UNISYS PENSION PLAN

SUMMARY PLAN DESCRIPTION

AS OF JULY 2015

ABOUT THIS SUMMARY PLAN DESCRIPTION

This document serves as the summary plan description (SPD) for the Unisys Pension Plan (the Plan) as it applies to non-bargaining employees and members of the International Brotherhood of Electrical Workers (IBEW) – Local 3.

Eligibility for the Plan is the January 1 or July 1 after reaching age 21 and completing one year of service. Since the Plan is closed to new entrants as of December 31, 2006, only employees who entered the Plan on or before July 1, 2006 and become vested will be entitled to benefits from the Plan (that is, you must have been born on or before July 1, 1985 AND have been hired on or before July 1, 2005 AND satisfy the Plan's vesting requirements).

An SPD is a printed reference that conveys the provisions of the Plan in terms you can understand, tells you how to request benefits available under the Plan, explains when your benefits end, and advises you of your rights under the U.S. Employee Retirement Income Security Act of 1974, as amended (ERISA).

This SPD includes important information about retirement benefits available under the Unisys Pension Plan. It is only a summary and does not contain every detail addressed in the Plan document. If there is any inconsistency between the Plan document and this SPD, the Plan document (and not this SPD) controls.

Keep this SPD and any related summaries of material modifications as an ongoing reference.

Note: If you were a participant in one of the following plans, you may be a member of the Unisys Pension Plan, but your pension benefits are different and are not described in this SPD:

- Unisys Hourly Rate Employees' Pension Plan (International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) – Local 1313)
- Unisys Hourly Rate Employees' Pension Plan (UAW – Local 1440)
- Non-Contributory Bargaining Unit Pension Plan (International Brotherhood of Teamsters, Local 970; International Guard Union of America, Local 32; International Union of Operating Engineers, Local 70; International Union of Electrical, Radio and Machine Workers, Local 165 participants through May 16, 2000 and Communication Workers of America, Local 123 participants beginning May 17, 2000; with respect to periods before January 30, 1989, International Brotherhood of Electrical, Radio and Machine Workers, Local 257 or 450; International Brotherhood of Electrical Workers, Local 2047 participants through March 31, 2005 and International Brotherhood of Electrical Workers, Local 949 participants beginning April 1, 2005; or International Brotherhood of Electrical Workers, Local 1667)
- Unisys Great Neck Bargaining Unit Pension Plan

This SPD reflects the terms and conditions of the Unisys Pension Plan Amended and Restated Effective January 1, 2013 and subsequently amended.

TABLE OF CONTENTS

INTRODUCTION/OVERVIEW

INTRODUCTION

This SPD describes the benefits provided by the Unisys Pension Plan (the Plan). As a Plan participant, you earned a pension benefit based on your eligible pay and service with Unisys and any of its affiliates through December 31, 2006. Effective as of the close of business on December 31, 2006, Unisys discontinued pension accruals and froze new participation under the Plan. This means that even if you continued to work past December 31, 2006, you did not receive any additional benefits under the Plan (except for earning vesting service and interest credits on your Retirement Accumulation Account if you have one – see page 27).Your benefit will remain in the Plan and can be paid to you at retirement, provided you are vested when you leave. You can receive your Retirement Accumulation Account portion of your benefit at any time after your termination from Unisys and all of its affiliates. Your Retirement Accumulation Account continues to earn interest credits every month ending with the month before you receive a distribution of your account.

Your Unisys Pension Plan benefits earned before 2007 depend on your date of hire with the Company.

If you were actively employed with the Company on December 31, 2002, your pension benefits are calculated in two ways: using the Plan's previous career average pay formula in effect on December 31, 2002 and, for your years of service from January 1, 2003 through December 31, 2006, using an account-based formula called the Retirement Accumulation Account. Both the career average pay formula and the Retirement Accumulation Account work side-by-side to determine your benefits. When you retire or leave the Company after vesting, your retirement benefits for your years of service from 2003 through 2006 will be the larger of these two amounts. Your benefits will also be calculated under both formulas if you were rehired by the Company after 2002, but were eligible to retain prior service (see the break in service rules beginning on page 19).

Once you are vested in the Plan and terminate employment, you are entitled to retirement benefits even if you terminate employment before retirement age. If you terminate employment after January 1, 2008 and have been credited with an hour of service on or after January 1, 2008, keep in mind that you became fully vested—that is, you earned full rights to your accrued benefit—after three years of service with the Company. (Between January 1, 1989 and December 31, 2007, you became fully vested if you had an hour of service in 1989 and after being credited with five years of service. Before January 1, 1989, you became fully vested after being credited with ten years of service.) You will continue to earn service while actively employed, even after December 31, 2006, for purposes of vesting and early retirement eligibility.

When you retire or terminate employment, you can choose a form of payment to suit your needs. Regardless of which formula produces the larger benefit, you can receive your Retirement Accumulation Account as a lump sum or an annuity at any time after you terminate employment. You will receive your residual career average pay benefit as an annuity when you retire after reaching age 55.

If you die before retirement, the Plan may provide certain benefits to your beneficiaries.

JOHN HANCOCK ANNUITY CONTRACTS

Effective December 31, 2014, participants in the Plan whose benefits (in whole or in part) were funded by an annuity contract with John Hancock were provided with an individual, fully paid annuity by John Hancock. Benefits provided after December 31, 2014 by a John Hancock annuity contract are not part of the Plan. Individuals whose full benefit is now payable by a John Hancock annuity contract ceased to be a Plan participant on December 31, 2014.

PRIOR PENSION PLANS

The Unisys Pension Plan has been developed from predecessor plans and is an amendment and restatement of the Sperry Retirement Program — Part A.

Effective April 1, 1988, the following plans were amended, merged into and became part of the Unisys Pension Plan:

- Burroughs Employees' Retirement Income Plan (BERIP)
- The Memorex Employees' Pension Plan (the Memorex Plan)
- The System Development Corporation Basic Non-Contributory Pension Plan (the SDC Plan)

In this SPD, the plans which were amended to form the Unisys Pension Plan are referred to as “prior pension plans.” Burroughs, Memorex, SDC and Sperry are referred to as “predecessor companies.”

Minimum benefit provisions

If you were a participant in one of the prior pension plans, the least you will receive from the Unisys Pension Plan is the vested benefit you earned under your prior pension plan as of March 31, 1988.

The forms of payment, early retirement reduction factors and adjustments for the various forms of payment under the prior pension plans’ provisions are included in this minimum benefit provision.

In addition, if you were an active employee on April 1, 1988, age 50 or older, and had 10 or more years of vesting service as of March 31, 1988, a further minimum is provided. The objective of this provision is to:

- Calculate your pension as if there were no change in your prior pension plan provisions through the earlier of December 31, 1991 or your date of termination
- Compare your prior pension plan benefit through the earlier of December 31, 1991 or your date of termination to the benefit calculated under the Unisys Pension Plan formula

You automatically receive whichever benefit is greater. To accomplish this, the prior pension plan’s formulas were incorporated into the Unisys Pension Plan. If you were employed by the Company as of December 31, 2002, it is unlikely that the prior pension plan's minimum benefit will exceed the benefit provided by the ongoing Unisys Pension Plan formula.

PLAN MERGERS

The pension plans listed below have been merged into the Unisys Pension Plan. The benefits available under these merged plans are different from the benefits described in this SPD.

Plans merged effective February 28, 1991

- Unisys Hourly Rate Employees' Pension Plan (UAW Local 1313)
- Unisys Hourly Rate Employees' Pension Plan (UAW Local 1440)
- Ford Instrument Pension Plan
- Vickers Bargaining Unit Pension Plan
- Retirement Pension Plan for Bargaining Units in Danville, Illinois
- Flight Systems Pension Plan — Van Nuys

Plans merged effective July 1, 1996

- Great Neck Bargaining Unit Pension Plan
- Non-Contributory Bargaining Unit Pension Plan

FINAL AVERAGE PAY TO CAREER AVERAGE PAY AMENDMENT: JANUARY 1, 1991

Effective January 1, 1991, the Plan was amended, resulting in a change in the way benefits are calculated under the Plan:

- **From a final average pay approach** — the Plan formula used the average of a recent period of earnings.
- **To a career average pay approach** — a piece of your benefit was determined each year you were an active participant in the Plan based on the Plan formula and your pay during that year. The sum of your benefit increments for each year you participated in the Plan were used in the determination of your final pension benefit.

If you were actively employed by the Company at the time this change in approach was made, and if you were credited with one hour of service under the Unisys Pension Plan as of December 31, 1990, a minimum benefit applies. That benefit is described on page 39. As your employment with Unisys continued beyond December 31, 1990, it became increasingly unlikely that the final average pay formula minimum benefit exceeded the benefit provided by the ongoing Unisys Pension Plan formula.

Keep in mind that if you were actively employed on December 31, 2002, your benefit will be determined under both the career average pay formula described above and the Retirement Accumulation Account.

HOW THIS BOOKLET IS ORGANIZED

This SPD first describes the Retirement Accumulation Account formula that was effective January 1, 2003. It then describes the career average pay formula and final average pay formula and how they work. Your payment options and survivor benefits are described after the explanation of the formulas, followed by a description of how to apply for benefits and additional Plan information.

If your original date of employment is on or after January 1, 1991, disregard the sections of this SPD that explain the final average pay formula. The provisions noted in these sections do not apply to you.

Before going further, we define a number of important terms and conditions to help you understand the Unisys Pension Plan and the benefits available to you under the Plan.

CONTACTS

If you want more information about the Plan, want to get an estimate of your benefits, or apply for benefits, please contact the Unisys Benefits Service Center at the number or website listed on page 81.

DEFINITIONS

INTRODUCTION

This section provides definitions for terms as they apply to the Retirement Accumulation Account, the career average pay formula and the final average pay formula of the Unisys Pension Plan.

These definitions help explain the benefits available under the Unisys Pension Plan, as well as how the benefits are determined. The definitions may be different when compared to how the terms may apply in common usage, other benefit programs or prior plans.

ACCRUED BENEFIT

This is the amount of the monthly benefit you have earned, as of a given date, payable as of your normal retirement date (see page 14) or unreduced retirement date (see page 15). The amount is based on:

- Your pay through December 31, 2006 (see page 10)
- Your service (see page 15)

ACTUARIAL EQUIVALENT

Two benefits are actuarially equivalent if they are of equal value, taking into account a specified interest rate and the expected period during which payments will be made.

Example 1. Assume a benefit of $100 per month, payable beginning at age 65 has a present value of $11,120. Further, assume a benefit of $85 per month, payable as long as both you and your spouse are alive, has a present value of $11,120. These two benefits are actuarially equivalent because the present value is $11,120 for both. (Refer to page 12 for a definition of present value.)

Example 2. Assume your Retirement Accumulation Account is $15,000 when your employment ends at age 60. You could elect to receive the full $15,000 as a lump sum when you leave. Alternatively, you may choose to receive your account as a monthly annuity payable over your lifetime only beginning at age 60. In this case, using rates applicable to distributions in 2015, you would receive about $84 a month for life. Although the payment forms are very different, the two benefits are actuarially equivalent because the $15,000 would purchase an $84 per month single life annuity.

ANNUITY

An annuity is a fixed sum paid at regular intervals, either over one or more lifetimes, or for a designated period.

COMPANY, THE

References to the Company throughout this SPD means Unisys or any participating affiliates. A participating affiliate is any U.S. affiliate of Unisys that has adopted the Plan for its employees.

DEFERRED VESTED PARTICIPANT

After you are vested in the Unisys Pension Plan, if your employment with Unisys and all of its affiliates ends for any reason other than death, disability (see below), or retirement, you are considered to be a deferred vested participant and you are eligible for a deferred vested pension benefit.

Earliest date benefits become payable

You can receive the value of your vested Retirement Accumulation Account at any time after your employment ends. The earliest you can begin to receive your vested career average pay (or final average pay, as applicable) benefit in a reduced amount is the first day of the month concurrent with or following your 55th birthday.

If you start receiving benefits under the career average pay formula or final average pay formula (as applicable) before age 65, your benefit is reduced because it is expected that you will receive more payments than if your pension had started at your normal retirement date. (*For example,* assume you will live to be 83 years old. You will receive 120 more payments over your lifetime if you begin receiving benefits at age 55 than you would receive if you start receiving payments at age 65.)

Latest date benefits become payable

If you are not in an active employment status with Unisys or any of its affiliates, benefit payments generally begin by your normal retirement date. This is the date you are entitled to begin to receive your career average pay or final average pay accrued benefit (as applicable) in an unreduced amount unless you have an unreduced retirement date. Under the law, benefit payments must begin no later than your required beginning date.

DEFINED BENEFIT PLAN

The Unisys Pension Plan is a defined benefit plan. This means that the benefits available are determined by a specific formula.

DISABILITY

For purposes of the Unisys Pension Plan, disability is defined in the same manner as it is defined for ongoing payments under the Unisys Long-Term Disability Plan (LTD Plan) at the time you became disabled.

If you became disabled before 2007, you continued to accrue benefits and earn vesting service during the period in which you qualified for benefits under the Company's Short-Term Disability Plan and LTD Plan, whether or not you were enrolled in the LTD Plan—but not beyond December 31, 2006.

ELIGIBILITY

You were eligible to participate in the Unisys Pension Plan on the January 1 or July 1 following the date you met all of the criteria noted below:

- You received pay in an active employment status on or after April 1, 1988
- You had reached age 21
- You had one year of eligibility service with the Company
- You were a U.S. Company employee as determined by **one** of the following:
    - You were an employee of the U.S. Company or a participating affiliate
    - You were a U.S. citizen or U.S. resident alien on temporary international assignment outside the U.S. as an employee of the U.S. Company or a participating affiliate
    - Your employment was governed by a collective bargaining agreement that provided for your participation in the Plan

  Note: Because the Plan was closed to new participants effective December 31, 2006, only eligible employees who were hired on or before July 1, 2005 and were born on or before July 1, 1985 and met the other criteria above can be Plan participants.

Who is not eligible to participate

You are not eligible to participate in the Plan if you didn’t meet the eligibility criteria listed above while actively employed. Employment situations which made you ineligible include, but are not limited to:

- You were hired after July 1, 2005
- You were born after July 1, 1985
- Your employment was governed by a collective bargaining or contractual agreement that did not provide for your participation in the Plan
- You were an employee of an affiliate that did not adopt the Plan (including, but not limited to, employees of Unisys Technical Services L.L.C. or of the Unisys Technical Services Division of Unisys)

- You were performing services outside the U.S., unless you were a citizen of the U.S., or a U.S. resident alien on international assignment (except Puerto Rico)
- Effective July 1, 2006, you transferred with or without the approval of the Company directly from an overseas affiliate to Unisys
- You were a leased employee (see below)
- You were accruing benefits as an active participant in another Company-sponsored defined benefit plan
- You were classified as an independent contractor by the Company, regardless of how you are classified by the U.S. Internal Revenue Service (the IRS) or other governmental agency, government or court

LEASED EMPLOYEE

You were a leased employee if you were employed by someone other than Unisys or any of its affiliates or other than as an independent contractor to Unisys or any of its affiliates, and you had been providing services to Unisys or any of its affiliates in the United States, which meet the following requirements:

- Such services are provided pursuant to an agreement between Unisys or any of its affiliates and any other person ("leasing organization");
- Such services are performed under the primary direction or control of Unisys or any of its affiliates; and
- Unisys or any of its affiliates classifies such person as a leased employee (regardless of the individual's employment status under applicable law).

