

PART E

THE TOLEDO EDISON COMPANY BARGAINING UNIT RETIREMENT PLAN PROVISIONS

Composite through Amendment No. 9 to FirstEnergy Corp. Master Pension Plan

(Amendment No. 4 to Part E)

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ARTICLE E1

NAME AND CONSTITUENT PLAN

E1.1 Name. The name of this part of the Plan is The Toledo Edison Company Bargaining Unit Retirement Plan Provisions (sometimes referred to as “Part E”).

E1.2 Constituent Plan. Part E, together with Part A of the Plan, constitute The Toledo Edison Company Bargaining Unit Retirement Plan (sometimes referred to as the “Toledo Edison Constituent Plan”). The Toledo Edison Constituent Plan was originally established as a January 1, 2007 amendment and restatement of the provisions of the 1993 Centerior Plan which were applicable to Part B Participants under the 1993 Centerior Plan and has been subsequently amended.

ARTICLE E2

DEFINITIONS

Unless the context otherwise indicates, the following terms used herein shall have the following meanings whenever used in this Part E:

E2.1 Accrued Benefit. The words “Accrued Benefit” shall mean with respect to a TE Participant or an Inactive TE Participant at a particular date (the “determination date”) the monthly amount of the regular retirement income determined at such date under Section E6.1 or E6.2 hereof, payable commencing on his Normal Retirement Date (or, if later, commencing on the first day of the first calendar month that begins on or after the determination date), calculated in the same manner as his normal retirement income under Section E6.1 or E6.2 hereof (whichever is applicable), and continuing for his life, taking into account his Eligibility Service, Benefit Service, Basic Earnings and Earnings prior to the determination date, as relevant, and the benefit rates for the relevant periods as set forth in Section E6.1 hereof. To the extent that any monthly retirement income based upon the Accrued Benefit is paid to or with respect to a TE Participant or Inactive TE Participant in a form other than a straight life annuity (without ancillary benefits) commencing at Normal Retirement Date, such retirement income shall be the actuarial equivalent of such Accrued Benefit. Such actuarial equivalence shall be determined on the basis of the factors set forth in Section (2) of Appendix I hereof at the time such retirement income begins to be paid, except the factors specified in Section E6.3, E6.4(a) and E9.1(b) hereof shall be applied, as applicable, for commencement prior to Normal Retirement Date.

E2.2 Accumulated Contributions. The words “Accumulated Contributions” shall mean the unwithdrawn balance of the total amount contributed by a TE Participant under

the Pre-1988 TE Plan during or with respect to Eligibility Service before January 1, 1973, plus interest thereon at the rate of one percent (1%) per year before July 1, 1966, three percent (3%) per year from and after July 1, 1966 through December 31, 1975, five percent (5%) per year from and after January 1, 1976 through December 31, 1987 and for each Plan Year beginning thereafter, one hundred twenty percent (120%) of the Federal Mid-Term Rate in effect in the first month of the year. Interest shall be compounded annually from the first day of the year next following the year in which such contributions were made to the earliest of the following dates:

- (a) the first day of the first calendar month that begins on or after the TE Participant's Withdrawal becomes effective under Section E10.2 hereof;
- (b) the TE Participant's Benefit Commencement Date;
- (c) the date of the TE Participant's death; or
- (d) the date the TE Participant's Accumulated Contributions are distributed from the Plan.

E2.3 Basic Earnings. The words "Basic Earnings" shall mean the basic remuneration (excluding overtime, shift premium, bonus, other premium, incentive pay, fees, employer contributions to the FirstEnergy Corp. Flexible Benefit Plan and the like) payable to an Employee, including any contributions pursuant to a salary reduction agreement which qualify for income deferral under Sections 125, 132(f)(4), 401(k) and 402(e)(3) of the Code, including, effective January 1, 1998, amounts not available to an Employee in lieu of group health plan coverage and deemed to be contributions under Section 125 of the Code because the Employee is unable to certify that he has other health coverage. Notwithstanding the foregoing, (A) the Basic Earnings of a TE Participant shall not include his remuneration during any period after December 31, 1987 in which he is not a TE Bargaining Unit Employee and (B) the Basic Earnings of a TE Participant who was not a Part B Participant (as described in the 1993

Centerior Plan) on January 1, 1988 shall not include his remuneration payable during any period prior to January 1, 1988.

E2.4 Benefit Commencement Date. The words “Benefit Commencement Date” shall mean, as applied to any retirement income under the Toledo Edison Constituent Plan, the first day with respect to which such retirement income is payable pursuant to the applicable provisions of the Toledo Edison Constituent Plan, irrespective of the date on which the first payment of such retirement income is actually made (as provided for in Section E8.5 hereof); provided that the Benefit Commencement Date (and the first day as of which any retirement income may be payable):

- (a) Except as provided in subparagraph (b) below, may not be earlier than the date on which a complete written application for benefits is received by the Administrator in accordance with Section A4.6 hereof (including any consent of the TE Participant’s spouse that may be required); and
- (b) May not be later than:
 - (i) March 1 of the calendar year following the calendar year in which the TE Participant attains his Normal Retirement Age or, if later, March 1 of the calendar year following the calendar year in which he shall have terminated employment; or
 - (ii) the TE Participant’s Required Beginning Date.

Except as otherwise required by law, if the stock or assets of the business unit by which a TE Participant is employed are sold or transferred to a person, entity or joint venture which is not an Affiliate of a Participating Employer, such TE Participant’s Benefit Commencement Date may not occur earlier than the date the TE Participant could have commenced benefits under the terms of the Plan if he terminated employment or retired from the Participating Employer as of the day before the transaction.

E2.5 Benefit Service. The words “Benefit Service” shall have the meaning set forth in Article E4 hereof. Prior to January 1, 2007, “Benefit Service” was referred to as “Credited Service.”

E2.6 Break in Service. The words “Break in Service” shall mean for an Employee that his date of rehire does not occur within a period of twelve (12) consecutive months (twenty-four (24) consecutive months in the case of an Employee on a Maternity/Paternity Leave of Absence) immediately following his termination date. The duration of a Break in Service shall refer to the period of time (expressed as a number of years and fractions of years to the nearest one-twelfth (1/12th)) from an Employee’s termination date (or the first anniversary of his termination date in the case of an Employee on a Maternity/Paternity Leave of Absence) to (but not including) his date of rehire. In addition, on and after August 5, 1993, FMLA Leave shall not be treated as or counted toward a Break in Service for purposes of determining whether a TE Participant is entitled to a vested pension.

E2.7 Centerior-TE Plan. The words “Centerior-TE Plan” shall mean The Centerior-Toledo Edison Company Amended and Restated Retirement Income Plan in effect for the period from January 1, 1989 through December 30, 1993. In reference to any period after December 30, 1993, the words “Centerior-TE Plan” shall mean the provisions of the 1993 Centerior Plan which were applicable to Part B Participants under the 1993 Centerior Plan.

E2.8 Contingent Beneficiary. The words “Contingent Beneficiary” shall mean the person designated by a TE Participant pursuant to Section E8.2 hereof to receive the remaining guaranteed payments under a Period Certain Annuity Option if the TE Participant dies prior to the expiration of the Selected Period under the Period Certain Annuity Option.

E2.9 Earnings. The word “Earnings” shall mean with respect to an Employee the amounts described in subparagraph (a) below, except to the extent excluded in subparagraph (b) below, which shall be allocated to years of Benefit Service in accordance with subparagraph (c) below and shall be subject to the Compensation Limit:

- (a) Earnings shall include the following amounts paid to or with respect to the Employee for his employment as a TE Bargaining Unit Employee (except to the extent excluded in subparagraph (b) below):
 - (i) The total cash compensation paid to the Employee including salary, wages, annual incentive, overtime, overtime premium, higher classification pay, shift premium, vacation pay and differential pay, including, effective January 1, 2009 and notwithstanding anything in this Part E to the contrary, any “differential wage payment” (as described in Section 3401(h)(2) of the Code) paid with respect to Military Leave;
 - (ii) The amount by which the Employee’s cash compensation is reduced at the election of the Employee:
 - (A) in return for contributions in at least an equal amount made for the benefit of the Employee to a “cash or deferred arrangement” of a Participating Employer or Related Company, to the extent the amount of the reduction was excluded from the Employee’s income under Sections 401(k) and 402(e)(3) of the Code but otherwise would have been cash compensation received by the Employee; and
 - (B) in return for contributions in at least an equal amount made for the benefit of the Employee to a “qualified transportation fringe” benefit program of a Participating Employer or Related Company, to the extent the amount of the reduction was excluded from the Employee’s income under Section 132(f)(4) of the Code but otherwise would have been cash compensation received by the Employee; and
 - (C) in return for contributions in at least an equal amount made for the benefit of the Employee to a “cafeteria plan” of a Participating Employer or Related Company, to the extent the amount of the reduction was excluded from the Employee’s income under Section 125 of the Code but

otherwise would have been cash compensation received by the Employee, including, effective January 1, 1998, amounts not available to an Employee in lieu of group health plan coverage and deemed to be contributions under Section 125 of the Code because the Employee is unable to certify that he has other health coverage; and

(iii) Sick pay that is paid to any TE Bargaining Unit Employee.

(b) Notwithstanding the preceding, the following items shall be excluded from Earnings:

(i) Except for the contributions referred to in subparagraph (a)(ii) above, contributions or payments to or from the Plan or any other Plan that is qualified under Section 401(a) or 403(a) of the Code;

(ii) Except as described in subparagraph (a)(ii) above, any payments, contributions, discounts or things of value paid or delivered to, or on behalf of or for the benefit of, the Employee in connection with:

(A) any employee medical or dental benefit plan, life insurance, death or survivor benefit plan (including any accidental death or dismemberment plan) or dependent care plan;

(B) any pension, savings, thrift, or investment plan;

(C) any scholarship, tuition refund, suggestion, promotional or sales plan, program or arrangement;

(D) any employee stock purchase, stock option or stock bonus plan;

(E) any other employee benefit plan; or

(F) in connection with the sale of any product or service to the Employee;

(iii) Any amount that would be includible under subparagraph (a) but that is paid for any period in which the Employee is not a TE Bargaining Unit Employee;

(iv) Any amount that is earned and paid after the Employee's date of Termination of Employment; and

(v) Employer contributions to the FirstEnergy Corp. Flexible Benefit Plan.

- (c) An Employee's Earnings for any year of Benefit Service shall be his Earnings for the pay period or periods ending in such year.

Prior to January 1, 2007, "Earnings" were referred to as "Total Earnings."

E2.10 Effective Employment Date. The words "Effective Employment Date" shall mean with respect to an Employee the earliest date included in his Eligibility Service.

E2.11 Eligibility Service. The words "Eligibility Service" shall have the meaning set forth in Article E4 hereof. Prior to January 1, 2007, "Eligibility Service" was referred to as "Recognized Service."

E2.12 Employee. The word "Employee" shall mean an Employee within in the meaning of Section A2.17 hereof; provided, however, that with respect to this Part E or with respect to any TE Bargaining Unit Employee, the word "Employee" shall also include a person on a Recognized Leave of Absence who was an Employee, as defined in Section A2.17 hereof, immediately prior thereto.

E2.13 IBEW Local 245. The words "IBEW Local 245" shall mean Local Union No. 245 of the International Brotherhood of Electrical Workers, AFL-CIO.

E2.14 IBEW Local 1413. The words "IBEW Local 1413" means Local Union No. 1413 of the International Brotherhood of Electrical Workers, AFL-CIO.

E2.15 Joint Annuitant. The words "Joint Annuitant" shall mean the person designated or deemed designated by a TE Participant pursuant to Sections E8.2 and E8.3 hereof to receive payments after his death under a Joint and Survivor Annuity Option described in Section E8.3(b) hereof.

E2.16 Layoff. The word "Layoff" shall mean a suspension by a Related Company of the active employment of an Employee by reason of the fact that the services of the Employee are temporarily not needed, with the understanding that the Employee will be recalled

to active employment if and when his services shall be again required. For the purposes hereof, a Layoff shall be deemed to terminate at the earliest of:

- (a) the expiration of twenty-four (24) months from the date of commencement of the layoff;
- (b) a failure by the laid-off Employee to report to work within five (5) working days after having been properly notified to do so; or
- (c) the Termination of Employment of the laid-off Employee other than as - provided in subparagraph (a) or (b) above.

E2.17 Leave of Absence. The words “Leave of Absence” shall mean a period of interruption of the active employment of an Employee granted by a Related Company or a Predecessor Company, in accordance with an established policy of such company uniformly applied, at the request of or with the consent of, the Employee with the understanding that the Employee will return to active employment at the expiration of the Leave of Absence. A Leave of Absence shall be of definite duration, but may be extended by the employing Related Company for additional periods. A Leave of Absence shall end on the earliest of the death, retirement, Termination of Employment or return to active employment of the Employee or the expiration of the period of the Leave of Absence.

E2.18 Military Leave. The words “Military Leave” shall mean a period of interruption of the active employment of an Employee caused by Military Service as defined in Section A2.25 hereof.

E2.19 1993 Centerior Plan. The words “1993 Centerior Plan” shall mean the Centerior Energy Corporation Retirement Plan in effect for the period from December 31, 1993 through December 31, 2006.

E2.20 Normal Retirement Age. The words “Normal Retirement Age” shall mean with respect to a TE Participant the later of:

- (a) his sixty-fifth (65th) birthday; or
- (b) his completion of five (5) years of Eligibility Service.

E2.21 Normal Retirement Date. The words “Normal Retirement Date” shall mean with respect to a TE Participant the first day of the first calendar month following his attainment of his Normal Retirement Age (or the date of attainment of his Normal Retirement Age if that date occurs on the first day of a calendar month).

E2.22 OPEIU Local 19. The words “OPEIU Local 19” means the Office and Professional Employees International Union Local No. 19, AFL-CIO-CLC.

