being covered by a specific Pension Agreement or not being covered by any Pension Agreement.

**Vested.** Vested means that you have earned a right to a pension benefit in the Plan. Vesting requirements are specified within each Appendix of this SPD.

# APPENDIX 1: Embarq Pension Component for Non-Bargaining Employees

## Eligible Employees

To be an Eligible Employee you must meet all the requirements below:

1. You are an Employee who is employed by Lumen or an Affiliate that is a participating Employer in the Plan; and
2. (a) You are customarily employed by an Employer on a full-time basis, and you meet one of the following criteria:
  - Prior to January 1, 1976 you were employed for at least 12 months; or
  - After December 31, 1975 and before January 1, 1990 you were credited with at least 1,000 hours in a calendar year; or
  - On and after January 1, 1990 you are employed for at least 12 months.

or

(b) You are not customarily employed by an Employer on a full-time basis, and you meet one of the following criteria:

- Prior to January 1, 1976 you were employed for at least 12 months; or
  - After December 31, 1975, you have been credited with at least 1,000 Hours of Service for the 12-consecutive month period commencing with your first Hour of Service or you have been credited with at least 1,000 Hours of Service for any Plan Year beginning after your first Hour of Service; and
3. You are not covered by a collective bargaining agreement; and
  4. You are not a non-resident alien; and
  5. You were not employed by Nextel Communications, Inc. or a subsidiary of Nextel Communications, Inc. immediately prior to 4 p.m. ET on August 12, 2005; and
  6. You were not employed after 4 p.m. ET on August 12, 2005 by Nextel Communications, Inc. or Sprint-Nextel Merger Corp. or a subsidiary of Nextel Communications, Inc. or a subsidiary of Sprint-Nextel Merger Corp.; and
  7. You were not employed by CenturyTel, Inc. or an Affiliate of CenturyTel, Inc. (a “CenturyTel Company”) immediately prior to 1:01 a.m. ET on July 1, 2009 and became an Employee immediately following employment by a CenturyTel Company; and
  8. After May 23, 2016, you are not categorized in the Company’s payroll system as a Project Based Employee.

You are not an Eligible Employee if you are (a) a leased employee or (b) an independent contractor, even if a court or administrative agency determines that you are a common law employee and not an independent contractor.

If you are an Eligible Employee and you transfer after July 1, 2009 to another Lumen Company or Affiliate that is a participating employer you will remain an Eligible Employee.

However, no employee will become an Eligible Employee if his or her employment begins after December 31, 2010, except if the employee is a “Grandfathered Represented Member” (that is, covered by a collective bargaining agreement that (a) expressly provides for inclusion of the Employee as a Participant and (b) sets forth a Retirement Allowance to be provided to such Participants).

## Participation

Non-bargaining employees hired prior to January 1, 2011 became Participants in the Plan if they meet the criteria to be an Eligible Employee.

Employees will become Participants on the first day of the month coincident with or following the month in which the above requirement is met.

## Why Service Is Important

### Accrued Benefit

The amount of your pension benefit, among other things, is determined on how much Credited Service you have completed with a participating Employer. For more information refer to “**Accrued Benefit**” later in this Appendix.

### Vesting in Accrued Benefit

Your right to your Accrued Benefit is determined on your vested status under the Plan. Your vested status is determined by how many Years of Continuous Service you have completed with a participating Employer. Generally, all your Continuous Service with a participating Employer must be taken into consideration for purposes of determining your vesting percentage. There are some exceptions which are covered under “**A Break-In-Service Can Affect Your Benefit**” later in this Appendix.

## What Vesting Is All About

“Vesting” refers to your guaranteed right as a plan Participant to receive a pension benefit on or before age 65. You are vested in the Plan and have a right to receive a pension benefit after you complete 5 Years of Continuous Service with a participating Employer.

## How Your Years Of Service Are Determined

The Plan counts your service within the Embarq Pension Component in two different ways:

### **Continuous Service and Credited Service**

Although they appear to be similar, they play different roles in the Plan.

### Continuous Service

You begin earning Continuous Service as soon as you start working for Embarq or one of its participating Employers. Continuous Service is used to determine when:

- your pension benefit is vested; and
- you are eligible to receive most pension benefits.

You generally accumulate Continuous Service for each consecutive day you work for a participating Employer. If you have 6 or more months of Continuous Service as partial service, total Continuous Service will be rounded to the next highest number; days are rounded to the next highest month. For example, if you have 3 years, 5 months, and 21 days of Continuous Service, it will be rounded to 4 years.

### Credited Service

Credited Service is the amount of service used in the calculation of your pension benefit. It includes periods of service with participating Employers. It also determines your eligibility for Special Early Retirement.

## A Break-In-Service Can Affect Your Benefit

A Break-In-Service is the period of time that you are not employed by the Company for 12 continuous months. You will not accumulate Continuous or Credited Service during this period.

An absence because of military duty, layoff, parental leave, or any other approved leave of absence may not be considered a Break-in-Service if you return to work for a participating Employer when your absence ends.

## Vesting on Re-employment

If you leave employment and are later rehired, depending on how long you were away and the dates of your prior service, your prior Continuous and Credited Service may be eligible to be bridged.

- If you were a Participant when you left the Company and were gone less than 1 year, you will automatically resume participation in the Plan immediately upon your return to work. Your prior Continuous and Credited Service will be bridged upon your return to work.
- If you were a Participant when you left the Company and you were gone longer than 1 year, you must complete 1 full Year of Service before resuming participation in the Plan. Your prior Continuous and Credited Service will be bridged in the following manner:
  - If you were vested and gone more than 1 year, your prior Continuous and Credited Service will be bridged after you complete 1 full Year of Service.
  - If you were not vested and you were gone more than 1 year, but less than 5 years, your prior Continuous and Credited Service will be bridged, after you complete 1 full Year of Service.
  - If you were not vested when you left the Company and were gone for 5 or more years, or the number of years you were gone is greater than the number of Years of Service you had when you left the Company, your prior Continuous and Credited Service will be bridged after you complete 5 full Years of Service.

However, if you received your pension benefit as a total lump sum when you left the Company, your prior Credited Service will not be eligible for bridging until you have paid back the full amount of your lump sum benefit plus, interest.

If you transfer to a Lumen Company that is not a participating Employer under this Component, your service for that Company will continue to count for purposes of participation, vesting and retirement eligibility, but you will earn no additional Credited Service under this Component. Please note that transferring to an Affiliate is not a termination of employment for purposes of commencing your pension benefit.

## Accrued Benefit

Your Accrued Benefit is the actual retirement benefit that you have earned as of any given date prior to your Normal Retirement. For more information on how your Accrued Benefit is calculated, refer to “**Normal Retirement Benefit**”, later in this Appendix.

However, should your benefit commence early, this amount will be reduced for early commencement of benefits. Refer to “**Early Retirement**” later in this Appendix.

**NOTE: Your Accrued Benefit is frozen as of December 31, 2010.**

## Normal Retirement Benefit

Your Normal Retirement Date is the later of (1) the first day of the month coinciding with or next following your 65th birthday, and (2) the completion of 5 Years of Continuous Service (or, if earlier, the 5th anniversary of the date you became a Participant).

When you reach your Normal Retirement Date and you have terminated employment with the Company you must commence your Normal Retirement Benefit. Your Normal Retirement Date is the first of the month

following or coincident with your Normal Retirement Age. Refer to “**How Your Benefit Is Paid**” later in this Appendix.

To apply for your pension benefit, refer to Section 4 “**Applying for a Plan Benefit.**”

The following terms and information are used to calculate your pension benefit.

## Compensation

Compensation is defined as pay received by you for your services as salary, wages or sales commissions, and sales bonuses you receive under a written agreement with your participating Employer, and certain annual short-term incentive compensation. Compensation also includes your salary deferral contributions to Company-sponsored 401(k) savings or cafeteria (flexible benefit) plans.

Premium pay, shift differentials, overtime, non-sales commissions and bonuses, foreign service allowances, special pay and benefits paid under this Plan or any other Company-sponsored plan during the Plan year are not included. Compensation also shall exclude pay received on or after January 1, 2007 under the Embarq Separation Plan and the Embarq Voluntary Separation Plan.

Compensation excludes (among other items):

- Compensation earned after December 31, 2010 is not included in the calculation of your Accrued Benefit.
- Eligible Compensation is limited by law and adjusted each year in accordance with federal regulations. For example, in 2024 eligible Compensation was limited to \$345,000.

## Average Pre-1990 Compensation

Average Pre-1990 Compensation is the average annual Compensation during the last 60 consecutive months of employment preceding 1/1/1990. If you worked less than 60 months after 12/31/1984, and before 1/1/1990, all months of pay are included. Compensation is limited to the Section 401(a)(17) limits under the Internal Revenue Code in effect for Plan Years beginning after 12/31/1988, but before 1/1/1994.

## Average Pre-1994 Compensation

Average Pre-1994 Compensation is the average annual Compensation during the last 60 consecutive months of employment preceding 1/1/1994. If you worked less than 60 months after 12/31/1988, and before 1/1/1994, all months of pay are included. Compensation is limited to the Section 401(a)(17) limits under the Internal Revenue Code in effect for Plan Years beginning after 12/31/1988, but before 1/1/1994.

## Embarq Non-Bargaining formula

The amount of your Accrued Benefit is the sum of 1 and 2 as follows:

1. Part I (Years prior to 1994) is the greater of (a) or (b):
  - a.  $1.5\% \times \text{Average Pre-1990 Compensation} \times \text{Years of Credited Service as of December 31, 1989} + 1.5\% \times \text{Compensation from 1990 through 1993}$or
  - b.  $\text{Average Pre-1994 Compensation} \times \text{Years of Credited Service as of December 31, 1993}$ .
2. Part II (Years after 1994):  $1.5\% \times \text{Compensation from 1994 through date of termination (or December 31, 2010, if earlier)}$ .

You may qualify for a minimum benefit formula if you were a member in a pension plan that has been merged into this Component.

**NOTE: Your Accrued Benefit is frozen as of December 31, 2010.**

If your Benefit Commencement Date is on or after June 1, 2015, your Accrued Benefit will not be reduced or offset by any Worker's Compensation payments you receive.

If your Benefit Commencement Date is prior to June 1, 2015, your Accrued Benefit will be reduced or offset by any Worker's Compensation payments you receive.