PAY

Under the terms of the Plan, pay included:

- Your base pay from the Company while a covered employee
- Before-tax contributions made to any Company-sponsored benefit plan (*for example,* before-tax contributions under the Unisys Flexible Benefits Program and the Unisys Savings Plan)
- Notice pay during the period following the announcement of a workforce reduction or layoff (but not Unisys Income Assistance Plan payments and not Unisys Supplemental Unemployment Benefits Plan payments)
- Overtime pay and shift differential
- Commissions paid under the terms of a written, ongoing sales commission plan
- Variable compensation paid under the terms of a written, ongoing variable compensation plan approved as such by the Plan Manager
- Accrued and unused vacation paid at the time of termination

- Foreign service premium, overseas hardship premium, war risk premium
- Temporary promotional supplements
- Pay you received during a period of qualified military service to the extent required by law
- The pay of a disabled participant was equal to the participant's base pay and supplemental pay, as such terms are defined under the LTD Plan, as of the date on which you became disabled as defined in the LTD Plan

Payments made after your last day worked which are included in the categories listed above — *for example,* pay for unused or accrued vacation or for earned commissions — are considered under the Plan, regardless of the date when you received the payments.

If you received restricted share awards or restricted share units in lieu of bonus, the value of the restricted share awards or restricted share units, measured as of the date of the grant, are includable in the year in which the restriction applicable to the shares or units lapse.

Types of pay **not considered** include, but are not limited to, the following:

- After-tax payments under the Unisys Flexible Benefits Program (*for example,* cash paid for opting out of health-care coverages and/or choosing a lower cost option for life insurance coverage, if any)
- Allowances for specific or contingent expenses (including, but not limited to, reimbursement for relocation, travel, or educational expenses)
- Incentive, bonus, or variable compensation programs which are not approved by the Plan Manager as eligible under the Unisys Pension Plan
- Deferred bonuses, commissions and/or salaries
- Hiring bonus
- Imputed income for benefits, such as for Company-Provided Life Insurance Plan coverage in excess of $50,000
- Income Assistance Plan payments, Supplemental Unemployment Benefits Plan payments or any severance arrangement
- Overseas cost-of-living differentials or allowances
- Pay which exceeds the following maximums established by the IRS and/or Internal Revenue Code section 401(a)(17) as to any plan year:

Year	Maximum	Year	Maximum
1989	$200,000	1997 through 1999	$160,000
1990	$209,200	2000 and 2001	$170,000
1991	$222,220	2002 and 2003	$200,000
1992	$228,860	2004	$205,000
1993	$235,840	2005	$210,000
1994 through 1996	$150,000	2006	$220,000

- Per diem allowances for travel and temporary living expenses
- Prizes or awards (including, but not limited to, Global Recognition Program payments, or cash equivalents of non-cash prizes and awards)
- Retention bonus or similar payments
- Special or extraordinary compensation of any kind
- Stock awards under the Global Performance Equity Plan (G-PEP)
- Tax gross-up allowances or payments

The Unisys Supplemental Executive Retirement Income Plan, a non-qualified plan, provides pension benefits on the “excess earnings” and on deferred bonuses and deferred salaries. Benefit payments from the non-qualified plan are made from the general assets of Unisys. Like the Unisys Pension Plan, the Unisys Supplemental Executive Retirement Income Plan was frozen effective December 31, 2006.

To the extent permissible under law, some benefits originally accrued under the non-qualified plan may now be provided under the Unisys Pension Plan. If this affects your benefit, you were notified.

PLAN, THE

References to the Plan mean the Unisys Pension Plan (as amended from time to time) as described in this SPD and the Unisys Pension Plan document.

PREDECESSOR COMPANIES

Burroughs, Memorex, SDC and Sperry are referred to as “predecessor companies.”

PRESENT VALUE OF ACCRUED BENEFIT

The present value of your Retirement Accumulation Account is the accumulated account itself as of any given date.

The present value of your accrued career average pay or final average pay benefit (as applicable) is what that benefit is worth in today’s dollars, based on:

- A set of assumptions regarding the length of time you are expected to receive benefits
- A fixed rate of interest

In general, you can think of it as the amount of money you would have to set aside today to purchase an annuity that would guarantee, for your expected lifetime, a fixed monthly payment equal to the benefit you have earned.

In general, you are not eligible to receive your career average pay benefit or final average pay benefit (as applicable) in a lump sum payment equal to the present value of your accrued benefit. Exceptions exist, however, if:

- The present value of your accrued career average pay or final average pay benefit (as applicable) or the combined value of your vested Retirement

Accumulation Account and the present value of your residual career average pay benefit is $1,000 ($5,000 for distributions before March 28, 2005) or less on the date of determination — in this case, your benefit is paid in a cash lump sum payment, without offering another payment option and without obtaining your consent or your spouse's consent if you are married (refer to page 63).

- Beginning March 28, 2005, the present value of your accrued career average pay or final average pay benefit (as applicable) or the combined value of your vested Retirement Accumulation Account and the present value of your residual annuity is more than $1,000, but less than $5,000, at the time of determination — in this case, you may elect to receive the value of your entire benefit in a cash lump sum payment, without obtaining your spouse's consent if you are married.
- You take your Retirement Accumulation Account as a lump sum distribution and your monthly residual annuity has a present value of $5,000 or less — in this case, you may elect to receive the monthly residual annuity in the form of a lump sum distribution as well. However, written spousal consent notarized by a Notary Public is required for this option.

QDRO (Qualified Domestic Relations Order)

A QDRO is a specific decree, judgment or court order providing for a property settlement relating to child support, alimony payments or marital property rights, including your accrued benefit under the Plan.

Qualified Retirement Plan

Benefit plans that offer you and the Company favorable tax treatment are considered to be qualified plans, provided the plans meet the Internal Revenue Code of 1986, as amended (the Internal Revenue Code) requirements with respect to U.S. federal income tax deductibility. In general, the Company can claim an immediate U.S. federal income tax deduction for contributions made to the Plan, and you defer payment of U.S. federal income taxes on benefits until they are actually received. The Unisys Pension Plan is a qualified retirement plan.

Required Beginning Date

The law requires that your benefit commence no later than April 1 of the year following the later of the year in which you reach age 70½ or the year in which you terminate employment. This is called your “required beginning date.” If pension payments are delayed past this date, you may be subject to a federal excise tax.

Residual Annuity

This is the amount of your career average pay benefit accrued through December 31, 2002 plus the excess, if any, of the career average pay benefit earned after 2002 over the benefit that is actuarially equivalent to your Retirement Accumulation Account. Essentially, it is the remaining annuity benefit available to you if you decide to take your Retirement Accumulation Account as a lump sum distribution. You may elect to receive your residual annuity as early as the first day of the month on or after age 55, provided you are vested as of the date you terminate employment with Unisys and all of its affiliates.

RETIREMENT TYPES AND DATES

You cannot begin receiving benefits from the Unisys Pension Plan as a retiree if you are actively employed by Unisys or any of its affiliates. This is true for your final average pay benefit or career average pay benefit (as applicable) and your Retirement Accumulation Account.

Nevertheless, you may receive a benefit from the Plan while you are still employed by Unisys or any of its affiliates under any of the following circumstances. In these cases you are not considered to be a retiree:

- You reach age 70½ on or after January 1, 1988
- You are the contingent annuitant or beneficiary of a deceased Plan participant
- You are the former spouse of a Plan participant entitled to benefits under the terms of a QDRO

There are four types of retirement under the Unisys Pension Plan: normal, early, unreduced early and late. Each type is based on age and, for early and unreduced early retirement, years of vesting service as well. Keep in mind that you can begin receiving your Retirement Accumulation Account at any time after your employment ends – regardless of your age.

Normal retirement

Normal retirement age is age 65. Normal retirement date is the first day of the month on or following your 65th birthday.

If you were not vested already, you became fully vested in your accrued retirement benefits if you were employed by Unisys or any of its affiliates and had one year of service on the date you reached age 65.

If you are not in an active employment status with Unisys or any of its affiliates and you do not apply for your benefit payments to begin by your normal retirement date, once you do apply for payments, your pension benefit is actuarially increased to your actual commencement date. For benefit commencement dates prior to August 1, 2015 and after your unreduced or normal retirement date, the option to receive retroactive payments from the later of your termination date or unreduced retirement date was available as well.

Early retirement

Early retirement age applies to your final average pay or career average pay benefit and is any age between 55 and 65, provided you are vested in a retirement benefit.

You can begin receiving your final average pay or career average pay benefit at any time after reaching your early retirement date. You must, however, begin to receive payments no later than your required beginning date if you have terminated employment with Unisys and its affiliates.

You must apply for your pension payments to begin.

Unreduced retirement before normal retirement

No reduction applies if you meet **all** of the following requirements:

- Your termination date is at or after age 55
- You have at least 20 years of vesting service
- You request retirement benefit payments begin at or after age 62

This is referred to as an "unreduced retirement date" throughout this SPD.

Late retirement – continue working beyond age 65

You may continue employment with Unisys or any of its affiliates beyond your normal retirement date and defer payment of your accrued benefit. However, keep in mind that you will not accrue additional benefits based on pay or service after December 31, 2006. Your late retirement date can be the first day of any month coincident with or following your termination.

The actuarial value of your payments under the final average pay benefit and career average pay formula (as applicable) is greatest on the date you first become eligible for unreduced benefits. There is no actuarial increase of your normal retirement benefit to reflect benefit payments foregone because of your continued employment.

Note: If you reach age 70½ on or after January 1, 1988, you must begin receiving a benefit based on the final average pay benefit or career average pay formula (as applicable) commencing April 1 of the year after you are age 70½, even if you are still working for Unisys or any of its affiliates. If pension payments must begin while you are working, your pension was adjusted annually for each additional year that you worked until December 31, 2006 to reflect any additional benefits earned.

SERVICE

There are three types of service under the Unisys Pension Plan: eligibility service, vesting service and credited service.

Through December 31, 2006, your credited and vesting service were generally equal and counted from your date of employment. However, you do not earn any additional credited service after December 31, 2006, while you continue to earn vesting service until you terminate employment.

Your credited service is also calculated differently than your vesting service if:

- You have breaks in your employment
- You joined the Company through an acquisition or outsourcing arrangement
- You have service under the SDC Plan or BERIP

- You have international service
- You have periods of employment governed by the U.S. Service Contract Act, the U.S. Davis Bacon Act (or other government contract governing your employment), or a collective bargaining agreement
- You have service with Unisys or any of its affiliates as a leased employee (see page 10)

The information on the following pages defines the types of service.

For all definitions, service is considered in terms of whole months. For partial months — usually your first and last months of employment — subtract the day your employment began from your termination date. If the difference is 15 days or more, an additional month of service is counted.

For example, assume Trish was hired July 14, 2001, had no breaks in employment and her termination date is September 30, 2016. In this case, Trish would complete 15 years and 3 months of vesting service.

Year	Month	Day	
2016	9	30	**15 years 2 months and 16 days is rounded to 15 years and 3 months**
-2001	-7	-14	
15	2	16	

In all cases, the service definitions assume that **you did not:**

- **Work for a company that Unisys or any of its affiliates acquired or established an outsourcing arrangement with** — if you worked for a company that Unisys or any of its affiliates acquired or established an outsourcing arrangement with, the terms of the acquisition agreement, the outsourcing contract, or subsequent Plan amendment specify how your service prior to the acquisition or outsourcing arrangement is treated under the Plan
- **Work for a business unit that adopted the Plan after a period of non-participation** — if you worked for a business unit in the U.S. that did not participate in the Plan at the time you joined the group, but later adopted the Plan, the terms of the Plan amendment specify how your pre-adoption service is treated
- **Have any breaks in your service** — if your employment with Unisys or any of its affiliates is not continuous, special provisions apply as explained beginning on page 19

Eligibility service

Before you participated in the Plan, a consecutive 12-month period of employment with Unisys or any of its affiliates was required. This period is considered eligibility service. The clock started when you reported to work on your date of hire.

Eligibility service counts as vesting service, but it may or may not count as credited service.

If you left Unisys or any of its affiliates before you were eligible to participate in the Plan, your initial period of service counts for eligibility service and vesting service if:

You terminated employment before completing your consecutive 12-month period of eligibility service

AND

You later rejoined Unisys or any of its affiliates

AND

The period of time that you were gone was less than five years

For example, if Christine worked for Unisys 6 months, left and returned after 18 months, the initial 6-month employment period counted toward eligibility service. She would have been required to work continuously for Unisys only 6 more months following her return date of hire to meet the eligibility service requirements.

Vesting service

Importance of vesting service

Vesting service determines whether or not you are eligible to receive a benefit from the Plan. Vesting service also determines which early reduction factors apply if you terminate employment after becoming eligible for early retirement. Although you do not earn any additional pension benefits for pay earned after December 31, 2006, you will continue to earn vesting service while actively employed by Unisys or any of its affiliates and for each hour for which you are directly or indirectly paid or entitled to payment by Unisys or any of its affiliates on account of a period of time during which no duties are performed due to vacation, holiday, illness, incapacity (including disability), jury duty, layoff, leave of absence, or military duty.

The general rule for vesting service

The general rule is that vesting service is counted from your date of employment with the Company to your termination date.

Additional eligibility and vesting service beyond the general rule

In addition, to the extent not considered under the general rule, vesting service (and eligibility service prior to 2007) includes:

- Periods of time that you are in an active employment status with Unisys or any of its affiliates, even if your status changes from an eligible classification to a classification not eligible for participation in the Plan
- If you terminate employment with Unisys or any of its affiliates while a participant in the Plan and you are reemployed before you have a one-year break in service, the time you worked for Unisys or any of its affiliates and the period between your date of termination and reemployment is treated as eligibility and vesting service.
- Time you work for Unisys or any of its affiliates in the United States as a leased employee (see page 10), if you become employed by Unisys or any of its affiliates at the end of the lease assignment. Note: vesting service is not granted, however, if you participated in a money purchase pension plan maintained by the leasing organization, the plan provided immediate participation for each employee of the leasing organization (other than employees who perform substantially all of their services for the leasing organization), full and immediate vesting, and the employer contribution was nonintegrated and at least 10 percent of compensation.
- If you die performing qualified military service on an approved leave of absence, you will be credited with vesting service for the period during which you were performing qualified military service.

You also may have received additional vesting service as of April 1, 1988 if, as of March 31, 1988, your prior plan vesting service was greater than the vesting service that would apply under the general rule.

Credited service

Importance of credited service

Credited service is one of the factors in the prior final average pay formula which determines your initial career average pay accrued benefit as of December 31, 1990.

Credited service is not a factor in the career average pay formula for benefits earned on and after January 1, 1991 or the Retirement Accumulation Account for benefits earned on and after January 1, 2003 until December 31, 2006.

The general rule for credited service

The general rule is that credited service is counted from your date of employment with the Company and includes all active service through December 31, 2006. There are, however, some additions and exclusions.