E2.23 Original TE Plan. The words “Original TE Plan” shall mean the Retirement Plan for Employees of The Toledo Edison Company, as amended, and which was adopted effective January 1, 1949 and was in effect from said date through June 30, 1966.

E2.24 Participating Employer. The words “Participating Employer” shall mean the TE Company or any Affiliate which is or shall become a Participating Employer under the Toledo Edison Constituent Plan pursuant to Article A13 hereof, but only for periods while it is deemed to be a Participating Employer (called “Participating Company” prior to January 1, 2007) under the Toledo Edison Constituent Plan or a Predecessor Plan.

E2.25 Pre-1988 TE Plan; 1988 TE Plan; Pre-1989 TE Plan. The words “Pre-1988 TE Plan” shall mean The Toledo Edison Company Retirement Income Plan, as in effect and amended from time to time prior to January 1 1988; provided, however, that for the period from January 1, 1949 through June 30, 1966, the words “Pre-1988 TE Plan” shall mean the Original TE Plan. The words “1988 TE Plan” shall mean the Centerior-Toledo Edison Company Amended and Restated Retirement Income Plan, as in effect for 1988. The words “Pre-1989 TE

Plan” shall mean the Pre-1988 TE Plan and, for the period from January 1, 1988 through December 31, 1988, the 1988 TE Plan.

E2.26 Predecessor Company. The words “Predecessor Company” shall mean any corporation (1) of which the TE Company is successor by reason of having acquired, directly or indirectly, all or substantially all of its business and assets by purchase, merger, consolidation or liquidation, or (2) from which the TE Company shall have acquired a business formerly conducted by such corporation; provided, however, that in the case of any such corporation which shall have continued to conduct a trade or business subsequent to the acquisition by the TE Company referred to in clause (1) or (2) hereof, the status of such corporation as a “Predecessor Company” shall relate only to the period of time prior to the date of consummation of such acquisition.

E2.27 Predecessor Plan. The words “Predecessor Plan” shall mean, solely for purposes of this Part E, any one of the following:

- (a) the Original TE Plan;
- (b) the Pre-1988 TE Plan;
- (c) the 1988 TE Plan;
- (d) the Pre-1989 TE Plan;
- (e) the Centerior-TE Plan; or
- (f) the 1993 Centerior Plan.

E2.28 Recognized Leave of Absence. The words “Recognized Leave of Absence” shall mean an Employee’s absence from active employment:

- (a) for Military Leave or other reasons with respect to which reemployment rights are protected by law or an applicable collective bargaining agreement, provided the Employee returns to active employment with a Related Company within the period during which such protection extends;

- (b) on a TE Company-authorized Leave of Absence for pregnancy, for an extended period of ill health, for occupation of a full-time position as an employee of a local union which is the collective bargaining representative for a collective bargaining unit of TE Company employees, or, if for not more than twelve (12) months, for any other reason or purpose approved by the TE Company on a uniform non-discrimination basis, provided the Employee returns to active employment with a Related Company at, or reaches Normal Retirement Age before, the conclusion of such Leave of Absence, or otherwise complies with the provisions with respect thereto of an applicable collective bargaining agreement; or
- (c) on Layoff for a period of not more than three hundred sixty-five (365) days, provided the Employee returns to active employment with the Related Company at the conclusion of such Layoff.

E2.29 Related Company. The words “Related Company” shall mean a Participating Employer or an Affiliate.

E2.30 Surviving Spouse. The words “Surviving Spouse” shall mean with respect to benefit distributions commencing on and after June 26, 2013, an individual who is in a relationship recognized as a valid and legal marriage with the TE Participant on his Benefit Commencement Date (whether or not the TE Participant and such individual were married on the date of the TE Participant’s death) both under the laws of the state (including for this purpose any domestic or foreign jurisdiction having the legal authority to sanction marriages) in which the marriage was entered into, and for purposes of ERISA and Sections 401 through 417 of the Code. The provisions of this Section in effect prior to June 26, 2013 shall continue to apply with respect to benefit distributions which commenced prior to such date and related matters, except to the extent otherwise required in guidance issued on or after such date with respect to ERISA and such Sections of the Code. The Administrator may require TE Participants to provide such evidence of marital status as it determines appropriate, taking into account any circumstances.

A person of the same sex as a TE Participant who is in a relationship recognized under civil union provisions of applicable state law, a person who is considered a domestic

partner of the TE Participant, or a person who is or a common law wife or husband of a TE Participant, shall not be a spouse of such TE Participant for any purpose under the Plan; provided, however, that the common law wife or husband of a TE Participant shall be considered to be the spouse of such TE Participant if the common law marriage of such TE Participant was certified by the Plan.

E2.31 TE Bargaining Unit Employee. The words “TE Bargaining Unit Employee” shall mean an Employee of TE Company who is a member of a collective bargaining unit with respect to which one of the following is the recognized collective bargaining representative:

- (a) IBEW Local 245;
- (b) IBEW Local 1413; or
- (c) OPEIU Local 19;

and shall also mean an Employee who has transferred from any such bargaining unit to other employment as a Non-Bargaining Unit Employee with a Participating Employer or any Related Company for a period of six (6) full months or less.

E2.32 TE Company. The words “TE Company” shall mean The Toledo Edison Company.

E2.33 TE Covered Employment. The words “TE Covered Employment” shall mean for an Employee the period of his employment during which he is a TE Bargaining Unit Employee.

E2.34 TE Participant. The words “TE Participant” shall mean any TE Bargaining Unit Employee who became a TE Participant under the Toledo Edison Constituent Plan in accordance with Section E3.1(a) hereof. Any TE Bargaining Unit Employee who has

become a TE Participant in accordance with Section E3.1(a) hereof shall continue to be a TE Participant in accordance with the provisions of Article E3 hereof and his status as a TE Participant or as an Inactive TE Participant shall be determined under said Article E3.

E2.35 Termination of Employment. The words “Termination of Employment” shall mean with respect to an Employee the date when he shall have ceased to be an Employee within the meaning of Section E2.12 hereof.

E2.36 Vested Former TE Participant. The words “Vested Former TE Participant” shall mean a former TE Participant who has incurred a Break in Service with eligibility for future retirement income (other than merely a return of his Accumulated Contributions, if any) but who is not yet eligible to begin to receive payment of his retirement income.

E2.37 Vested Termination of Employment. The words “Vested Termination of Employment” shall mean the termination of a TE Participant’s employment at a time when he has a nonforfeitable right to a benefit (other than merely a return of his Accumulated Contributions, if any) but is not eligible to commence receiving benefits.

E2.38 Withdrawal. The word “Withdrawal” shall mean an election by a TE Participant of a return of all of his Accumulated Contributions.

ARTICLE E3

ELIGIBILITY AND PARTICIPATION

E3.1 Requirements.

- (a) Each TE Bargaining Unit Employee who was both:
 - (i) a Part B Participant under the 1993 Centerior Plan (including a disabled Part B Participant); and
 - (ii) an Employee;

on December 31, 2006 became a TE Participant under the Toledo Edison Constituent Plan on January 1, 2007 if he was still employed as a TE Bargaining Unit Employee on January 1, 2007. Each such TE Bargaining Unit Employee's status is determined pursuant to Section E3.4 hereof.
- (b) Subject to Article A12 hereof, no other TE Bargaining Unit Employee nor any other Employee, including a rehired Employee, shall become a TE Participant under the Toledo Edison Constituent Plan on or after January 1, 2007.

Notwithstanding any provision of the Toledo Edison Constituent Plan or the Plan to the contrary and in clarification of the foregoing provisions of this Section, no TE Bargaining Unit Employee who:

- (i) is a member of IBEW Local 245 and who is hired on or after January 1, 2005 or is rehired on or after January 1, 2005; or
- (ii) is a member of IBEW Local 1413 and who is hired on or after January 1, 2005 or is rehired on or after January 1, 2006; or
- (iii) is a member of OPEIU Local 19 and who is hired on or after January 1, 2006 or is rehired on or after January 1, 2006;

shall become a TE Participant under the Toledo Edison Constituent Plan.

E3.2 Former Employees. If a former Employee, who was previously a TE Participant or a Part B Participant under a Predecessor Plan, is rehired as a TE Bargaining Unit Employee, he shall not become a TE Participant and shall not accrue any further benefits under

the Toledo Edison Constituent Plan. If such TE Bargaining Unit Employee is rehired at a time when his prior Eligibility Service and Benefit Service under the Toledo Edison Constituent Plan are cancelled, he shall not have an Accrued Benefit under the Toledo Edison Constituent Plan.

E3.3 TE Participants Employed by a Local Union. Any provision of the Toledo Edison Constituent Plan, the Centerior-TE Plan or the Pre-1989 TE Plan to the contrary notwithstanding, a TE Participant, a Part B Participant in the Centerior-TE Plan or a Participant or former Participant in the Pre-1989 TE Plan who on or after July 1, 1975 is or goes on authorized Leave of Absence for occupation of a full-time position with a local union which is the collective bargaining representative for a collective bargaining unit covering active Employees of the TE Company, and who did not or does not withdraw his previous contributions at the time of going on such Leave of Absence, shall be eligible, to the extent such Participant or former Participant is not otherwise eligible, to be considered during such Leave of Absence:

- (a) a Participant in the Pre-1989 TE Plan (if such authorized Leave of Absence shall have been completed prior to January 1, 1989);
- (b) a Part B Participant in the Centerior-TE Plan (if such authorized Leave of Absence continued or commenced after December 31, 1988 and shall have been completed prior to January 1, 2007); and
- (c) a TE Participant hereunder if such authorized Leave of Absence under this Section continues or commences after January 1, 2007;

provided, in any case, such Participant thereafter either terminates employment in such full-time position with such local union on or after attaining Age sixty-two (62), dies or becomes totally and permanently disabled before terminating such local union employment, or returns to active employment with the TE Company upon the termination of such local union employment, and further provided, in the case of such a Participant who was on such leave on July 1, 1975, on or before December 31, 1975 he made the contribution permitted under Section 4.5 of the Pre-1988

TE Plan as then in effect. Upon such a Participant's having met the requirements of the immediately preceding sentence, the following provisions shall apply to him:

- (i) The period of time during which such Participant was or is on such Leave of Absence shall be included in his Benefit Service for all purposes of the Toledo Edison Constituent Plan.
- (ii) Such Participant shall be deemed to have had Basic Earnings throughout such period in annual amounts equal to the basic annual remuneration applicable each year to job classifications which are the same as or equivalent to the job classification occupied by such Participant at the time of going on such Leave of Absence, giving full effect to changes in the rate of such basic annual remuneration occurring during such period (and, during any period of such Leave of Absence that occurs after June 30, 1989, his Basic Earnings for such period, as so determined, shall be deemed to be his Earnings for such period).
- (iii) The subsequent termination of such Participant's local union employment shall be treated as his normal retirement or, as the case may be, early retirement from employment with the TE Company if such termination occurs on or after such Participant has attained the Age of sixty-two (62) or because such Participant shall have become totally and permanently disabled.
- (iv) Subject to subparagraph (iii) above, if such Participant dies before the termination of such local union employment, death benefits will be payable under the Toledo Edison Constituent Plan to the extent such benefits would be payable if such Participant were an active Employee at the time of his death.
- (v) Except as otherwise provided in subparagraph (iii) above, if such Participant's employment in a full-time position with such local union terminates, other than on account of his death or total and permanent disability, before such Participant attains the Age of sixty-two (62), and if such Participant does not return to active employment with the TE Company, he shall be entitled only to such benefit, if any, as may have accrued to him under the Toledo Edison Constituent Plan and for which he meets otherwise applicable eligibility requirements under Toledo Edison Constituent Plan, as the case may be, on the basis of his Benefit Service, Basic Earnings and Earnings before going on such Leave of Absence, except that such Participant and/or his Beneficiary shall in all events receive benefits hereunder equal in the aggregate to at least the amount of his Accumulated Contributions.

E3.4 Status of Participant. The status of a TE Participant shall be determined as follows:

- (a) He shall be a TE Participant so long as he is a TE Bargaining Unit Employee, and shall cease to be a TE Participant when he shall have ceased to be a TE Bargaining Unit Employee (except as provided in Section E3.3 hereof).
- (b) He shall be considered to be an Inactive TE Participant during any period in which he continues to be an Employee but is not a TE Bargaining Unit Employee, provided he has been a TE Participant subsequent to his Effective Employment Date. In addition, if he was an Inactive Part B Participant under the 1993 Centerior Plan on December 31, 2006, he became an Inactive TE Participant under the Toledo Edison Constituent Plan on January 1, 2007 if he was still employed on January 1, 2007. Finally, any other Employee who is not a TE Participant but who has an accrued benefit under the Toledo Edison Constituent Plan which has not been cancelled shall be considered to be an Inactive TE Participant.
- (c) If he is on a Recognized Leave of Absence and was a TE Participant immediately prior to the start of such Recognized Leave of Absence, he shall continue to be a TE Participant during the term of such Recognized Leave of Absence. In addition, if he was on a Recognized Leave of Absence and was a Part B Participant under the 1993 Centerior Plan on December 31, 2006, he shall be a TE Participant during the period of such Recognized Leave of Absence which continues after December 31, 2006.

ARTICLE E4

CREDITING OF SERVICE

E4.1 Definitions. For purposes of this Article, the following terms shall have the meanings stated below:

- (a) An Employee's "date of hire" is the date on which he first completes an hour of service.
- (b) An Employee's "termination date" is:
 - (i) the date on which he quits, retires, terminates due to retirement, is discharged, or dies; or
 - (ii) the first anniversary of the first day of a period during which he is absent from active employment with the TE Company (with or without pay) for any reason other than his quit, retirement, termination due to retirement, discharge, or death, except that under no circumstances shall the termination date of an Employee on a Recognized Leave of Absence occur before the conclusion of said Recognized Leave of Absence.
- (c) An Employee's "date of rehire" is the date following his termination date on which he first completes an hour of service.
- (d) An Employee's "Benefit Service starting date" is his date of hire.
- (e) An Employee's "re-entry date" is the date prior to January 1, 2006 on which a former Part B Participant in the 1993 Centerior Plan or the Centerior-TE Plan or a former participant in the Pre-1989 TE Plan again became a Part B Participant as provided in Sections 1B.1 and 1B.2 of the 1993 Centerior Plan.