## How The Normal Retirement Benefit Formula Works

**Example:** You terminate on December 31, 2012 and retire at age 65 on January 1, 2013. Assume the following:

- You completed 6 Years of Credited Service as of January 1, 1990 and 10 Years of Credited Service as of January 1, 1994.
- Your Average Pre-1990 Compensation was \$21,000 (equals the sum of Compensation for 1985 through 1989, divided by 5).
- The sum of your Compensation from 1990 through 1993 is \$102,000.
- Your Average Pre-1994 Compensation was \$25,000 (equals sum of Compensation for 1989 through 1993, divided by 5).
- Your eligible Compensation for each year beginning in 1994 through 2010 is:

Year	Eligible Compensation
1994	\$28,000
1995	\$29,000
1996	\$30,000
1997	\$31,000
1998	\$32,000
1999	\$33,000
2000	\$34,000
2001	\$35,000
2002	\$36,000
2003	\$37,000
2004	\$38,000
2005	\$39,000
2006	\$40,000
2007	\$41,000
2008	\$42,000
2009	\$43,000
2010	\$44,000

Your Normal Retirement Benefit is the sum of 1 and 2:

<b>1. Part I (Years prior to 1994):</b>		
<b>a.</b>	$1.5\% \times \$21,000 \times 6 + 1.5\% \times \$102,000$	= \$3,420.00
<b>b.</b>	$1.5\% \times \$25,000 \times 10$	= \$3,750.00
	Part I benefit (greater of a and b)	= \$3,750.00
<b>Plus</b>		
<b>2. Part II (Years after 1994):</b>		
	$1.5\% \times \$28,000$	= \$420.00
	$1.5\% \times \$29,000$	= \$435.00
	$1.5\% \times \$30,000$	= \$450.00
	$1.5\% \times \$31,000$	= \$465.00
	$1.5\% \times \$32,000$	= \$480.00
	$1.5\% \times \$33,000$	= \$495.00
	$1.5\% \times \$34,000$	= \$510.00
	$1.5\% \times \$35,000$	= \$525.00
	$1.5\% \times \$36,000$	= \$540.00
	$1.5\% \times \$37,000$	= \$555.00
	$1.5\% \times \$38,000$	= \$570.00
	$1.5\% \times \$39,000$	= \$585.00
	$1.5\% \times \$40,000$	= \$600.00
	$1.5\% \times \$41,000$	= \$615.00
	$1.5\% \times \$42,000$	= \$630.00
	$1.5\% \times \$43,000$	= \$645.00
	$1.5\% \times \$44,000$	= \$660.00
	Part II benefit	\$9,180.00
	Total Annual Pension Benefit	= \$12,930.00
	Total Monthly Pension Benefit	= \$1,077.50

This monthly benefit amount is your Normal Retirement Benefit (payable at age 65) and is based on a Single Life Annuity form of payment. Your monthly benefit amount will be different if an optional form of payment is selected, refer to “**How Your Benefit is Paid**” later in this Appendix.

There are multiple appendices to the Embarq Pension Component that apply only to certain groups of employees whose rights are preserved per the provisions of their predecessor Company’s pension plans. The provisions of all such appendices are not described in this SPD. You may obtain a copy of any appendix by contacting the Plan Administrator.

Examples shown in this SPD solely are provided in order to illustrate how the benefit formula works. The benefit you receive upon your retirement will be personalized to you and based upon your birth date, compensation history, completed number of Years of Credited Service, the provisions of the Plan freezing benefits, the other provisions of the Plan, and the laws in effect when you retire.

## Early Retirement

If you elect to retire before age 65, your Early Retirement Date is the first day of any month after you (1) reach age 55, (2) have completed 10 or more Years of Continuous Service, and (3) terminate employment with the Company.

If you elect to commence your pension benefit before age 65, you are in effect electing the age 65 benefit you had accrued through your termination date to be paid over a longer period of time.

To fund the longer period of payments, the Plan pays a percentage of the age 65 benefit based on your age when you commence your benefit. The following chart reflects the percentage payable under the Early Retirement provision:

Retirement Age	Benefit Percentage
65	100%
64	95%
63	90%
62	85%
61	80%
60	75%
59	70%
58	65%
57	60%
56	55%
55	50%

If you retire at a time when you are between any two ages listed above, the percentage of benefit will be interpolated to reflect the exact number of years and months of age at the time your pension payments begin. For instance, if you begin your benefits at age 61 years and 7 months, you will receive the age 61 percentage plus 7½ of the difference between the age 61 percentage and the age 62 percentage.

Your Early Retirement Benefit can be paid under the same payment options as those explained in “**How Your Benefit Is Paid**” later in this Appendix.

Under certain circumstances, it is possible that an additional adjustment to your benefit will be necessary. This adjustment is based on a complicated set of regulations issued by the Internal Revenue Service, and usually only applies to highly paid Participants. If you decide to retire early from the Employer and this adjustment applies to you, you will be informed at that time.

## How The Early Retirement Benefit Formula Works

**Example:** You terminate on December 31, 2012, and retire at age 56 on January 1, 2013, and assume the following:

- You completed 3 Years of Credited Service as of January 1, 1990 and 7 Years of Credited Service as of January 1, 1994.
- Your Average Pre-1990 Compensation was \$27,000 (equals the sum of Compensation for 1987 through 1989, divided by 3).
- The sum of your Compensation from 1990 through 1993 is \$122,000.
- Your Average Pre-1994 Compensation was \$30,000 (equals sum of Compensation for 1989 through 1993,



divided by 5).

Your eligible Compensation for each year beginning in 1994 through 2010 is:

Year	Eligible Compensation
1994	\$33,000
1995	\$34,000
1996	\$35,000
1997	\$36,000
1998	\$37,000
1999	\$38,000
2000	\$39,000
2001	\$40,000
2002	\$41,000
2003	\$42,000
2004	\$43,000
2005	\$44,000
2006	\$45,000
2007	\$46,000
2008	\$47,000
2009	\$48,000
2010	\$49,000

Your Early Retirement Benefit is determined as follows:

1. Part I (Years prior to 1994):
 

a. $1.5\% \times \$27,000 \times 3 + 1.5\% \times \$122,000$	=	\$3,045.00
b. $11.5\% \times \$30,000 \times 7$	=	\$3,150.00
Part I benefit (greater of a and b)	=	\$3,150.00
  
- Plus**
  
2. Part II (Years after 1994):
 

$1.5\% \times \$33,000$	=	\$495.00
$1.5\% \times \$34,000$	=	\$510.00
$1.5\% \times \$35,000$	=	\$525.00
$1.5\% \times \$36,000$	=	\$540.00
$1.5\% \times \$37,000$	=	\$555.00
$1.5\% \times \$38,000$	=	\$570.00
$1.5\% \times \$39,000$	=	\$585.00
$1.5\% \times \$40,000$	=	\$600.00
$1.5\% \times \$41,000$	=	\$615.00

1.5% x \$42,000	=	\$630.00
1.5% x \$43,000	=	\$645.00
1.5% x \$44,000	=	\$660.00
1.5% x \$45,000	=	\$675.00
1.5% x \$46,000	=	\$690.00
1.5% x \$47,000	=	\$705.00
1.5% x \$48,000	=	\$720.00
1.5% x \$49,000	=	<u>\$735.00</u>
Total Annual Pension Benefit at		\$10,455.00
Normal Retirement Date (NRD)	=	\$13,605.00
Total Monthly Pension Benefit at NRD	=	\$1,133.75
Benefit Percentage based on Age 56	=	<u>x 55%</u>
Total Monthly Pension Benefit at Early Retirement		\$623.56

Your Early Retirement Benefit is based on a Single Life Annuity form of payment and will be different if an optional form of payment is selected, refer to “**How Your Benefit is Paid**” later in this Appendix.

## Special Early Retirement

You may qualify for Special Early Retirement if, at your termination of employment with the Company, your age at your last birthday plus your Years of Credited Service (in whole years) totals at least 75, and:

- your plant, site, installation, or department is permanently shut down and you are not offered other work with a participating Employer; or
- you are Permanently Disabled (as defined in the Long-Term Disability Plan); or
- your job is eliminated due to merger, consolidation of operation, automation or reduction in the work force and you are not offered other work with a participating Employer.

If you elect to begin your benefits before age 65, you are in effect electing the age 65 benefit you had accrued through your termination date to be paid over a longer period of time. To fund the longer period of payments, the Plan pays a percentage of the age 65 benefit based on your age when you commence your benefit. The following chart reflects the percentage payable under the Special Early Retirement provision:

Retirement Age	Benefit Percentage
65	100%
64	97.5%
63	95.0%
62	92.5%
61	90.0%
60	87.5%
59	85.0%
58	82.5%
57	80.0%

Retirement Age	Benefit Percentage
56	77.5%
55	75.0%
54	72.5%
53	70.0%
52	67.5%
51	65.0%
50	62.5%

If you retire at a time when you are between any two ages listed above, the percentage of benefit will be interpolated to reflect the exact number of years and months of age at the time your pension payments begin. For instance, if you begin your benefits at age 61 years and 7 months you will receive the age 61 percentage plus 7½ of the difference between the age 61 percentage and the age 62 percentage.

Your Special Early Retirement Benefit can be paid under the same payment options as those explained in “**How Your Benefit Is Paid**” later in this Appendix.

Under certain circumstances, it is possible that an additional adjustment to your benefit will be necessary. This adjustment is based on a complicated set of regulations issued by the Internal Revenue Service, and usually only applies to highly paid Participants. If you decide to retire early from the Company and this adjustment applies to you, you will be informed at that time.

## Retirement After Your Normal Retirement Date

If you continue to work for the Company past your Normal Retirement Date (age 65), you will receive a Suspension of Benefit Notice. The Suspension of Benefits notice states when your employment with the Company terminates, you must commence your Normal Retirement Benefit and your pension benefit will be paid on a prospective basis, meaning you will not receive any type of retroactive payments or actuarial increases back to age 65, your Normal Retirement Date.

If you are still working for the Company upon your attainment of age 70½, you may elect to commence your pension benefit as early as April 1 following the calendar year in which you turned 70½.

Your pension benefit can be paid under the same options as those explained in “**How Your Benefit Is Paid**” later in this Appendix.

## Disability Retirement

If you become “disabled” while you are an active employee and you meet certain other conditions (described below), you may retire and receive a Disability Retirement Benefit under the Plan.

Eligibility for a Disability Retirement Benefit:

**Beginning January 1, 2012, or if you are an active employee whose most recent short-term disability leave has an effective date on or after January 1, 2012,** you may be eligible to receive a Disability Retirement Benefit if you: (a) have completed at least 10 Years of Continuous Service before the disability occurs and (b) you are eligible for a long-term disability benefit in accordance with the definition of “disability” in the Lumen Disability Plan (or other similar plan that provides long-term disability income benefits and that is sponsored by Lumen or any of its subsidiaries or related companies (the “LTD Plan”).

The determination as to whether you meet the definition of “disability” under the LTD Plan is made by the

Lumen Disability Plan Claims Administrator or its designee (the “Disability Plan Claims Administrator”). The Disability Plan Claims Administrator will, from time to time, ask you to furnish medical evidence showing that you continue to be disabled. This is to establish that you remain eligible for a Disability Retirement Benefit under the Plan. **You must provide this evidence on a timely basis when requested to avoid an interruption in or termination of your disability retirement benefit payments.**

A Disability Retirement Benefit is calculated the same as a Normal Retirement Benefit. However, there is no reduction to your pension benefit based on your age if you are eligible for a Disability Retirement Benefit.

The Disability Retirement Benefit is paid as a single life annuity. It will cease on the last day of the month following the earlier of (1) no longer meeting the definition of “disability” in the Lumen Disability Plan, (2) your death, or (3) your Normal Retirement Date. Upon your Normal Retirement Date, if you have not already commenced your pension benefit, you must do so. Refer to “**How Your Benefit Is Paid,**” later in this Appendix.

If your Benefit Commencement Date is on or after June 1, 2015, your Accrued Benefit **will not** be reduced or offset by any Worker’s Compensation payments you will receive.

If your Benefit Commencement Date is prior to June 1, 2015, your Accrued Benefit **will** be reduced or offset by any Worker’s Compensation payments you receive.

Under certain circumstances, it is possible that an additional adjustment to your benefit will be necessary. This adjustment is based on a complicated set of regulations issued by the Internal Revenue Service, and usually only applies to highly paid Participants. If you decide to retire from the participating Employer and this adjustment applies to you, you will be informed at that time.