Additional credited service beyond the general rule

In addition, to the extent not considered under the general rule and to the extent not after December 31, 2006, credited service includes:

- Credited service as of April 1, 1988 if, as of March 31, 1988, your prior plan credited service was greater than the credited service that would apply under the general rule
- Service determined under the provisions for breaks in service, transfers between eligible and non-eligible classifications, and approved leaves of absence as noted on the following pages
- Up to five years, if you become disabled (as defined by the Plan) after age 60 if LTD Plan benefits would have ended before then as the result of your age at the time you became disabled; the five-year period does not apply if you begin collecting pension benefits under the Plan or if LTD Plan benefits would have ended due to LTD Plan maximums other than those related to your age at the time you became disabled

What is not included in credited service

Credited service **does not include** the following periods of employment:

- With System Development Corporation (SDC) prior to October 1, 1969
- With Memorex Corporation prior to January 1, 1970
- With Unisys CAD/CAM, Inc. prior to January 1, 1984
- With Libby-Owens Ford Company
- With a predecessor organization if you join the Company through an acquisition or outsourcing arrangement — the terms of the acquisition agreement, the outsourcing contract, or a subsequent Plan amendment specify how your service prior to the acquisition date or outsourcing arrangement is treated under the Plan
- Specifically excluded from credited service elsewhere in this SPD

Breaks in service and reemployment

If your employment with Unisys or any of its affiliates is not continuous, a number of tests are applied to determine if your prior service qualifies for consideration under the Plan in addition to your service from your most recent date of hire.

Break in service, what it means

A break in service occurs if your employment with the Company is terminated.

A one-year break in service occurs for each 12-month period measured from the day your service ends.

Reemployment within one year — the one-year-break rule

If you terminate employment with Unisys or any of its affiliates while you are a participant in the Plan and you are reemployed before you have a one-year break in service, the time you worked for the Company and the period between your date of termination and reemployment are treated as eligibility and vesting service. The time between your date of termination and reemployment is not counted as credited service.

If	your initial period of service resulted in eligibility for the Plan
And	your break in service is less than one year
Then	your initial period of vesting and credited service counts for vesting and credited service; the time you were gone counts for vesting service but does not count for credited service

Reemployment after being vested — the vesting rule

If you are vested in your retirement benefit at the time you leave the Company and are subsequently reemployed, you will resume Plan participation on the date you return. Also, your prior vesting and credited service used to determine your vested benefit are included as vesting and credited service under the Unisys Pension Plan.

If	your initial period of service resulted in you being vested
And	your break in service = any amount of time
Then	your initial period of vesting and credited service, but not the time you were gone, counts for vesting and credited service

Reemployment within five years — the five-year-break rule

If you are a Plan participant and are not vested in a Company-provided pension benefit at the time you leave the Company, but the period of time between your termination date and reemployment date is less than five years, you will resume Plan participation on the date of your return. Also, your vesting and credited service are included under the Unisys Pension Plan. This is called the five-year-break rule.

If	your initial period of service = any amount of time
And	your break in service is less than five years
Then	your initial period of vesting and credited service, but not the time you were gone, counts for vesting and credited service

Reemployment after a break shorter than period of employment, but greater than five years — rule of parity

If you are not vested in a pension benefit at the time you leave the Company, but the period of time you were employed by Unisys and any of its affiliates before you left is greater than the period of time between your termination date and reemployment date, then your prior eligibility, vesting and credited service are included under the Unisys Pension Plan.

If	your initial period of service = any amount of time
And	your break in service is less than your initial period of service, but greater than five years
Then	your initial period of eligibility, vesting and credited service count as eligibility, vesting and credited service

Reemployment after you retire under the Plan

If you are reemployed by the Company after you retire under the Unisys Pension Plan, you resumed participation immediately if your reemployment occurred before January 1, 2007. However, special provisions apply.

If you received a full lump sum distribution: If you were reemployed by the Company before January 1, 2007 after receiving a full lump sum distribution, your pre-break credited service is not restored under any circumstances. Your pre-break vesting service is restored and your subsequent benefit from the Plan will be based on any accruals earned after reemployment through December 31, 2006.

If you received monthly pension benefits: If you are reemployed by the Company after you retire and after you have started receiving monthly pension payments:

- If your reemployment occurs before your normal retirement date, your pension payments stop
- If your reemployment occurs after your normal retirement date, your pension payments stop if you work 40 or more hours in a calendar month

If your pension payments stop after reemployment, they are suspended each month that you work. They resume in accordance with your application for retirement income after your employment again ceases.

Upon your subsequent retirement, your pension benefit is recalculated to reflect any additional accruals through the earlier of your subsequent termination of employment, or December 31, 2006. If your reemployment occurs on or after January 1, 2003, the additional accruals only reflect the Retirement Accumulation Account formula. If you have a Retirement Accumulation Account attributable to your period of reemployment, interest credits on these additional benefits continue until received. You will receive the sum of:

- The benefit based on service earned during your reemployment. This amount can be paid in any form of payment available under the terms of the Plan at the time your subsequent retirement, and
- The monthly benefit amount prior to your reemployment in its same form of annuity.

Transfer from a non-eligible classification

A participant of the Unisys Pension Plan cannot be enrolled in, or be eligible for, benefits under any other Company pension plan or arrangement for pension benefits for the same period benefits are accruing under this Plan.

If your active employment status changed from a non-eligible classification to an eligible employment classification (*for example,* you changed from bargaining employment with Unisys covered by a different pension formula to the Company employment covered by the formula described in this SPD) your eligibility and vesting service under the Plan includes service under another Company-sponsored pension plan, subject to any applicable acquisition agreements, outsourcing contracts, or break-in-service rules.

Transfer to a non-eligible classification

If your active employment status changed from an eligible classification to a classification not eligible for participation in the Plan (*for example,* you change from non-bargaining Unisys employment covered by the formula described in this SPD to bargaining employment with Unisys covered by a different pension formula), vesting service continues to accumulate while you continue to work for the Company; your credited service for the formula described in this SPD stops accumulating when you leave your eligible employment classification. If your change in employment status occurred before 2007, you did not receive pay credits to your Retirement Accumulation Account after that date; however, your account will continue to be credited with interest credits until the last day of the month preceding distribution.

Workforce reduction or layoff

If your employment with Unisys or any of its affiliates ends due to a workforce reduction or layoff, the 12-month period following the effective date of the workforce reduction or layoff counts as vesting service.

However, should the workforce reduction or layoff occur during an approved leave of absence or immediately upon return to work following an approved leave of absence, vesting service stops accumulating at the end of the 12-month period following your last day worked if before December 31, 2006.

Vesting service stops accumulating, however, on the earliest of:

- The date you voluntarily terminate employment
- The effective date you request benefit payments under the Plan to begin
- The date you die

SOCIAL SECURITY BENEFITS

Your Primary Social Security benefit (also called PIA — Primary Insurance Amount) is the amount of your U.S. Social Security benefit, payable to you based on your employment and earnings history with all employers as provided under the Social Security formula in effect when you begin collecting Social Security benefits.

The Unisys Pension Plan takes into consideration your estimated primary Social Security benefit if you elect the Social Security adjustment option (see page 62.) You can provide evidence of your actual Social Security benefit to the Unisys Benefits Service Center at the number or website listed on page 81. This benefit, rather than your estimated benefit, will be used in the calculation.

To obtain a copy of your actual Social Security benefit from the Social Security Administration so that you can provide this information to the Unisys Benefits Service Center, log onto the Social Security website at www.SocialSecurity.gov and set up an account if you do not already have one. Once your account is established, you can obtain a benefit amount.

SOCIAL SECURITY WAGE BASE

The U.S. Social Security Wage Base is the maximum amount of your pay subject to Social Security wage taxes (FICA).

SPOUSE

Spouse means, effective as of June 26, 2013, the spouse or surviving spouse of the participant who is the spouse of a participant under applicable U.S. federal law; provided, however, that a former spouse shall be treated as the spouse or surviving spouse to the extent provided under a QDRO.

TERMINATION DATE

Termination date as defined in the Plan may differ from the definition typically used for this event in other benefit plans or in general application.

The significance of your termination date is that it is the date when you stop accruing vesting service under the Unisys Pension Plan. You stopped earning benefits under the Plan on the earlier of your termination date or December 31, 2006.

For purposes of the Plan, your termination date means the earliest date any of the following occur, but is never before your last day worked:

- You voluntarily terminate employment or are terminated involuntarily for reasons other than a workforce reduction or layoff.
- You have been on an approved unpaid leave of absence for 12 months other than for a disability extending beyond 26 weeks.
- If you are disabled (as defined by the Plan) beyond 26 weeks, the date you no longer meet the requirements to continue receiving benefit payments under the

LTD Plan. If you become disabled after age 60 and LTD Plan benefits end as the result of your age at the time you became disabled and before you have been disabled for five years, the fifth anniversary of disability is your termination date.

- The effective date you request retirement benefit payments begin.
- The date of your death.
- Except as described below, 12 months after the effective date of a workforce reduction or layoff (unless one of the following dates occurs before the end of the 12-month period: the date you voluntarily terminate employment, the effective date you request retirement benefit payments begin, or the date you die).
- 12 months after your last day worked if one of the following occurs: you are affected by a workforce reduction or layoff immediately following the end of an approved leave of absence, or you are on an approved unpaid leave of absence immediately following the end of an approved disability leave of absence (unless one of the following dates occurs before 12 months after your last day worked: the date you voluntarily terminate employment, the effective date you request retirement benefit payments begin, or the date you die).
- Retroactive to 12 months after your last day worked if you do not return to work from an approved military leave of absence within the time frames noted in federal law in effect at that time.

VESTING

Vesting means that you have an irrevocable right to a benefit. Under the Unisys Pension Plan, there are no provisions for partial vesting; you are either fully vested in a benefit or you are not vested at all.

You are fully vested at the earlier of:

- The attainment of age 65 while actively employed and participating in the Plan
- The completion of three years of vesting service (see page 17), or five years of vesting service if you terminated employment prior to January 1, 2008 and worked an hour or more for Unisys or any affiliate on or after January 1, 1989, regardless of your age

If you did not work an hour or more for Unisys or any affiliate on or after January 1, 1989, you are fully vested at the earlier of:

- The attainment of age 65 while actively employed and participating in the Plan
- The completion of ten years of vesting service (see page 17), regardless of your age

Keep in mind that although pension accruals ended on December 31, 2006, you will continue to earn vesting service while actively employed by Unisys or any affiliate.

RETIREMENT ACCUMULATION ACCOUNT

INTRODUCTION

Beginning January 1, 2003, you earned benefits in an account, referred to as your Retirement Accumulation Account. Your benefit under the Retirement Accumulation Account is based on:

- Your pay from the Company from January 1, 2003 through December 31, 2006
- Interest credits to your account

This section of the SPD explains the Retirement Accumulation Account which became effective for service on or after January 1, 2003 and was discontinued effective December 31, 2006 (except for interest credits). Keep in mind that the Retirement Accumulation Account works side by side with the Plan's career average pay formula (if you are eligible) to determine your pension benefits. When your employment ends, your total pension benefit under the Plan for your period of service from 2003 through 2006 is the larger of the two amounts.

HOW BENEFITS ARE DETERMINED

Your Retirement Accumulation Account grows in two ways: through pay credits (until December 31, 2006) and interest credits (until you elect to receive your Retirement Accumulation Account after your termination or retirement).

Pay Credits

For each month you worked for the Company from January 1, 2003 through December 31, 2006 and were a covered employee, the Company credited your Retirement Accumulation Account with 4% of your eligible monthly pay. For example, if your monthly pay, including overtime, was $5,000, your monthly pay credit was $200 (0.04 x $5,000). Pay credits were made at the end of each month while you were actively employed and receiving eligible pay at any time during that month.

Interest Credits

Although pay credits were discontinued after December 31, 2006, the Company will continue to credit your Retirement Accumulation Account with interest credits through the end of the month preceding the month you receive distribution of any kind. The rate of interest credits your account receives each month is based on the five-year constant maturity U.S. Treasury notes in effect for the second month preceding the first day of the current month, plus 25 basis points (0.25%). For example, the interest crediting rate used for February is the prior December rate for five-year Treasury notes, plus 0.25%.

Interest credits will be credited to your account at the end of each month reflecting your Retirement Accumulation Account balance at the beginning of the month. This calculation does not include pay credits made to your account for that month.

Interest credits will be made to your account through the end of the month preceding the month you receive a distribution of any kind.

A BENEFIT EXAMPLE

Assume that Robin was employed on January 1, 2005 and her pay was $60,000 that year, or $5,000 a month. Let's also assume the annual interest credit rate, including the additional 25 basis points, was 4.20%, or 0.35% per month. Here's how Robin's Retirement Accumulation Account did grow that first year.

Month	Monthly Interest Credit Rate	Monthly Pay	Pay Credit (4%)	Interest Credit	End of Month Balance
January	0.35%	$5,000.00	$200.00	$0.00	$200.00
February	0.35%	$5,000.00	$200.00	$0.70	$400.70
March	0.35%	$5,000.00	$200.00	$1.40	$602.10
April	0.35%	$5,000.00	$200.00	$2.11	$804.21
May	0.35%	$5,000.00	$200.00	$2.81	$1,007.02
June	0.35%	$5,000.00	$200.00	$3.52	$1,210.54
July	0.35%	$5,000.00	$200.00	$4.24	$1,414.78
August	0.35%	$5,000.00	$200.00	$4.95	$1,619.73
September	0.35%	$5,000.00	$200.00	$5.67	$1,825.40
October	0.35%	$5,000.00	$200.00	$6.39	$2,031.79
November	0.35%	$5,000.00	$200.00	$7.11	$2,238.90
December	0.35%	$5,000.00	$200.00	$7.84	$2,446.74
Note: The monthly interest credit rate will generally change monthly. For purposes of this example, this rate remains constant.					

As you can see, Robin's account grew to $2,446.74 after one year.

When Robin leaves or retires from the Company, she can receive her Retirement Accumulation Account in a lump sum or as an annuity.

RECEIVING YOUR RETIREMENT ACCUMULATION ACCOUNT

You can elect to receive your Retirement Accumulation Account at any time you retire or leave Unisys and all of its affiliates, as long as you are vested. You can receive your account as a lump sum or in a series of annuity payments.

However, if the combined value of your vested Retirement Accumulation Account and the present value of your residual annuity is $1,000 or less at the time of determination, the Plan automatically pays your benefit in a cash lump sum payment, without offering another payment option and without obtaining your consent or your spouse's consent if you are married. (Note: Prior to March 28, 2005, the threshold for automatic payout was $5,000.)

Beginning March 28, 2005, if the combined value of your vested Retirement Accumulation Account and the present value of your residual annuity is more than $1,000, but less than $5,000, at the time of determination, you may elect to receive the value of your entire benefit in a cash lump sum payment, without obtaining your spouse's consent if you are married.

If you take your Retirement Accumulation Account as a lump sum distribution and your monthly residual annuity has a present value of $5,000 or less, you may elect to receive the monthly residual annuity in the form of a lump sum distribution as well. However, written spousal consent notarized by a Notary Public is required for this option.

For more information, see Payment Options starting on page 50.

