

# **Pension Plan**

(applicable to employees hired before January 1, 2010)

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## General Information

The Lubrizol Corporation Pension Plan was first established by The Lubrizol Corporation (“Lubrizol” or “the company”) on December 11, 1944, to provide employees with a portion of their retirement income. It works together with The Lubrizol Corporation Employees’ Profit Sharing and Savings Plan to provide an income base, along with Social Security and your own retirement savings.

This summary plan description (SPD) describes the main features of The Lubrizol Corporation Pension Plan. A complete description of the terms of this plan is contained in the plan document and trust agreement, and the terms of that document will govern.

Although it is Lubrizol’s expectation that the plan will be a permanent program, the company has the right to terminate or amend the plan in whole or in part by action of its Board of Directors. However, no amendment may reduce a participant’s benefit earned to the time the amendment is made. Neither this SPD, nor the plan or the trust described herein constitutes a contract of employment or a promise of continuing employment.

The plan is financed entirely by company contributions to the trust fund. The amount of each contribution is determined by an actuary to be at least sufficient to meet the minimum funding standards required by the Internal Revenue Code. Under current law, none of the funds held in trust for the plan can be used for any purpose other than payment of benefits until full payment of all benefits under the plan has been provided.

Federal law provides you with certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). A summary of these rights, along with specific information identifying each plan in the Lubrizol benefits program, is included in the “General” section of this Benefits Resource Guide.

The cost of the plan is paid entirely by Lubrizol, and you are neither required nor permitted to make any contributions toward your benefits under this pension plan. If you have any questions about the terms of the plan or about the payment of benefits, you may obtain more information from any Lubrizol benefits representative.

The plan is closed to anyone hired or rehired by, or transferred to, Lubrizol or an adopting subsidiary after December 31, 2009.

## Who is Eligible

As a regular employee of Lubrizol or a Lubrizol subsidiary which adopted the plan, and who was hired on or before December 31, 2009, you automatically became an active participant in this plan beginning on your date of employment. If you were a temporary employee of Lubrizol or a Lubrizol subsidiary which adopted the plan and you worked at least 1,000 hours in any 12 month period, you participated beginning the following January 1 or July 1. You will continue to be eligible for and participate in the plan if you directly transfer employment from Lubrizol or a U.S. Lubrizol subsidiary that has adopted the plan to another U.S. Lubrizol subsidiary or to Lubrizol Specialty Products, Inc. (LSPI) or an LSPI subsidiary, do not have a change in employment status that would otherwise affect your ability to participate in the plan, and immediately prior to such transfer were actively accruing a benefit under the plan.

There is no cost to you for participation; the entire cost of the plan is paid by the company. An employee hired on or after January 1, 2010 will not be eligible to participate in the plan. Please see Exclusions from Coverage for All Plans in the General Section of this Benefits Resource Guide for a list of persons who are excluded from coverage (unless otherwise provided).

## When You Can Retire

If you terminate Lubrizol employment before you reach age 55, but after you have completed five years of service, you will become 100% vested in your pension benefit. You may begin distribution of your benefit immediately as either a lump sum payment or an annuity if you satisfy one of the following conditions:

- You were hired by Lubrizol before February 1, 1984.
- Your benefit commencement date occurs after December 31, 2015.

In either case, if payments begin before you reach age 65, the amount will be reduced for the extra years you are expected to benefit from the payment(s). If you terminate employment prior to age 55, actuarial factors are used to determine your pension benefit rather than the subsidized reduction factors used for terminations after age 55.

If you leave employment prior to age 70½ and choose to defer your retirement benefit distributions or make no election to receive your benefits when you separate employment or retire, your benefit distributions will begin at the earlier of your distribution request or the April 1 of the calendar year following the year in which you reach age 70½. The form of benefit will depend upon your marital status at the time of distribution.