## What Happens When You Terminate Employment (Deferred Vested Retirement)

If you terminate employment and are vested (at least 5 Years of Continuous Service), you may elect to commence your Accrued Benefit at any time. If you commence your pension benefit before your Normal Retirement Date, your Accrued Benefit will be reduced according to your age at your Benefit Commencement Date. Per the chart below, you will receive the corresponding percentage of your Accrued Benefit if you elect to commence your pension benefit prior to your Normal Retirement Date (age 65):

Your Age When Benefits Begin	Percentage of Benefit You Receive*	Your Age When Benefits Begin	Percentage of Benefit You Receive*
65	100%	44	15%
64	90%	43	14%
63	80%	42	13%
62	72%	41	12%
61	65%	40	11%
60	59%	39	10%
59	53%	38	10%
58	48%	37	9%
57	44%	36	8%
56	40%	35	8%
55	37%	34	7%
54	34%	33	7%
53	31%	32	6%
52	29%	31	6%
51	26%	30	5%
50	24%	29	5%

Your Age When Benefits Begin	Percentage of Benefit You Receive*	Your Age When Benefits Begin	Percentage of Benefit You Receive*
49	22%	28	5%
48	21%	27	4%
47	19%	26	4%
46	18%	25	4%
45	16%		

If you retire at a time when you are between any two ages listed above, the percentage of benefit will be interpolated to reflect the exact number of years and months of age at the time your pension payments begin. For instance, if you begin your benefits at age 61 years and 7 months you will receive the age 61 percentage, plus 7½ of the difference between the age 61 percentage and the age 62 percentage.

Your Deferred Vested Retirement Benefit can be paid under the same payment options as those explained in **“How Your Benefit Is Paid”** later in this Appendix.

**What Happens if You Aren’t Vested and You Terminate Employment:** If you were not vested before you terminated employment with the Company, the benefit you have accrued is not yours and will be forfeited by you and will remain in the Plan. If you are later re-employed, your prior service may be eligible to be bridged for vesting purposes, refer to **“A Break-In-Service Can Affect Your Benefit.”**

Effective January 1, 2024, you may not delay commencement of your pension benefit beyond your Mandatory Commencement Date (MCD). If, as of your MCD you have not filed an application for the commencement of your vested accrued benefit or you failed to provide all of the information for the Plan Administrator to process, calculate and commence your pension benefit, then the Plan Administrator will rely on reasonable assumptions it deems appropriate to process, calculate and commence payment of your pension benefit, including payment of your benefit in the automatic form of benefit payment. All such assumptions made by the Plan Administrator will be binding on you and your beneficiary for all purposes of the Plan.

## Death Benefits

The Plan provides a pension benefit to your Spouse if:

- You were married for at least 12 consecutive months immediately prior to your date of death and;
- You were vested at the time of death and;
- You have not already commenced your pension benefit.

If you die while an active employee, your Spouse may begin receiving benefits the first of the month following your date of death. The spousal benefit is the benefit payable under a 50% Qualified Joint and Survivor Annuity and is calculated as an early retirement benefit, using your date of death as the termination date. For more information, refer to **“How Your Benefit is Paid”** later in this Appendix. If you are less than age 55 at the time of death, the early retirement percentage is 50%.

If you die after you have terminated employment and had not commenced your pension benefit before your death, your Spouse may begin receiving benefits the first of the month following your date of death. The spousal benefit is the benefit payable under a 50% Qualified Joint and Survivor Annuity and is calculated as a deferred vested benefit, using your date of death as the termination date.

A surviving Spouse benefit will be paid as a Single Life Annuity or a Lump Sum, refer to **“How Your Benefit is Paid”** later in this Appendix.

If prior to your death you properly elected a 75% or 100% Joint and Survivor Annuity form of payment with your Spouse named as joint annuitant, and you die before your Annuity Starting Date, your Spouse will be entitled to the Spouse benefit based on the form of payment you elected prior to your Annuity Starting Date, instead of

the form of payments described above.

A pension benefit from the Plan is **not** payable if you are single upon your death and you have not commenced your pension benefit.

## When Your Benefit Is Paid

Benefit payments are paid on the first business day of the month for the current month. For details on how to request a Retirement Kit to commence your pension benefit, refer to Section 4, “**Applying for a Plan Benefit.**”

## How Your Benefit Is Paid

You have several choices as to how your benefit is paid. Although the total actuarial value of your benefit will be the same, the monthly amount will differ according to the method of payment you choose.

### If you are married as of the commencement date of your benefit:

Your benefit will automatically be paid as a 50% Qualified Joint and Survivor Annuity unless you choose an optional form of payment from the list below. The 50% Qualified Joint and Survivor Annuity provides a reduced monthly payment for your lifetime with 50% of the reduced monthly benefit continuing to your Spouse upon your death for your Spouse’s life. Your monthly benefit is actuarially reduced for the cost of this annuity based on your age and the age of your Spouse on your Benefit Commencement Date.

- If your Spouse predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.
- If you (1) elect an option less than 50% of your benefit to your Spouse, or (2) designate someone other than your Spouse as your Beneficiary, your Spouse must consent in writing, and your Spouse’s signature must be witnessed by a Notary Public.

**If you are not married as of the commencement date of your benefit:** Your benefit will automatically be paid as a Single Life Annuity unless you choose an optional form of payment from the list below.

### Optional Forms of Payment:

The form of payment must be elected in writing before you receive your first monthly pension payment. In accordance with IRS regulations, this election cannot be made more than 180 days prior or less than 30 days (which can be waived) to your Annuity Starting Date (refer to Section 7, “**Definitions**”). Changes in the form of payment can be made up to your Annuity Starting Date. However, once payments begin you cannot change your form of payment elected or, if applicable, your designated Spouse or Beneficiary as your election is irrevocable.

1. Single Life Annuity – This option provides a monthly payment to you during your lifetime. Payments end upon your death with no survivor payments payable. If you are a married Participant, election of this option requires notarized spousal consent.
2. 33 ⅓% Joint and Survivor Annuity – This option provides a reduced monthly payment for your lifetime with 33 ⅓% of the reduced monthly benefit continuing to your Beneficiary upon your death for your Beneficiary’s life. Your monthly benefit is actuarially reduced for the cost of this option based on your age and the age of your Beneficiary on your Benefit Commencement Date.

If your Beneficiary predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

If your Beneficiary is not your Spouse, the Beneficiary’s survivor annuity shall be reduced to reflect any adjustment required under the Internal Revenue Code to ensure your annuity is not less than 50% of the

Single Life Annuity, meaning this option may not be available.

3. 50% Joint and Survivor Annuity – This option provides a reduced monthly payment for your lifetime with 50% of the reduced monthly benefit continuing to your Beneficiary upon your death for your Beneficiary's life. Your monthly benefit is actuarially reduced for the cost of this option based on your age and the age of your Beneficiary on your Benefit Commencement Date.

If your Beneficiary predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

4. 75% Joint and Survivor Annuity – This option provides a reduced monthly payment for your lifetime with 75% of the reduced monthly benefit continuing to your Beneficiary upon your death for your Beneficiary's life. Your monthly benefit is actuarially reduced for the cost of this option based on your age and the age of your Beneficiary on your Benefit Commencement Date.

If your Beneficiary predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

If your Beneficiary is not your Spouse, the Beneficiary's survivor annuity shall be reduced to reflect any adjustment required under the Internal Revenue Code to ensure your annuity is not less than 50% of the Single Life Annuity, meaning this option may not be available. For example, if your Beneficiary is a child.

5. 100% Joint and Survivor Annuity – This option provides a reduced monthly payment for your lifetime with 100% of the reduced monthly benefit continuing to your Beneficiary upon your death for your Beneficiary's life. Your monthly benefit is actuarially reduced for the cost of this option based on your age and the age of your Beneficiary on your Benefit Commencement Date.

if your Beneficiary predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

If your Beneficiary is not your Spouse, the Beneficiary's survivor annuity shall be reduced to reflect any adjustment required under the Internal Revenue Code to ensure your annuity is not less than 50% of the Single Life Annuity, meaning this option may not be available. For example, if your Beneficiary is a child.

6. Lump Sum –

If the Actuarial Equivalent of your vested Accrued Benefit is less than \$1,000 at the time of the distribution, and you do not make a timely election to roll your distribution over, the benefit will be paid directly to you. This lump sum payment is subject to mandatory withholding.

If the Actuarial Equivalent of your vested Accrued Benefit is more than \$1,000 but not more than \$7,000 at the time of the distribution, and you do not make a timely election to roll your distribution over, the benefit will automatically be rolled over to an individual retirement plan designated by the Committee.

Effective January 1, 2024, if the Actuarial Equivalent of your vested Accrued Benefit is more than \$7,000 at the time of the distribution, you may elect to receive your vested Accrued Benefit in a lump sum payment at any time. You may elect the lump sum payment to be rolled over or paid to you directly.

Actuarial Equivalent means a method of payment that has equal value according to actuarial tables which take into account life expectancy, interest rates, and other factors.

If prior to your death you properly elected to receive a 75% or 100% Joint and Survivor Annuity form of payment, and you die before your Annuity Starting Date, your designated Beneficiary will be entitled to a benefit based on the Joint and Survivor Annuity form of payment elected instead of the Spouse's Death Benefit.

If you die before your Annuity Starting Date, but on or after your Severance from Employment with Lumen,

and before your death you made a valid election to take the lump sum distribution described above, the lump sum distribution will be paid to your designated Beneficiary. If you have not designated a Beneficiary or your designated Beneficiary predeceases you, the lump sum payment will be paid to the executor of your will or the administrator of your estate, any direct rollover election you had made automatically will become void.

## APPENDIX 2: Embarq Pension Component for Bargaining Unit Employees

### Eligible Employees

Eligible Employees are individuals who are eligible to participate in the Plan. To be an Eligible Employee, you must meet all the following requirements:

1. You are an Employee who is employed by Lumen or an Affiliate that is a participating employer in the Plan; and
2. (i) You are customarily employed by an Employer on a full-time basis and you meet one of the following criteria:
  - a. Prior to January 1, 1976, you complete a Period of Service of one year, or
  - b. After December 31, 1975, you have been credited with one Year of Service;

or

- (ii) You are not customarily employed by an Employer on a full-time basis and you meet one of the following criteria:
  - c. Prior to January 1, 1976, you complete a Period of Service of one year, or
  - d. After December 31, 1975, you have been credited with at least 1,000 Hours of Service for the 12 consecutive month period commencing with your first Hour of Service or you have been credited with at least 1,000 Hours of Service for any Plan Year beginning after your first Hour of Service;

and

- e. You are covered by a collective bargaining Agreement and the Agreement expressly provides for your inclusion in the Plan (refer to the list of applicable union locals in Section 1, “**Introduction**”); and
- f. you are not a non-resident alien; and
- g. You were not employed by Nextel Communications, Inc. or a subsidiary of Nextel Communications, Inc. immediately prior to 4 p.m. ET on August 12, 2005; and
- h. You were not employed after 4 p.m. ET on August 12, 2005 by Nextel Communications, Inc. or Sprint-Nextel Merger Corp. or a subsidiary of Nextel Communications, Inc., or a subsidiary of Sprint-Nextel Merger Corp.; and
- i. You were not employed by CenturyTel, Inc. or an Affiliate of CenturyTel, Inc. (a “CenturyTel Company”) immediately prior to 1:01 a.m. ET on July 1, 2009 and became an Employee immediately following employment by a CenturyTel Company; and
- j. After May 23, 2016, you are not categorized in the Company’s payroll system as a Project Based Employee.



You are not an Eligible Employee if you are (a) a leased employee or (b) an independent contractor, even if a court or administrative agency determines that you are a common law employee and not an independent contractor.

If you are an Eligible Employee and you transfer after July 1, 2009 to another Lumen Company or Affiliate that is a participating employer you will remain an Eligible Employee.