IF YOU BECAME DISABLED PRIOR TO 2007

If you were an active employee participating in this Plan and became disabled after April 1, 1988 and prior to 2007 as defined in the LTD Plan in effect as of the time you became disabled (even if you were not participating in the LTD Plan), you continued to earn pay credits through December 31, 2006 and interest credits under the Retirement Accumulation Account. Your pay credits during disability were based on your base pay and supplemental pay, as defined under the LTD Plan, as of the date you became disabled. In addition, you continued to earn benefits under the career average pay formula (if you were eligible for that formula) (see page 32 for details).

How long benefits continued to accrue

Vesting service and benefits continued to accrue until the earliest of:

- The date your disability ended or you no longer met the definition of disability under the LTD Plan
- The effective date you requested retirement benefit payments begin
- The first day of the month concurrent with or following your 65th birthday — the fifth anniversary of the date your disability began, if you become disabled after age 60 and LTD Plan benefits ended as the result of your age at the time you became disabled; the five-year period did not apply if LTD Plan benefits would have ended due to LTD Plan maximums other than those related to your age at the time you became disabled
- The date of your death

However, no additional pay credits are earned after December 31, 2006.

Your benefits are determined according to the provisions of the Plan as of your termination date (see definition on page 23).

IF YOU DIE BEFORE RECEIVING YOUR RETIREMENT ACCUMULATION ACCOUNT

If you are vested and die before receiving your Retirement Accumulation Account, or before annuity payments begin, your spouse or other beneficiary will be eligible to receive a survivor benefit from the Plan.

Your beneficiary will receive your vested Retirement Accumulation Account. Your beneficiary can receive the value of your account as a lump sum, a single life annuity or a period and certain life annuity.

Your beneficiary may receive your account at any time after your death — immediately or deferred until the later of the participant's normal retirement date or the first day of the month following the month in which the participant's death occurs. Although no further pay credits will be made to your account after your death, interest credits will continue to be made until the last day of the month preceding the date your beneficiary receives a distribution of any kind.

However, if your beneficiary is not your spouse, payments must begin by the December 1st of the year containing the fifth anniversary of your death.

Keep in mind that if the combined value of your vested Retirement Accumulation Account and the present value of your residual annuity is $1,000 or less when you die, your beneficiary automatically will receive the benefit in a lump sum after your death, without offering another payment option. (Note: Prior to March 28, 2005, the threshold for automatic payout was $5,000.)

Beginning March 28, 2005, if the combined present value of your vested Retirement Accumulation Account and the present value of your residual annuity is more than $1,000, but less than $5,000, at the time of determination, your beneficiary may elect to receive the value of that benefit in a cash lump sum payment.

In addition, if you are married and you die after meeting the Plan's vesting requirements, your spouse is entitled to a death benefit attributable to the final average pay or career average pay formula (if you were eligible for those formulas).

CAREER AVERAGE PAY FORMULA

INTRODUCTION

Your benefit under the career average pay formula is based on:

- The pension formula in effect as of your termination date
- Your pay
- How long you have worked for the Company
- The Social Security Taxable Wage Base
- Your age at retirement or when benefit payments begin
- The way your benefit is paid (payment option)

This section of the SPD explains the career average pay formula which became effective for service on and after January 1, 1991. Your benefit accruals under this formula were discontinued December 31, 2006.

Keep in mind that effective January 1, 2003 through December 31, 2006, the career average pay formula worked side by side with the Retirement Accumulation Account to determine your pension benefits. When your employment ends, your total pension benefit under the Plan for your period of service from 2003 through 2006 is the larger of the two amounts.

THE FORMULA

For service on or after January 1, 1991 up to December 31, 2006, your normal retirement benefit is increased each year by an annual benefit increment. The increment is based on the formula shown below:

1% x your pay

up to 1/2 of the average Social Security Wage Base

plus

1.35% x your pay

over 1/2 of the average Social Security Wage Base

Each year through December 31, 2006, the formula is applied to your pay for that year. See the information beginning on page 10 for what components are included in pay.

Average Social Security Wage Base

The average Social Security Wage Base under the career average pay formula is an average of the Social Security Wage Base for a five-calendar-year period. It was calculated each January 1 based on the Social Security Wage Base in effect for the five preceding calendar years. The average applies for the entire calendar year. The same figure is used for all Plan participants.

For example, in 2006, the average Social Security Wage Base in effect was $86,040. This average was calculated by adding the Social Security Wage Base for 2002, 2003, 2004, 2005 and 2006 — then dividing the sum by five.

Year	Social Security Wage Base
2001	$80,400
2002	$84,900
2003	$87,000
2004	$87,900
2005	$90,000
Total for 5 years	$430,200

Average for 5 years:

Total divided by 5 $\frac{\$430{,}200}{5}$ is $86,040

The averages used for 1991 to 2006 are shown below.

Year	Calendar years used in calculation	Average Social Security Wage Base	½ Average Social Security Wage Base
1991	1986-1990	$46,020	$23,010
1992	1987-1991	48,300	24,150
1993	1988-1992	50,640	25,320
1994	1989-1993	53,160	26,580
1995	1990-1994	55,680	27,840
1996	1991-1995	57,660	28,830
1997	1992-1996	59,520	29,760
1998	1993-1997	61,500	30,750
1999	1994-1998	63,660	31,830
2000	1995-1999	66,060	33,030
2001	1996-2000	69,060	34,530
2002	1997-2001	72,600	36,300
2003	1998-2002	76,500	38,250
2004	1999-2003	80,220	40,110
2005	2000-2004	83,280	41,640
2006	2001-2005	86,040	43,020

NORMAL RETIREMENT: AN EXAMPLE

The following example shows how Helen's normal retirement benefit is calculated. To keep the example simple, the following assumptions apply:

Assumptions about Helen:	
Date of birth:	December 15, 1942
65th birthday:	December 15, 2007
Date of hire:	January 1, 1991
Last day worked:	December 31, 2007
Normal retirement date:	January 1, 2008
Marital status:	Single
Pay eligible for the Plan:	$42,000 per year, assumed no increases for the entire period of employment

Because Helen retired the first day of the month following her 65th birthday, she is eligible for an unreduced normal retirement benefit. During each of her first 16 years of employment, a benefit increment was earned under the Unisys Pension Plan. Her pension benefit is the total of these annual increments.

Each year, a three-step process was followed to determine the increment earned for the year:

- Step 1: Multiply 1 percent by the eligible pay for the year up to one-half the average Social Security Wage Base
- Step 2: Multiply 1.35 percent by the eligible pay for the year which exceeds one-half the average Social Security Wage Base
- Step 3: Add the results of steps 1 and 2 together to arrive at the total increment earned for the year

PLAN YEAR		ELIGIBLE PAY		MULTIPLIED BY ACCRUAL RATE	ANNUAL CAREER AVERAGE BENEFIT
1991	Step 1	Up to Breakpoint	$23,010 =	x 1.00% =	$230.10
	Step 2	Above breakpoint	$18,990 =	x 1.35% =	+ 256.37
	Step 3	Total	$42,000 =		**$ 486.47**
1992	Step 1	Up to Breakpoint	$24,150 =	x 1.00% =	$241.50
	Step 2	Above breakpoint	$17,850 =	x 1.35% =	+ 240.98
	Step 3	Total	$42,000 =		**$ 482.48**
	Step 1	Up to Breakpoint	$25,320 =	x 1.00% =	$253.20
	Step 2	Above breakpoint	$16,680 =	x 1.35% =	+ 225.18
	Step 3	Total	$42,000 =		**$ 478.38**
1993	Step 1	Up to Breakpoint	$26,580 =	x 1.00% =	$265.80
	Step 2	Above breakpoint	$15,420 =	x 1.35% =	+ 208.17

PLAN YEAR		ELIGIBLE PAY		MULTIPLIED BY ACCRUAL RATE	ANNUAL CAREER AVERAGE BENEFIT
	Step 3	Total	$42,000 =		**$ 473.97**
1995	Step 1	Up to Breakpoint	$27,840 =	x 1.00% =	$278.40
	Step 2	Above breakpoint	$14,160 =	x 1.35% =	+ 191.16
	Step 3	Total	$42,000 =		**$ 469.56**
1996	Step 1	Up to Breakpoint	$28,830 =	x 1.00% =	$288.30
	Step 2	Above breakpoint	$13,170 =	x 1.35% =	+ 177.80
	Step 3	Total	$42,000 =		**$ 466.10**
1997	Step 1	Up to Breakpoint	$29,760 =	x 1.00% =	$297.60
	Step 2	Above breakpoint	$12,240 =	x 1.35% =	+ 165.24
	Step 3	Total	$42,000 =		**$ 462.84**
1998	Step 1	Up to Breakpoint	$30,750 =	x 1.00% =	$307.50
	Step 2	Above breakpoint	$11,250 =	x 1.35% =	+ 151.88
	Step 3	Total	$42,000 =		**$ 459.38**
1999	Step 1	Up to Breakpoint	$31,830 =	x 1.00% =	$318.30
	Step 2	Above breakpoint	$10,170 =	x 1.35% =	+ 137.30
	Step 3	Total	$42,000 =		**$ 455.60**
2000	Step 1	Up to Breakpoint	$33,030 =	x 1.00% =	$330.30
	Step 2	Above breakpoint	$8,970 =	x 1.35% =	+ 121.10
	Step 3	Total	$42,000 =		**$ 451.40**
2001	Step 1	Up to Breakpoint	$34,530 =	x 1.00% =	$345.30
	Step 2	Above breakpoint	$7,470 =	x 1.35% =	+ 100.85
	Step 3	Total	$42,000 =		**$ 446.15**
2002	Step 1	Up to Breakpoint	$36,300 =	x 1.00% =	$363.00
	Step 2	Above breakpoint	$5,700 =	x 1.35% =	+ 76.95
	Step 3	Total	$42,000 =		**$ 439.95**
2003	Step 1	Up to Breakpoint	$38,250 =	x 1.00% =	$382.50
	Step 2	Above breakpoint	$3,750 =	x 1.35% =	+ 50.63
	Step 3	Total	$42,000 =		**$ 433.13**
2004	Step 1	Up to Breakpoint	$40,110 =	x 1.00% =	$401.10
	Step 2	Above breakpoint	$1,890 =	x 1.35% =	+ 25.52
	Step 3	Total	$42,000 =		**$ 426.62**
2005	Step 1	Up to Breakpoint	$41,640 =	x 1.00% =	$416.40
	Step 2	Above breakpoint	$360 =	x 1.35% =	+ 4.86
	Step 3	Total	$42,000 =		**$ 421.26**
2006	Step 1	Up to Breakpoint	$42,000 =	x 1.00% =	$420.00
	Step 2	Above breakpoint	$0 =	x 1.35% =	+ 0.00
	Step 3	Total	$42,000 =		**$ 420.00**
Total annual benefit increments from 1991 to 2006					**$7,273.29**

Because benefit accruals cease as of December 31, 2006, there is no benefit earned for 2007. Helen's annual normal retirement benefit determined under the career average pay formula after 16 years of service is $7,273.29. This amount will be compared to her benefit reflecting her Retirement Accumulation Account to determine her actual pension benefit. **Note:** the same figure applies in Step 1 each year for all individuals earning more than one-half the average Social Security Wage Base for the year.

EARLY RETIREMENT BENEFITS — PAYMENTS BEGIN BEFORE YOUR NORMAL RETIREMENT DATE

If you start receiving pension payments before age 65, your monthly benefit may be reduced because it is expected that you will receive more payments than if your pension starts at your normal retirement date. (*For example,* assume you will live to be 83 years old. You will receive 120 more payments over your lifetime if you begin receiving benefits at age 55 than you would receive if you start receiving payments at age 65.)

The reduction is based on your age when payments begin, as well as your age and vesting service at termination.

You must apply for your pension payments to begin (see page 72).

If you retire with 20 or more years of vesting service (unreduced retirement date)

No reduction applies if you meet **all** of the following requirements:

- Your termination date is at or after age 55
- You have at least 20 years of vesting service
- You request retirement benefit payments begin at or after age 62

If you meet the first two requirements noted above, but request retirement benefit payments begin before age 62, your pension is reduced by one-half percent (0.5%, or .005) for each month (six percent for each year) payments begin **before age 62.**

Refer to the table on the following page for examples of the early retirement factors.

If you are not in an active employment status with Unisys or any of its affiliates and you do not apply for your benefit payments to begin by your unreduced retirement date, once you do apply for payments, your pension is actuarially increased to your actual commencement date but not later than your required beginning date. For benefit commencement dates prior to August 1, 2015 and after your unreduced retirement date, the option to receive retroactive payments from the later of your termination date or unreduced retirement date was available as well.

If you retire with less than 20 years of vesting service

If your termination date is at or after age 55 and you have less than 20 years of vesting service, your pension is reduced by one-half percent (0.5%, or .005) for each month (six percent for each year) payments begin **before age 65.**

Refer to the table on the following page for examples of the early retirement factors.

If you are a deferred vested participant

If your termination date is before age 55, but after you are vested in the Plan, at age 65 you are entitled to receive unreduced normal retirement benefits based on the Plan formula in effect as of your termination date.

You may elect to begin receiving your deferred vested benefit in a reduced amount beginning any time after your termination date, but not before the first day of the month concurrent with or following your 55th birthday. If you terminate before age 55, the factors for an early retirement with less than 20 years of service apply — **even if you had 20 or more years of vesting service on your termination date** — as shown in the right column of the table below. The factors for early retirement for 20 or more years of service apply only if your termination date is after you reach age 55 and you have 20 or more years of service at that time.

Early retirement factors

If you're this age when benefits begin	you receive this percentage of your pension if you terminated after reaching age 55 and . . .		you receive this percentage of your pension if you were less than age 55 at termination
	you have 20 or more years of vesting service	you have less than 20 years of vesting service	
65 or older	100%	100%	100%
64	100%	94%	94%
63	100%	88%	88%
62	100%	82%	82%
61	94%	76%	76%
60	88%	70%	70%
59	82%	64%	64%
58	76%	58%	58%
57	70%	52%	52%
56	64%	46%	46%
55	58%	40%	40%

In our example, if Helen had just turned 64 in December, she would receive 94% of her $7,273.29 normal retirement benefit (see pages 34 and 35), or $6,836.89.

LATE RETIREMENT

The actuarial value of your career average pay pension payment is greatest on the date you first become eligible for unreduced benefits (generally on your normal retirement date).

If you worked for the Company in an eligible employment status beyond such time, you continued to accrue benefits until December 31, 2006. However:

- There is no actuarial increase of your normal retirement benefit to reflect benefit payments foregone because of your continued employment as you have received a suspension of benefits notice

- If you are employed with Unisys or any of its affiliates after your normal retirement date, your benefits are suspended if you work at least 40 hours per month. In this case, you were notified of the suspension as soon as possible following your normal retirement date.

If you reach age 70½ on or after January 1, 1988, you must begin receiving a minimum benefit commencing April 1 of the year after you are 70½, even if you are working for Unisys or any of its affiliates. If pension payments must begin while you are working, your pension was adjusted annually for each additional year that you worked until December 31, 2006 to reflect any additional benefits earned.

IF YOU BECAME DISABLED PRIOR TO 2007

If you were an active employee participating in the Plan and became disabled as defined in the LTD Plan after April 1, 1988 but before 2007 (even if you were not participating in the LTD Plan), you continued to earn pension benefits under the career average pay formula through December 31, 2006.