You may not receive any benefit from this plan before you terminate employment with Lubrizol or a related company. If you continue to work past age 65, your service after age 65 will be used in the calculation of your benefit, but other than described in the next paragraph, your benefit will not be increased for the amount of monthly benefits that you would have received had you retired at age 65 and commenced distribution of your benefit.

If you do not work past age 65 and you do not commence your benefit by age 65, you benefits will be actuarially increased for the time period after you reach age 65 until you commence your benefit.

If you retire after age 70½, benefit distribution will automatically begin on the April 1 of the calendar year following the year in which you retire. Benefits will be actuarially increased for the time period after you reach age 70½ until you retire.

## Retirement Income

When you retire from Lubrizol or related company employment, your income may be available from at least four sources: this pension plan, The Lubrizol Corporation Employees' Profit Sharing and Savings Plan, Social Security, and your own savings. The amount of retirement income you will receive from the pension plan is based on your compensation and length of service.

Your pension benefit is the larger of the amounts calculated under two formulas: the career pay formula, which is based on your career earnings and length of service, and the final pay formula, which is based on your final average earnings and length of service, and takes into account that you will receive benefits from Social Security.

Your service and compensation for the formulas are determined as follows:

**Credited Benefit Service:** The period of service from your last hire date to the date you retire or otherwise terminate employment. Benefit service will not include any time you are on a leave of absence, other than military leave, jury duty or long-term disability leave, for more than one year.

For employees of participating subsidiaries who already had a pension benefit in a plan that was merged into Lubrizol's pension plan, credited service is the same as described above. For all other employees of participating subsidiaries, credited benefit service is the period of service from the later of the date your employer adopted Lubrizol's pension plan or your hire date to the date you retire or otherwise terminate employment.

**Basic Compensation:** Your base biweekly salary (including military pay for up to six biweekly periods and workers' compensation payments), overtime, shift premiums, vacation and holiday pay, bonuses and gain sharing (excluding long term incentives), and commissions paid during a plan year, as applicable. Any amount of your salary which you defer to before-tax 401(k) savings under The Lubrizol Corporation Employees' Profit Sharing and Savings Plan or before-tax contributions to the flexible reimbursement program is included, as are basic (60%) long-term disability benefits which you receive while you are on long-term disability leave. Noncash or special allowances, extraordinary compensation, and separation pay are not included. Bonuses, commissions, and shift premiums were not included in basic compensation before 1981, and overtime was not included before 1977. If you are on military leave, your monthly rate of compensation used to determine basic compensation will be the monthly rate in effect when your leave begins. You will not receive credit for compensation if you are on an unpaid leave of absence other than military or long-term disability leave. Under current law, the amount of basic compensation that can be used to determine your benefits under the plan is limited to **\$270,000** for compensation earned in 2017. This amount may be adjusted by the Internal Revenue Service periodically for increases in the cost of living in \$5,000 increments.

**Covered Compensation:** An average of the annual wage bases over a 35-year period determined by Social Security. The covered compensation level increases each year as a new Social Security annual wage replaces an old wage to keep a current 35-year average.

### The Career Pay Formula

The plan's career pay formula is based on your basic compensation during your participation in the plan and provides a monthly benefit payable at least for your life, beginning at age 65. Your **credited average compensation** is the average of your monthly basic compensation in effect on each January 1, during your participation in the plan.

If you became a participant before January 1, 1981, your credited average compensation will include a monthly rate of basic compensation for each January 1 during the period you were not yet a participant in the plan, but not more than four years. This rate will be the same rate as your basic compensation rate on the date you became a participant.