However, no employee will become an Eligible Employee if his or her employment begins after December 31, 2010, except if the employee is a “Grandfathered Represented Member” (that is, covered by a collective bargaining agreement that (1) expressly provides for inclusion of the Employee as a Participant, and (2) sets forth a Retirement Allowance to be provided to such Participants).

## Participation

Each employee who is covered under a collective bargaining agreement that provides for membership in the Plan will become a Participant in the Plan if the employee is both (1) an Eligible Employee, and (2) was hired, rehired, transferred into or became a member of the union local by any other method (such as, but not limited to: recall, job bid, any process by which the National Labor Relations Board orders, etc.) prior to the applicable Hired Before date listed in the chart below:

Union Local	Hired Before
CWA 1101	January 1, 2016
CWA 3680/3680A/3681/3682 3685	January 1, 2016
CWA 3871	July 1, 2015
CWA 4470/4471/4474/4475/4322	July 1, 2016
CWA 4700	July 1, 2015
CWA 6372 (KS/MO)	July 1, 2016
CWA 13000	July 1, 2015
IBEW 2	July 1, 2013
IBEW 392	January 1, 2016
IBEW 688*	April 22, 2014
* <u>ONLY</u> the titles of Retail Sales Consultant and Senior Retail Sales Consultant	
IBEW 688 (all job titles except as noted in this table above)	January 1, 2016
IBEW 723	July 1, 2015
IBEW 827	July 1, 2013
IBEW 827A	July 1, 2013
IBEW 1649	July 1, 2014
IBEW 1912	January 1, 2016
IBEW 1996	January 1, 2014
IBEW 2337 (formerly IBEW 20)	January 1, 2015

If you meet these criteria, you will become a Participant on the first day of the month coincident with or following the month in which the above requirements are met. If you are a bargaining employee who does not meet all the above criteria, you are not eligible to participate in the Plan.

## Why Service Is Important

### Accrued Benefit

The amount of your pension benefit, among other things, is determined based on how much Credited Service you completed with a participating Employer. For more information, refer to the “**Accrued Benefit**” section later in this Appendix.

### Vesting in Accrued Benefit

Your right to your Accrued Benefit is determined based on your vested status under the Plan. Your vested status is determined by the Continuous Service you have completed with your participating Employer. As a general rule, all of your Continuous Service with the participating Employer must be taken into consideration for purposes of determining your vesting percentage. Refer to “**A Break-In-Service Can Affect Your Benefit**” later in this Appendix as there are some exceptions.

## What Vesting Is All About

“Vesting” refers to your guaranteed right as a Plan Participant to receive a pension benefit on or before age 65. You are vested in the Plan and have a right to receive a pension benefit after you complete 5 Years of Continuous Service with a participating Employer.

## How Your Years Of Service Are Determined

The Plan counts your service within the Embarq Pension Component in two different ways...

### Continuous Service and Credited Service

Although they appear to be similar, they play different roles in the Plan.

#### Continuous Service

You begin earning Continuous Service as soon as you started working for Embarq or one of its participating Employers. Continuous Service is used to determine when:

- your pension benefit is vested; and
- you are eligible to receive most pension benefits.

Starting in 1976, you earned a Year of Continuous Service for each calendar year in which you completed at least 1,000 Hours of Service.

Prior to 1976, Continuous Service was measured in years and months. Continuous service was equal to the length of time between your service date and December 31, 1975, if you worked at least an average of 20 hours in each week.

So that your Continuous Service before 1976 can be expressed in complete years, a period of at least six months is rounded to a full year. For example, if your service date is March 1, 1965, you would have completed 10 years and 10 months by December 31, 1975. You would, therefore, receive 11 Years of Continuous Service up to 1976.

#### Credited Service

Credited Service is the amount of service used in the calculation of your pension benefit. It includes periods of service with participating Employers. It also determines your eligibility for Special Early Retirement.

Prior to 1976, Credited Service was measured in years and months. Credited Service was equal to the length of time between your service date and December 31, 1975, as long as you worked an average of 20 hours in each week.

Starting in 1976, Years of Credited Service are expressed as years and portions of a year based on the Hours of Service accumulated during the year, as shown on the chart below.

Hours of Service during the Year	Years of Credited Service
1880 and above	1.00
1776-1879	.90
1671-1775	.85
1567-1670	.80
1463-1566	.75
1358-1462	.70
1254-1357	.65
1149-1253	.60
1045-1148	.55
941-1044	.50
836-940	.45
732-835	.40
627-731	.35
523-626	.30
419-522	.25
314-418	.20
210-313	.15
80-209	.10
Less than 80	0

If you are regularly scheduled to work less than 40 hours per week, the above table may be adjusted.

## A Break-in-Service Can Affect Your Benefit

Prior to 1976, a Break-in-Service is a period of time that you are not employed by the Company for 12 continuous months. You will not accumulate Continuous Service or Credited Service during this period. Starting in 1976, a Break-in-Service is a Plan Year in which you are not credited with more than 500 Hours of Service.

An absence because of military duty, layoff, parental leave, or any other approved leave of absence may not be considered a Break-in-Service if you return to work for a participating Employer when your absence ends.

## Vesting on Re-employment

If you leave employment and are later rehired, depending on how long you were away and the dates of your prior service, your Continuous Service and Credited Service prior to leaving employment may be eligible to be bridged.

- a. If you were a Participant when you left the Company and were gone **less than 1 year**, you will automatically resume participation in the Plan immediately upon your return to work. Your prior Continuous and Credited Service will be bridged upon your return to work.
- b. If you were a Participant when you left the Company and you were gone longer than 1 year, you must complete one full Year of Service before resuming participation in the Plan. Your prior Continuous and

Credited Service will be bridged in the following manner:

- If you were vested and **gone more than 1 year**, your prior Credited and Continuous Service will be bridged after completing 1 full Year of Service.
- If you were not vested and you were **gone more than 1 year, but less than 5 years**, your prior Continuous and Credited Service will be bridged after you complete 1 full Year of Service.
- If you were not vested when you left the Company and were **gone for 5 or more years**, or the number of years you were gone is greater than the number of Years of Service you had when you left the Company, your prior Continuous and Credited Service will be bridged when you have completed 5 full Years of Service.

However, if you received your pension benefit as a total lump sum when you left the Company, your prior Credited Service will not be eligible for bridging until you have paid back the full amount of your lump sum plus interest.

If you transfer to a Lumen Company that is not a participating Employer under this Plan, your service from that Company will continue to count for purposes of participation, vesting and retirement eligibility, but you will earn no additional Credited Service under this Plan. Please note that transferring to an Affiliate is not a termination of employment for purposes of commencing your pension benefit.

### **Status and Job Classification of a Rehired Employee**

If you were a rehired employee covered by the same Pension Agreement for at least 183 days during both the 12-month period ending on your termination date and the 12-month period beginning upon your rehire date, your Accrued Benefit shall be determined based on the provisions of that Pension Agreement.

If you were a rehired employee covered by a Pension Agreement, but you were not covered by a Pension Agreement at the time of your termination, your Accrued Benefit during the 24-month period beginning on your rehire date shall be determined as a non-bargaining employee.

If you were a rehired employee not covered by a Pension Agreement, but you were covered by a Pension Agreement at the time of your termination, your Accrued Benefit will remain covered by the previous Pension Agreement until you have been in a non-bargaining status for 24 months.

If you were a rehired employee covered by a Pension Agreement, but you were covered by a different Pension Agreement at the time of your termination, your Accrued Benefit you will remain covered by the Pension Agreement prior to termination until you been covered under the new Pension Agreement for 24 months (Exception: rehired employees with prior service as a Centel Union Employee).

If you transfer to a Lumen Company that is not a participating Employer under this Plan, your service for that Company will continue to count for purposes of participation, vesting and retirement eligibility, but you will earn no additional Credited Service under this Plan. Please note that transferring to an Affiliate is not a termination of employment for purposes of commencing a pension benefit.

### **Accrued Benefit**

Your Accrued Benefit is the actual pension benefit you have earned as of any given date prior to your Normal Retirement Date. Your Accrued Benefit is payable to you at your Normal Retirement Date. For details on how your Accrued Benefit is calculated, refer to **“Normal Retirement Benefit”** later in this Appendix.

However, should your benefit commence early, this amount will be reduced for early commencement of benefits. For more information regarding Early Retirement, refer to **“Early Retirement”** later in this Appendix.

### **Normal Retirement Benefit**

Your Normal Retirement Date is the later of 1) the first day of the month coinciding with or next following your 65th birthday, and 2) the completion of 5 Years of Continuous Service (or, if earlier, the 5th anniversary of the date you became a participant).

When you reach your Normal Retirement Date and you have terminated employment with the Company, you must commence your Normal Retirement Benefit. Your Normal Retirement Date is the first of the month following or coincident with your Normal Retirement Age. Refer to “**How Your Benefit Is Paid**” later in this Appendix for information regarding the optional forms of payments available.

To apply for your pension benefit, refer to Section 4 “**Applying for a Plan Benefit.**” The following terms and information are used to calculate your benefit.

## **Flat Dollar Benefit Amount**

The Flat Dollar Benefit Amount corresponding to your Job Classification and your age at retirement is based on the Pension Agreement in effect at your termination from employment. Actual pension tables with the Flat Dollar Benefit Amounts vary within each different Pension Agreement and each Job Classification, and whether you have had a change in Status.

If you have not been in your current Job Classification for at least 24 months, your Flat Dollar Benefit Amount will be calculated using the Majority Job Classification, defined as the Job Classification you have been in the majority of time during the 24 months just prior to your retirement effective date.

If there is no Majority Job Classification, your retirement benefit will be based on the Median Job Classification, defined as the Job Classification on the median day for the 24 months prior to the retirement effective date.

## **Embarq Bargaining Formula**

The amount of your Accrued Benefit as of your Normal Retirement Date is determined as follows:

Age 65 Flat Dollar Benefit Amount (based on the Pension Agreement in effect at your termination) multiplied by your Years of Credited Service. Your Years of Credited Service while you are an Embarq Bargaining Employee will be used in computing your benefit from the Plan determined under the formula described above. Any years of Credited Service that you complete while you are a Non-bargaining Employee, or a Centel Bargaining Employee covered by this Plan, may be included in determining your benefit under the above formula. Specific rules regarding Years of Credited Service are described in the Plan document.

You may qualify for a minimum benefit formula if you were a member in a pension plan that has been merged into this Plan.

If your Benefit Commencement Date is on or after June 1, 2015, your Accrued Benefit will not be reduced or offset by any Worker’s Compensation payments you receive.

If your Benefit Commencement Date is prior to June 1, 2015, your Accrued Benefit will be reduced or offset by any Worker’s Compensation payments you receive.

## **How The Normal Retirement Benefit Formula Works**

Example: You terminate on December 31, 2012 and retire at age 65 on January 1, 2013 and assume the following:

- You completed 27 Years of Credited Service as of your date of termination.
- Your Job Classification is “Service Representative” and the Age 65 Flat Dollar Benefit Amount for the Pension Agreement in effect is \$48.30 per month.

Your Normal Retirement Benefit is determined as follows:

\$48.30 x 27	=	\$1,304.10
Total Monthly Pension Benefit	=	\$1,304.10

This monthly benefit amount is your Normal Retirement Benefit (payable at age 65) and is based on a Single Life Annuity form of payment. If you elect an optional form of payment, your benefit amount will be different, refer to “**How Your Benefit is Paid**” later in this Appendix.