In addition, you continued to earn benefits under the Retirement Accumulation Account formula through December 31, 2006 (see page 29 for details).

How long benefits continue to accrue

Vesting service, credited service, and benefits continued to accrue until the earliest of:

- The date your disability ended or no longer met the definition of disability under the Unisys LTD Plan
- The effective date you requested retirement benefit payments begin
- The first day of the month concurrent with or following your 65th birthday — the fifth anniversary of the date your disability began, if you become disabled after age 60 and LTD Plan benefits end as the result of your age at the time you became disabled; the five-year period does not apply if LTD Plan benefits would have ended due to LTD Plan maximums other than those related to your age at the time you became disabled
- The date you die

However, you do not earn additional credited service (or accrue benefits) after December 31, 2006. Your pension benefit is determined according to the provisions of the Plan as of your termination date (see definition beginning on page 23).

How pay is determined for benefit accrual if you are disabled

While disabled, the Plan considers your pay to be your base pay and supplemental pay as defined under the LTD Plan as of the date you became disabled.

BENEFITS ACCRUED PRIOR TO JANUARY 1, 1991

The career average pay formula does not apply retroactively and does not affect any benefits earned through December 31, 1990.

Benefits you earn annually under the career average pay formula for service on and after January 1, 1991 are added to any pension benefits you earned through December 31, 1990.

For example, let's say that Jane worked for Unisys for 20 years prior to January 1, 1991 and earned an annual benefit of $9,729.40 during her employment. (This accrued benefit is calculated in the section of this SPD on the final average pay formula.) Assuming she earned the same annual incremental benefits as Helen (shown beginning on page 34), Jane's total normal retirement benefit would be:

Benefit earned through 1990	$9,729.40
Benefit increment earned in 1991	+ 486.47
Benefit increment earned in 1992	+ 482.48
Benefit increment earned in 1993	+ 478.38
Benefit increment earned in 1994	+ 473.97
Benefit increment earned in 1995	+ 469.56
Benefit increment earned in 1996	+ 466.10
Benefit increment earned in 1997	+ 462.84
Total annual normal retirement benefit:	**$13,049.20**

Refer to the final average pay formula section of this SPD on how benefits earned prior to January 1, 1991 are determined.

MINIMUM BENEFIT

A minimum benefit provision applies if you were credited with one hour of service under the Unisys Pension Plan as of December 31, 1990.

Under this minimum benefit provision, your benefit was calculated using the final average pay approach for your service and pay through December 31, 1992. The minimum benefit was compared to the result of the career average pay formula described earlier to ensure that your total pension benefit was not less than it would have been had the final average pay provisions of the Unisys Pension Plan (as in effect December 31, 1990) continued through the end of 1992.

The minimum benefit was frozen, based on calculations as of December 31, 1992.

Annual benefit increments calculated under the career average pay provisions were not added to the minimum benefit.

The calculation of the minimum benefit is described in the next section of this SPD, which covers the final average pay formula.

FINAL AVERAGE PAY FORMULA

INTRODUCTION

If you worked for the Company any time between April 1, 1988 and December 31, 1990, a final average pay formula was used to determine your normal retirement benefit earned during that period of time.

The final average pay formula also was used to:

- Calculate the amount to which career average pay increments were added for service on and after January 1, 1991
- Calculate the minimum benefit to which you were entitled if you had one hour of service under the Unisys Pension Plan as of December 31, 1990

The following pages describe how the final average pay formula works.

Disregard this section if:

- Your termination date was on or before March 31, 1988.
- Your date of employment was on or after January 1, 1991.

THE FORMULA

The final average pay formula is shown below.

1% x your final average pay
up to 1/2 of the final average Social Security Wage Base

plus

1.35% x your final average pay
over 1/2 of the final average Social Security Wage Base

times

your credited service

The components of this formula have the specific meanings noted on the following pages.

What final average pay means

Final average pay is:

the sum of

the highest 60 consecutive months of your pay
(see the information beginning on page 10 for the definition of pay)
over the last 120 months of your credited service
in an active employment status

divided by

5

Because final average pay is based on your individual earnings record, the figure is unique to you.

Your final average pay is frozen and is based on the following:

- For pay on and after April 1, 1988, your actual monthly earnings were used to calculate your frozen final average pay.
- For months prior to April 1, 1988, monthly earnings were determined by dividing your total pay during the year by the months you received pay that year.
- For purposes of determining the annual benefit through December 31, 1990 (the figure to which all career average pay increments were added), the 120-month period ended on the earlier of your termination date or December 31, 1990.
- For purposes of determining the minimum benefit noted on page 39, the 120-month period ended on the earlier of your termination date or December 31, 1992.
- Only the five most recent annual bonuses paid in the 60-month period were used to determine your final average pay.

If you had less than 60 months of credited service at the time your frozen final average pay figure was determined, your pay was divided by the number of months during which you were paid and then multiplied by 12 to arrive at an annual figure.

Final Average Social Security Wage Base

The final average Social Security Wage Base is the same for all individuals who leave the Company in the same month.

The final average pay formula uses one-half of the final average annual Social Security Wage Base. The final average Social Security Wage Base is frozen and was based on the following:

- For termination dates on or before December 31, 1990, the average Social Security Wage Base in effect during the 60-month period ending with the month of your termination date.
- For purposes of determining the annual benefit through December 31, 1990, to which all career average pay increments were added, the 60-month period ended December 31, 1990. In this case, the final average Social Security Wage Base was frozen at $46,020. The calculation of this figure is provided below.
- For purposes of determining the minimum benefit noted on page 39, the 60-month period ended on the earlier of your termination date or December 31, 1992. The final average Social Security Wage Base through December 31, 1992 was frozen at $50,640. The calculation of this figure is provided on the following page.

Calculation of the frozen final average Social Security Wage Base as of December 31, 1990:

Add the Social Security Wage Base for 1986, 1987, 1988, 1989, and 1990 — then divide the sum by five.

Year	Social Security Wage Base	
1986	$ 42,000	
1987	43,800	
1988	45,000	
1989	48,000	
1990	51,300	
Total for 5 years	$230,100	
Annual average:		
5 year total divided by 5	$\frac{\$230{,}100}{5}$	is $46,020

Calculation of the frozen final average Social Security Wage Base as of December 31, 1992:

Add the Social Security Wage Base for 1988, 1989, 1990, 1991, and 1992 — then divide the sum by five.

Year		**Social Security Wage Base**	
1988		$ 45,000	
1989		48,000	
1990		51,300	
1991		53,400	
1992		55,500	
	Total for 5 years	$253,200	
Annual average:			
5 year total divided by 5		$\frac{\$253{,}200}{5}$	is $50,640

ACCRUED BENEFIT THROUGH DECEMBER 31, 1990: AN EXAMPLE

The following example shows how Jane's accrued benefit through December 31, 1990 was calculated. To keep the example simple and to parallel Helen's example under the career average pay formula, we'll assume they are twins who retired on the same date. The only difference between them is their employment dates with the Company. Based on this, the following apply:

Assumptions about Jane:	
Date of birth:	December 15, 1942
65th birthday:	December 15, 2007
Date of hire:	January 1, 1971 (20 years' service as of December 31, 1990)
Last day worked:	December 31, 2007
Normal retirement date:	January 1, 2008
Marital status:	Single
Pay eligible for the Plan:	$42,000 per year, assumed no increases the entire period of employment
Average Social Security Wage Base as of 12/31/90:	$46,020
½ of the average Social Security Wage Base as of 12/31/90:	$23,010

Because Jane had an hour of service as of December 31, 1990, her benefit calculation under the career average pay formula begins with the amount of her accrued benefit determined by the final average pay formula through December 31, 1990.

To determine Jane's accrued benefit through December 31, 1990, follow a four-step process:

- Step 1: multiply 1 percent by her final average pay as of December 31, 1990 up to $23,010 (one-half the final average Social Security Wage Base)
- Step 2: multiply 1.35 percent by her final average pay as of December 31, 1990, which exceeds $23,010
- Step 3: add the results of steps 1 and 2 together
- Step 4: multiply the result of step 3 by 20 (years of credited service as of December 31, 1990)

The result looks like this for Jane:

Step 1:	1.00% x $23,010 =	$230.10
Step 2:	1.35% x $18,990 =	+256.37
Step 3:	total steps 1 & 2	$486.47
Step 4:	multiply result of step 3 by 20:	x 20
	Accrued benefit:	**$9,729.40**

This is the same approach used to calculate normal retirement benefits under the final average pay formula. By filling in the applicable final average pay, final average Social Security Wage Base, and service figures, you can determine your benefit earned through December 31, 1990, or through any date before that.

MINIMUM BENEFIT: AN EXAMPLE

The following example shows how Jane's minimum benefit for service through December 31, 1992 is calculated. To keep the example simple, we'll continue to use the same assumptions. This time, however, because the calculation takes into account pay and service through the end of 1992, we use the $50,640 final average Social Security Wage Base calculated earlier.

- Step 1: multiply 1 percent by her final average pay as of December 31, 1992 up to $25,320 (one-half the final average Social Security Wage Base)
- Step 2: multiply 1.35 percent by her final average pay as of December 31, 1992 which exceeds $25,320
- Step 3: add the results of steps 1 and 2 together
- Step 4: multiply the result of step 3 by 22 (years of credited service as of December 31, 1992)

The result will look like this for Jane:

Step 1:	1.00% x $25,320 =	$ 253.20
Step 2:	1.35% x $16,680 =	+ 225.18
Step 3:	total steps 1 & 2	$ 478.38
Step 4:	multiply result of step 3 by 22:	x 22
	Minimum benefit:	$10,524.36

This minimum benefit is compared to the normal retirement benefit determined under the career average pay formula when Jane decides to retire after December 31, 1992. Whichever figure is larger is the basis for determining Jane's final benefit amount. If she decides to begin receiving her benefit before her normal retirement date, early retirement reduction factors are applied to the higher number. If she chooses an optional form of retirement, any applicable benefit reductions also are applied to the larger number.

This is the same approach used to calculate any minimum benefit. By filling in the applicable final average pay, final average Social Security Wage Base frozen at December 31, 1992, and service figures, you can determine your minimum benefit, if eligible.

EARLY RETIREMENT FACTORS

The same factors apply for early retirement under the final average pay and the career average pay formulas. The factors are provided on page 37.

Comparison of the Career Average Pay and Final Average Pay Formulas

The career average pay and final average pay approaches both consider four factors in the calculation of your pension benefit:

- The Plan formula
- The period of time you worked for the Company
- Your pay from the Company
- The Social Security Wage Base

The formula looks similar under both approaches. However, the approaches produce different results due to differences in:

- The way pay is used in the formula ("annual" versus "final average"pay)
- The way the average Social Security Wage Base is calculated
- The use of credited service

These differences are outlined in the following chart.

Comparison of terms under the career average pay and final average pay formulas

Formula component	Career average pay formula	Final average pay formula
The way pay is used in the formula	*Actual* actual amounts paid each year	*Average* average of highest 60 consecutive months in last 120 months
Average Social Security Wage Base	*Average* average over 5 preceding calendar years determined every year and applied to pay during the calendar year based on annual average	*Average* average over 60 months ending with termination date (or 60 months ended 12/31/1990, if later, for benefit earned through 12/31/1990; or 60 months ended 12/31/1992, if later, for minimum benefit) determined at the time of termination (or 12/31/1990, if later, for benefit earned through 12/31/1990; or 12/31/1992, if later for minimum benefit) based on a monthly average
How the total benefit is determined	Final average pay benefit earned through 12/31/1990 plus Career average pay formula applied each year for service and pay after 12/31/1990 to determine annual benefit increment	Formula using years of credited service through 12/31/1990 for benefit earned through 12/31/1990 or through 12/31/1992 for minimum benefit

PAYMENT OPTIONS

INTRODUCTION

When you terminate from Unisys and all of its affiliates after vesting and elect to start your pension benefit, your benefits will be calculated and you will choose how to receive your benefits. If you only have a career average pay or final average pay benefit (as applicable), your payment alternatives are consistent with those of the residual annuity as described below.

Your Payment Alternatives	
Alternative 1	Payment of your Retirement Accumulation Account as a lump sum at any time, plus A residual annuity at early or normal retirement
Alternative 2	Payment of ***both*** your Retirement Accumulation Account and your residual benefit as an annuity. • You can receive an annuity from your Retirement Accumulation Account at any time • Your residual annuity can begin at early or normal retirement
Alternative 3	Payment of ***both*** your Retirement Accumulation Account and your residual benefit as an annuity at early or normal retirement**.**

Keep in mind that the residual annuity, as referenced in the above chart, is equal to:

- Your benefit under the career average pay formula earned through December 31, 2002 (or final average pay formula, as applicable), *plus*
- The excess (if any) of your career average pay benefit earned after 2002 above the annuity benefit provided by the Retirement Accumulation Account

Example 1: Let's assume:

- Peter leaves Unisys at age 50 after completing 15 years of service
- As of December 31, 2002, Peter's career average pay benefit payable at age 65 is $10,000.
- As of the date when Peter terminates employment, his career average pay benefit earned through December 31, 2006 and payable at age 65 is $15,000 (i.e., $5,000 was earned after 2002)
- The lump sum value of Peter's Retirement Accumulation Account at termination is $25,000, which is actuarially equivalent to a $4,500 annual annuity at age 65. If paid as an annuity immediately at age 50, however, Peter's annual annuity attributable to the Retirement Accumulation Account is $1,600.

Peter's post-2002 career average pay accruals ($5,000) exceed the annuity available from the Retirement Accumulation Account ($4,500). However, he can still elect to receive the Retirement Accumulation Account as a lump sum or an annuity before age 55 and receive the excess as a deferred annuity.

Alternative 1: Peter could receive his $25,000 Retirement Accumulation Account *as a lump sum* at any time. At age 65, he could begin his residual annuity of $10,500 [$10,000 + ($5,000 - $4,500)] a year (or a reduced amount, if he commences this portion as early as age 55).

Alternative 2: Peter could receive his Retirement Accumulation Account *as an annuity* at any time (for example, $1,600 a year beginning at age 50). In addition, he could receive his residual annuity of $10,500 a year at age 65 (or a reduced amount as early as age 55).

Alternative 3: Peter could receive both his Retirement Accumulation Account and residual benefit as an annuity, for a total of $15,000 a year beginning at age 65 (or a reduced amount as early as age 55).

Note: The residual monthly annuity is determined based on the value of the Retirement Accumulation Account at the time of actual benefit payment. Because the Retirement Accumulation Account continues to earn interest credits until paid either as a lump sum or an annuity, the actual final amount of the residual annuity cannot be determined until you elect your benefit commencement date.

Example 2: Let's assume:

- Diane leaves Unisys at age 50 after completing 15 years of service
- As of December 31, 2002, Diane's career average pay benefit payable at age 65 is $12,000.
- As of the date when Diane terminates employment, her career average pay benefit earned through December 31, 2006 and payable at age 65 is $15,000 (i.e., $3,000 was earned after 2002)
- The lump sum value of Diane's Retirement Accumulation Account at termination is $25,000, which is actuarially equivalent to a $4,500 annual annuity at age 65. If paid as an annuity immediately at age 50, however, Diane's annual annuity attributable to the Retirement Accumulation Account is $1,600.