E4.2 Eligibility Service. An Employee's Eligibility Service is the sum of his "Continuous Service," if any, before January 1, 1976 (determined in accordance with the Pre-1988 TE Plan as in effect on December 31, 1975 and, as applicable, before) plus, with respect to service on or after January 1, 1976, the period or (pursuant to Section E4.4 hereof) aggregated periods of time, expressed as a number of years and fractions of years to the nearest one-twelfth

(1/12th), beginning on the Employee's date of hire or, if applicable, his date of rehire, and ending thereafter on such Employee's termination date, except as otherwise provided in this Section and in Section E4.4 hereof. Notwithstanding the foregoing, if an Employee's termination date is a date on which he quits, retires, terminates due to retirement, or is discharged, and if such Employee's date of rehire occurs within the period of twelve (12) consecutive months immediately following such termination date (unless on such termination date such Employee was absent from active employment with the TE Company (with or without pay) for any reason other than quit, retirement, termination due to retirement, discharge, or Recognized Leave of Absence, in which case if such Employee's date of rehire occurs within the period of twelve (12) consecutive months beginning on the first day on which he was so absent), then in such event such Employee's Eligibility Service shall also include the period of time from such termination date to such date of rehire. Prior to January 1, 2007, "Eligibility Service" was referred to as "Recognized Service."

E4.3 Benefit Service. An Employee's Benefit Service is the sum of his "Benefit Service," if any, before January 1, 1976 (determined in accordance with the Pre-1988 TE Plan as in effect on December 31, 1975 and, as applicable, before) plus, with respect to service on or after January 1, 1976, the period or (pursuant to Section E4.4 hereof) aggregated periods of time, expressed as a number of years and fractions of years to the nearest one-twelfth (1/12th), beginning on the Employee's Benefit Service starting date or, if applicable, his re-entry date, and ending thereafter on such Employee's termination date, except as otherwise provided in Section E4.4 hereof. A period of service not included in an Employee's Eligibility Service shall in no event be included in his Benefit Service. Prior to January 1, 2007, "Benefit Service" was referred to as "Credited Service."

E4.4 Aggregation and Exclusion of Service. Except to the extent excludable in accordance with subparagraphs (a), (b), (c) or (d) below, all of an Employee's periods of service with the TE Company, whether or not continuous or consecutive, shall be aggregated in determining his Eligibility Service and Benefit Service. A TE Participant's Eligibility Service or Benefit Service or both shall not, however, include any service to the extent excluded in accordance with the following:

- (a) Benefit Service shall not include any service excluded from "Benefit Service," and Eligibility Service shall not include any service excluded from "Continuous Service," in accordance with the Pre-1988 TE Plan as in effect on December 31, 1975 or, as applicable, before.
- (b) Benefit Service shall not include any period of service after December 31, 1987 during which he is not a TE Bargaining Unit Employee.
- (c) If an Employee, before his Normal Retirement Date or early retirement date (as described in Section E5.2 hereof) and before he attains a vested and nonforfeitable right in his Accrued Benefit, incurs a Break in Service of five (5) or more consecutive years, neither his Eligibility Service nor his Benefit Service shall include any service before such period of Break in Service unless such Employee's Eligibility Service before such Break in Service exceeds the duration of the Break in Service incurred by such Employee.
- (d) If an Employee, before his Normal Retirement Date or early retirement date (as described in Section E5.2 hereof) but after he attains a vested and nonforfeitable right in his Accrued Benefit, incurs a Break in Service of five (5) or more consecutive years, and in connection therewith is eligible to and does withdraw his Accumulated Contributions, his Benefit Service shall not include any service before July 1, 1973 unless he has recontributed the amount so withdrawn, plus interest, prior to January 1, 2007.

E4.5 Employment With Related Companies. Employment of an individual with a Related Company other than the TE Company shall be considered the equivalent of employment with the TE Company for the following purposes of the Toledo Edison Constituent Plan:

- (a) Determining whether and when a TE Participant's employment has terminated; and
- (b) Calculating the amount of a TE Participant's Eligibility Service, but only for the purpose of determining his vested and non-forfeitable right under the terms of Section E5.3 hereof (and not to determine his Eligibility Service for any other purpose of the Toledo Edison Constituent Plan).

E4.6 Crediting of Service During Disability. Eligibility Service and Benefit

Service shall be credited during a TE Participant's period of disability to the extent provided in Section E7.1 hereof.

ARTICLE E5

ELIGIBILITY FOR RETIREMENT INCOME

E5.1 Normal Retirement. A TE Participant who retires from employment after attaining his Normal Retirement Age shall be eligible for normal retirement income as provided in Section E6.1 hereof (subject to the minimum retirement income requirements of Section E6.2 hereof). Subject to the terms of Section E2.4 hereof and the application requirements of Section A4.6 hereof:

- (a) If a TE Participant retires on or after attaining his Normal Retirement Age and on or before his Normal Retirement Date, his normal retirement income shall begin as of his Normal Retirement Date.
- (b) If a TE Participant retires after his Normal Retirement Date, his normal retirement income shall begin as of his Postponed Retirement Date.

A TE Participant's Postponed Retirement Date shall be the first day of any month following his Normal Retirement Date and coinciding with or next following the date of his actual retirement. The right of a TE Participant who has attained Normal Retirement Age to receive upon his retirement the normal retirement income provided pursuant to this Section shall be a vested right, regardless of the number of years of his Benefit Service, subject to the provisions of the Toledo Edison Constituent Plan regarding form and terms of payment. A TE Participant who continues in the employ of a Participating Employer or an Affiliate beyond his Normal Retirement Age shall be provided with the notification described in Department of Labor regulation Section 2530.203-3.

E5.2 Early Retirement. A TE Participant who retires from employment prior to attaining his Normal Retirement Age but after attaining Age fifty-five (55) and ten (10) or more

years of Eligibility Service shall be eligible for early retirement income as provided in Section E6.3 hereof.

Subject to the terms of Section E2.4 hereof and the application requirements of Section A4.6 hereof, a TE Participant may designate the Benefit Commencement Date when payment of his early retirement income shall commence. The Benefit Commencement Date so designated may be the first day of any month coinciding with or following his date of early retirement hereunder but not later than his Normal Retirement Date. Any such designation shall be made not more than ninety (90) days prior to the Benefit Commencement Date that he elects.

E5.3 Terminated Vested Retirement. If a TE Participant's employment is terminated other than by his death on or after his completion of five (5) years of Eligibility Service and at a time when he is not eligible for normal or early retirement under Section E5.1 or E5.2 hereof, such TE Participant shall not be eligible for retirement income under Section E6.1, E6.2 or E6.3 hereof, but shall have a vested and nonforfeitable right to monthly terminated vested retirement income under Section E6.4 hereof.

ARTICLE E6

RETIREMENT INCOME

E6.1 Normal Retirement Income. The monthly retirement income of a TE Participant, payable in the form of the Single Life Annuity Option (as described in Section E8.1(a) hereof), commencing upon his Normal or Postponed Retirement Date, as the case may be, shall be the sum of such of the following as are applicable to him:

- (a) The monthly retirement income, if any, accrued with respect to him under the Original TE Plan.
- (b) With respect to each TE Participant who was a participant in the Pre-1988 TE Plan on July 1, 1966 or who became a participant therein within thirty (30) days after July 1, 1966, a monthly retirement income of one dollar (\$1.00) multiplied by the number of such TE Participant's full years of Eligibility Service before July 1, 1966, but not to exceed thirty-five (35) years.
- (c) For each year of a TE Participant's Benefit Service on and after January 1, 1966 but before January 1, 1975, a monthly retirement income equal to one and four tenths percent (1.4%) of such TE Participant's monthly Basic Earnings up to and including Five Hundred Fifty Dollars (\$550.00), plus two percent (2%) of such TE Participant's monthly Basic Earnings in excess of Five Hundred Fifty Dollars (\$550.00). For the period July 1, 1966 through December 31, 1972, said monthly retirement income is equivalent to, and shall be computed in accordance with, the following:
 - (i) For the period July 1, 1966 through June 30, 1971, $7/180$ of such Participant's contributions within said period applicable to monthly Basic Earnings up to and including Five Hundred Fifty Dollars (\$550.00), plus $1/27$ of such Participant's contributions within said period applicable to monthly Basic Earnings in excess of Five Hundred Fifty Dollars (\$550.00).
 - (ii) For the period July 1, 1971 through December 31, 1971, $14/180$ of such Participant's contributions within said period applicable to monthly Basic Earnings up to and including Five Hundred Fifty Dollars (\$550.00), plus $2/27$ of such Participant's contributions within said period applicable to monthly Basic Earnings in excess of Five Hundred Fifty Dollars (\$550.00).

- (iii) For the period January 1, 1972 through December 31, 1972, 28/180 of such Participant's contributions within said period applicable to monthly Basic Earnings up to and including Five Hundred Fifty Dollars (\$550.00), plus 4/27 of such Participant's contributions within said period applicable to monthly Basic Earnings in excess of Five Hundred Fifty Dollars (\$550.00).
- (d) For each year of a TE Participant's Benefit Service on and after January 1, 1975, but before August 18, 1980, a monthly retirement income equal to one and five tenths percent (1.5%) of such TE Participant's monthly Basic Earnings up to and including Five Hundred Fifty Dollars (\$550.00), plus two and one tenth percent (2.1%) of such Participant's monthly Basic Earnings in excess of Five Hundred Fifty Dollars (\$550.00).
- (e) For each year of a TE Participant's Benefit Service on and after August 18, 1980, but before July 1, 1981, a monthly retirement income equal to one and five tenths percent (1.5%) of such Participant's monthly Basic Earnings up to and including Nine Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$966.67), plus two and one tenth percent (2.1%) of such Participant's monthly Basic Earnings in excess of Nine Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$966.67).
- (f) For each year of a TE Participant's Benefit Service on or after July 1, 1981, but before July 1, 1982, a monthly retirement income equal to one and five tenths percent (1.5%) of such Participant's monthly Basic Earnings up to and including One Thousand Three Hundred Eighty-Three Dollars and Thirty-Three Cents (\$1,383.33), plus two and one tenth percent (2.1%) of such Participant's monthly Basic Earnings in excess of One Thousand Three Hundred Eighty-Three Dollars and Thirty-Three Cents (\$1,383.33).
- (g) For each year of a TE Participant's Benefit Service on and after July 1, 1982, but before July 1, 1983, a monthly retirement income equal to one and six tenths percent (1.6%) of such Participant's monthly Basic Earnings up to and including One Thousand Eight Hundred Dollars (\$1,800.00), plus two and one tenth percent (2.1%) of such TE Participant's monthly Basic Earnings in excess of One Thousand Eight Hundred Dollars (\$1,800.00).
- (h) For each year of a TE Participant's Benefit Service on and after July 1, 1983, but before July 1, 1984, a monthly retirement income equal to one and six tenths percent (1.6%) of such Participant's monthly Basic Earnings up to and including Two Thousand Two Hundred Sixteen Dollars and Sixty-Seven Cents (\$2,216.67), plus two and one tenth percent (2.1%) of such TE Participant's monthly Basic Earnings in excess of Two

Thousand Two Hundred Sixteen Dollars and Sixty-Seven Cents (\$2,216.67).

- (i) For each year of a TE Participant's Benefit Service on and after July 1, 1984, but before July 1, 1985, a monthly retirement income equal to one and seven tenths percent (1.7%) of such Participant's monthly Basic Earnings up to and including Two Thousand Four Hundred Seventy-Five Dollars (\$2,475.00), plus two and one tenth percent (2.1%) of such Participant's monthly Basic Earnings in excess of Two Thousand Four Hundred Seventy-Five Dollars (\$2,475.00).
- (j) For each year of a TE Participant's Benefit Service on and after July 1, 1985, and prior to July 1, 1989, a monthly retirement income equal to one and eight tenths percent (1.8%) of such Participant's monthly Basic Earnings.
- (k) For each year of a TE Participant's Benefit Service on and after July 1, 1989, and prior to January 1, 1995, a monthly retirement income equal to one-twelfth (1/12th) of one and eighty-five hundredths percent (1.85%) of such TE Participant's Earnings for the year (excluding therefrom Earnings for any pay period for which the TE Participant's Basic Earnings are taken into account under subparagraphs (e) through (j) above), except this rate will apply to Benefit Service and Earnings after 1994 and prior to January 1, 2001 only for TE Participants who are members of OPEIU Local 19 collective bargaining unit.
- (l) For each year of Benefit Service on and after January 1, 1995, and prior to January 1, 2002, of a TE Participant who is a member of IBEW Local 245 or IBEW Local 1413 collective bargaining unit, a monthly retirement income equal to one-twelfth (1/12th) of one and ninety-five hundredths percent (1.95%) of such TE Participant's Earnings for the year.

For each year of Benefit Service on and after January 1, 2001 of a TE Participant who is a member of OPEIU Local 19 collective bargaining unit, a monthly retirement income equal to one-twelfth (1/12th) of two percent (2.0%) of such TE Participant's Earnings for the year.

For each year of Benefit Service on and after January 1, 2002 of a TE Participant who is a member of IBEW Local 245 or IBEW Local 1413 collective bargaining unit, a monthly retirement income equal to one-twelfth (1/12th) of two and one hundred twenty-five thousandths percent (2.125%) of such TE Participant's Earnings for the year.