There are multiple appendices to the Plan that apply only to certain groups of employees whose rights are preserved per the provisions of their predecessor Company’s pension plans. The provisions of all such appendices are not described in this SPD. You may obtain a copy of any appendix by contacting the Plan Administrator.

Examples shown in this SPD solely are provided in order to illustrate how the benefit formula works. The benefit you receive upon your retirement will be personalized to you and based upon your birth date, compensation history, completed number of Years of Credited Service, the provisions of the Plan freezing benefits, the other provisions of the Plan, and the laws in effect when you retire.

## Early Retirement

If you elect to retire before age 65, your Early Retirement Date is the first day of any month after (1) you reach age 55, (2) have completed 10 or more Years of Continuous Service and (3) you terminate employment with the Company.

If you qualify and elect to commence your pension benefit before age 65, you are in effect electing the age 65 benefit you had accrued through your termination date to be paid over a longer period. To fund the longer period of payments, the Plan pays a percentage of the age 65 benefit based on your age when you commence your benefit. The percentage of the age 65 benefit is calculated and reflected within the Flat Dollar Benefit Amounts in the pension table for ages 55 through 64 within each Pension Agreement. Therefore, according to your age when benefit payments begin, you will receive the corresponding Flat Dollar Benefit Amount in your Pension Agreement.

If you retire at a time when you are between any two ages listed in the pension table, the Flat Dollar Benefit Amount will be interpolated to reflect the exact number of years and months of age at the time your pension payments begin. For instance, if you begin your benefits at age 61 years and 7 months you will receive the age 61 amount plus 7½ of the difference between the age 61 amount and the age 62 amount.

Your Early Retirement Benefit can be paid under the same payment options as those explained in “**How Your Benefit Is Paid**” later in this Appendix.

Under certain circumstances, it is possible that an additional adjustment to your benefit will be necessary. This adjustment is based on a complicated set of regulations issued by the Internal Revenue Service, and usually only applies to highly paid Participants. If you decide to retire early from the Employer and this adjustment applies to you, you will be informed at that time.

## How The Early Retirement Benefit Formula Works

**Example:** You terminate on December 31, 2012 and retire at age 55 on January 1, 2013 and assume the following:

- You completed 15 years of Credited Service as of your date of termination.
- Your Job Classification is “Service Representative” and the Age 55 Flat Dollar Benefit Amount for the Pension Agreement in effect is \$32.50 per month.

Your Early Retirement Benefit is determined as follows:

$$\$32.50 \times 15 = \$487.50$$

$$\text{Total Monthly Pension Benefit} = \$487.50$$

This monthly benefit amount is based on a Single Life Annuity form of payment and will be different if an optional form of payment is selected, refer to “**How Your Benefit is Paid**” later in this Appendix.

## Special Early Retirement

You may qualify for Special Early Retirement if, at your termination of employment with the Company, your age at your last birthday plus your Years of Credited Service (in whole years) totals at least 75, and:

- your plant, site, installation, or department is permanently shut down and you are not offered other work with a participating Employer; or
- you are Permanently Disabled (as defined in the Long-Term Disability Plan); or
- your job is eliminated due to merger, consolidation of operation, automation or reduction in the work force and you are not offered other work with a participating Employer.

If you elect to begin your benefits before age 65, you are in effect electing the age 65 benefit you had accrued through your termination date to be paid over a longer period of time. To fund the longer period of payments, the Plan pays a percentage of the age 65 benefit based on your age when you commence your benefit. The following chart reflects the percentage of the age 65 benefit payable under the Special Early Retirement provision:

Retirement Age	Benefit Percentage
65	100%
64	97.5%
63	95.0%
62	92.5%
61	90.0%
60	87.5%
59	85.0%
58	82.5%
57	80.0%
56	77.5%
55	75.0%
54	72.5%
53	70.0%
52	67.5%
51	65.0%
50	62.5%

If you retire at a time when you are between any two ages listed above, the percentage of benefit will be interpolated to reflect the exact number of years and months of age at the time your pension payments begin. For instance, if you begin your benefits at age 61 years and 7 months you will receive the age 61 percentage plus 7½ of the difference between the age 61 percentage and the age 62 percentage.

Your Special Early Retirement Benefit can be paid under the same payment options as those explained in

“How Your Benefit Is Paid” later in this Appendix.

Under certain circumstances, it is possible that an additional adjustment to your benefit will be necessary. This adjustment is based on a complicated set of regulations issued by the Internal Revenue Service, and usually only applies to highly paid Participants. If you decide to retire early from the Employer and this adjustment applies to you, you will be informed at that time.

## How The Special Early Retirement Benefit Formula Works

**Example:** You terminate on December 31, 2012 due to job elimination and retire at age 57 on January 1, 2013 and assume the following:

- You are eligible for Special Early Retirement
- You completed 30 Years of Credited Service as of your date of termination
- Your Job Classification is “Service Technician” and the Age 65 Flat Dollar Benefit Amount for the Pension Agreement in effect is \$52.30 per month.

Your Special Early Retirement Benefit is determined as follows:

$$\begin{aligned} \$52.30 \times 30 \times 80.0\% &= \$1,255.20 \\ \text{Total Monthly Pension Benefit} &= \$1,255.20 \end{aligned}$$

Your Special Early Retirement Benefit can be paid under the same payment options as those explained in “How Your Benefit Is Paid” later in this Appendix.

## Retirement After Your Normal Retirement Date

If you continue to work for the Company past your Normal Retirement Date (age 65), you will receive a Suspension of Benefit Notice. The Suspension of Benefits notice states when your employment with the Company terminates, you must commence your Normal Retirement Benefit and your pension benefit will be paid on a prospective basis, meaning you will not receive any type of retroactive payments or actuarial increases back to age 65, your Normal Retirement Date.

If you are still working for the Company upon your attainment of age 70½, you may elect to commence your pension benefit as early as April 1 following the calendar year in which you turned 70½.

Your pension benefit can be paid under the same payment options as those explained in “How Your Benefit Is Paid” later in this Appendix.

## Disability Retirement

If you become “disabled” while you are an active employee and you meet certain other conditions (described below), you may retire and receive a Disability Retirement Benefit under the Plan.

### Eligibility for a Disability Retirement Benefit:

**Beginning January 1, 2012, or if you are an active employee whose most recent short-term disability leave has an effective date on or after January 1, 2012,** you may be eligible to receive a Disability Retirement Benefit if you: (a) have completed at least 10 Years of Continuous Service before the disability occurs and (b) you are eligible for a long-term disability benefit in accordance with the definition of “disability” in the Lumen Disability Plan (or other similar plan that provides long-term disability income benefits and that is sponsored by Lumen or any of its subsidiaries or related companies (the “LTD Plan”).

The determination as to whether you meet the definition of “disability” under the LTD Plan is made by the



Lumen Disability Plan Claims Administrator or its designee (the “Disability Plan Claims Administrator”). The Disability Plan Claims Administrator will, from time to time, ask you to furnish medical evidence showing that you continue to be disabled. This is to establish that you remain eligible for a Disability Retirement Benefit under the Plan. **You must provide this evidence on a timely basis when requested to avoid an interruption in or termination of your disability retirement benefit payments.**

A Disability Retirement Benefit is calculated the same as a Normal Retirement Benefit. However, there is no reduction to your pension benefit based on your age if you are eligible for a Disability Retirement Benefit.

The Disability Retirement Benefit is paid as a single life annuity. It will cease on the last day of the month following the earlier of (1) no longer meeting the definition of “disability” in the Lumen Disability Plan, (2) your death, or (3) your Normal Retirement Date.

Upon your Normal Retirement Date, if you have not already commenced your pension benefit, you must do so at your Normal Retirement Date, refer to “**How Your Benefit Is Paid,**” later in this Appendix.

If your Benefit Commencement Date is on or after June 1, 2015, your Accrued Benefit **will not** be reduced or offset by any Worker’s Compensation payments you will receive.

If your Benefit Commencement Date is prior to June 1, 2015, your Accrued Benefit **will** be reduced or offset by any Worker’s Compensation payments you receive.

Under certain circumstances, it is possible that an additional adjustment to your benefit will be necessary. This adjustment is based on a complicated set of regulations issued by the Internal Revenue Service, and usually only applies to highly paid Participants. If you decide to retire from the participating Employer and this adjustment applies to you, you will be informed at that time.

## What Happens When You Terminate Employment (Deferred Vested Retirement)

If you terminate employment and are vested (at least 5 Years of Continuous Service), you may elect to receive your Accrued Benefit at any time. If you commence your pension benefit before your Normal Retirement Date, your Accrued Benefit will be reduced according to your age at your Benefit Commencement Date. Per the chart below, you will receive the corresponding percentage of your Accrued Benefit if you elect to commence your pension benefit prior to your Normal Retirement Date (age 65):

Your Age When Benefits Begin	Percentage of Benefit You Receive*	Your Age When Benefits Begin	Percentage of Benefit You Receive*
65	100%	44	15%
64	90%	43	14%
63	80%	42	13%
62	72%	41	12%
61	65%	40	11%
60	59%	39	10%
59	53%	38	10%
58	48%	37	9%
57	44%	36	8%
56	40%	35	8%
55	37%	34	7%
54	34%	33	7%

Your Age When Benefits Begin	Percentage of Benefit You Receive*	Your Age When Benefits Begin	Percentage of Benefit You Receive*
53	31%	32	6%
52	29%	31	6%
51	26%	30	5%
50	24%	29	5%
49	22%	28	5%
48	21%	27	4%
47	19%	26	4%
46	18%	25	4%
45	16%		

If you retire at a time when you are between any two ages listed above, the percentage of benefit will be interpolated to reflect the exact number of years and months of age at the time your pension payments begin. For instance, if you begin your benefits at age 61 years and 7 months you will receive the age 61 percentage, plus 7½ of the difference between the age 61 percentage and the age 62 percentage.

Your Deferred Vested Retirement Benefit can be paid under the same payment options as those explained in **“How Your Benefit Is Paid.”** later in this Appendix.

**What Happens if You Aren’t Vested and you Terminate Employment:** If you were not vested before you terminated employment with the Company, the benefit you have accrued is not yours and will be forfeited by you and will remain in the Plan. If you are later re-employed, your prior service may be eligible to be bridged for vesting purposes refer to **“A Break-In-Service Can Affect Your Benefit.”**

Effective January 1, 2024, you may not delay commencement of your pension benefit beyond your Mandatory Commencement Date (MCD). If, as of your MCD you have not filed an application for the commencement of your vested accrued benefit or you failed to provide all of the information for the Plan Administrator to process, calculate and commence your pension benefit, then the Plan Administrator will rely on reasonable assumptions it deems appropriate to process, calculate and commence payment of your pension benefit, including payment of your benefit in the automatic form of benefit payment. All such assumptions made by the Plan Administrator will be binding on you and your beneficiary for all purposes of the Plan.

## Death Benefits

The Plan provides a pension benefit to your Spouse if you die, and:

- You were married for at least 12 consecutive months immediately prior to your date of death, and
- You were vested at the time of death, and
- You have not commenced your pension benefit.

If you die while an active employee, your Spouse may begin receiving benefits the first of the month following your date of death. The spousal benefit is the benefit payable under a 50% Qualified Joint and Survivor Annuity and is calculated as an early retirement benefit, using your date of death as the termination date. For more information, refer to **“How Your Benefit is Paid”** later in this Appendix. If you are less than age 55 at the time of death, the early retirement percentage is 50%.

If you die after you have terminated employment and had not commenced your pension benefit before your death, your Spouse may begin receiving benefits the first of the month following your date of death. The spousal benefit is the benefit payable under a 50% Qualified Joint and Survivor Annuity and is calculated as a deferred vested benefit, using your date of death as the termination date.