When you retire at age 65, your normal monthly benefit from the plan under this formula will be:

1.35% of credited average compensation x credited benefit service (no maximum)
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For example, if your credited average compensation is \$1,800 and you have 30 years of credited benefit service at age 65, your monthly benefit under this formula would be:

Credited average compensation	\$1,800.00
Times 1.35%	x .0135
	\$24.30
Times credited benefit service	x 30
Monthly pension	<b>\$729.00</b>

## The Final Pay Formula

The plan's final pay formula is based on your basic compensation during your highest consecutive 5 years out of your last 10 years with Lubrizol or other covered employer and provides a monthly benefit payable at least for your life, beginning at age 65. Your **final average pay**, used in figuring your benefit under this formula, is the average of your monthly basic compensation in effect on January 1 for your highest consecutive 5 years out of your last 10 years of covered employment. If your total service is less than 30 years, your age 65 benefit amount is reduced proportionately. Your monthly pension benefit under this formula will be:

$$(28.5\% \text{ of your final average pay} + 15\% \text{ of your final average pay in excess of the Social Security covered compensation level}) \times \text{credited benefit service (up to 30)} \div 30$$

For example, if your final average pay is \$2,600, your Social Security covered compensation level is \$2,026 and you have 30 years of credited benefit service at age 65, your monthly benefit under the final average pay formula would be:

Final Average Pay (FAP)	\$2600	x 28.5%	<b>\$741.00</b>
Minus covered compensation	- \$2026		
FAP above covered compensation	\$574	x 15%	+ 86.10
			<b>\$827.10</b>
Times credited benefit service ÷ 30			x 30/30
Monthly pension			\$827.10

**NOTE:** In these two examples, your benefit calculated under the final pay formula would be larger than under the career pay formula and, therefore, you would receive the benefit calculated under the final pay formula.

## Early Retirement

If you are an active employee and retire after you reach age 55, but before you reach age 65, your early retirement benefit is figured under the final pay and career pay benefit formulas, using your credited benefit service, final average pay, credited average compensation and your Social Security covered compensation level in effect as of your retirement date. You may choose to receive the full monthly amount starting at age 65, or a permanently-reduced pension beginning any time after you reach age 55. In either case, your monthly pension benefits will continue at least as long as you live.

The table below does not apply to participants who terminate employment prior to age 55. If and when you terminate employment prior to age 55, actuarial factors are used to determine your pension benefit rather than the subsidized benefit that active employees receive.

If you choose to begin payments before you reach age 65, the amount of reduction will depend on your age at the time payments begin. The younger you are, the more payments you can expect to receive over your lifetime and therefore, the greater the reduction in the amount you will receive each month. You will receive a percentage of your full early retirement benefit as follows:

<u>If your payments start at age:</u>	<u>The percentage you will receive is:</u>
65	100%
64	100%
63	100%
62	100%
61	97%
60	94%
59	91%
58	88%
57	85%
56	82%
55	79%

## **Methods of Payment**

### **Automatic Forms of Payment - Monthly Annuity**

If you are **unmarried** when your pension benefit payments begin, you will receive your benefit in the form of a monthly ten year certain and life annuity for as long as you live. Under this form of payment, if you should die before receiving payments for ten years (120 monthly payments), the plan will continue to pay the same monthly benefit amount to your designated beneficiary for the rest of the ten-year period.

If you are **married** on the date your pension benefit payments begin, you will receive your pension in the form of a joint and 50% survivor annuity. Benefit payments during your lifetime will be reduced in order to provide a survivor benefit to your spouse. After your death, your spouse will receive a monthly benefit equal to 50% of the monthly amount you received during your lifetime; these payments will continue for the balance of your spouse's life. Your reduced benefit amount is based on the length of time you and your spouse can expect to receive monthly benefits, which depends on your age and your spouse's age at the time benefit payments begin.

If the present (commuted) value of any benefit payable under the plan is less than \$1,000, the benefit will be paid to you in one lump sum regardless of any election of alternate form of payment or of when participation began. This lump sum will then be your only benefit payable under this plan.

### **Optional Forms of Payment**

You also may choose to have your benefit paid in any one of the forms described below. If you are married at the time benefit payments begin, your spouse must give written, notarized agreement to your choice of one of these optional forms of payment. You must notify the committee of your choice before the date benefit payments are to begin, except as otherwise noted.