Diane's post-2002 Retirement Accumulation Account annuity ($4,500) exceeds the annuity available from the career average pay accruals earned over the same period ($3,000). The following summarizes Diane's choices immediately at termination of employment.

Alternative 1: Diane could receive her $25,000 Retirement Accumulation Account *as a lump sum* at any time. At age 65, she could begin receiving her residual annuity of $12,000. This is her benefit earned before 2003 because the career average pay benefit earned after 2002 does not exceed the Retirement Accumulation Account annuity. Diane could also receive a reduced residual annuity if she commences this portion between the ages of 55 and 65.

Alternative 2: Diane could receive her Retirement Accumulation Account *as an annuity* at any time (for example, $1,600 a year beginning at age 50). In addition, she could receive her residual annuity of $12,000 a year at age 65 (or a reduced amount as early as age 55).

Alternative 3: Diane could receive both her Retirement Accumulation Account and residual benefit as an annuity beginning at age 65, or a reduced amount as early as age 55. Her total annuity at age 65 would be the sum of her career average pay benefit earned before 2003 ($12,000 a year) and the annuity benefit based on the value of her Retirement Accumulation Account, with interest.

Note: The residual monthly annuity is determined based on the value of the Retirement Accumulation Account at the time of actual benefit payment. Because the Retirement Accumulation Account continues to earn interest credits until paid either as a lump sum or an annuity, the actual final amount of the residual annuity cannot be determined until you elect your benefit commencement date.

LUMP SUM FORM OF PAYMENT

One of the advantages of the Retirement Accumulation Account feature is that it allows you to receive the account in a single lump sum payment. If you are married and elect this form of payment for your account, you must have your spouse's written consent, witnessed by a Notary Public.

To postpone paying taxes on a lump sum payment, you can roll your benefits from the Retirement Accumulation Account directly into the Unisys Savings Plan, a traditional Individual Retirement Account (IRA) or another eligible retirement plan. You will be taxed only when you take money out of the Savings Plan, traditional IRA or your other employer's plan. Special withholding provisions apply to lump sum distributions. These provisions are summarized beginning on page 75 and in the Special Tax Notice Regarding Plan Payments that you will receive when you are electing to receive your benefit.

The lump sum payment option is not available for your final average pay benefit or your residual annuity benefit unless:

- The present value of your accrued career average pay or final average pay benefit (as applicable) or the combined value of your vested Retirement Accumulation Account and the present value of your residual annuity is $1,000 or less at the time of determination, then the Plan automatically pays your benefits in a cash lump sum payment, without offering another payment option and without obtaining your consent or your spouse's consent if you are married. (Note: Prior to March 28, 2005, the threshold for automatic payout was $5,000.) See page 63 for further discussion of Small Value Lump Sum Distributions.
- Beginning March 28, 2005, the present value of your accrued career average pay or final average pay benefit (as applicable) or the combined value of your vested Retirement Accumulation Account and the present value of your residual annuity is more than $1,000, but less than $5,000, at the time of determination, then you may elect to receive the value of your entire benefit in a cash lump sum payment, without obtaining your spouse's consent if you are married.
- You take your Retirement Accumulation Account as a lump sum distribution and your monthly residual annuity has a present value of $5,000 or less, then you may elect to receive the monthly residual annuity in the form of a lump sum distribution as well. However, written spousal consent notarized by a Notary Public is required for this option.

NORMAL FORM OF ANNUITY PAYMENT

Unless you choose one of the optional payment forms described in this section (including the lump sum option for your Retirement Accumulation Account), your benefits are paid as an annuity over your lifetime. The normal form of annuity payment differs, depending on whether or not you are married at the time your retirement benefit payments begin.

If you wish, you may waive the normal form of payment and choose an optional form (subject to written spousal consent notarized by a Notary Public). This election must be made in writing within 180 days prior to the effective date you request retirement benefit payments begin.

All payment methods are designed to provide benefits of equal value. However, because it is difficult to predict the future, no one can say which method will, in fact, provide the greatest total Plan benefit for you. Therefore, you should choose the form that best meets your financial needs.

If you are not married

If you are not married on the effective date you request retirement benefit payments to begin, your benefits are paid as a single life annuity. This payment method provides a constant monthly benefit payable to you until your death; all payments stop at your death.

A single life annuity provides a greater lifetime monthly benefit to you than any other method of payment. This is because the benefit is being paid out over only one lifetime — your own lifetime — and there are no continuing payments after your death, so no adjustments for survivor benefits are applied.

If you get married after payments begin, you cannot change your form of payment.

If you are married

If you are married when benefit payments begin, benefits are paid as a 50 percent contingent annuity. Under this option, you receive a reduced monthly benefit during your lifetime. After your death, 50 percent of your reduced monthly benefit continues to your surviving spouse.

Your benefit under this option is less than under the single life annuity to reflect the 50 percent contingent annuity protection. The amount of reduction to your benefit depends on your age and your spouse's age.

If your spouse dies before you, but after you have started to receive retirement benefit payments, you continue to receive the same reduced amount of benefits. After your death, all payments stop, even if you remarried.

If you remarry after payments begin, you cannot change the contingent annuitant to your new spouse.

OPTIONAL ANNUITY FORMS OF PAYMENT

The optional forms of payment, including the lump sum option for your Retirement Accumulation Account, give you flexibility for retirement planning. Several options allow you to guarantee a continued payment to your beneficiary, usually your spouse, in the event of your death.

When you apply for your pension, your spouse’s consent will be required if you are married and choose an optional form of payment or a contingent annuitant other than your spouse. A consent form must be signed by your spouse and notarized by a Notary Public. The consent indicates your spouse understands the effect that your choice has on his or her entitlement under the Plan. No spousal consent is required, however, if you choose one of the contingent annuitant options and your spouse is your contingent annuitant.

Unless you choose the single life annuity, your benefit is reduced permanently to reflect the option you elect.

Your payment option election is void if:

- You die before the effective date you request retirement benefit payments to begin; provided that your completed election package is postmarked before your date of death (however, if you elected an option which continues a larger percentage of your monthly benefit to your spouse than under the 50 percent contingent annuity — for example, a 66-2/3, 75, or 100 percent contingent annuity — your spouse will receive this larger monthly amount)
- The election is dated more than 180 days prior to the effective date you request retirement benefit payments begin

You may change your payment option any time before the first payment is issued. Once the first payment is issued, **you may not change your payment option or your contingent annuitant, if any.**

The optional forms of payment are described below and on the following pages.

Single life annuity

Under this payment option, you receive a constant monthly benefit payable to you until your death; all payments stop at your death. (This is the normal form of payment for those who are not married.)

A single life annuity provides a greater lifetime monthly benefit to you than any other method of payment. This is because the benefit is being paid out over only one lifetime — your lifetime — and there are no continuing payments after your death, so no adjustments for survivor benefits are applied.

If you have a Retirement Accumulation Account, at the time payments are scheduled to begin, the Plan applies a factor to your Retirement Accumulation Account to determine the monthly amount of your single life annuity. This factor takes into account your age and interest rates at the time your payments are scheduled to begin.

Contingent annuity options

Under these payment options, you receive a constant monthly income for your lifetime. After your death, payments continue to be made to your contingent annuitant for the balance of your contingent annuitant's lifetime.

You decide how much of your pension — 50 percent, 66-2/3 percent, 75 percent or 100 percent — your contingent annuitant will receive after your death.

Your late, normal or early retirement benefit is permanently reduced to reflect the additional protection of payments guaranteed over two lifetimes — yours and that of your contingent annuitant. The amount of the reduction is based on:

- The percentage of your pension you elect to have continued after your death
- Your age

- Your contingent annuitant's age

The chart below and the process on the following pages explain how to determine the contingent annuitant factors that apply. Your accrued early, normal or late retirement benefit is multiplied by the factor to determine your reduced constant monthly retirement benefit amount while you are alive.

Your Retirement Accumulation Account is first converted to a single life annuity, then multiplied by the applicable factor to determine your reduced constant monthly retirement benefit amount while you are alive.

Who can be named as your contingent annuitant

You decide who to name as your contingent annuitant.

The pension application includes a section for submitting a required spousal consent if you are married and the contingent annuitant you choose is not your spouse. This section must be signed by your spouse and notarized by a Notary Public. The consent indicates your spouse's agreement with the contingent annuitant you name and your spouse's understanding of the effect that your choice of annuitant has on your spouse's entitlement under the Plan — in other words, your spouse's forfeiture of rights to any payments after your death.

You may not change your contingent annuitant once your first payment is issued, even if your contingent annuitant predeceases you or you no longer have the same relationship.

Sample contingent annuity factors

Your age as of your nearest birthday when payments begin	Contingent annuity option elected			
	50%	66-2/3%	75%	100%
25	.993	.990	.985	.980
30	.993	.985	.980	.975
35	.990	.980	.975	.970
40	.985	.975	.965	.960
45	.980	.965	.955	.945
50	.975	.955	.945	.925
55	.970	.945	.935	.900
60	.945	.920	.910	.875
65	.920	.895	.885	,850
70	.895	.870	.860	.825
Maximum factor (after adjustment for age difference):				
Before age 55	.997	.996	.995	.994
After age 55	.975	.965	.960	.950

To determine your reduced lifetime retirement benefit:

Step 1: Locate your age as of your nearest birthday. Then, reading across the row, locate the factor in the column that corresponds to the option of your choice.

Step 2: Multiply 0.002 if you are younger than age 55, or 0.005, otherwise by the number of year's difference between your age and your contingent annuitant's age (as of your respective nearest birthdays).

Step 3: **If your contingent annuitant is older than you:**

Add the result of Step 2 to the factor identified in Step 1. If this exceeds the maximum allowable factor, use the maximum shown for the option you elect.

If your contingent annuitant is younger than you:

Subtract the result of Step 2 from the factor identified Step 1.

Example 1: Ralph chooses to receive his account as a contingent annuity beginning at age 60. His single life annuity benefit is $15,000 a year. Carol is Ralph's wife. She is 58. The following calculations show how the contingent annuity factors work and the benefits payable for Ralph's situation.

Step 1: Determine the contingent annuity factor from the chart based on Ralph's age.

Step 2: Determine the adjustment to take into account the difference between Ralph and Carol's ages

	Contingent annuity option elected			
	50%	66-2/3%	75%	100%
Factor from the chart for age 60 **minus**	.945	.920	.910	.875
0.005 x 2 (difference in age) **equals**	–.010	–.010	–.010	–.010
Contingent annuity factor (Note: all are less than maximum factor)	.935	.910	.900	.865

Step 3: Apply the adjusted contingent annuity factor to Ralph's single life annuity benefit

	Contingent annuity option elected			
	50%	66-2/3%	75%	100%
Ralph's lifetime retirement benefit as a single annuity before adjustment for the contingent annuity option **times**	$15,000	$15,000	$15,000	$15,000
Contingent annuity factor **equals**	x .935	x .910	x .900	x .865
Ralph's annual lifetime benefit	$14,025	$13,650	$13,500	$12,975
Carol's continuing lifetime benefit if Ralph predeceases her	$7,013	$9,100	$10,125	$12,975

Example 2: Barbara chooses to receive her account as a contingent annuity beginning at age 50. Her single life annuity benefit is $8,000 a year. Eric is Barbara's husband. He is 58. The following calculations show how the contingent annuity factors work and the benefits payable for Barbara's situation.

Step 1: Determine the contingent annuity factor from the chart based on Barbara's age.

Step 2: Determine the adjustment to take into account the difference between Barbara and Eric's ages

	Contingent annuity option elected			
	50%	66-2/3%	75%	100%
Factor from the chart for age 50 **plus**	.975	.955	.945	.925
0.002 x 8 (difference in age) **equals**	+.016	+.016	+.016	+.016
Contingent annuity factor (Note: all are less than maximum factor)	.991	.971	.961	.941

Step 3: Apply the adjusted contingent annuity factor to Barbara's single life annuity benefit

	Contingent annuity option elected			
	50%	66-2/3%	75%	100%
Barbara's lifetime retirement benefit as a single annuity before adjustment for the contingent annuity option **times**	$8,000	$8,000	$8,000	$8,000
Contingent annuity factor **equals**	x .991	x .971	x .961	x .941
Barbara's annual lifetime benefit	$7,928	$7,768	$7,688	$7,528
Eric's continuing lifetime benefit if Barbara predeceases him	$3,964	$5,179	$5,766	$7,528

There are certain legal limitations on naming a contingent annuitant who is significantly younger than you — for example, one of your children. Therefore, certain options may not be available to a younger beneficiary. For example, John is age 65 and wants to elect a contingent annuity with his daughter as his beneficiary. Because John is 30 years older than his daughter and is commencing benefits 5 years before attaining age 70, the adjusted employee/beneficiary age difference is 25 years. For example, the applicable percentage for a 25-year adjusted employee/beneficiary age difference is 66 percent. Therefore, John cannot elect a contingent annuity percentage that is more than 66 percent. Since the contingent annuity options under the Plan are 50, 66-2/3, 75 or 100 percent, the only contingent annuity option that John can elect with his daughter as his beneficiary is the 50 percent contingent annuity.

Period certain and life annuity

Under this optional form of payment, you receive a constant monthly income for life. If you die before the end of the guaranteed period you elect, the same constant monthly payments you were receiving continue to your beneficiary for the remainder of the guaranteed period. Or, your beneficiary can choose to receive an equivalent lump sum amount instead. You can choose to have payments guaranteed for 5, 10, 15 or 20 years.

If you survive the guaranteed period, you continue to receive your reduced monthly pension for your life. No monthly benefits continue to your beneficiary after your death.

For example, if Ralph requests a period certain and life annuity with payments guaranteed for 5 years (60 monthly payments) and Ralph dies after only 10 payments have been made, his beneficiary receives another 50 payments. She can also elect to receive a lump sum payment instead.

If Ralph continues to live after payments have been made for 5 years, benefits continue to him for the balance of his life, but no additional payments are made after his death.

Your benefit under this option is less than under the single life annuity option to reflect the additional protection of payments guaranteed for a minimum length of time. The chart on the following page shows the factors applied to your single life annuity benefit for these options.

Who can be named as your beneficiary

You decide who to name as your beneficiary; there are no age limitations.

The pension application includes a section for submitting a required spousal consent if you are married and choose a period certain and life annuity option. This section must be signed by your spouse and notarized by a Notary Public, **even if your spouse is named as the beneficiary**. The consent indicates your spouse's understanding of the effect that your choice has on your spouse's entitlement under the Plan — in other words, your spouse's forfeiture of rights to lifetime payments after your death.

You may change your beneficiary at any time until the expiration of the guaranteed period. A new beneficiary designation is valid immediately upon receipt by Unisys. If you are married, your spouse must provide written consent to your naming someone else as beneficiary, notarized by a Notary Public.

If your beneficiary predeceases you, and you do not name a new beneficiary, any payments due following your death will be based on the Standard Beneficiary Designation noted on page 68.

If you predecease your beneficiary and your beneficiary dies before payments have been made for the guaranteed period, payments for the balance of the guaranteed period continue to the individual named by your beneficiary. If no one has been named by your beneficiary to receive payments, a lump sum payment is made to your beneficiary's estate.