A surviving Spouse benefit will be paid as a Single Life Annuity or a Lump Sum, refer to “**How Your Benefit is Paid**” later in this Appendix.

If prior to your death you properly elected to receive a 75% or 100% Joint and Survivor Annuity form of payment with your Spouse named as joint annuitant, and you die before your Annuity Starting Date, your Spouse will be entitled to the spousal benefit based on the form of payment you elected prior to your Annuity Stating Date, instead of the form of payments described above.

A pension benefit from the Plan is **not payable** if you are single upon your death and you have not commenced your pension benefit.

## When Your Benefit Is Paid

Benefit payments are paid on the first business day of the month for the current month. For details on how to request a Retirement Kit to commence your pension benefit, refer to Section 4, “**Applying for a Plan Benefit.**”

## How Your Benefit Is Paid

You have several choices as to how your benefit is paid. Although the total actuarial value of your benefit will be the same, the monthly amount will differ per the method of payment you choose.

**If you are married as of the commencement date of your benefit:** Your benefit will automatically be paid as a 50% Qualified Joint and Survivor Annuity unless you choose an optional form of payment from the list below. The 50% Qualified Joint and Survivor Annuity provides a reduced monthly payment for your lifetime with 50% of the reduced monthly benefit continuing to your Spouse upon your death for your Spouse’s life. Your monthly benefit is actuarially reduced for the cost of this annuity based on your age and the age of your Spouse on your Benefit Commencement Date. If your Spouse predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

If you (1) elect an option less than 50% of your benefit to your Spouse, or (2) designate someone other than your Spouse as your Beneficiary, your Spouse must consent in writing, and your Spouse’s signature must be witnessed by a Notary Public.

**If you are not married as of your Annuity Starting Date:** Your benefit will automatically be paid as a Single Life Annuity unless you choose another option from the list below.

### Optional Forms of Payment:

The form of payment must be elected in writing before you receive your first monthly pension payment. In accordance with IRS regulations, this election cannot be made more than 180 days prior or less than 30 days (which can be waived) to your Annuity Starting Date (refer to Section 7, “**Definitions**”). Changes in the form of payment can be made up to your Annuity Starting Date. However, once payments begin you cannot change your form of payment elected or, if applicable, your designated Beneficiary as your election is irrevocable.

1. Single Life Annuity – This option provides a monthly payment to you during your lifetime. Payments end upon your death; no survivor annuity is payable. If you are a married Participant, election of this option requires

notarized spousal consent.

2. 33 1/3% Joint and Survivor Annuity – This option provides a reduced monthly payment for your lifetime with 33 1/3% of the reduced monthly benefit continuing to your Beneficiary upon your death for your Beneficiary's life. Your monthly benefit is actuarial reduced for the cost of this option based on your age and the age of your Beneficiary on your Benefit Commencement Date.

If your Beneficiary predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

3. 50% Joint and Survivor Annuity – This option provides a reduced monthly payment for your lifetime with 50% of the reduced monthly benefit continuing to your Beneficiary upon your death for your Beneficiary's life. Your monthly benefit is actuarially reduced for the cost of this option based on your age and the age of your Beneficiary on your Benefit Commencement Date.

If your Beneficiary predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

4. 75% Joint and Survivor Annuity – This option provides a reduced monthly payment for your lifetime with 75% of the reduced monthly benefit continuing to your Beneficiary upon your death for your Beneficiary's life. Your monthly benefit is actuarially reduced for the cost of this option based on your age and the age of your Beneficiary on your Benefit Commencement Date.

If your Beneficiary predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

If your Beneficiary is not your Spouse, the Beneficiary's survivor annuity shall be reduced to reflect any adjustment required under the Internal Revenue Code to ensure your annuity is not less than 50% of the Single Life Annuity, meaning this option may not be available.

5. 100% Joint and Survivor Annuity – This option provides a reduced monthly payment for your lifetime with 100% of the reduced monthly benefit continuing to your Beneficiary upon your death for your Beneficiary's life. Your monthly benefit is actuarially reduced for the cost of this option based on your age and the age of your Beneficiary on your Benefit Commencement Date.

If your Beneficiary predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

If your Beneficiary is not your Spouse, the Beneficiary's survivor annuity shall be reduced to reflect any adjustment required under the Internal Revenue Code to ensure your annuity is not less than 50% of the Single Life Annuity, meaning this option may not be available.

## 6. Lump Sum –

- a. If the Actuarial Equivalent of your vested Accrued Benefit is less than \$1,000 at the time of the distribution, and you do not make a timely election to roll your distribution over, the benefit will be paid directly to you. This lump sum payment is subject to mandatory withholding.
- b. If the Actuarial Equivalent of your vested Accrued Benefit is more than \$1,000 but not more than \$7,000 at the time of the distribution, and you do not make a timely election to roll your distribution over, the benefit will automatically be rolled over to an individual retirement plan designated by the Committee.
- c. Effective January 1, 2024, if the Actuarial Equivalent of your vested Accrued Benefit is more than \$7,000 at the time of the distribution, you may elect to receive your vested Accrued Benefit in a lump sum payment at any time. You may elect the lump sum payment to be rolled over or paid to you directly.

Actuarial Equivalent means a method of payment that has equal value according to actuarial tables which take into account life expectancy, interest rates, and other factors.

If prior to your death you properly elected to receive a 75% or 100% Joint and Survivor Annuity form of payment, and you die before your Annuity Starting Date, your designated Beneficiary will be entitled to a benefit based on the Joint and Survivor Annuity form of payment elected instead of the Spouse's Death Benefit.

If you die before your Annuity Starting Date, but on or after your Severance from Employment with Lumen, and before your death you made a valid election to take the lump sum distribution described above, the lump sum distribution will be paid to your designated Beneficiary. If you have not designated a Beneficiary or your designated Beneficiary does not survive you, the lump sum payment will be paid to the executor of your will or the administrator of your estate, any direct rollover election you had made automatically will become void.

## **APPENDIX 3: Centel Pension Component for Bargaining Unit Employees**

### **Eligible Employees**

Employees of a Centel Union Employer, who are members of one of the following collective bargaining units, and the Agreement expressly provides for inclusion in the Plan, are Eligible Employees.

- IBEW 1181
- IBEW 1537
- CWA 6174
- CWA 2204 (formerly 2277)
- CWA 3672

To be an Eligible Employee, you must meet all the following requirements:

1. You are not a non-resident alien; and
2. You were not employed by Nextel Communications, Inc. or a subsidiary of Nextel Communications, Inc.

immediately prior to 4 p.m. ET on August 12, 2005; and

3. You were not employed after 4 p.m. ET on August 12, 2005 by Nextel Communications, Inc. or Sprint-Nextel Merger Corp. or a subsidiary of Nextel Communications, Inc. or a subsidiary of Sprint-Nextel Merger Corp.; and
4. You were not employed by CenturyTel, Inc. or an Affiliate of CenturyTel, Inc. (a “CenturyTel Company”) immediately prior to 1:01 a.m. ET on July 1, 2009 and became an Employee immediately following employment by a CenturyTel Company; and
5. After May 23, 2016, you are not categorized in the Company’s payroll system as a Project Based Employee.

You are not an Eligible Employee if you are (a) a leased employee or (b) an independent contractor, even if a court or administrative agency determines that you are a common law employee and not an independent contractor.

If you are an Eligible Employee and you transfer after July 1, 2009 to another Lumen Company or Affiliate that is a participating Employer you will remain an Eligible Employee.

However, no employee will become an Eligible Employee if his or her employment begins after December 31, 2010, except if the employee is a “Grandfathered Represented Member” (that is, covered by a collective bargaining agreement that (1) expressly provides for inclusion of the Employee as a Participant, and (2) sets forth a Retirement Allowance to be provided to such Participants).

## Participation

Eligible Employees will become Participants on their first day of employment if they are hired, rehired, transferred into or become members of the union local by any other method (such as, but not limited to recall, job bid, any process by which the National Labor Relations Board orders, etc.) prior to the applicable Hired Before date listed in the chart below:

Union Local	Hired Before
CWA 2204	July 1, 2016
CWA 6174	January 1, 2015
IBEW 1181	January 1, 2016
IBEW 1537	January 1, 2015
IBEW 3672	July 1, 2015

If you are a bargaining employee and do not meet all the above criteria, you are not eligible to participate in the Plan.

## Why Service Is Important

### Accrued Benefit

The amount of your pension benefit, among other things, is determined based on how much Credited Service you completed with a participating Employer. For more information, refer to the “**Accrued Benefit**” section later in this Appendix.

### Vesting in Accrued Benefit

Your right to your Accrued Benefit is determined based on your vested status under the Plan. Your vested

status is determined by the Continuous Service you have completed with your participating Employer. Generally, all of your Continuous Service with the participating Employer must be taken into consideration for purposes of determining your vesting percentage. There are some exceptions which are covered in this Appendix under “**A Break-In-Service Can Affect Your Benefit.**”

## What Vesting Is All About

“Vesting” refers to your guaranteed right as a plan Participant to receive a pension benefit on or before age 65. You are vested in the Plan and have a right to receive a pension benefit after you complete 5 Years of Continuous Service with a participating Employer.

## How Your Years Of Service Are Determined

The Plan counts your service as a Centel Union Employee in two different ways.

**Continuous Service**                      *and*                      **Credited Service**

Although they appear to be similar, they play different roles in the Plan.

### Continuous Service

You begin earning Continuous Service as soon as you start working in a Centel Union. Continuous Service is used to determine when:

- your pension benefit is vested; and
- you are eligible to receive most pension benefits.

You generally accumulate Continuous Service for each consecutive day you work in a Centel Union. If you have 6 or more months of Continuous Service as partial service, total Continuous Service will be rounded to the next highest number; days are not rounded. For example, if you have 4 years, 5 months and 21 days of Continuous Service, it will be rounded down to 4 years.

### Credited Service

Credited Service is the amount of service used in the calculation of your pension benefit. It includes periods of service in a Centel Union. You receive one month of Credited Service for each complete month of employment.

## A Break-In-Service Can Affect Your Benefit

A Break-In-Service is the period of time that you are not employed by the Company for 12 continuous months. You will not accumulate Continuous or Credited Service during this period.

An absence because of military duty, layoff, parental leave, or any other approved leave of absence may not be considered a Break-in-Service if you return to work for a participating Employer when your absence ends.

### Vesting on Re-employment

If you leave employment and are later rehired, depending on how long you were away and the dates of your prior service, your prior Continuous and Credited Service may be eligible to be bridged.

If you were a Participant when you left the Company and were gone **less than 1 year**, you will automatically resume participation in the Plan immediately upon your return to work. Your prior Continuous and Credited Service will be bridged upon your return to work.

- If you were a Participant when you left the Company and you were gone **longer than 1 year**, you must

complete 1 full Year of Service before resuming participation in the Plan. Your prior Continuous and Credited Service will be bridged in the following manner:

- If you were vested and **gone more than 1 year**, your prior Credited and Continuous Service will be bridged after completing 1 full Year of Service.
- If you were not vested and you were **gone more than 1 year, but less than 5 years**, your prior Continuous and Credited Service will be bridged after you complete 1 full Year of Service.
- If you were not vested when you left the Company and were **gone for 5 or more years**, or the number of years you were gone is greater than the number of Years of Service you had when you left the Company, your prior Continuous and Credited Service will be bridged when you have completed 5 full Years of Service.

However, if you received your pension benefit as a total lump sum when you left the Company, your prior Credited Service will not be eligible for bridging until you have paid back the full amount of your lump sum plus, interest.