#### **Ten Year Certain and Life Benefit**

If you are married, you may choose to have your benefit paid in the same unreduced form as the automatic benefit payable to unmarried participants (described above).

#### **Joint and Survivor Benefit**

You may choose to have a reduced benefit amount paid to you for your lifetime, with either 100%, 75% or 50% of the reduced amount, continued after your death to your designated beneficiary (who may or may not be your spouse). The amount by which your benefit is reduced is determined by your age and the age of your designated beneficiary at the time payments begin; certain restrictions may apply.

#### **Commuted Benefit**

You have the ability to elect the form of distribution for your plan benefit. In addition to the monthly annuity forms, the plan offers a commuted benefit (lump sum form), which is available to you as an optional form of distribution as long as you satisfy one of the following conditions:

- You were hired by Lubrizol before February 1, 1984.
- You terminated on or after January 1, 2005 with a benefit having a present value of \$5,000 or less.
- Your benefit commencement date occurs after December 31, 2015.

The lump sum form of distribution provides the actuarial present value of your monthly annuity (10 year certain and life or in the case of a survivor benefit, the survivor annuity). To calculate the amount of the lump sum, the plan utilizes a "lump sum factor," which is prepared using mortality tables and interest rates prescribed by the Internal Revenue Code, as amended by the Pension Protection Act of 2006.

The plan uses a single lookback month of August of the prior calendar year to determine the applicable interest rate to be used to develop the lump sum factors for a plan year.

#### **Straight Life Annuity**

You may choose to have a monthly annuity paid to you for your lifetime. After you die, the payments stop.

## Tax Implications

A lump sum distribution will be subject to ordinary income tax unless rolled over to another qualified plan or an IRA. Lump sum distributions will also be subject to a penalty tax equal to 10% of the untaxed amount unless:

- You are at least age 59½ when the distribution is made;
- The distribution is made after you separate from service if you will be at least age 55 in the year of the separation ; or
- The distribution is made because of your death.

A lump sum distribution that is paid directly to you will be subject to an automatic 20% federal income tax withholding requirement. There may be additional tax consequences if you do not roll over the entire taxable amount of your lump sum distribution (including the 20% withheld) to an IRA or a new employer's qualified retirement plan within 60 days of your receipt of the distribution (such as the 10% penalty tax described above).

To avoid the 20% withholding requirement and additional tax consequences, you may elect instead to have your lump sum distribution directly transferred to an IRA or a new employer's qualified retirement plan.

Monthly annuity distributions are subject to ordinary income tax, but are not subject to this 20% withholding rule or the 10% penalty tax.

## Other Plan Benefits

### Death Benefits

If you die before benefit payments begin at a time when you are 100% vested in your benefit, a benefit may be payable to your spouse or other designated beneficiary only under the following circumstances:

If you have been **married** at least one year and you are actively employed by Lubrizol or a participating subsidiary at the time of your death, your spouse will receive a lifetime monthly benefit. If you die after you reach your "earliest retirement date," the amount of the survivor benefit will be equal to 50% of your pension benefit figured as if you had left employment on the day before the date of your death based on your years of benefit service and the formula in effect on the date of your death. If you die prior to your "earliest retirement age," the amount of the survivor benefit will be equal to 50% of your pension, figured as if you had left employment on the date of your death and lived until the earliest date you could have started to receive monthly benefits, and then reduced for a joint and 50% survivor annuity (see Methods of Payment). If you have reached your "earliest retirement age" at the time of your death, payments to your surviving spouse will begin the month after your death. If you have not yet reached your "earliest retirement age" at the time of your death, payments to your surviving spouse will begin the month after you would have reached your "earliest retirement age". The term "earliest retirement age" if you were hired by Lubrizol before March 1, 1984, is the date you die. For everyone else, it means age 55.