Sample period certain and life annuity factors

Your age as of your nearest birthday when payments begin	Period certain and life annuity option elected 5 years (60 payments)	10 years (120 payments)	15 years (180 payments)	20 years (240 payments)
25	.999	.998	.997	.996
30	.999	.998	.997	,996
35	.999	.997	.996	.995
40	.998	.996	.995	.990
45	.997	.995	.990	.985
50	.996	.990	.985	.960
55	.995	.985	.980	.935
60	.995	.960	.930	.885
65	.975	.935	.880	.835
70	.950	.910	.830	.785

Returning to an earlier example, if Ralph chooses a period certain and life annuity option, the following calculations would apply.

Step 1: determine factor from the chart for age 60

Step 2: apply the factor to the $15,000 annual retirement benefit payable as a single life annuity

	Period certain and life annuity option elected			
	payments for 5 years	payments for 10 years	payments for 15 years	payments for 20 years
Ralph's annual lifetime retirement benefit as a single life annuity **times**	$15,000	$15,000	$15,000	$15,000
Factor from table **equals**	x .995	x .960	x .930	x .885
Ralph's annual lifetime benefit	$14,925	$14,400	$13,950	$13,275
Beneficiary's annual benefit for balance of guaranteed period if Ralph dies before end of the guaranteed period	$14,925	$14,400	$13,950	$13,275

Social Security adjustment option

This option is not available if you were hired after January 1, 2003. And it applies only to your final average pay or career average pay benefit and is only available if you start payments before U.S. Social Security benefits begin. It is designed to help keep your income level throughout your retirement years. You receive larger payments from the Plan before your Social Security benefit starts and smaller payments, if any, afterwards. In this way, you have approximately the same retirement income each month.

Because of the way this option is calculated, it is possible that nothing would be payable from the Plan after Social Security benefits begin. For example, if your estimated Social Security benefit is greater than the benefit payable from the Plan, no benefit would be payable from the Plan after Social Security benefits begin.

If you choose this option, you decide if you want the adjustment to be made based on starting Social Security benefits at age 62, 65, 66, or 67.

Before you request benefits under this option, contact the Social Security Administration for a statement of your projected benefits. For more information go to www.socialsecurity.gov/mystatement or call the Social Security Administration toll-free at 1-800-772-1213 (TTY 1-800-325-0778).

To calculate your retirement benefit payments under this option, a factor is applied to the estimated Social Security benefit. The factor is based on the number of years before you expect to begin receiving your Social Security benefits.

The result of this calculation is added to your lifetime early retirement benefit to determine your payments before Social Security benefits begin, as you elect.

Your post-Social Security monthly payment from the Unisys Pension Plan is determined by subtracting your estimated Social Security benefit from your pre-Social Security monthly benefit.

If you choose this option, your payments are not recalculated if your actual Social Security benefit is different from the estimated amount used in determining your pension payments nor is the benefit recalculated if you do not actually begin to receive your Social Security benefit at your age when Social Security benefits would otherwise begin.

There are no pension benefits payable after your death under this option.

The pension application form includes a section for submitting a required spousal consent if you are married and select one of the Social Security adjustment payment options. This section of the form must be signed by your spouse and notarized by a Notary Public. The consent indicates your spouse’s understanding of the effect that your choice has on your spouse’s entitlement under the Plan — in other words, your spouse’s forfeiture of rights to lifetime payments after your death.

SMALL VALUE LUMP SUM DISTRIBUTIONS

Keep in mind that if the present value of your accrued career average pay or final average pay benefit (as applicable) or the combined present value of your vested Retirement Accumulation Account and residual annuity is $1,000 or less ($5,000 or less prior to March 28, 2005) at the time of determination, the Plan pays the value of your retirement benefits in a cash lump sum payment, without offering another payment option and without obtaining your consent or your spouse's consent if you are married.

Beginning March 28, 2005, if the present value of your accrued career average pay or final average pay benefit (as applicable) or the combined value of your vested Retirement Accumulation Account and the present value of your residual annuity is more than $1,000, but less than $5,000, at the time of determination, you may elect to receive the value of the entire benefit in a cash lump sum payment, without obtaining your spouse's consent if you are married.

If you take your Retirement Accumulation Account as a lump sum distribution and your monthly residual annuity has a present value of $5,000 or less, you may elect to receive the monthly residual annuity in the form of a lump sum distribution as well. However, written spousal consent notarized by a Notary Public is required for this option.

The calculation of the present value of your benefits is based on your age and applicable interest rates in effect at the time you terminate.

Special withholding provisions apply to lump sum distributions. These provisions are summarized beginning on page 75.

BENEFIT RESTRICTIONS

Under the U.S. Pension Protection Act of 2006, single-employer defined benefit pension plans that fail to meet specific funding requirements are considered "at risk" and are subject to certain restrictions.

Generally, if a plan is less than 80% funded, the plan may only pay benefits in the form of a restricted payment option if it does not exceed the lesser of 1) the present value of the participant's maximum benefit guaranteed by the U.S. Pension Benefit Guaranty Corporation (PBGC), or 2) 50% of the amount of the payment that could otherwise be paid.

If a plan is less than 60% funded, other provisions apply.

In this Plan, the payment options that are considered restricted payment options include lump sum payments and the Social Security (level income) adjustment option. Lump sum payments that are $5,000 or less are not subject to payment restrictions. Once a plan is no longer subject to restrictions, benefit payments may resume as otherwise provided in the plan.

In the event the Plan becomes subject to benefit restrictions, you will be notified as required by U.S. federal law.

OTHER SURVIVOR BENEFITS

INTRODUCTION

In addition to the survivor protections available under the various payment options, your spouse or other beneficiary will be eligible to receive your vested Retirement Accumulation Account if you die before receiving your account. In addition, if you are married at the time of your death, a pre-retirement survivor annuity benefit based on the value of your final average pay benefit or your career average annuity (if you are eligible for those formulas) is available to your spouse, as long as:

- You are still working for Unisys or any of its affiliates and you are vested in a benefit under the Plan, or
- You are vested in your pension but are no longer working for Unisys or any of its affiliates

If the present value of your accrued career average pay or final average pay benefit (as applicable) or the combined value of your vested Retirement Accumulation Account and the present value of your residual annuity is $1,000 or less when you die, your beneficiary automatically will receive the benefit in a lump sum after your death, without offering another payment option. (Note: Prior to March 28, 2005, the threshold for automatic payout was $5,000.)

Beginning March 28, 2005, if the present value of your accrued career average pay or final average pay benefit (as applicable) or the combined present value of your vested Retirement Accumulation Account and the present value of your residual annuity is more than $1,000, but less than $5,000, at the time of determination, your beneficiary may elect to receive the value of that benefit in a cash lump sum payment.

PRE-RETIREMENT SURVIVOR BENEFIT – RETIREMENT ACCUMULATION ACCOUNT

If you are married, your spouse automatically is provided with survivor coverage after you become vested.

If you are vested and die before receiving your Retirement Accumulation Account, as a lump sum or an annuity, your spouse or other beneficiary will be eligible to receive your vested account. Your beneficiary can receive the value of your account as a lump sum or as a single life or a period and certain life annuity.

Your beneficiary may receive your account at any time after your death — immediately or deferred until the later of the participant’s normal retirement date or the first day of the month following the month in which the participant’s death occurs. Although no further pay credits are made to your account after the earlier of December 31, 2006 or the date of your death, interest credits will continue to be made until the last day of the month preceding the date your beneficiary receives a distribution of any kind.

PRE-RETIREMENT SURVIVOR BENEFIT – FINAL AVERAGE PAY AND CAREER AVERAGE PAY BENEFITS

If you are married, your spouse automatically is provided with survivor coverage after you become vested. If you die, coverage is provided for your spouse's lifetime under a pre-retirement survivor annuity applied to your final average pay or career average pay annuity (as applicable). Your spouse is eligible for this coverage regardless of whether you received your Retirement Accumulation Account before your death, if you had one.

How the benefit is determined

The monthly pre-retirement survivor annuity is based on your final average pay or career average pay benefit. Specifically, the annuity payments to your spouse are equal to one-half (50 percent) of the annuity benefit you would have received assuming you had retired immediately before your death and elected a 50 percent contingent annuity option. The Plan applies one or both of the following reduction factors to your accrued benefit to determine this benefit:

- If you had more than 20 years of service at your date of death and if benefits begin before the date you would have reached age 62, the Plan applies the applicable early retirement factors for participants with 20 or more years of service. If you had less than 20 years of service at your date of death, the applicable early retirement factors from age 65 are applied.
- After any adjustment for early retirement, the Plan applies the factors for the 50 percent contingent annuity benefit. Your spouse receives a monthly lifetime annuity equal to 50 percent of the calculated amount.

Note: If you die after electing a 66-2/3, 75, or 100 percent contingent annuity with your spouse as beneficiary, **but before payments begin**, your spouse will receive 66-2/3, 75 or 100 percent of your reduced monthly benefit (whichever you elected) and not the 50 percent described above; provided that your completed election package is postmarked before your date of death.

When pre-retirement annuity benefits become payable

If you are under age 55 when you die, the earliest date your spouse can begin receiving the pre-retirement survivor annuity is the first day of the month concurrent with or following the date you would have reached age 55.

If you are 55 or older at your death, your spouse can begin payments on the first day of the month following your death.

If payment is deferred, your spouse must begin pension payments by your normal retirement date. If your spouse does not apply for benefits to begin by that date, once your spouse does apply for payments, the pension is actuarially increased to the actual commencement date.

When pre-retirement survivor annuity coverage ends

Survivor coverage under the pre-retirement survivor annuity ends on the earliest of the following dates:

- The effective date you request retirement payments begin
- The date your marriage ends due to divorce (unless a QDRO provides otherwise), or
- The death of your spouse

ANCILLARY DEATH BENEFITS

For nonunion employees, a $5,000 single sum ancillary death benefit was payable to your beneficiary upon your death if your death occurred prior to December 1, 2014. You were generally eligible for this benefit if you were hired after April 1, 1988 and if you were age 55 or older with 10 or more years of vesting service on your termination date. Other lesser amounts applied to various groups under the terms of prior plans and agreements, and varied based on when your employment ceased and your age and service at termination.

The benefit was payable to your named beneficiary and was considered taxable income. The standard beneficiary designation below is used if your beneficiary was not named or cannot be located. This amount was reduced by any amounts payable under a life insurance policy maintained by the Company for which you were eligible. It was an ancillary benefit and was not part of your accrued benefit.

For participants as of March 31, 1988 in the Sperry Retirement Program – Part A who met certain conditions, a death benefit was paid if you died before your benefit commencement date and before July 1, 2015 and were single at the time of death.

STANDARD BENEFICIARY DESIGNATION

If you are married, your spouse automatically will be your beneficiary, unless he or she consents to your naming someone else. If you are not married, you may designate anyone you wish as your beneficiary, such as a family member, domestic partner, or a friend.

If you are married, you can designate a non-spouse beneficiary at any time, provided you obtain your spouse’s written consent notarized by a Notary Public. If you are under age 35 and designate a non-spouse beneficiary, you will be required to make this election again as of the first day of the Plan year in which you reach age 35.

If no Beneficiary Designation Form is locatable or on file with the Company or your named beneficiary has predeceased you, the following Standard Beneficiary Designation is assumed for the Retirement Accumulation Account and the ancillary death benefits described above, if you are eligible for these benefits.

The Standard Beneficiary Designation provides benefits as shown below:

Standard Beneficiary Designation

Any benefit payable at your death will be paid to your:

Spouse, if living at your death;
if not living
Surviving children equally, including legally adopted children;
if none survives
Surviving parents equally;
if neither survives
Surviving brothers and sisters equally;
if none survives
Estate

The Standard Beneficiary Designation allows for an automatic update of your beneficiaries as your family composition changes. You don't need to remember to change your designation when you acquire or lose immediate family members.

You may, however, override the standard beneficiary designation and name anyone you wish.

You may change your beneficiary designation at any time by submitting a new Beneficiary Designation form to the Unisys Benefits Service Center.

If your beneficiary is a minor, benefits can be paid only to the minor's guardian as substantiated by documentation proving legal guardianship status.

APPLYING FOR YOUR BENEFITS

INTRODUCTION

In general, pension payments do not start automatically. You must submit an application.

To obtain a payment application, contact the Unisys Benefits Service Center at the number or website listed on page 81.

To ensure the timely processing of your pension benefits, it is recommended that you submit your application at least 90 days before the effective date you request retirement benefit payments begin. Federal law prohibits Unisys from honoring applications submitted earlier than 180 days prior to the effective date you request retirement benefit payments to begin. Your application will be considered submitted based on the postmark date on the envelope that includes your completed election forms.

You may change your payment option any time before the first payment is issued. Once the first payment is issued, however, you may not change the payment option or your contingent annuitant, if any. However, you can change your beneficiary after you start to receive your benefit only if you select a certain and life form of payment subject to applicable spousal consent requirements.

If monthly benefit payments are paid for any period in excess of the amount of the benefits to which a participant, beneficiary or alternate payee was entitled under the applicable terms of the Plan, such overpayments will be recouped by first requesting that the overpayment plus interest be repaid to the Plan. If this repayment is not made, then any future payments will be reduced to reflect the overpayments plus interest. If there are no future payments to be adjusted or there is insufficient remaining benefit, the amount of the overpayment plus interest must be refunded to the Plan.

RETIREMENT INCOME ESTIMATES

To receive a pension estimate, contact the Unisys Benefits Service Center at the number or website listed on page 81. In each case, you will be prompted to provide the following information:

- Your Social Security number
- Your assumed retirement age or date. Your retirement date must be the first day of the month, because retirement can only be effective on the first.
- Your spouse's (or other contingent annuitant's) date of birth.

All information on the estimate is prepared as carefully as possible based on Company records of your date of birth and your participation in the Plan. If you identify a possible error on your estimate, such as an incorrect date of birth or service, immediately contact the Unisys Benefits Service Center.

In case of error, Unisys will correct the information and issue another estimate to you.

Benefits available from the Plan when payments begin are determined in accordance with the Unisys Pension Plan provisions in effect at the time you leave the Company or the time you are no longer eligible to participate in the Plan. Previous estimates are no basis for determining your benefits.

REQUESTING COMMENCEMENT OF PENSION PAYMENTS

You can elect payment of your Retirement Accumulation Account at any time after your employment with the Company ends. You can also elect to start your residual annuity after termination provided you are age 55 or older. In each case, you must apply for your pension payments to begin.

The application

When you apply for your benefit, you will be asked for the following information:

- The effective date you want retirement benefit payments to begin
- Your spouse's date of birth and Social Security Number, if you are married
- Your beneficiary's date of birth and Social Security Number, if your beneficiary is someone other than your spouse, or if you are not married and want to choose a contingent annuitant option

Unisys makes every effort to process applications quickly and efficiently. However, additional information may be required in some cases, which could delay the process — *for example,* if you have international service or prior periods of service which are not currently reflected in Company records. You will be notified if you are required to submit additional information before payments can begin.

As long as your application is accurately completed, your first pension payment or your lump sum distribution payment should be mailed to you within four to eight weeks of the date your completed application is received by the Service Center or your termination, whichever occurs later — unless you asked that payments begin later. If you elect an annuity, you can expect payment by the first of each month.