- (m) With respect to each TE Participant who retires or terminates due to retirement on or after July 1, 1976, a monthly retirement income of One Dollar (\$1.00) multiplied by the number of such TE Participant's full years of Eligibility Service before January 1, 1976, excluding any such

Eligibility Service before such TE Participant's most recent date of hire before January 1, 1976.

- (n) With respect to each TE Participant who was a participant in the Original TE Plan before July 1, 1966, who, upon retirement, shall not at any time have either withdrawn from the Pre-1988 TE Plan, the Centerior-TE Plan or the Toledo Edison Constituent Plan or withdrawn his Accumulated Contributions from the Pre-1988 TE Plan, the Centerior-TE Plan or the Toledo Edison Constituent Plan, and who retires or terminates due to retirement on or after July 1, 1976, a monthly retirement income of Six Dollars (\$6.00) multiplied by the number of such TE Participant's full years of participation in the Original TE Plan before January 1, 1967.
- (o) If a TE Participant withdraws (or has withdrawn) his Accumulated Contributions, his normal retirement income shall be reduced as provided in Section E10.2 hereof.
- (p) If a TE Participant's monthly retirement income commences after the April 1 of the calendar year following the calendar year in which he attains Age seventy and one-half (70-1/2), his retirement income shall be actuarially increased in accordance with Section A10.6 hereof.

Notwithstanding the foregoing, the monthly retirement income, payable in the form of the Single Life Annuity Option, commencing on a TE Participant's Postponed Retirement Date shall not be less than the monthly retirement income which he would have received under this Section if his retirement income had commenced on his Normal Retirement Date.

E6.2 Minimum Retirement Income. The minimum monthly retirement income, payable in the form of the Single Life Annuity Option (as described in Section E8.1(a) hereof), for any TE Participant who retires or terminates due to retirement on his Normal or Postponed Retirement Date shall be Fifty Dollars (\$50.00) per month; provided, however, that:

- (a) such TE Participant has at least twenty (20) years of Eligibility Service at his Normal Retirement Date; and
- (b) such TE Participant shall have made all contributions required under a Predecessor Plan which such TE Participant was eligible to make.

E6.3 Early Retirement Income. Except as otherwise provided in Article E8 hereof, the monthly early retirement income of a TE Participant who retires early under Section

E5.2 hereof shall be the amount determined on a monthly basis under Section E6.1 or Section E6.2 hereof, whichever is greater, reduced in accordance with the following Table A:

TABLE A

<u>Age at Benefit Commencement Date</u>	<u>% of Normal Retirement Income</u>
65	100%
64	100%
63	100%
62	100%
61	100%
60	100%
59	89%
58	84%
57	79%
56	74%
55	69%

The actual percentage will be interpolated for months not shown; provided, however, the percentage increases from 93.667% at Age 59 years and 11 months to 100% at Age 60.

TABLE B

<u>Age at Benefit Commencement Date</u>	<u>% of Normal Retirement Income for TE Participants with at least 15 years of Eligibility Service at early retirement</u>	<u>% of Normal Retirement Income for TE Participants with less than 15 years of Eligibility Service at early retirement</u>
65	100%	100%
64	100%	97%
63	100%	94%
62	100%	91%
61	100%	88%
60	100%	85%
59	89%	80%
58	84%	75%
57	79%	70%
56	74%	65%
55	69%	60%

The actual percentage will be interpolated for months not shown; provided, however, for TE Participants with at least 15 years of Eligibility Service, the percentage increases from 93.667% at Age 59 years and 11 months to 100% at Age 60.

E6.4 Terminated Vested Retirement Income. Except as otherwise provided in Article E8 hereof, the monthly terminated vested retirement income payable to a TE Participant whose employment has terminated under the circumstances described in Section E5.3 hereof shall be equal to one hundred percent (100%) of his Accrued Benefit at the date of such termination, payment of which shall commence on his Normal Retirement Date and continue for his life, except that:

- (a) Subject to the application requirements of Section A4.6 hereof, a TE Participant may elect to have his terminated vested retirement income begin on the first day of any calendar month beginning after his fifty-fifth (55th) birthday and prior to his Normal Retirement Date. Such election shall be made not more than ninety (90) days nor less than thirty (30) days prior to the Benefit Commencement Date that he elects. His terminated

vested retirement income shall be reduced at the rate of .417 percent for each month by which his Benefit Commencement Date precedes his Normal Retirement Date.

- (b) Such TE Participant shall not be eligible for any post-retirement increases in retirement income unless his employment is terminated after his attainment of Age fifty-five (55).
- (c) Notwithstanding the foregoing, each such TE Participant who satisfies all of the following requirements may elect to accelerate the commencement of his terminated vested retirement income to the first day of any calendar month within the ten (10) year period preceding his Normal Retirement Date, in which case his accelerated retirement income shall be reduced for each month by which his Benefit Commencement Date precedes his Normal Retirement Date in accordance with Section E6.3 hereof:
 - (i) Termination of Employment occurs while he is in TE Covered Employment;
 - (ii) At the time of Termination of Employment, such TE Participant is at least Age fifty (50) but not Age fifty-five (55) or older and has ten (10) or more years of Eligibility Service;
 - (iii) Such TE Participant's Termination of Employment occurs under circumstances that qualifies him for benefits under the FirstEnergy Severance Benefits Plan;
 - (iv) Such TE Participant elects to receive severance benefits under the FirstEnergy Severance Benefits Plan and duly executes the Agreement to Release in Full provided by the Company in accordance with said Plan; and
 - (v) Such TE Participant does not revoke the election specified in subparagraph (c)(iv) above.
- (d) Notwithstanding the foregoing subsections, a TE Participant who satisfies the following requirements may elect to accelerate the commencement of his terminated vested retirement income to the first day of any month within the ten (10) year period preceding his Normal Retirement Date, in which case his accelerated retirement income shall be reduced for each month by which his Benefit Commencement Date precedes his Normal Retirement Date in accordance with Table A of Section E6.3 hereto:
 - (i) the TE Participant terminates employment with his Participating Employer as the result of the sale of the business unit in which he is employed to an unrelated entity ("Buyer") in a transaction that closes no later than December 31, 2020; and

- (ii) at the time of termination of employment, the TE Participant was at least Age fifty (50), but not Age fifty-five (55) or older, and had ten (10) years of Eligibility Service; and
 - (iii) the TE Participant meets the eligibility requirements in (i) and (ii) above, becomes an employee of the Buyer, and continues to work for such Buyer until he either:
 - (A) attains Age fifty-five (55); or
 - (B) is terminated by Buyer before Age 55 under circumstances that would have qualified him for benefits under the Company's Severance Benefits Plan if he had remained an Employee of his Participating Employer. This subparagraph (B) shall not apply to any voluntary termination of employment or a termination for cause.
- (e) Notwithstanding the foregoing subsections, a TE Participant who satisfies the following requirements may elect to accelerate the commencement of his terminated vested retirement income to the first day of any month within the ten (10) year period preceding his Normal Retirement Date, in which case his accelerated retirement income shall be reduced for each month by which his Benefit Commencement Date precedes his Normal Retirement Date in accordance with Table A of Section E6.3 hereto:
- (i) the TE Participant was employed by a business unit of a Participating Employer that has emerged from bankruptcy;
 - (ii) at the time of emergence, the TE Participant was at least Age fifty (50), but not Age fifty-five (55) or older and had ten (10) Years of Eligibility Service; and
 - (iii) becomes an employee of an unrelated entity ("Buyer") in a transaction that is either:
 - (A) the sale of all or part of the business unit, including the sale of any assets; or
 - (B) a transfer of the assets in the business unit.
- (f) The election to accelerate terminated vested retirement income shall be made by filing an application for such retirement income in accordance with Section A4.6 hereof at least thirty (30) days prior to the month in which such accelerated retirement income is to commence and by indicating therein the month in which the retirement income is to commence.

E6.5 Re-employment of a Retired TE Participant. Notwithstanding any other provision of the Plan, if a retired TE Participant shall be re-employed by a Related Company, the payment of the retirement income which he had theretofore been receiving under the Toledo Edison Constituent Plan shall terminate with the payment for the month following the month in which he is reemployed, except no portion of the retirement income attributable solely to his Accumulated Contributions (if any) shall be so terminated. Upon his subsequent retirement or Vested Termination of Employment he shall be entitled to such retirement income for which he is then eligible under the terms of the Toledo Edison Constituent Plan; provided, however, that his Accrued Benefit or normal retirement income on which the amount of such subsequent retirement income is based shall be:

- (a) increased if and to the extent required so it:
 - (i) is not less than his Accrued Benefit under the Toledo Edison Constituent Plan at the time of his previous retirement or termination of employment (disregarding any portion thereof attributable solely to Accumulated Contributions); and
 - (ii) includes any post-retirement increases in retirement income to which he became entitled under the terms of the Toledo Edison Constituent Plan prior to his reemployment; and
- (b) increased actuarially to reflect the value of any retirement income payments which were suspended and not paid to him as a result of his reemployment.

Benefits attributable solely to a TE Participant's Accumulated Contributions (if any) shall be determined as provided in Section E10.4 hereof. No retired TE Participant who is re-employed after his Normal Retirement Date shall be considered to have once more become a Participant for purposes of the Plan until the later of:

- (A) the first day of the first calendar month following his reemployment in which he shall have one or more "hours of

service” (as defined below) on at least eight (8) separate days or in which he shall have completed forty (40) or more hours of service; or

- (B) the date on which he shall have received such notice of the suspension of his retirement income as required by Department of Labor regulation Section 2530.203-3.

For purposes of this Section, an “hour of service” is each hour for which an Employee is paid or entitled to payment for the performance of duties for a Related Company and also each hour for which an Employee is paid or entitled to payment by a Related Company on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. A payment shall be deemed to be made by or due from a Related Company regardless of whether such payment is made by or due from the Related Company directly, or indirectly through, among others, a trust, fund or insurer to which the Related Company contributes or pays premiums and regardless of whether contributions made or due to the trust, fund, insurer or other entity are for the benefit of particular Employees or are on behalf of a group of Employees in the aggregate.

In accordance with Section E3.2 hereof, a rehired TE Participant shall not accrue any further benefits under the Toledo Edison Constituent Plan. Any future accruals would be under the 2005 FirstEnergy Constituent Plan or the Cash Balance Constituent Plan.

E6.6 Re-employment of Vested Former TE Participant. Notwithstanding any other provision of the Toledo Edison Constituent Plan, if a Vested Former TE Participant shall be re-employed, his right to apply for retirement income by reason of his prior Vested Termination of Employment shall be canceled; provided, however, that:

- (a) upon his subsequent retirement or Vested Termination of Employment, his Accrued Benefit or normal retirement income at that time shall in no event

be less than his Accrued Benefit under the Toledo Edison Constituent Plan at the time of his prior Vested Termination of Employment; and

- (b) no Vested Former TE Participant who is re-employed after his Normal Retirement Date shall be considered to have once more become a Participant for purposes of the Plan until the later of:
 - (i) the first day of the first calendar month following his employment in which he shall have one or more “hours of service” (as defined in Section E6.5 hereof) on at least eight (8) separate days or in which he shall have completed forty (40) or more hours of service; or
 - (ii) the date on which he shall have received such notice of the suspension of his retirement income as required by Department of Labor regulation Section 2530.203-3.

ARTICLE E7

DISABILITY

E7.1 Disability Status.

- (a) A TE Participant who has completed at least ten (10) years of Eligibility Service and who qualifies for benefits under a Participating Employer's long-term disability plan shall be "disabled."
- (b) A TE Participant who has completed at least ten (10) years of Eligibility Service but who is not a participant under a Participating Employer's long-term disability plan or has been denied benefits under a Participating Employer's long-term disability plan shall be "disabled" if, in the opinion of a Participating Employer physician, he is permanently and totally disabled from any and all gainful employment.
- (c) Disability status as a result of being determined to be disabled under either subparagraph (a) or (b) above and the continuance thereof shall be subject to evidence satisfactory to the Administrator of the TE Participant's continued disability.
- (d) During a TE Participant's period of disability, as described in subparagraph (a) or (b) above, he shall be:
 - (i) credited with Eligibility Service and Benefit Service; and
 - (ii) treated as having Earnings (Basic Earnings prior to July 1, 1989) equal to his Basic Earnings at the date of incurring the disability by reason of which he has been determined to be disabled under either subparagraph (a) or (b) above, for purposes of determining the amount of his monthly retirement income hereunder;

unless he shall retire after his attainment of Age fifty-five (55) in which event he shall cease to be credited with Eligibility Service and Benefit Service on his date of early retirement ("early retirement date") and cease to be treated as having Earnings for periods commencing on and after his early retirement date. If a TE Participant who has been determined to be disabled, as described in subparagraph (a) or (b) above, either:

- (iii) subsequently ceases to be disabled;
- (iv) in the case of a TE Participant who has been determined to be disabled under subparagraph (a) above, ceases to qualify for

benefits under a Participating Employer's long-term disability plan; or

- (v) fails to furnish evidence reasonably requested by the Administrator of his continuing disability;

unless he has previously retired on an early retirement date, shall, if he does not thereupon return to employment with a Participating Employer or an Affiliate, be treated as though he had terminated his employment as of the date he ceased to be disabled, ceased to qualify for benefits under a Participating Employer's long-term disability plan, or, if applicable, as of a date reasonably fixed by the Administrator following his failure to furnish satisfactory evidence of his continuing disability. In no event shall crediting of Eligibility Service, Benefit Service and Basic Earnings during disability continue after the earlier of his Normal Retirement Date or death.