Your spouse may elect to defer the commencement of payments until the date you would have reached the age of 70½. Effective January 1, 2016, a surviving spouse will be able to elect to receive, in lieu of the monthly survivor benefit, the actuarial equivalent of the monthly survivor benefit paid as an immediate lump sum, provided that the surviving spouse had not already started to receive the survivor benefit as a monthly annuity.

If you have been **married** at least one year, you are not actively employed by Lubrizol at the time of your death and you have not yet begun to receive benefits, your spouse will receive the surviving spouse benefit described above. If you were hired before March 1, 1996, and you terminate employment, you and your spouse may waive the surviving spouse benefit and elect instead for your spouse to receive an amount equivalent to your monthly pension benefit figured at the date of your death, which may be received as a lump sum or in annual installments over a period of time not to exceed the greater of five years or life expectancy, or as a life annuity, as chosen by your spouse. Or, you may elect for a designated beneficiary other than your spouse to receive this benefit in a lump sum or in annual or monthly installments over a period of time of up to five years. The surviving spouse benefit described above may be waived only with your spouse's written, notarized consent. This waiver may be revoked at any time before your death.

If you were hired before March 1, 1996, and you are **unmarried** at the time of your death, a death benefit is payable to your designated beneficiary only if you have retired or terminated employment at the time of your death, and you are entitled to but have not yet started to receive benefits from this plan. Your beneficiary will receive an amount equivalent to your monthly pension benefit figured at the date of your death, and may choose to receive it as a lump sum, or in annual or monthly installments over a period of time up to a maximum of five years.

If you die **after** benefits payments have begun, the only death benefits payable will be those provided by the method of payment you have chosen.

## Designation of Beneficiary

It is important that you file a designation of beneficiary when:

- You have ended your Lubrizol employment but have not yet started to receive a pension benefit, or
- You have started to receive a benefit in the 10 year certain and life form of payment.

Your designation of beneficiary must be made in writing. You may designate a beneficiary or change your designation by filing the required form with your benefits representative. If you are married, your spouse is automatically your beneficiary, even if you designate another, unless your spouse provides written, notarized agreement to your designation.

## Termination of Employment before Age 55

If you terminate Lubrizol employment before you reach age 55, but after you have completed five years of service, you will become 100% vested in your pension benefit. If you were hired by Lubrizol before February 1, 1984 or your benefit commencement date occurs after December 31, 2015, you may receive a commuted lump sum benefit immediately (see section titled *Optional Forms of Payment-Commutated Benefit*) or you may begin to receive an annuity. If payments begin before you reach age 65, the amount will be reduced actuarially for the extra years you are expected to benefit from the payment(s). If you terminate employment prior to age 55, actuarial factors are used to determine your pension benefit rather than the subsidized benefit that active employees receive. See the section titled *Methods of Payment*.

## Re-employment

If you are re-employed by Lubrizol or a related company, any benefit payments which you are receiving will cease. If you are re-employed as a regular employee by Lubrizol or a covered U.S. subsidiary after December 31, 2009, you will become a participant in The Lubrizol Corporation Age-Weighted Defined Contribution Plan.

## Transfer of Employment

You will continue to be eligible for and participate in the plan if you directly transfer employment from Lubrizol or a U.S. Lubrizol subsidiary that has adopted the plan to another U.S. Lubrizol subsidiary, LSPI or an LSPI subsidiary, do not have a change in employment status that would otherwise affect your ability to participate in the plan, and immediately prior to such transfer were actively accruing a benefit under the plan.

Your transfer may cause you to be ineligible to continue to participate in the plan – for example, because you transfer to a site that is covered by a collective bargaining agreement or you become an employee of a non-U.S. subsidiary. In that case, your service in a non-covered position will be counted in determining your vested percentage at the time you finally retire or terminate employment. If you transferred to a covered position from a non-covered position prior to January 1, 2010, you will receive credited benefit service and service for vesting purposes under this plan for such non-covered employment. Your benefit under this plan will be the greater of the following:

1. An amount under this plan based on your total covered and non-covered service, offset by any benefit you receive from the non-covered service company plan; or
2. An amount under this plan based on only your covered service without any offsets for other benefits.