If you transfer to a Lumen Company that is not a participating Employer under this Plan, your service for that Company will continue to count for purposes of participation, vesting and certain retirement eligibility, but you will earn no additional Credited Service under this Plan. Please note that transferring to an Affiliate is not a termination of employment for purposes of commencing your pension benefit.

## Accrued Benefit

Your Accrued Benefit is the actual retirement benefit that you have earned as of any given date prior to your Normal Retirement. Your Accrued Benefit is payable to you at your Normal Retirement Date. For details on how your Accrued Benefit is calculated, refer to “**Normal Retirement Benefit**” later in this Appendix.

However, should your benefit commence early, this amount will be reduced for early commencement of benefits. For more information regarding Early Retirement, refer to “**Early Retirement**” later in this Appendix.

## Normal Retirement Benefit

Your Normal Retirement Date is the first day of the month coinciding with or next following your 65th birthday.

When you reach your Normal Retirement Date and you have terminated your employment with the Company you must commence your Normal Retirement Benefit. Your Normal Retirement Date is the first of the month following or coincident with your Normal Retirement Age. Refer to “**How Your Benefit Is Paid**” later in this Appendix for information regarding the optional forms of payments available.

To apply for your pension benefit, refer to Section 4, “**Applying for a Plan Benefit.**”

The following terms and information are used to calculate your benefit.

## Pension Band

Pension Band means the pension benefit level to which you have been assigned, based on your Job Classification. Your individual Pension Band and the corresponding Pension Band amount can be found in your Pension Agreement.

If you move to a Job Classification in a higher Pension Band, the amount of the higher band will apply to the Credited Service you earn at the higher level, while the lower band amount will apply to the Credited Service you earned at the lower level before the move. However, after 36 consecutive months (3 years) at the higher level, the higher Pension Band amount will apply to all your Years of Credited Service.

If you move to a Job Classification in a lower Pension Band (and you are not placed back into the Job Classification with the higher band within six months), your final pension benefits will be based on the greater



of:

- The monthly benefit calculated by using all your Credited Service multiplied by the Pension Band amount applicable to your Job Classification in the lower band at the time of your retirement; or
- The total of each separate period of Credited Service spent in each band multiplied by the applicable band amounts. The dollar amount of the higher Pension Band in effect on the date you move to the Job Classification with the lower Pension Band will remain frozen unless you are again re-assigned to the higher band at a later date.

If you are placed in a new Job Classification not included within any of the existing Pension Bands, the new Job Classification will be assigned to the Pension Band which contains a job classification in your collective bargaining unit having the closest maximum basic pay rate to the new Job Classification.

**Note:** Special rules apply if you experience more than one re-assignment among Job Classifications with different Pension Bands.

## Centel Bargaining Formula

The amount of your Accrued Benefit as of your Normal Retirement Date is determined as follows:

- Pension Band amount (based on the Pension Agreement in effect at your date of termination) multiplied by your Years of Credited Service.
- Your Years of Credited Service while you are a Centel Bargaining Employee will be used in computing your benefit from the Plan determined under the formula described above. Any Years of Credited Service that you complete while you were an Embarq Non-bargaining Employee, or an Embarq Bargaining Unit Employee covered by this Plan will not be included in determining your benefit under the above formula. You may qualify for a minimum benefit formula if you were a member in a pension plan that has been merged into this Plan.

If your Benefit Commencement Date is on or after June 1, 2015, your Accrued Benefit will not be reduced or offset by any Worker's Compensation payments you receive.

If your Benefit Commencement Date is prior to June 1, 2015, your Accrued Benefit will be reduced or offset by any Worker's Compensation payments you receive.

## How The Normal Retirement Benefit Formula Works

Example: You terminate on December 31, 2012 and retire at age 65 on January 1, 2013 and assume the following:

- You completed 27 years of Credited Service as of your date of termination.
- Your Pension Band amount is based on your Job Classification for the Pension Agreement in effect is \$48.30 per month.

Your Normal Retirement Benefit is determined as follows:

$$\begin{array}{rcl} \$48.30 \times 27 & = & \$1,304.10 \\ \text{Total Monthly Pension Benefit} & = & \$1,304.10 \end{array}$$

This monthly benefit amount is your Normal Retirement Benefit (payable at age 65) and is based on a Single Life Annuity form of payment. Your monthly benefit amount will be different if an optional form of payment is selected, refer to **"How Your Benefit is Paid"** later in this Appendix.

Examples shown in this SPD solely are provided in order to illustrate how the benefit formula works. The benefit you receive upon your retirement will be personalized to you and based upon your birth date, compensation history, completed number of Years of Credited Service, the provisions of the Plan freezing benefits, the other provisions of the Plan, and the laws in effect when you retire.

## Early Retirement

If you elect to retire before age 65, your Early Retirement Date is the first day of any month after (1) you reach age 55, (2) you have completed 5 or more Years of Continuous Service, and (3) you terminate employment with the Company.

If you elect to commence your pension benefit before age 65, you are in effect electing the age 65 benefit you had accrued through your termination date to be paid over a longer period of time. To fund the longer period of payments, the Plan pays a percentage of the age 65 benefit based on your age when you commence your benefit. The following chart reflects the percentage of the age 65 benefit payable under the Early Retirement provision:

Retirement Age	Benefit Percentage
65	100%
64	95%
63	90%
62	85%
61	80%
60	75%
59	70%
58	65%
57	60%
56	55%
55	50%

If you retire at a time when you are between any two ages listed above, the percentage of benefit will be interpolated to reflect the exact number of years and months of age at the time your pension payments begin. For instance, if you begin your benefits at age 61 years and 7 months, you will receive the age 61 percentage plus 7½ of the difference between the age 61 percentage and the age 62 percentage.

Your Early Retirement Benefit can be paid under the same payment options as those explained in “**How Your Benefit Is Paid**” later in this Appendix.

Under certain circumstances, it is possible that an additional adjustment to your benefit will be necessary. This adjustment is based on a complicated set of regulations issued by the Internal Revenue Service, and usually only applies to highly paid Participants. If you decide to retire early and this adjustment applies to you, you will be informed at that time.

## How The Early Retirement Benefit Formula Works

**Example:** You terminate on December 31, 2012 and retire at age 55 on January 1, 2013 and assume the following:

- You completed 18 Years of Credited Service as of your date of termination.
- Your Pension Band amount based on your Job Classification for the Pension Agreement in effect is \$51.50 per month.

Your Early Retirement Benefit is determined as follows:

$$\$51.50 \times 18 \times 50\% = \$463.50$$

Total Monthly Pension Benefit = \$463.50

Your Early Retirement Benefit can be paid under the same payment options as those explained in “**How Your Benefit Is Paid**” later in this Appendix.

## Special Early Retirement

You may qualify for Special Early Retirement Benefit if you are an eligible Participant in a Centel Union that offers Special Early Retirement benefits (refer to your Pension Agreement for eligibility).

To qualify for Special Early Retirement at your termination of employment with the Company, your age at your last birthday plus your Years of Credited Service (in whole years) totals at least 75, and:

- your plant, site, installation, or department is permanently shut down and you are not offered other work with a participating Employer; or
- you are Permanently Disabled (as defined in the Long-Term Disability Plan); or
- your job is eliminated due to merger, consolidation of operation, automation or reduction in the work force and you are not offered other work with a participating Employer.

If you qualify and elect to commence your pension benefit before age 65, you are in effect electing the age 65 benefit you had accrued through your termination date to be paid over a longer period. To fund the longer period of payments, the Plan pays a percentage of the age 65 benefit based on your age when you commence your benefit.

The following chart reflects the percentage of the age 65 benefit payable under the Special Early Retirement provision:

Retirement Age	Benefit Percentage
65	100%
64	97.5%
63	95.0%
62	92.5%
61	90.0%
60	87.5%
59	85.0%
58	82.5%
57	80.0%
56	77.5%
55	75.0%
54	72.5%
53	70.0%
52	67.5%
51	65.0%
50	62.5%

If you retire at a time when you are between any two ages listed above, the percentage of benefit will be interpolated to reflect the exact number of years and months of age at the time your pension payments begin. For instance, if you begin your benefits at age 61 years and 7 months, you will receive the age 61 percentage

plus 7½ of the difference between the age 61 percentage and the age 62 percentage.

Your Special Early Retirement Benefit can be paid under the same payment options as those explained in **“How Your Benefit Is Paid”** later in this Appendix.

Under certain circumstances, it is possible that an additional adjustment to your benefit will be necessary. This adjustment is based on a complicated set of regulations issued by the Internal Revenue Service, and usually only applies to highly paid Participants. If you decide to retire early from the Company and this adjustment applies to you, you will be informed at that time.

## How The Special Early Retirement Benefit Formula Works

**Example:** You terminate on December 31, 2012 due to job elimination and retire at age 57 on January 1, 2013 and assume the following:

- You are eligible for a Special Early Retirement,
- You completed 30 Years of Credited Service as of your date of termination, and
- Your Pension Band amount based on your Job Classification for the Pension Agreement in effect is \$47.60 per month.

Your Special Early Retirement Benefit is determined as follows:

$$\begin{array}{rcl} \$47.60 \times 30 \times 80\% & = & \$1,142.40 \\ \text{Total Monthly Pension Benefit} & = & \$1,142.40 \end{array}$$

This monthly benefit amount is based on a Single Life Annuity form of payment and will be different if an optional form of payment is selected (Refer to **“How Your Benefit is Paid”** later in this Appendix).

## Centel Special Early Retirement (60/30)

If you have at least 30 Years of Continuous Service while covered by a Centel Pension Agreement at your termination of employment with the Company and, you are age 60 or over at your Benefit Commencement Date, you may begin receiving unreduced benefits before age 65 if you are an eligible Participant in a Centel Union that offers unreduced benefits (refer to your Pension Agreement for eligibility and the applicable frozen Pension Band amount). Unreduced benefits apply only to a benefit accrued as a Centel Union Employee. Refer to **“How the Normal Retirement Benefit Formula Works”** previously in this Appendix.

## Retirement After Your Normal Retirement Date

If you continue to work for the Company past your Normal Retirement Date (age 65), you will receive a Suspension of Benefit Notice. The Suspension of Benefits notice states when your employment with the Company terminates, you must commence your Normal Retirement Benefit and your pension benefit will be paid on a prospective basis, meaning you will not receive any type of retroactive payments or actuarial increases back to age 65, your Normal Retirement Date.

If you are still working for the Company upon your attainment of age 70½, you may elect to commence your pension benefit as early as April 1 following the calendar year in which you turned 70½.

Your pension benefit can be paid under the same payment options as those explained in **“How Your Benefit Is Paid”** later in this Appendix.

## Disability Retirement

If you become “disabled” while you are an active employee and you meet certain other conditions (described

below), you can commence your Disability Retirement Benefit under the Plan.

### Eligibility for a Disability Retirement Benefit:

**Beginning January 1, 2012, or if you are an active employee whose most recent short-term disability leave has an effective date on or after January 1, 2012,** you may be eligible to receive a Disability Retirement Benefit if you: (a) have completed at least 10 Years of Continuous Service before the disability occurs and (b) you are eligible for a long-term disability benefit in accordance with the definition of “disability” in the Lumen Disability Plan (or other similar plan that provides long-term disability income benefits and that is sponsored by Lumen or any of its subsidiaries or related companies (the “LTD Plan”)).