ARTICLE E8

FORMS OF PAYMENT

E8.1 Normal Forms. The normal form of payment of retirement income that is payable to a TE Participant under Section E6.1, E6.2, E6.3 or E6.4 hereof will be as follows:

- (a) Single Life Annuity Option. With respect to a TE Participant who does not have a spouse living at the Benefit Commencement Date of such retirement income who is entitled to the Automatic Joint and Surviving Spouse Annuity Option described in subparagraph (b) below, in the form of the Single Life Annuity Option which is monthly income in the amount determined in accordance with such Section, payable to the TE Participant for his lifetime only, with the further provision that if the TE Participant should die before receiving an amount, exclusive of any Past Service Annuity provided by the Original TE Plan, equal to his Accumulated Contributions, the remainder of such amount will be paid in a lump sum to his Surviving Spouse or, if there is no Surviving Spouse (or if such Surviving Spouse consents in writing to the designation of another Beneficiary), the remainder of such amount will be paid in accordance with the terms of Sections E10.5 and E10.6 hereof.

- (b) Automatic Joint and Surviving Spouse Annuity Option. With respect to a TE Participant who has a spouse living at the Benefit Commencement Date of such retirement income (each such person being hereinafter referred to as “eligible pensioner”), in the form of the Automatic Joint and Surviving Spouse Annuity Option:
 - (i) with respect to Employees who are members of IBEW Local 245, Employees who are both members of IBEW Local 1413 and became Part B Participants under a Predecessor Plan prior to January 1, 2002 and with respect to Employees who are both members of OPEIU Local 19 and became Part B Participants under a Predecessor Plan prior to January 1, 2001, the Automatic Joint and Surviving Spouse Annuity Option shall be a joint and survivor annuity under which the eligible pensioner’s monthly retirement income shall be payable to him for his life (and shall not be reduced, actuarially or otherwise, to take into account the survivor income feature) and after his death, a monthly income equal to fifty-five percent (55%) of such monthly retirement income shall be payable for life to the Surviving Spouse to whom the eligible pensioner was married at his Benefit Commencement Date (whether or not they are still married at the date of the eligible pensioner’s death); and

- (ii) with respect to Employees who are both members of OPEIU Local 19 and became TE Participants or Part B Participants under a Predecessor Plan on or after January 1, 2001 and with respect to Employees who are both members of IBEW Local 1413 and became TE Participants or Part B Participants under a Predecessor Plan on or after January 1, 2002, the Automatic Joint and Surviving Spouse Annuity Option shall be a joint and survivor annuity under which the eligible pensioner's monthly retirement income shall be payable to him in an actuarially reduced amount for his life (calculated so that the Automatic Joint and Surviving Spouse Annuity Option is actuarially equivalent to the Single Life Annuity Option described in subparagraph (a) above) and after his death, a monthly income equal to fifty percent (50%) of such monthly retirement income shall be payable for life to the Surviving Spouse to whom the eligible pensioner was married at his Benefit Commencement Date (whether or not they are still married at the date of the eligible pensioner's death).

E8.2 Election of Other Forms. Subject to certain restrictions described herein and in Section E8.3 hereof, in lieu of receiving his retirement income in accordance with the applicable normal form set forth in Section E8.1 hereof, a TE Participant may elect another form of payment, as follows:

- (a) A TE Participant who is eligible to receive retirement income under Section E6.4 hereof may elect to receive his retirement income pursuant to the Single Life Annuity Option or pursuant to the Special 75% Joint and Survivor Annuity Option described in Section E8.3(b) hereof, if his normal form of payment is the Automatic Joint and Surviving Spouse Annuity Option; and
- (b) A TE Participant who is eligible to receive retirement income under Section E6.1, E6.2 or E6.3 hereof may elect to receive his retirement income pursuant to the Single Life Annuity Option if his normal form of payment is the Automatic Joint and Surviving Spouse Annuity Option or pursuant to an optional form of payment described in Section E8.3 hereof which is available to him; provided, however, no optional form of payment, other than a 75% Joint and Survivor Annuity Option described in Section E8.3(b) hereof with his spouse as his Joint Annuitant, will be permitted to be elected if the retirement income payable to any person as a result of the election is less than \$10.00 per month.

The Administrator shall, no less than thirty (30) days and no more than ninety (90) days prior to such TE Participant's Benefit Commencement Date, provide such TE Participant with a written explanation of:

- (i) the terms and conditions of the normal forms (without options) set forth in Section E8.1 hereof and the applicable optional forms set forth in Section E8.3 hereof;
- (ii) his right to make, and the effect of, an election under this Section not to receive his retirement income pursuant to the normal form set forth in Section E8.1 hereof;
- (iii) the rights of a married TE Participant's Surviving Spouse in regard to such election;
- (iv) his right to make, and the effect of, a revocation of such an election;
- (v) the relative values of the forms of payment which are available to him; and
- (vi) if applicable, his right to defer receipt of his retirement income and the consequences of failing to defer receipt of his retirement income.

Any election of another form of payment shall be made by a TE Participant within the ninety (90) days prior to his Benefit Commencement Date (the "90-day Election Period"). The Benefit Commencement Date of a TE Participant shall be delayed, if necessary, to insure that a TE Participant shall have received the foregoing written explanation at least thirty (30) days prior to his Benefit Commencement Date. Any such election may be revoked and made again any number of times as long as the 90-day Election Period has not expired.

Notwithstanding anything contained in this Article to the contrary, the following provisions apply to the time for written explanation described in the preceding paragraphs:

- (A) Such written explanation may be provided after the date as of which the TE Participant's retirement income is to commence, except to the extent provided in lawful regulations. If so provided, the 90-day Election Period

shall not end before the thirtieth (30th) day after the date on which such explanation is provided.

- (B) A TE Participant may elect (with any applicable spousal consent) to waive any requirement that the written explanation to be provided at least thirty (30) days before the date as of which the TE Participant's retirement income is to commence (or to waive the thirty (30) day requirement under the above subparagraph (A)) if:
- 1) the Administrator provides information clearly indicating the TE Participant has the right to at least thirty (30) days to consider whether to waive the normal form of payment described in Section E8.1 hereof and consent to another form of payment;
 - 2) the retirement income commences more than seven (7) days after such explanation is received;
 - 3) the TE Participant is permitted to revoke an affirmative distribution election at least until the Benefit Commencement Date, or if later, at any time prior to the expiration of the seven (7) day period that begins the day after such explanation is provided to the TE Participant.

Such election shall be on a form prescribed for the purpose by the Administrator, shall be signed by the TE Participant, and shall designate the Joint Annuitant and Selected Percentage if he shall have selected the Joint and Survivor Annuity Option and shall designate the Contingent Beneficiary and the Selected Period if he shall have selected the Period Certain Annuity Option. Such election shall be deemed to be made when it shall have been received by the Administrator or its designated representative. Satisfactory proof of the age of the Joint Annuitant designated by the TE Participant will be required prior to the payment of retirement income under the Joint and Survivor Annuity Option.

If a TE Participant, who has a spouse living at his Benefit Commencement Date who is entitled to the Automatic Joint and Surviving Spouse Annuity Option, elects a form of

payment other than the Automatic Joint and Surviving Spouse Annuity Option, such election shall not be effective hereunder unless the TE Participant's spouse consents to the TE Participant's election within the 90-day Election Period in accordance with Section A11.12 hereof.

E8.3 Optional Forms of Payment. The optional forms of payment of retirement income under the Toledo Edison Constituent Plan are as follows:

- (a) Commuted Benefit Option. A TE Participant who is a member of the OPEIU Local 19, who retires or terminates due to retirement with eligibility for retirement income under Section E6.1, E6.2 or E6.3 hereof and who is not eligible to elect or receive a lump sum payment pursuant to Section A11.5 hereof may elect to receive, in lieu of such retirement income under Section E6.1, E6.2 or E6.3 hereof to which he is otherwise entitled ("Non-Commuted Benefit") and in discharge and full satisfaction of such retirement income, a Commuted Benefit consisting of a single sum to be paid as of the Benefit Commencement Date of the Non-Commuted Benefit which he would otherwise have been entitled to receive (with actual payment to be made as soon thereafter as reasonably and administratively practicable) in an amount equal to the present value of such Non-Commuted Benefit at the Benefit Commencement Date, determined as provided in Section (1) of Appendix I hereof. The Administrator shall authorize the payment of such Commuted Benefit only in accordance with the following terms and conditions:
 - (i) Both the TE Participant and any spouse to whom the TE Participant is married on such Benefit Commencement Date of the TE Participant's Non-Commuted Benefit must provide to the Administrator written statements, either notarized or witnessed by a representative of the Plan, acknowledging that after such Benefit Commencement Date, the Commuted Benefit will be the sole benefit payable under the Toledo Edison Constituent Plan to the TE Participant, no benefit will be paid to the TE Participant's spouse or any other Beneficiary, and the Commuted Benefit will be payable in lieu of any other pension, retirement income or survivor benefit that would have been payable under the Toledo Edison Constituent Plan if the Commuted Benefit had not been elected.
 - (ii) A failure on the part of the TE Participant to furnish any available information which is required hereunder shall cause the TE Participant to be ineligible for the Commuted Benefit. If the

Administrator shall reject such election, the TE Participant shall receive the benefit to which he is entitled under the Toledo Edison Constituent Plan as if no election of a Commuted Benefit had been made.

(iii) The Commuted Benefit that would otherwise be payable to a TE Participant will be cancelled and will not be paid if the TE Participant dies before the Benefit Commencement Date of the Non-Commuted Benefit to which it relates; but if the TE Participant is living on the Benefit Commencement Date and dies before the Commuted Benefit is actually paid, the Commuted Benefit will be paid to the TE Participant's estate.

(b) Joint and Survivor Annuity Option. A TE Participant may designate another person as a Joint Annuitant to receive a continuation of retirement income under Section E6.1, E6.2 or E6.3 hereof after such TE Participant's death after the Benefit Commencement Date of his retirement income. In such event, the retired TE Participant will receive an actuarially reduced amount of retirement income for life and, after his death, his Joint Annuitant, if living, will receive 25%, 50%, 75%, or 100%, as designated by such TE Participant (the "Selected Percentage"), of such reduced amount for life (calculated in each case so that this Option is actuarially equivalent to the Single Life Annuity Option).

Special 75% Joint and Survivor Annuity Option. A TE Participant whose normal form of payment is the Automatic Joint and Surviving Spouse Annuity Option may designate his spouse as a Joint Annuitant to receive a continuation of terminated vested retirement income under Section E6.4 hereof after such TE Participant's death after the Benefit Commencement Date of his terminated vested retirement income. In such event, the retired TE Participant will receive an actuarially reduced amount of retirement income for life and, after his death, his spouse as his Joint Annuitant, if living, will receive 75% of such reduced amount for life (calculated in each case so that this Option, which is sometimes referred to as the "Special 75% Joint and Survivor Annuity Option," is actuarially equivalent to the Single Life Annuity Option).

The election of the Joint and Survivor Annuity Option is subject to the following conditions:

(A) The Joint Annuitant, the Benefit Commencement Date and the Selected Percentage must be designated by the TE Participant at the date this Option is elected. The TE Participant shall also be required to furnish proof of the Joint Annuitant's age.

- (B) Except as provided in Section E9.1(f) hereof, the death of either the TE Participant or his designated Joint Annuitant before the Benefit Commencement Date will cancel the election.
 - (C) Subject to subparagraph (D) below, the death of the designated Joint Annuitant on or after the Benefit Commencement Date will not affect the retirement income payable to the TE Participant under this Option.
 - (D) If a TE Participant has elected a 25%, 50%, 75%, or 100% Joint and Survivor Annuity Option as provided in the first paragraph of this subsection (b), he may elect to receive a further actuarially reduced amount of retirement income for life which shall be payable in accordance with his election under this subsection (b) but with the provision that in the event his Joint Annuitant shall die after the commencement of retirement income to him but during his life, the retirement income payable to him following the death of his Joint Annuitant shall be increased to the amount which would have been payable to him had he elected to receive the Single Life Annuity Option (sometimes called the “Modified Joint and Survivor Annuity Option”).
 - (E) If the Joint Annuitant designated for a Joint and Survivor Annuity Option is a person who is not the spouse of the TE Participant at the Benefit Commencement Date, such Joint and Survivor Annuity Option shall conform to the incidental death benefit requirements of Section 1.401(a)(9)-6 of the Treasury Regulations. If a Joint and Survivor Annuity Option elected by a TE Participant shall fail to satisfy the requirements of this subparagraph, it shall be of no effect and the TE Participant shall be treated as though he had not elected such Option.
- (c) Level Benefit Option. The retirement income payable under Section E6.3 hereof on and after a TE Participant’s early retirement date may, at the election of the TE Participant, be adjusted so far as is practicable to provide an actuarially equivalent constant level income including any Primary Social Security to be payable to such TE Participant in his own right after his Social Security Retirement Date, computed on the basis of the Social Security benefits which would be provided by the Social Security Act in existence as of his early retirement date. Written notice of such election shall be given to the Administrator by the TE Participant at the time he elects his early retirement date. Any TE Participant electing

this Option may not also elect any of the Options provided in this Section and retirement income under this Option shall be payable to the TE Participant for his lifetime only. For purposes of this subparagraph (c), a TE Participant's "Social Security Retirement Date" is the earliest date on which he is entitled to retirement income (other than for disability) under the Social Security Act that is not reduced on account of age.

- (d) Period Certain Annuity Option. A TE Participant who is eligible to receive retirement income under Section E6.1, E6.2 or E6.3 hereof may elect to receive an actuarially reduced amount of retirement income for life with the provision that in the event he shall die (subsequent to the commencement of such reduced retirement income) before he shall have received retirement income payments for a period of 60, 120 or 180 months, as selected by such TE Participant (the "Selected Period"), after his death retirement income equal to 100% of his reduced retirement income shall continue for the remainder of the Selected Period to his Contingent Beneficiary (calculated in each case so that this Option is actuarially equivalent to the Single Life Annuity Option).
- (e) Restriction. Except as provided in subparagraph (b) of this Section with respect to the Special 75% Joint and Survivor Annuity Option, the optional forms provided under this Section are not applicable to terminated vested retirement income under Section E6.4 hereof.

E8.4 Death of Joint Annuitant or Contingent Beneficiary Prior to the Death of the TE Participant.