## **Disability**

If you become disabled and qualify for benefits under The Lubrizol Corporation Long Term Disability Plan, you will be placed on a long-term disability leave so long as you are eligible for those benefits. While you are on long-term disability leave, you will continue to earn credited benefit service. For purposes of the pension plan, your basic compensation during your leave will be the gross amount of your basic (60%) long-term disability benefit (before deductions). If your long-term disability benefits terminate because you recover and return to covered employment, you will continue as an active participant in the pension plan. If you recover and do not return to covered employment, or if your long-term disability benefits end for any other reason (including by your own choice), your long-term disability leave and your covered employment will end.

You will then be eligible for retirement benefits, if you either 1) were hired prior to February 1, 1984 or 2) have reached age 55. If you were hired on or after February 1, 1984 and are not yet 55, you will be eligible for benefits as a terminated employee (see the section titled *Termination of Employment before Age 55*.)

## **How to Apply for Benefits**

To become eligible to receive any benefit under this plan, you must apply for it on a form provided by the administrator. If you wish payment to begin before the automatic starting date, you must apply no later than 30 days before the date you wish payments to begin, but you may not apply for a distribution earlier than 180 days before your benefit commencement date.

## **Who Administers the Plan**

Lubrizol is the administrator of this plan. Day-to-day administration, such as receiving and approving applications for benefits and directing the trustee to pay benefits, is handled by the Employee Benefits Administrative Committee (“the committee”). Benefits under this plan will be paid only if the plan administrator decides in its discretion that the applicant is entitled to them. The administrator has the sole right to interpret and construe the plan, to make factual determinations and to determine any disputes under the plan.

## **Notification of Benefit Determination**

You will be notified of the benefit determination within 90 days after receipt of your claim. This period may be extended for an additional 90 days if more time is needed due to special circumstances. You will be notified prior to the end of the first 90 days if more time is needed. This notice will tell you how much more time is needed and why it is needed.

## **If Your Claim is Denied**

If your claim is denied, you will receive a notice explaining the reason for the denial, including specific plan provisions on why the decision was made. You will be given a description of any additional information needed to complete the claim and why the information is necessary. You will also be given a description of the Plan’s review procedure and time limits, including a statement of your rights to bring suit.

## **Claims Review Procedure**

If you disagree with a decision made by the committee regarding a claim under the plan, you have the right to ask for a review of the decision. You should contact the Employee Benefits Administrative Committee, in writing, within 60 days of the date on which you receive notice of denial of the claim. Your request for review must include the date on which your request is filed; the specific part of the claim you want reviewed; the reasons you think the decision should be revised; and any written material that you think is pertinent to your claim. You will have the right to review and get copies of any information relevant to your claim. The review of the decision will take into account all comments, documents, records and other information you submit. Within 60 days of the date your request is filed, the committee will review the denial of the claim and notify you in writing of its decision, unless special circumstances require an extension of not more than an additional 60 days. You will be notified prior to the end of the first 60 days if more time is needed. The notice will tell you how much more time is needed and why it is needed. You will receive a written notification of the committee's decision, which will include the specific reasons for the action taken as well as indicate the specific plan provisions on which the decision is based. The written notification will include a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your claim.

If an error is made in calculating your benefit, upon discovery of the error, the amount of your benefit will be adjusted to the correct amount.

## **Lawsuits Against the Plan**

You must exhaust the plan's claims procedure before you can bring a lawsuit against the plan. The lawsuit must be filed within 18 months of the earlier of the date of the committee's decision following the review of your claim, or the date the review period described above expires. Any lawsuit must be filed in the U.S. District Court for the Southern District of Texas. In the unlikely event that the United States District Court for the Southern District of Texas lacks jurisdiction over a particular lawsuit, the lawsuit must be brought in the United States District Court for the Northern District of Ohio, or if such court lacks jurisdiction, then the lawsuit may be brought in any United States federal or state court that does have jurisdiction.