The determination as to whether you meet the definition of “disability” under the LTD Plan is made by the Lumen Disability Plan Claims Administrator or its designee (the “Disability Plan Claims Administrator”). The Disability Plan Claims Administrator will, from time to time, ask you to furnish medical evidence showing that you continue to be disabled. This is to establish that you remain eligible for a Disability Retirement Benefit under the Plan. You must provide this evidence on a timely basis when requested to avoid an interruption in or termination of your disability retirement benefit payments.

A Disability Retirement Benefit is calculated the same as a Normal Retirement Benefit, meaning there is no reduction to your pension benefit based on your age. The minimum monthly Disability Retirement Benefit is \$150.

The Disability Retirement Benefit is paid as a single life annuity. It will cease on the last day of the month following the earlier of (1) no longer meeting the definition of “disability” in the Lumen Disability Plan, (2) your death, or (3) your Normal Retirement Date. Upon your Normal Retirement Date, if you have not already commenced your pension benefit, you must do so refer to “**How Your Benefit Is Paid,**” later in this Appendix.

If your Benefit Commencement Date is on or after June 1, 2015, your Accrued Benefit **will not** be reduced or offset by any Worker’s Compensation payments you will receive.

If your Benefit Commencement Date is prior to June 1, 2015, your Accrued Benefit **will** be reduced or offset by any Worker’s Compensation payments you receive.

Under certain circumstances, it is possible that an additional adjustment to your benefit will be necessary. This adjustment is based on a complicated set of regulations issued by the Internal Revenue Service, and usually only applies to highly paid Participants. If you decide to retire from the participating Employer and this adjustment applies to you, you will be informed at that time.

## What Happens When You Terminate Employment (Deferred Vested Retirement)

If you terminate employment and are vested (must have at least 5 Years of Continuous Service), you may elect to commence your Accrued Benefit at any time. If you commence your pension benefit before your Normal Retirement Date, your Accrued Benefit will be reduced according to your age at your Benefit Commencement Date. Per the chart below, you will receive the corresponding percentage of your Accrued Benefit if you elect to commence your pension benefit prior to your Normal Retirement Date (age 65):

Your Age When Benefits Begin	Percentage of Benefit You Receive*	Your Age When Benefits Begin	Percentage of Benefit You Receive*
65	100%	44	20%
64	95%	43	19%
63	90%	42	18%
62	85%	41	17%
61	80%	40	16%

60	75%	39	15%
59	70%	38	14%
58	65%	37	13%
57	60%	36	12%
56	55%	35	11%
55	50%	34	10%
54	46%	33	9%
53	42%	32	8%
52	39%	31	7%
51	36%	30	7%
50	33%	29	7%
49	30%	28	7%
48	28%	27	7%
47	26%	26	7%
46	24%	25	7%
45	22%		

If you retire at a time when you are between any two ages listed above, the percentage of benefit will be interpolated to reflect the exact number of years and months of age at the time your pension payments begin. For instance, if you begin your benefits at age 61 years and 7 months, you will receive the age 61 percentage, plus 7½ of the difference between the age 61 percentage and the age 62 percentage.

Your deferred vested retirement benefit can be paid under the same payment options as those explained in “**How Your Benefit Is Paid**” later in this Appendix.

### **What Happens if You Are Not Vested and You Terminate Employment:**

If you were not vested before you terminated employment with the Company, the benefit you have accrued is not yours and will be forfeited by you and will remain in the Plan. If you are later re-employed, you may recover some or all your prior service for vesting purposes refer to “**A Break-In-Service Can Affect Your Benefit.**”

Effective January 1, 2024, you may not delay commencement of your pension benefit beyond your Mandatory Commencement Date (MCD). If, as of your MCD you have not filed an application for the commencement of your vested accrued benefit or you failed to provide all of the information for the Plan Administrator to process, calculate and commence your pension benefit, then the Plan Administrator will rely on reasonable assumptions it deems appropriate to process, calculate and commence payment of your pension benefit, including payment of your benefit in the automatic form of benefit payment. All such assumptions made by the Plan Administrator will be binding on you and your beneficiary for all purposes of the Plan.

### **Death Benefits**

The Plan provides a pension benefit to your Spouse if you die, and:

- You were married for at least 12 consecutive months immediately prior to your date of death, and
- You were vested at the time of death, and
- You have not commenced your pension benefit

If you die before reaching age 55 while an active employee, your Spouse may begin receiving benefits the first

of the month following your date of death. The spousal benefit is the benefit payable under a 50% Qualified Joint and Survivor Annuity and is calculated as an early retirement benefit, using your date of death as the termination date. For more information, refer to “**How Your Benefit is Paid**” later in this Appendix. If you are less than age 55 at the time of death, the early retirement percentage is 50%.

If you die after reaching age 55 while an active employee, your Spouse may begin receiving benefits the first of the month following your date of death. The spousal benefit is the benefit payable under a 100% Qualified Joint and Survivor Annuity and is calculated as an early retirement benefit, using your date of death as the termination date. For more information, refer to “**How Your Benefit is Paid**” later in this Appendix.

If you die after you have terminated employment and had not commenced your pension benefit before your death, your Spouse may begin receiving benefits the first of the month following your date of death. The spousal benefit is the benefit payable under a 50% Qualified Joint and Survivor Annuity and is calculated as a deferred vested benefit, using your date of death as the termination date.

A surviving Spouse benefit will be paid as a Single Life Annuity or as a Lump Sum, refer to “**How Your Benefit is Paid**” later in this Appendix.

If prior to your death you properly a 75% or 100% Joint and Survivor Annuity form of payment with your Spouse named as joint annuitant, and you die before your Annuity Starting Date, then your Spouse will be entitled to a spousal benefit based on the form of Joint and Survivor Annuity elected instead of the form described above.

A pension benefit from the Plan is **not payable** if you are single upon your death and you have not commenced your pension benefit.

## When Your Benefit Is Paid

Benefit payments are paid on the first business day of the month for the current month. For details on how to request a Retirement Kit to commence your pension benefit, refer to Section 4, “**Applying for a Plan Benefit.**”

## How Your Benefit Is Paid

You have several choices as to how your benefit is paid. Although the total actuarial value of your benefit will be the same, the monthly amount will differ according to the method of payment you choose.

### **If you are married as of the commencement date of your benefit:**

Your benefit will automatically be paid as a 50% Qualified Joint and Survivor Annuity, unless you choose an optional form of payment from the list below. The 50% Qualified Joint and Survivor Annuity provides a reduced monthly payment for your lifetime with 50% of the reduced monthly benefit continuing to your Spouse upon your death for your Spouse’s life. Your monthly benefit is actuarially reduced for the cost of this annuity based on your age and the age of your Spouse on your Benefit Commencement Date. If your Spouse predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

If you (1) elect an option less than 50% of your benefit to your Spouse, or (2) designate someone other than your Spouse as your Beneficiary, your Spouse must consent in writing, and your Spouse’s signature must be witnessed by a Notary Public.

### **If you are not married as of the commencement date of your benefit:**

Your benefit will automatically be paid as a Single Life Annuity unless you choose an optional form of payment from the list below.

## Optional Forms of Payment

The form of payment must be elected in writing before you receive your first monthly pension payment. In accordance with IRS regulations, this election cannot be made more than 180 days prior or less than 30 days (which can be waived) to your Annuity Starting Date (refer to Section 7, “**Definitions**”). Changes in the form of payment can be made up to your Annuity Starting Date. However, once payments begin you cannot change your payment election or, if applicable, your designated Beneficiary as your election is irrevocable.

1. Single Life Annuity – This option provides a monthly payment to you during your lifetime. Payments end upon your death; no survivor annuity is payable. If you are a married Participant, election of this option requires notarized spousal consent.
2. 33 ⅓% Joint and Survivor Annuity – This option provides a reduced monthly payment for your lifetime with 33 ⅓% of the reduced monthly benefit continuing to your Beneficiary upon your death for your Beneficiary’s life. Your monthly benefit is actuarial reduced for the cost of this option based on your age and the age of your Beneficiary on your Annuity starting Date.

If your Beneficiary predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

3. 50% Joint and Survivor Annuity – This option provides a reduced monthly payment for your lifetime with 50% of the reduced monthly benefit continuing to your Beneficiary upon your death for your Beneficiary’s life. Your monthly benefit is actuarially reduced for the cost of this option based on your age and the age of your Beneficiary on your Benefit Commencement Date.

If your Beneficiary predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

4. 75% Joint and Survivor Annuity – This option provides a reduced monthly payment for your lifetime with 75% of the reduced monthly benefit continuing to your Beneficiary upon your death for your Beneficiary’s life. Your monthly benefit is actuarially reduced for the cost of this option based on your age and the age of your Beneficiary on your Benefit Commencement Date.

If your Beneficiary predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

If your Beneficiary is not your Spouse, the Beneficiary’s survivor annuity shall be reduced to reflect any adjustment required under the Internal Revenue Code to ensure your annuity is not less than 50% of the Single Life Annuity, meaning this option may not be available.

5. 100% Joint and Survivor Annuity – This option provides a reduced monthly payment for your lifetime with 100% of the reduced monthly benefit continuing to your Beneficiary upon your death for your Beneficiary’s life. Your monthly benefit is actuarially reduced for the cost of this option based on your age and the age of your Beneficiary on your Benefit Commencement Date.

If your Beneficiary predeceases you, the amount of your benefit does not change and there is no benefit payable upon your death.

If your Beneficiary is not your Spouse, the Beneficiary’s survivor annuity shall be reduced to reflect any adjustment required under the Internal Revenue Code to ensure your annuity is not less than 50% of the Single Life Annuity, meaning this option may not be available.

6. 10-Year Certain and Life Annuity – This option provides a reduced monthly payment for your lifetime with the guarantee that if you die before 10 years (120 months) of payments have been made, your Beneficiary will receive the same benefit that you were receiving until pension payments made to you and your Beneficiary equal 10 years (120 months) of payments. Your monthly benefit will be actuarially reduced for the cost of this option based on your age on your Benefit Commencement Date. If you die after you have received 10 years (120 months) of annuity payments, no pension benefit is payable to your Beneficiary.



## 7. Lump Sum –

- a. If the Actuarial Equivalent of your vested Accrued Benefit is less than \$1,000 at the time of the distribution, and you do not make a timely election to roll your distribution over, the benefit will be paid directly to you. This lump sum payment is subject to mandatory withholding.
- b. If the Actuarial Equivalent of your vested Accrued Benefit is more than \$1,000 but not more than \$7,000 at the time of the distribution, and you do not make a timely election to roll your distribution over, the benefit will automatically be rolled over to an individual retirement plan designated by the Committee.
- c. Effective January 1, 2024, if the Actuarial Equivalent of your vested Accrued Benefit is more than \$7,000 at the time of the distribution, you may elect to receive your vested Accrued Benefit in a lump sum payment at any time. You may elect the lump sum payment to be rolled over or paid to you directly.

Actuarial Equivalent means a method of payment that has equal value according to actuarial tables which take into account life expectancy, interest rates, and other factors.

If prior to your death you properly elected to receive a 75% or 100% Joint and Survivor Annuity form of payment, and you die before your Annuity Starting Date, your designated Beneficiary will be entitled to a benefit based on the Joint and Survivor Annuity form of payment elected instead of the Spouse's Death Benefit.

If you die before your Annuity Starting Date, but on or after your Severance from Employment with Lumen, and before your death you made a valid election to take the lump sum distribution described above, the lump sum distribution will be paid to your designated Beneficiary. If you have not designated a Beneficiary or your designated Beneficiary predeceases you, the lump sum payment will be paid to the executor of your will or the administrator of your estate, any direct rollover election you had made automatically will become void.