- (a) If the Joint Annuitant designated or deemed designated or the Contingent Beneficiary designated by a TE Participant dies before the TE Participant's Benefit Commencement Date, such designation shall be null and void and the Single Life Annuity Option will apply unless the TE Participant has designated another Joint Annuitant or Contingent Beneficiary; provided, however, if the TE Participant has a spouse, any change shall be subject to the spousal consent requirement set forth in Section E8.2 hereof.
- (b) If a Joint Annuitant designated or deemed designated or a Contingent Beneficiary designated by a TE Participant dies after the TE Participant's Benefit Commencement Date but prior to the death of the TE Participant, the retirement income being paid to the TE Participant shall continue in unchanged amount until his death unless he has made the election provided in subparagraph (D) of Section E8.3(b) hereof in which case it shall be adjusted as provided in such Section. However, if such TE Participant is receiving retirement income pursuant to a Period Certain Annuity Option described in Section E8.3(d) hereof, he may designate a

successor Contingent Beneficiary. If such TE Participant dies before designating a successor Contingent Beneficiary, his Contingent Beneficiary shall be deemed to be his surviving spouse, or if there is no surviving spouse, his estate.

E8.5 Payment of Retirement Income. Retirement income payable under the Toledo Edison Constituent Plan, other than a Commuted Benefit (as described in Section E8.3(a) hereof), a single sum payment pursuant to Section A11.5 hereof or a Single Sum Cashout pursuant to Section A11.33 hereof, shall be paid in monthly installments. The actual payment of retirement income with respect to which an application is required by Section A4.6 hereof need not begin earlier than the fifteenth (15th) day of the month following the month in which the application for such retirement income is filed. If the actual date on which the payment of retirement income begins shall be later than the Benefit Commencement Date of the retirement income, the first payment shall include all installments of such retirement income which have become due on and after the Benefit Commencement Date.

E8.6 Minimum Reduced Monthly Retirement Income. Notwithstanding any provision of the Plan to contrary, the amount of reduced monthly retirement income payable to a TE Participant who elects a periodic form of payment under the Toledo Edison Constituent Plan which was provided under Part B of the 1993 Centerior Plan on the day immediately preceding the Applicable Effective Date (other than the Single Life Annuity Option) shall not be less than the monthly retirement income which would have been payable to such TE Participant under such form of payment on the day immediately preceding the Applicable Effective Date, utilizing the reduction factors set forth on TE - Appendix A to the 1993 Centerior Plan. For purposes of this Section, the “Applicable Effective Date” shall be:

- (a) with respect to TE Participants whose employment terminated for a reason other than retirement on or after January 1, 2006 and prior to the date the amendment applying the factors set forth in Sections A2.2(a)(i) and

A2.2(b)(i) to all TE Participants was actually adopted, the later of January 1, 2006 or the day before his Termination of Employment; and

- (b) with respect to all other TE Participants, the later of January 1, 2006 or the date the amendment applying the factors set forth in Sections A2.2(a)(i) and A2.2(b)(i) to all TE Participants was actually adopted.

ARTICLE E9
DEATH BENEFIT

E9.1 Surviving Spouse Benefit. If a TE Participant who is vested in some portion of his Accrued Benefit dies prior to his Benefit Commencement Date, his Eligible Spouse, if any, shall be entitled to receive, until her death, a preretirement survivor benefit as described below:

- (a) For such Eligible Spouse of a TE Participant, an amount (taking into account subparagraph (b) below) equal to what the spouse would have received pursuant to:
 - (i) the 100% Joint and Survivor Annuity Option in effect under Article E8 hereof, if such TE Participant was a member of IBEW Local 245 or IBEW Local 1413; or
 - (ii) the Automatic Joint and Surviving Spouse Annuity Option in effect under Article E8 hereof, if such TE Participant was a member of OPEIU Local 19.

The Eligible Spouse may elect in writing to receive the TE Participant's Accumulated Contributions, if any, in which event all rights of such Eligible Spouse under the Toledo Edison Constituent Plan to any portion of the TE Participant's benefit attributable to such Accumulated Contributions shall terminate.

- (b) The amount payable to an Eligible Spouse shall be reduced for each full year or fraction thereof by which such TE Participant's Age (if he had survived) was less than sixty-five (65) at the time his Eligible Spouse elects to commence payment of such benefit, in accordance with:
 - (i) Table A set forth in Section E6.3 hereof, if such TE Participant was an TE Bargaining Unit Employee at the time of his death or was a retired TE Bargaining Unit Employee eligible for retirement income as described in Section E5.1 or E5.2 hereof at the time of his death. However, in no event will the reduction under this section exceed the maximum reduction under said Table A.
 - (ii) Section E6.4(a) hereof, if such TE Participant was not covered by subparagraph (i) above.

- (c) In no event may an Eligible Spouse of a TE Participant eligible for a benefit under subparagraph (a) above elect to commence payment of this benefit prior to the date specified below:
 - (i) in the case of an Eligible Spouse of such a TE Participant who had completed ten (10) years of Eligibility Service:
 - (A) the first day of the month after the death of the TE Participant if he had attained Age fifty-five (55) or he was an Employee (including a disabled TE Participant who is being credited with Eligibility Service and Benefit Service and being treated as having Earnings during his disability in accordance with Section E7.1 hereof) at the time of his death but had not attained Age fifty-five (55); or
 - (B) the first day of the month after the month in which the TE Participant would have attained Age fifty-five (55), if he had not attained Age fifty-five (55) and was not an Employee at the time of his death; or
 - (ii) in the case of an Eligible Spouse of such a TE Participant who had completed five (5) but less than ten (10) years of Eligibility Service and had attained Age fifty-five (55):
 - (A) if such TE Participant was (1) a member of the OPEIU Local 19 collective bargaining unit, (2) a member of the IBEW 1413 collective bargaining unit or (3) a member of the IBEW Local 245 collective bargaining unit and an Employee at the time of his death, the first day of the month after the death of the TE Participant; or
 - (B) if such TE Participant was a member of the IBEW Local 245 collective bargaining unit and was not an Employee at the time of his death, the first day of the month after his Normal Retirement Date.
 - (iii) in the case of an Eligible Spouse of such a TE Participant who had completed five (5) but less than ten (10) years of Eligibility Service but had not attained Age fifty-five (55):
 - (A) if such TE Participant was (1) a member of the OPEIU Local 19 collective bargaining unit, (2) a member of the IBEW 1413 collective bargaining unit or (3) a member of the IBEW Local 245 collective bargaining unit and an Employee at the time of his death, the first day of the month after the month in which the TE Participant would have attained Age fifty-five (55); or

- (B) if such TE Participant was a member of the IBEW Local 245 collective bargaining unit and was not an Employee at the time of his death, the first day of the month after his Normal Retirement Date.
- (d) The term “Eligible Spouse” as used in this Section means the spouse to whom the deceased TE Participant was married on the date of such TE Participant’s death or a former spouse who is designated as an Eligible Spouse under the terms of a Qualified Domestic Relations Order.
- (e) If, prior to his death the TE Participant had elected a Joint and Survivor Annuity Option as described in Section E8.3 hereof (other than the Special 75% Joint and Survivor Annuity Option) in compliance with the requirements described in subparagraphs (i) through (iii) below, and dies before his Benefit Commencement Date and within the ninety (90) day period ending on the expected Benefit Commencement Date determined in compliance with subparagraph (iii) below, the monthly survivor benefit under the elected Joint and Survivor Annuity Option will be paid to the Eligible Spouse instead of the Surviving Spouse Benefit determined under subparagraph (a), (b) and (c) above, if it provides a larger monthly benefit to the Eligible Spouse. The requirements are as follows:
 - (i) The election of the Joint and Survivor Annuity Option must have been made in writing in compliance with the requirements of Sections E8.2 and E8.3 hereof (including the TE Participant’s waiver of the Automatic Joint and Surviving Spouse Annuity Option in compliance with the terms of Section E8.2 hereof within the ninety (90) day period ending on the expected Benefit Commencement Date).
 - (ii) The TE Participant must have designated as part of the written election:
 - (A) his Eligible Spouse as the Joint Annuitant; and
 - (B) either 75% or 100% of his reduced monthly income under the Joint and Survivor Annuity Option to be continued to his Eligible Spouse after his death.
 - (iii) If the election was made while the TE Participant was still an Employee, he must have designated in writing the date of termination of his employment and, if more than one (1) Benefit Commencement Date could be applicable, he must also have designated in writing the expected Benefit Commencement Date. If the election was made when he was not an Employee, he must have designated in writing the expected Benefit Commencement Date. In either case, the written designation must be part of the

election or application filed in accordance with Sections E8.2 and E8.3 hereof, and must provide for an expected Benefit Commencement Date that would be a permissible Benefit Commencement Date under the terms of the Toledo Edison Constituent Plan.

E9.2 Pre-Retirement Survivor Benefit For TE Participants of OPEIU Local 19.

Effective January 1, 2015, except as otherwise stated in this Section, if a TE Participant who is a member of OPEIU Local 19 collective bargaining unit (including a disabled TE Participant of OPEIU Local 19 who is being credited with Eligibility Service and Benefit Service and being treated as having Earnings during his disability in accordance with Section E7.1 hereof) and is vested in some portion of his Accrued Benefit dies prior to his Benefit Commencement Date and is not survived by a spouse eligible for benefits under Section E9.1 hereof, subject to the provisions of Section E9.8 hereof, his Beneficiary shall be entitled to receive, until his death, a preretirement survivor benefit in the following amount:

- (a) For such Beneficiary of such a TE Participant who dies after his attainment of Normal Retirement Age or after the attainment of Age fifty-five (55) and at least ten (10) years of Eligibility Service, an amount equal to what the Beneficiary would have received had he been such TE Participant's Surviving Spouse under Section E8.1(b) hereof and had such TE Participant, on the day prior to his death, retired with the Automatic Joint and Surviving Spouse Annuity Option in effect under Section E8.1(b) hereof (but computed as though the Option set forth in Section E8.1(b)(i) hereof was actuarially reduced to take into account the survivor income feature). The amount of monthly income payable to the Beneficiary shall be further reduced for commencement prior to the date the TE Participant would have attained his Normal Retirement Date in accordance with Table A set forth in Section E6.3 hereof.

In lieu thereof, the Beneficiary may elect in writing to receive the TE Participant's Accumulated Contributions, if any, in which event all rights of such Beneficiary under the Toledo Edison Constituent Plan to any portion of the TE Participant's benefit attributable to such Accumulated Contributions shall terminate.

- (b) For such Beneficiary of such a TE Participant who dies after completion of at least ten (10) years of Eligibility Service but who has not yet attained Age fifty-five (55), an amount equal to:
 - (i) with respect to a Beneficiary of an Employee who became a Part B Participant under a Predecessor Plan prior to January 1, 2001, fifty-five (55%) of such TE Participant's actuarially reduced Accrued Benefit (calculated on a joint and 55% survivor basis which is actuarially equivalent to the Single Life Annuity Option described in Section E8.1(a) hereof); or
 - (ii) with respect to a Beneficiary of an Employee who became a TE Participant or a Part B Participant under a Predecessor Plan on or after January 1, 2001, fifty percent (50%) of such TE Participant's reduced Accrued Benefit (calculated on a joint and 50% survivor basis which is actuarially equivalent to the Single Life Annuity Option described in Section E8.1(a) hereof).

The amount of monthly income payable to the Beneficiary shall be further reduced for commencement prior to the date the TE Participant would have attained his Normal Retirement Date in accordance with Table A set forth in Section E6.3 hereof. However, in no event will the reduction under this Section exceed the maximum reduction under said Table A.

In lieu thereof, the Beneficiary may elect in writing to receive the TE Participant's Accumulated Contributions, if any, in which event all rights of such Beneficiary under the Toledo Edison Constituent Plan to any portion of the TE Participant's benefit attributable to such Accumulated Contributions shall terminate.

- (c) For such Beneficiary of such a TE Participant who dies before he has at least ten (10) years of Eligibility Service and prior to his attainment of Normal Retirement Age, an amount equal to:
 - (i) with respect to a Beneficiary of an Employee who became a Part B Participant under a Predecessor Plan prior to January 1, 2001, fifty-five (55%) of such TE Participant's actuarially reduced Accrued Benefit (calculated on a joint and 55% survivor basis which is actuarially equivalent to the Single Life Annuity Option described in Section E8.1(a) hereof); or
 - (ii) with respect to a Beneficiary of an Employee who became a TE Participant or a Part B Participant under a Predecessor Plan on or after January 1, 2001, fifty percent (50%) of such TE Participant's reduced Accrued Benefit (calculated on a joint and 50% survivor basis which is actuarially equivalent to the Single Life Annuity Option described in Section E8.1(a) hereof);

reduced for each full year or fraction thereof by which such TE Participant's Age (if he had survived) is less than sixty-five (65) at the time his Beneficiary elects to commence payment of such benefit, in accordance with Section E6.4(a) hereof.

In lieu thereof, the Beneficiary may elect in writing to receive the TE Participant's Accumulated Contributions, if any, in which event all rights of such Beneficiary under the Toledo Edison Constituent Plan to any portion of the TE Participant's benefit attributable to such Accumulated Contributions shall terminate.

- (d) Effective January 1, 2016, payments to the Beneficiary of such TE Participant shall commence as of the first day of any month between the month following the month in which occurs the death of the TE Participant and December 31 of the year following the year in which occurs the death of the TE Participant, as the Beneficiary selects, provided that if the TE Participant had attained his Normal Retirement Date prior to his death, payments to the Beneficiary shall commence as of the first day of the month following the month in which occurs the TE Participant's death. Notwithstanding the foregoing, if the benefit to the Beneficiary shall be payable in a single lump sum payment pursuant to the election of the Beneficiary under any applicable provision of this Plan, payment shall be made no later than December 31 of the end of the year following the year in which occurs the TE Participant's death or the end of the year in which the TE Participant dies, if he was past Normal Retirement Date at the time of death.
- (e) If no Beneficiary is designated under this Section, no benefit shall be payable under this Section upon the death of such TE Participant.
- (f) The benefits payable under this Section shall be payable only to a Beneficiary of a Participant who is a TE Participant who is a member of OPEIU Local 19 collective bargaining unit at the time of his death or who is a disabled TE Participant of OPEIU Local 19 who is being credited with Eligibility Service and Benefit Service and being treated as having Earnings during his disability in accordance with Section E7.1 hereof at the time of his death.
- (g) No benefits under this Section shall be payable to a terminated TE Participant.