## **Other Plan Information**

Vesting service will include up to one year following termination of employment, but only if you return to covered employment before that year ends. If your absence is for maternity or paternity reasons, you may return within two years and receive credit for benefit and vesting service. However, the second year of such a period will not be included as service for benefit calculations. Re-employment during or after this period will be subject to company policies and procedures.

Any amount payable to a person who is found to be mentally or physically incapable of attending to his/her own financial affairs may be paid to a qualified guardian or other legal representative. If there is no such guardian or representative, at the discretion of the committee the benefits may be paid to another person for the use and benefit of the person found to be incapable, or benefits may be paid in satisfaction of legal obligations incurred by or on behalf of that person.

## **Vesting and Forfeitures**

You become 100% vested in your pension benefit on the earlier of your fifth anniversary of employment or age 55. If you have not reached age 55 and your employment terminates before you have completed five years of service with Lubrizol or a related company, you will have no vested rights under this plan and you will forfeit your benefit.

## Missing Participants

If you leave employment and fail to file an application for benefits within 120 days after attainment of your Normal Retirement Date, the plan administrator shall treat the accrued portion as forfeited if the plan administrator is unable to locate you after a diligent search. The accrued portion shall be reinstated upon the subsequent filing of a completed application with the plan administrator. The benefit shall commence within 90 days following the plan administrator's receipt of a valid application for benefits, adjusted as required for delay of payment.

If the plan is ever classified as top-heavy, participants will vest at the rate of 20% for each year of service after the first anniversary date. The plan is considered top-heavy if the value of the benefits of certain highly-compensated officers and shareholders is more than 60% of the value of the benefits of all participants. If the plan is ever terminated, you may lose that portion of your vested interest which is not insured by the PBGC.

You may not alienate, pledge, or encumber your benefits under this plan. You may not cause your benefits to be paid to anyone other than yourself, or, in the event of your death, to your spouse or other designated beneficiary, except as provided by a qualified domestic relations order in the event of your divorce or separation.

## Plan Termination Insurance

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

The PBGC guarantee generally covers:

1. normal and early retirement benefits; and
2. certain benefits for your survivors.

The PBGC guarantee generally does not cover:

1. benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates;
2. some or all of benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the time the plan terminates;
3. benefits that are not vested because you have not worked long enough for the company;
4. benefits for which you have not met all of the requirements at the time the plan terminates;
5. certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the Plan's normal retirement age; and
6. non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

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

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

## **Qualified Domestic Relations Orders**

Participants and beneficiaries can obtain, without charge, a copy of the plan's procedures governing Qualified Domestic Relations Orders from the plan administrator.

## **Vested Noveon Plan Participants**

If you participated in the Noveon, Inc. Pension Plan for Salaried Employees, your benefit will be determined under the Noveon formulae through February 28, 2006. Starting March 1, 2006, your benefits will be determined using the Lubrizol formulae described above. However, your accrued benefit will never be less than the benefit you accrued using the Noveon formulae as of February 28, 2006.

## **Change of Address**

It is your responsibility to notify Lubrizol of a change in your mailing address.

If you are an active employee you must complete a Personnel Action Request (PAR) – Address and Phone Number Change form. The form can be completed online or by submitting a hard copy. For the online and hard copy versions of the form visit the Channel.

If you are a retiree receiving monthly payments or a deferred vested participant, you must notify Lubrizol of your address change in writing. Correspondence should be sent to the following address:

The Lubrizol Corporation  
c/o The Employee Benefits Administrative Committee  
29400 Lakeland Blvd.  
Wickliffe, Ohio 44092

Or via email to: **[lzretirementplans@Lubrizol.com](mailto:lzretirementplans@Lubrizol.com)**