E9.3 Pre-Retirement Survivor Benefit For TE Participants of IBEW Local 245

With Ten (10) Years of Eligibility Service. Effective January 1, 2015, except as otherwise stated in this Section:

- (a) The Beneficiary of a TE Participant who dies when he is not survived by a spouse eligible for benefits under Section E9.1 hereof will be entitled to a Pre-Retirement Survivor's Benefit under this Section if the TE Participant:
- (i) is an Employee who is a member of IBEW Local 245 collective bargaining unit (including a disabled TE Participant of IBEW Local 245 who is being credited with Eligibility Service and Benefit Service and being treated as having Earnings during his disability in accordance with Section E7.1 hereof) or a retired TE Participant who was a member of IBEW Local 245 collective bargaining unit and is eligible for retirement income as described in Section E5.1 or E5.2 hereof at the time of his death;
 - (ii) had completed ten (10) years of Eligibility Service at the time of his death; and
 - (iii) dies prior to his Benefit Commencement Date.
- (b) Effective January 1, 2016, the Pre-Retirement Survivor's Benefit shall be monthly income paid to and for the life of such Beneficiary, commencing on the first day of any month between the month after the month in which occurs the TE Participant's death and December 31 of the year following the year in which occurs the TE Participant's death, as the Beneficiary selects, provided that if the TE Participant had attained his Normal Retirement Date prior to his death, payments to the Beneficiary shall commence as of the first day of the month following the month in which occurs the TE Participant's death. Notwithstanding the foregoing, if the benefit to the Beneficiary shall be payable in a single lump sum payment pursuant to the election of the Beneficiary under any applicable provision of this Plan, payment shall be made no later than December 31 of the end of the year following the year in which occurs the TE Participant's death or the end of the year in which the TE Participant dies, if he was past Normal Retirement Date at the time of death. Subject to the provisions of Section E9.8 hereof, the amount of monthly income payable to the Beneficiary shall be equal to the retirement income to which the deceased TE Participant would have been entitled to if the first day of the month following the date of his death had been his Benefit Commencement Date and such retirement income had been paid in the form of the 100% Joint and Survivor Annuity Option actuarially equivalent to the Single Life Annuity Option described in Section E8.1(a) hereof. The amount of monthly income payable to the Beneficiary shall be further reduced for commencement prior to the date the TE Participant would have attained his Normal Retirement Date in accordance with Table A set forth in Section E6.3 hereof. However, in no event will the reduction under this Section exceed the maximum reduction under said Table A.

- (c) The birth dates of the TE Participant and his Beneficiary shall be used for the purpose of the calculations to be made in accordance with this subparagraph.
- (d) If no Beneficiary is designated under this Section, no benefit shall be payable under this Section upon the death of such TE Participant.

E9.4 Pre-Retirement Survivor Benefit For TE Participants of IBEW Local 245

With Five (5) But Less Than Ten (10) Years of Eligibility Service. Effective January 1, 2015,

except as otherwise stated in this Section:

- (a) If a TE Participant dies when he is not survived by a spouse eligible for benefits under Section E9.1 hereof, there shall be paid to and for the life of his Beneficiary, commencing on the first day of any month after the month in which the TE Participant's death occurs as the Beneficiary shall select (but subject to subparagraph (d) below), a Pre-Retirement Survivor Benefit under this Section in the amount described in subparagraph (b) below (but payable to his Beneficiary) provided that the TE Participant:
 - (i) is an Employee who is a member of IBEW Local 245 collective bargaining unit at the time of his death;
 - (ii) had completed five (5) years of Eligibility Service but fewer than ten (10) years of Eligibility Service at time of his death; and
 - (iii) dies prior to his Benefit Commencement Date.
- (b) Subject to the provisions of Section E9.8 hereof, the amount of monthly income payable to such a TE Participant's Beneficiary during his life under this Section as a Pre-Retirement Survivor Benefit shall be equal to the monthly terminated vested retirement income accrued to the TE Participant on his date of death and paid as if the TE Participant had elected the 100% Joint and Survivor Annuity Option actuarially equivalent to the Single Life Annuity Option described in Section E8.1(a) hereof. Such amount shall be further reduced for commencement prior to the date the TE Participant would have attained his Normal Retirement Date in accordance with Section E6.4(a) hereof.
- (c) The birth dates of the TE Participant and his Beneficiary shall be used for the purpose of the calculations to be made in accordance with subparagraph (b) above.
- (d) Effective January 1, 2016, for purposes of this Section, the Pre-Retirement Survivor Benefit shall commence no earlier than the first day of any month between the month after the month in which occurs the TE

Participant's death and December 31 of the year following the year in which occurs the TE Participant's death, as the Beneficiary selects, provided that if the TE Participant had attained his Normal Retirement Date prior to his death, payments to the Beneficiary shall commence as of the first day of the month following the month in which occurs the TE Participant's death. Notwithstanding the foregoing, if the benefit to the Beneficiary shall be payable in a single lump sum payment pursuant to the election of the Beneficiary under any applicable provision of this Plan, payment shall be made no later than December 31 of the end of the year following the year in which occurs the TE Participant's death or the end of the year in which the TE Participant dies, if he was past Normal Retirement Date at the time of death.

- (e) If no Beneficiary is designated under this Section, no benefit shall be payable under this Section upon the death of such TE Participant.

E9.5 Pre-Retirement Survivor Benefit For TE Participants of IBEW Local 1413

With Ten (10) Years of Eligibility Service. Effective January 1, 2015, except as otherwise stated in this Section:

- (a) The Beneficiary of a TE Participant who dies when he is not survived by a spouse eligible for benefits under Section E9.1 hereof will be entitled to a Pre-Retirement Survivor's Benefit under this Section if the TE Participant:
 - (i) is an Employee who is a member of IBEW Local 1413 collective bargaining unit (including a disabled TE Participant of IBEW Local 1413 who is being credited with Eligibility Service and Benefit Service and being treated as having Earnings during his disability in accordance with Section E7.1 hereof at the time of his death) or a retired TE Participant who was a member of the IBEW Local 1413 collective bargaining unit and is eligible for retirement income as described in Section E5.1 or E5.2 hereof at the time of his death;
 - (ii) had completed ten (10) years of Eligibility Service at the time of his death; and
 - (iii) dies prior to his Benefit Commencement Date.
- (b) Effective January 1, 2016, the Pre-Retirement Survivor's Benefit shall be monthly income paid to and for the life of such Beneficiary, commencing on the first day of any month between the month after the month in which occurs the TE Participant's death and December 31 of the year following the year in which occurs the TE death, as the Beneficiary selects, provided that if the TE Participant had attained his Normal Retirement Date prior to

his death, payments to the Beneficiary shall commence as of the first day of the month following the month in which occurs the TE Participant's death. Notwithstanding the foregoing, if the benefit to the Beneficiary shall be payable in a single lump sum payment pursuant to the election of the Beneficiary under any applicable provision of this Plan, payment shall be made no later than December 31 of the end of the year following the year in which occurs the TE Participant's death or the end of the year in which the TE Participant dies, if he was past Normal Retirement Date at the time of death. Subject to the provisions of Section E9.8 hereof, the amount of monthly income payable to the Beneficiary shall be equal to what the Beneficiary would have received had he been the TE Participant's Joint Annuitant and had such TE Participant, on the day prior to his death, retired with a 50% Joint and Survivor Annuity Option (or, if payment begins on or after January 1, 2017, a 100% Joint and Survivor Annuity Option) under Section E8.3(a) actuarially equivalent to the Single Life Annuity Option described in Section E8.1(a) hereof. The amount of monthly income payable to the Beneficiary shall be further reduced for commencement prior to the date the TE Participant would have attained his Normal Retirement Date in accordance with Table B set forth in Section E6.3 hereof if payment begins prior to January 1, 2017, and Table A set forth in Section E6.3 hereof if payment begins on or after January 1, 2017. However, effective January 1, 2015, in no event will the reduction under this section exceed the maximum reduction under the relevant Table.

- (c) The birth dates of the TE Participant and his Beneficiary shall be used for the purpose of the calculations to be made in accordance with this subparagraph.
- (d) If no Beneficiary is designated under this Section, no benefit shall be payable under this Section upon the death of such TE Participant.

E9.6 Pre-Retirement Survivor Benefit For TE Participants of IBEW Local 1413

With Five (5) But Less Than Ten (10) Years of Eligibility Service. Effective January 1, 2016,

except as otherwise stated in this Section:

- (a) If a TE Participant dies when he is not survived by a spouse eligible for benefits under Section E9.1 hereof, there shall be paid to and for the life of his Beneficiary, commencing on the first day of any month after the month in which the TE Participant's death occurs as the Beneficiary shall select (but subject to subparagraph (d) below), a Pre-Retirement Survivor Benefit under this Section in the amount described in subparagraph (b) below (but payable to his Beneficiary) provided that the TE Participant:

- (i) is an Employee who is a member of IBEW Local 1413 collective bargaining unit at the time of his death;
 - (ii) had completed five (5) years of Eligibility Service but fewer than ten (10) years of Eligibility Service at time of his death; and
 - (iii) dies prior to his Benefit Commencement Date.
- (b) Effective January 1, 2015, subject to the provisions of Section E9.8 hereof, the amount of monthly income payable to such a TE Participant's Beneficiary during his life under this Section as a Pre-Retirement Survivor Benefit shall be equal to the monthly terminated vested retirement income accrued to the TE Participant on his date of death and paid as if the TE Participant had elected the 50% Joint and Survivor Annuity Option (or, if payment begins on or after January 1, 2017, a 100% Joint and Survivor Annuity Option) actuarially equivalent to the Single Life Annuity Option described in Section E8.1(a) hereof. Effective January 1, 2015, such amount shall be further reduced for commencement prior to the date the TE Participant would have attained his Normal Retirement Date in accordance with Section E6.4(a) hereof.
- (c) The birth dates of the TE Participant and his Beneficiary shall be used for the purpose of the calculations to be made in accordance with this subparagraph.
- (d) For purposes of this Section, the Pre-Retirement Survivor Benefit shall commence no earlier than the first day of any month between the month after the month in which occurs the TE Participant's death and December 31 of the year following the year in which occurs the TE Participant's death, as the Beneficiary selects, provided that if the TE Participant had attained his Normal Retirement Date prior to his death, payments to the Beneficiary shall commence as of the first day of the month following the month in which occurs the TE Participant's death. Notwithstanding the foregoing, if the benefit to the Beneficiary shall be payable in a single lump sum payment pursuant to the election of the Beneficiary under any applicable provision of this Plan, payment shall be made no later than December 31 of the end of the year following the year in which occurs the TE Participant's death or the end of the year in which the TE Participant dies, if he was past Normal Retirement Date at the time of death.
- (e) If no Beneficiary is designated under this Section, no benefit shall be payable under this Section upon the death of such TE Participant.

E9.7 Beneficiary. For purposes of Sections E9.2, E9.3, E9.4, E9.5 and E9.6

hereof, the term "Beneficiary" means only one (1) individual designated by the TE Participant

(other than the TE Participant's spouse) to receive the benefit payable under Section E9.2, E9.3, E9.4 E9.5 or E9.6 hereof, whichever is applicable, upon his death. The Beneficiary may not include an entity, such as a trust, an estate or any organization, including but not limited to, any charitable organization. A Beneficiary designation may be changed or revoked by an unmarried TE Participant at any time without the consent of any Beneficiary. A designation, change or revocation of Beneficiary shall be made in the form and manner prescribed by the Administrator and shall become effective when filed with the Administrator; provided, however, such designation, change or revocation of Beneficiary shall not be valid unless the form has been filed with the Administrator prior to the time of the TE Participant's death.

E9.8 Payment of death benefits under this Article must conform to the incidental death benefit requirements of Section 1.401(a)(9)-6 of the Treasury Regulations. In the event the Beneficiary of a TE Participant is a person who is not his spouse and such person's death benefit under Section E9.2 hereof would normally be calculated on a joint and 55% survivor basis but cannot be calculated in such manner due to the requirements of the preceding sentence, the death benefit shall instead be calculated on a joint and 50% survivor basis. In addition, in the event the Beneficiary of a TE Participant is a person who is not his spouse and such person's death benefit under Section E9.3 or E9.4 hereof cannot be determined by using the 100% Joint and Survivor Annuity Option since such Option fails to satisfy the requirements of the first sentence of this Section, the applicable death benefit shall instead be determined as if the TE Participant had elected the maximum Joint and Survivor Annuity Option (75% or 50%) permitted under said Treasury Regulations.

ARTICLE E10

ACCUMULATED CONTRIBUTIONS UNDER PRE-1988 TE PLAN

E10.1 Non-forfeitable Interest. Each TE Participant who shall at any time have contributed under the Pre-1988 TE Plan shall at all times have a fully vested and non-forfeitable interest in the portion of his Accrued Benefit attributable to his undistributed Accumulated Contributions, determined as provided in Section E10.4 hereof

E10.2. Withdrawal of Accumulated Contributions. A TE Participant who has attained the Age of forty (40) may withdraw from the Toledo Edison Constituent Plan (1) prior to the termination of his employment, or (2) after the termination of his employment, but prior to his Benefit Commencement Date and receive the return of his previously undistributed Accumulated Contributions, subject to all of the following conditions:

- (a) Upon Withdrawal, such TE Participant shall forfeit all rights to his Accrued Benefit (to the extent determined under Section E6.1 hereof) at or before June 30,1973.
- (b) The minimum retirement income provisions described in Section E6.2 hereof shall not be applicable with respect to any TE Participant who has withdrawn from the Toledo Edison Constituent Plan or a Predecessor Plan even though he shall have resumed participation.
- (c) Any Withdrawal shall be effective one hundred twenty (120) days after a request for Withdrawal is received in writing by the Administrator;
- (d) A married TE Participant may make a Withdrawal only if his spouse has waived the right to receive the Automatic Joint and Surviving Spouse Annuity Option under Article E8 hereof with respect to the Accumulated Contributions. The spouse's waiver shall be in accordance with the spousal consent requirements of Section A11.12 hereof and may not be revoked without the TE Participant's written consent.

E10.3 No Repayment of Withdrawn Accumulated Contributions. A former Employee, who upon his Termination of Employment withdrew his Accumulated Contributions

and thereby incurred a reduction in his Accrued Benefit, shall not be permitted to recontribute the amount previously withdrawn.

E10.4 Accrued Benefit Attributable to Undistributed Accumulated Contributions. A TE Participant's Accrued Benefit attributable to his undistributed Accumulated Contributions as of the earliest of the dates described in subparagraphs (a), (b), (c) and (d) of Section E2.2 hereof (the "calculation date") shall be the actuarial equivalent of his Projected Accumulated Contributions expressed as a single life annuity (which is a monthly benefit commencing on his Normal Retirement Date or, if later, on the calculation date, and payable for his lifetime only).

- (a) A TE Participant's "Projected Accumulated Contributions" on the calculation date shall be:
 - (i) if the calculation date is on or after his Normal Retirement Age, his Accumulated Contributions on the calculation date; or
 - (ii) if the calculation date precedes his Normal Retirement Age, his Accumulated Contributions plus additional interest projected from the calculation date to his Normal Retirement Age, at the rate of interest specified in Section A2.2(b)(i) hereof or at the rate of interest specified in Section A2.2(b)(ii) hereof, whichever rate is greater, compounded annually.
- (b) Actuarial equivalency shall be determined on the basis of the mortality table and rate of interest specified in Section (2) of Appendix I hereof.

E10.5 Return of Accumulated Contributions to Beneficiary. Notwithstanding any other provision of the Plan to the contrary, the total amount of benefits payable under the Plan to a TE Participant who has undistributed Accumulated Contributions and to his Beneficiaries, exclusive of any Past Service annuity provided by the Original TE Plan, shall not, in the aggregate, equal less than such TE Participant's undistributed Accumulated Contributions. If such TE Participant and all of his Beneficiaries shall die before they have been paid, in the

aggregate, an amount at least equal to the TE Participant's Accumulated Contributions, any remaining amount (equal to the undistributed Accumulated Contributions reduced by the aggregate payments made to the TE Participant and his Beneficiaries) shall be paid to the TE Participant's Preference Beneficiary or Beneficiaries as provided in Section E10.6 hereof.

E10.6 Preference Beneficiaries. If the Accumulated Contributions of a TE Participant become payable under Section E10.5 hereof, payment will be made to the person or persons in the first of the following classes of successive preference beneficiaries that includes a survivor of the TE Participant. The deceased TE Participant's:

- (a) Spouse at the time of his date of death.
- (b) Children and lineal descendants in equal shares, per stirpes.
- (c) Parents in equal shares.
- (d) Brothers and sisters in equal shares.
- (e) Executors or administrators.

APPENDIX I

TO

PART E

ACTUARIAL FACTORS

(1) Commuted Benefit Calculation. The amount of any TE Participant's Commuted Benefit under Section E8.3(a) hereof shall be the product of the annual amount of retirement income that would be payable to the TE Participant as a straight-life annuity beginning on the Benefit Commencement Date of the retirement income being commuted and the Applicable Prudential Rate, determined as follows:

- (a) The "Applicable Prudential Rate" means factors for the calendar month in which the TE Participant's Rate Determination Date occurs used to calculate a Commuted Benefit determined based on the Applicable Rate. If the Applicable Rate for a month is in a range from .5% to 10.0%, factors for that month will be determined in accordance with Appendix I-A (which is attached hereto and is hereby made a part of this Part E);
- (b) The "Applicable Rate" means for a month .125% plus the Average Rate, rounded up to the next higher .125%;
- (c) The "Average Rate" means for a month the average of the daily interest rates on 10-year treasury securities for the prior month, which is the average for such prior month of yields on actively traded issues adjusted to constant maturities, as published by the Federal Reserve Board; and
- (d) A TE Participant's "Rate Determination Date" is his Benefit Commencement Date, except for a TE Participant whose retirement income is accelerated early retirement income under Section E6.3 hereof, the Rate Determination Date shall be the Benefit Commencement Date of the retirement income being commuted;

provided that the amount of any Commuted Benefit under Section E8.3(a) hereof shall not be less than the greater of:

- (i) the amount determined by calculating such Commuted Benefit using the mortality table specified in Section A2.2(a)(ii) hereof and the rate of interest specified in Section A2.2(b)(ii) hereof; or
- (ii) the amount determined by calculating such Commuted Benefit (as though the retirement income being commuted is payable at his

Normal Retirement Date) using the mortality table specified in Section A2.2(a)(ii) hereof and the rate of interest specified in Section A2.2(b)(ii) hereof.

Under the Toledo Edison Constituent Plan, the present value of a lump sum benefit of Five Thousand Dollars (\$5,000.00) or less (which is payable pursuant to Section A11.5 hereof) shall be determined by using the mortality table specified in Section A2.2(a)(ii) hereof and the rate of interest specified in Section A2.2(b)(ii) hereof. The actuarial increase value of any retirement income payments referred to in Section E6.5 hereof shall be calculated with the same rate applicable hereunder to Commuted Benefits on the date such retirement income payments originally commenced.

(2) Factors for Other Determinations. Subject to the factors specified in Section E6.3, E6.4(a) and E9.1(b) hereof and except as otherwise provided in Section E8.6 hereof, actuarial determinations with respect to this Part E not provided for in Section (1) above shall be made on the basis of the following:

- (a) the rate of interest specified in Section A2.2(b)(i) hereof; and
- (b) the mortality table specified in Section A2.2(a)(i) hereof.

Appendix I-A Applicable Rate Table

Age/Rate	0.500	1.000	1.500	2.000	2.500	3.000	3.500	4.000	4.500	5.000	5.500	6.000	6.500	7.000	7.500	8.000	8.500	9.000	9.500	10.000
40	344.91	316.10	291.05	269.16	249.97	233.07	218.12	204.85	193.03	182.46	172.97	163.49	155.71	148.84	142.41	136.83	123.98	119.11	114.64	108.76
41	337.13	309.57	285.54	264.50	246.01	229.68	215.22	202.35	190.87	180.58	171.33	162.14	154.46	147.64	141.26	135.74	123.20	118.41	114.01	108.20
42	329.35	303.01	279.99	259.78	241.97	226.22	212.24	199.78	188.63	178.63	169.63	160.74	153.14	146.41	140.08	134.62	122.37	117.67	113.34	107.59
43	321.58	296.43	274.40	255.01	237.88	222.70	209.20	197.14	186.33	176.62	167.86	159.28	151.78	145.13	138.86	133.45	121.49	116.88	112.63	106.94
44	313.84	289.86	268.78	250.20	233.74	219.13	206.10	194.44	183.97	174.55	166.04	157.78	150.37	143.82	137.60	132.25	120.57	116.05	111.87	106.26
45	306.15	283.29	263.16	245.36	229.57	215.51	202.94	191.68	181.56	172.42	164.16	156.22	148.92	142.44	136.29	131.00	119.61	115.18	111.08	105.54
46	298.51	276.75	257.53	240.50	225.36	211.84	199.75	188.88	179.09	170.25	162.23	154.60	147.41	141.02	134.94	129.72	118.61	114.27	110.26	104.79
47	290.93	270.23	251.91	235.63	221.12	208.15	196.51	186.04	176.58	168.02	160.26	152.93	145.84	139.56	133.55	128.41	117.57	113.33	109.40	104.00
48	283.42	263.76	246.30	230.76	216.87	204.43	193.24	183.15	174.03	165.76	158.24	151.20	144.24	138.06	132.12	127.05	116.50	112.35	108.51	103.19
49	275.99	257.32	240.71	225.88	212.60	200.68	189.94	180.23	171.44	163.46	156.18	149.42	142.58	136.50	130.64	125.65	115.39	111.34	107.58	102.34
50	268.65	250.94	235.14	221.01	208.33	196.91	186.61	177.28	168.82	161.11	154.08	147.59	140.87	134.91	129.13	124.21	114.24	110.29	106.62	101.46
51	261.38	244.60	229.60	216.14	204.04	193.12	183.25	174.30	166.16	158.73	151.95	145.71	139.11	133.26	127.57	122.73	113.06	109.21	105.63	100.55
52	254.20	238.32	224.08	211.28	199.75	189.32	179.87	171.28	163.46	156.32	149.78	143.78	137.32	131.59	125.98	121.23	111.84	108.10	104.61	99.61
53	247.11	232.09	218.59	206.44	195.45	185.50	176.47	168.24	160.73	153.86	147.56	141.82	135.50	129.87	124.36	119.70	110.59	106.95	103.55	98.63
54	240.10	225.91	213.14	201.60	191.15	181.67	173.04	165.17	157.97	151.37	145.32	139.83	133.63	128.13	122.71	118.13	108.99	104.88	101.05	97.63
55	233.17	219.79	207.71	196.77	186.85	177.82	169.59	162.07	155.18	148.85	143.03	137.80	131.75	126.36	120.97	116.46	107.66	103.62	99.85	96.58
56	226.33	213.72	202.31	191.96	182.54	173.96	166.12	158.94	152.35	146.29	140.70	135.74	129.73	124.40	119.07	114.66	106.29	102.31	98.62	95.50
57	219.57	207.70	196.94	187.15	178.23	170.08	162.62	155.77	149.48	143.68	138.33	133.45	127.57	122.36	117.14	112.83	104.87	100.97	97.33	94.38
58	212.89	201.74	191.60	182.35	173.91	166.18	159.10	152.58	146.58	141.04	135.92	131.10	125.37	120.29	115.17	110.96	103.42	99.60	96.02	93.21
59	206.28	195.82	186.28	177.56	169.59	162.27	155.54	149.35	143.63	138.35	133.46	128.71	123.12	118.17	113.17	109.05	101.93	98.18	94.68	92.00
60	199.75	189.94	180.98	172.78	165.25	158.33	151.96	146.08	140.65	135.62	130.95	126.29	120.84	116.03	111.13	107.12	100.39	96.73	93.30	90.74
61	193.29	184.11	175.70	167.99	160.90	154.37	148.35	142.78	137.62	132.83	128.39	123.82	118.53	113.85	109.05	105.15	98.82	95.23	91.87	89.43
62	186.90	178.32	170.45	163.21	156.55	150.40	144.71	139.44	134.55	130.01	125.78	121.32	116.17	111.62	106.94	103.14	97.21	93.71	90.42	88.06
63	180.60	172.60	165.24	158.46	152.20	146.41	141.04	136.07	131.44	127.14	123.12	118.78	113.78	109.37	104.80	101.10	95.55	92.13	88.92	86.64
64	174.40	166.94	160.07	153.73	147.86	142.42	137.37	132.68	128.31	124.24	120.44	116.19	111.33	107.06	102.58	99.00	93.84	90.51	87.38	85.17
65	168.32	161.38	154.98	149.05	143.56	138.46	133.71	129.30	125.18	121.33	117.73	113.55	108.84	104.69	100.32	96.85	92.09	88.84	85.79	83.66
66	162.38	155.93	149.97	144.44	139.30	134.53	130.08	125.92	122.04	118.41	115.01	110.86	106.31	102.29	98.03	94.66	90.28	87.12	84.14	82.12
67	156.59	150.61	145.07	139.91	135.12	130.65	126.48	122.58	118.93	115.51	112.30	108.13	103.72	99.84	95.69	92.43	88.42	85.35	82.45	80.57
68	150.97	145.43	140.28	135.48	131.01	126.84	122.93	119.28	115.85	112.63	109.61	105.37	101.13	97.40	93.45	90.30	86.62	83.67	80.89	78.99
69	145.53	140.40	135.62	131.16	127.00	123.10	119.45	116.03	112.81	109.79	106.94	102.77	98.72	95.16	91.36	88.36	84.79	81.96	79.28	77.41
70	140.25	135.51	131.08	126.94	123.07	119.44	116.03	112.83	109.81	106.98	104.30	100.10	96.24	92.86	89.20	86.35	82.89	80.17	77.61	75.83
71	135.14	130.76	126.66	122.82	119.22	115.84	112.67	109.68	106.86	104.20	101.69	97.38	93.71	90.50	86.99	84.29	80.94	78.34	75.88	74.23
72	130.18	126.14	122.35	118.80	115.46	112.32	109.36	106.57	103.94	101.45	99.09	94.62	91.13	88.10	84.74	82.18	78.95	76.46	74.11	72.63
73	125.35	121.63	118.14	114.85	111.76	108.84	106.09	103.50	101.04	98.72	96.52	91.84	88.53	85.67	82.46	80.04	76.92	74.55	72.30	71.02
74	120.67	117.24	114.02	110.99	108.13	105.43	102.88	100.46	98.18	96.01	93.95	89.05	85.92	83.22	80.16	77.87	74.88	72.63	70.48	69.39
75	116.11	112.97	110.01	107.21	104.57	102.08	99.71	97.47	95.35	93.33	91.41	86.27	83.32	80.77	77.85	75.71	72.83	70.69	68.65	67.74

Summary Table: Age Calculated to Nearest Month – Rates and Factors Calculated to 1/8th Percent