If you are age 55 or older and wish to receive payments immediately

If you plan to begin receiving payments immediately, contact the Unisys Benefits Service Center at least three months before you wish to receive benefits, so you can decide which payment option is best for you.

If you are deferring benefit payments or you are under age 55

You can receive your Retirement Accumulation Account at any time after your employment ends. Payments of your residual annuity can begin no earlier than the first day of the month concurrent with or following your 55th birthday and should begin no later than the first day of the month concurrent with or following your 65th birthday, unless you are eligible for unreduced benefits at an earlier date.

You should apply for your pension payments as early as possible within 180 days of the effective date you wish retirement benefit payments to begin. Remember, U.S. federal law prohibits Unisys from honoring applications submitted earlier than 180 days prior to the effective date you request retirement benefit payments to begin.

If your application is received after your normal retirement date or after the date you could first receive unreduced benefits, once you do apply for payments, your residual annuity benefit is actuarially adjusted to your actual commencement date.

IMPORTANT NOTES REGARDING PAYMENT OF YOUR BENEFITS

It is important to note that:

- Your benefit commencement date cannot precede the date you submit your application, except if the application is received after your required beginning date.
- If you die before the effective date you request benefits to begin, your election for an optional form of payment is void, and the normal form of payment is assumed (see the information beginning on page 50). **Note:** If you die after electing a 66-2/3, 75, or 100 percent contingent annuity with your spouse as beneficiary, **but before payments begin**, your spouse will receive 66-2/3, 75 or 100 percent of your reduced monthly benefit (whichever you elected); provided that your completed election package is postmarked before your date of death.
- You may change your payment option and/or the effective date you want retirement benefit payments to begin at any time before the first payment is issued. If you change your payment option, written spousal consent notarized by a Notary Public is required if you are married and your election is anything other than a contingent annuity option with your spouse named as the contingent annuitant. Once the first payment is issued, **you cannot change your payment option or your contingent annuitant, if any. You can change your beneficiary at any time if you elect a certain and life option, subject to applicable spousal consent requirements.**
- If you are not in an active employment status with Unisys or any of its affiliates and do not apply for your benefits to begin by your normal retirement date, once you do apply for payments, your pension is actuarially increased to your actual commencement date. If your commencement date is after your required beginning date, retroactive payments will be made from April 1 of the year after you are age 70½ to your commencement date.
- Your application must be dated within 180 days of the effective date you request retirement benefit payments begin. If the period of time between the application date and the effective date you request retirement benefit payments begin is greater than 180 days, your application is returned to you.

NOTIFICATION OF THE DEATH OF A RETIREE OR SPOUSE

In the event of your death, or the death of a surviving spouse or beneficiary receiving benefits, Unisys must be notified as soon as possible by contacting the Unisys Benefits Service Center at the number listed on page 81.

The notice should include the following information:

- The name and Social Security number of the individual receiving payments from the Plan

- The name and Social Security number of the former Company employee, if it is a surviving spouse or beneficiary who is receiving benefits from the Plan
- The date of death
- A copy of the official death certificate

Do not wait until a copy of the official death certificate is available to notify the Benefits Service Center of the death. The death certificate can be submitted later. Any payments made after a participant's death must be repaid to the Plan plus interest.

If you were not yet in receipt of pension benefits at the time of your death, your spouse or beneficiary will be given the information needed to apply for any survivor benefits which may be payable.

WITHHOLDING FROM BENEFITS

Under current U.S. tax law, you are not required to pay federal income taxes on your pension benefits until you receive them. When you receive payment(s), you will owe current federal income taxes unless you are eligible and elect a direct rollover into the Unisys Savings Plan, another employer sponsored retirement plan or a traditional IRA. If you are eligible to elect a direct rollover, you will receive a Special Tax Notice Regarding Plan Payments that describes the rollover rules that apply to such payments from the Plan.

How you are taxed depends on the type of distribution you receive and your financial status when payment is made. Since federal, state and local tax laws change from time to time, you should consult your tax advisor about the consequences of any distribution before taking any action under the Plan.

Withholding from regular monthly payments

Taxes

You can authorize the following tax withholding from your regular monthly retirement benefit payments:

- Federal income taxes
- State income taxes

If you fail to indicate a federal income tax withholding election, Unisys assumes withholding should apply as if your benefits were wages and at the rate for a married person with three exemptions.

If you waive federal income tax withholding, you may be responsible for payment of federal estimated income taxes. You may incur penalties under the federal estimated tax rules if your estimated income tax payments are insufficient.

If the federal income tax withholding you authorize and estimated tax payments you make do not cover your federal tax liability, you may incur penalties under the estimated tax rules.

Since federal, state and local tax laws change from time to time, you should consult your own personal tax advisor about the consequences of any distribution before taking any action under the Plan.

Lump Sum distributions: special tax provisions

You may receive a lump sum cash distribution of your Retirement Accumulation Account at any time after your employment ends. In addition, you may receive a lump sum cash distribution if any of the following apply:

- The present value of your accrued career average pay or final average pay benefit (as applicable) or the combined value of your vested Retirement Accumulation Account and the present value of your residual annuity is $1,000 ($5,000 for distributions before March 28, 2005) or less on the date of determination — in this case, your benefit is paid in a cash lump sum payment, without offering another payment option and without obtaining your consent or your spouse's consent if you are married (refer to page 63).
- Beginning March 28, 2005, the present value of your accrued career average pay or final average pay benefit (as applicable) or the combined value of your vested Retirement Accumulation Account and the present value of your residual annuity is more than $1,000, but less than $5,000, at the time of determination — in this case, you may elect to receive the value of your entire benefit in a cash lump sum payment, without your spouse's consent if you are married.
- You take your Retirement Accumulation Account as a lump sum distribution and your monthly residual annuity has a present value of $5,000 or less — in this case, you may elect to receive the monthly residual annuity in the form of a lump sum distribution as well. However, written spousal consent notarized by a Notary Public is required for this option.
- You are a beneficiary entitled to the guaranteed portion of a period and certain annuity

Special tax provisions apply to lump sum cash distributions. If you are eligible to receive a lump sum cash distribution from the Plan, you will receive a Special Tax Notice Regarding Plan Payments that describes the rollover rules that apply to such payments from the Plan.

Rollovers and Withholding

If you are eligible and receive a lump sum cash distribution from the Plan, you have the option of authorizing the Plan Trustee to transfer your distribution directly to another eligible plan that will accept the transferred amount, such as the Unisys Savings Plan or another qualified employer-sponsored pension plan, 403(a) or (b) plan, or governmental 457 plan. You may also transfer your distribution to a traditional or a Roth individual retirement account or annuity (IRA), other than a Simple IRA, or Coverdell Education Account.

If your beneficiary is entitled to receive an eligible lump sum distribution due to your death, your beneficiary also has the option of authorizing a direct rollover to a permissible recipient.

If you or your beneficiary is eligible for a lump sum cash distribution from the Plan, you will receive a Special Tax Notice Regarding Plan Payments that describes the rollover rules that apply to such payments from the Plan.

Whether this U.S. federal tax alternative will help you depends on your personal tax situation. You should consult your personal tax, financial and legal advisors before you take any action under the Plan.

ELECTRONIC DEPOSIT

For your convenience and safety, Unisys provides the option of electronic deposit to your personal checking or savings account of your monthly retirement benefit payment.

This optional arrangement can be changed at any time. If you change your financial institution or account number to receive your electronic deposits, you must notify the Service Center.

OVERPAYMENTS OR ADJUSTMENTS

All payments must be based on the terms of the Plan. You are responsible for proving that you have a benefit under the Plan and for notifying the plan administrator if you believe that any information provided to you regarding your benefit is inaccurate.

If incorrect benefit payments are made, Unisys is required by law to recalculate your benefit amount, make any adjustments necessary to correct the error, and request repayment with interest of any overpayments. If requested repayment is not made for the prior payments plus interest exceeding the benefits due under the Plan, then any future payments will be reduced to reflect the overpayments plus interest. If there are no future payments to be adjusted or there is insufficient remaining benefit, the amount of the overpayment plus interest must be refunded to the Plan.

ADDRESS CHANGES

After you leave the Company, notify the Unisys Benefits Service Center of any address change by contacting the Service Center at the number or website listed on page 81. Unisys needs your current home mailing address in order to send:

- Notification when a deferred normal retirement benefit becomes eligible for payment.
- Direct deposit confirmations or checks, if your pension is not electronically deposited; if any payments are returned because you no longer reside at the address you furnished, no further payments are mailed until you provide the Service Center with your current address.
- Required IRS forms
- Other plan-related communications

To ensure that you receive these important forms, letters or notices, your home mailing address must be current, even if you are having your payments electronically deposited.

ADDITIONAL PLAN INFORMATION

INTRODUCTION

The following pages contain important additional information regarding your benefits under the Unisys Pension Plan.

HOW BENEFITS ARE FORFEITED

You may forfeit part or all of the benefits funded by the Company under the Plan in any of the following circumstances:

- By forfeiting years of service
- If you leave the Company before you are vested
- If the Plan were terminated without enough assets to provide all pension benefits and death benefits (see “Pension Benefit Guaranty Corporation” on page 87)
- If you work past the date on which you become eligible for an unreduced retirement benefit:
  - There is no actuarial increase of your unreduced retirement benefit to reflect benefit payments foregone because of your continued employment.
  - Refer to page 37 for more information on continued employment after normal retirement age.
- If your benefit is subject to a federal tax lien or awarded to another person under a QDRO
- If you are reemployed after your normal retirement date and you work at least 40 hours per month — payment of the monthly retirement benefit is suspended each month that you work
- If you are single and die before you begin to receive your benefits (except if you have a Retirement Accumulation Account)

MAXIMUM BENEFITS

Federal law limits the maximum amount you can receive from the Plan. If you are a participant in more than one defined benefit plan sponsored by Unisys or any of its affiliates which is subject to these federal guidelines, all benefits are aggregated for purposes of applying limitations, and in some instances the amount of benefit you can receive under all of the plans may be limited. If this applies to you, you will be notified.

TOP-HEAVY RULES

Under current tax law, if 60% or more of the value of Plan benefits belong to "key" employees, the Plan is considered to be "top-heavy." Both "top-heavy" and "key" employees are terms defined under the Internal Revenue Code.

At present, the Pension Plan is not top-heavy. In the unlikely event that it becomes top-heavy, you will be notified, and special rules will take effect to keep the Plan qualified under IRS regulations.

NON-ASSIGNMENT OF BENEFITS

Your value in the Plan may not be assigned, sold, transferred or pledged as collateral, except as provided for under a valid QDRO described below. In addition, a creditor may not attach your value in the Plan as a means of collecting a debt owed by you.

Benefits may be attached to satisfy a U.S. federal tax levy and state courts can rule that benefits be paid to someone other than yourself or your named beneficiary in accordance with a QDRO. A QDRO is a specific decree, judgment or order providing for a property settlement relating to child support, alimony payments or marital property rights. Contact the Unisys Benefits Service Center for a copy of an acceptable format to use when filing a QDRO.

There are specific QDRO procedures the Plan must follow. If you need information about QDROs, contact the Unisys Benefits Service Center.

In addition, if you commit a crime against the Plan or you breach a fiduciary duty to the Plan, a court may order, or a legal settlement may provide, that all or a portion of your benefit be assigned to the Plan.

IN THE EVENT OF INCAPACITY

If the Plan Manager in his or her sole discretion, deems a participant, beneficiary or alternate payee who is entitled to receive any payment hereunder to be incompetent to receive the same by reason of age, illness, infirmity or incapacity of any kind, the Plan Manager may direct the Trustee to apply such payment directly for the benefit of such person, or to make payment to any person selected by the Plan Manager to disburse the same for the benefit of the participant, beneficiary or alternate payee. Any such payments shall operate as a discharge, to the extent thereof, of all liabilities of Unisys and any of its affiliates, the Trustee, the Unisys Employee Benefits Administrative Committee, the Plan Manager, the investment committee and the Plan's trust fund to the person for whose benefit the payments are made.

OFFICIAL PLAN NAME AND PLAN NUMBERS

Unisys Pension Plan, Plan number 005

PLAN SPONSOR

Unisys Corporation
801 Lakeview Drive, Suite 100
Blue Bell, PA 19422
1-215-986-4011 (not a toll-free number)

EMPLOYER IDENTIFICATION NUMBER

The Unisys Pension Plan documents, SPD and financial reports are filed with the U.S. Department of Labor and the IRS under the Unisys Employer Identification Number (EIN) 38-0387840.

PLAN YEAR

The plan year for purposes of accounting and all reports to the U.S. Department of Labor and other regulatory bodies ends on December 31 of each year.

All fiscal records are kept on a calendar-year basis, beginning on January 1 and ending on December 31.

TYPE OF PLAN AND PLAN RECORDS

This Plan is a defined benefit pension plan.

Copies of the Plan document and the latest annual report are available for your inspection during normal working hours at:

Unisys Corporation
801 Lakeview Drive, Suite 100
Blue Bell, PA 19422

PLAN ADMINISTRATOR

The Plan administrator is the named fiduciary of the Plan that has authority to control and manage the operation and administration of the Plan. All final decisions regarding the administration and interpretation of the Plan is retained by the Plan administrator or his/her/its designee. The Plan administrator has the discretionary authority to supply omissions, make factual determinations, and to decide any dispute that may arise regarding the rights of participants and beneficiaries. All such decisions are binding and conclusive on all interested parties.

The Plan administrator for deciding appeals is the Unisys Employee Benefits Administrative Committee. The Plan administrator for the day to day administrative activities of the Plan, including, but not limited to, the adoption of rules, guidelines, forms and procedures necessary or appropriate for the efficient administration of the Plan, and also for the reporting and disclosure requirements applicable to the Plan, is the Plan Manager. The address and telephone number for the Plan administrator is:

Unisys Corporation
801 Lakeview Drive, Suite 100
Blue Bell, PA 19422
1 215 986 4011 (not a toll-free number)

UNISYS BENEFITS SERVICE CENTER

If you have a question about the Plan, want to request Plan information, or get an estimate or apply for benefits, you can contact the Unisys Benefits Service Center. You can reach the Unisys Benefits Service Center on any business day (excluding New York Stock Exchange holidays) between 9:00 a.m. and 5:00 p.m., Eastern Time using the following numbers:

Unisys Benefits Service Center
Toll-Free: 1-(877) 864-7972
TDD Services for the hearing-impaired: 1-(877) 864-7972

International Callers

- Participant must dial their country's toll-free AT&T Direct access number and then enter 1-877-UNISYS2 from anywhere in world
- Access numbers available online at www.att.com/traveler or from local operator
- Participant responsible for international portion of call, domestic portion will be paid by the Company
  - Participant will be prompted to provide credit card number for billing fee
- Service Center does not accept collect calls

You can also contact the Unisys Benefit Service Center online at http://digital.alight.com/unisys

QUESTIONS AND APPEALS

Questions

Most questions and issues can be resolved informally over the phone. If you have questions on how your benefit was determined, contact the Unisys Benefits Service Center at the number listed above.

Formal Written Claims

If you are dissatisfied with your answers from the informal process described above, you can file a formal written claim including all your issues and comments at the following address:

Claims and Appeal Management
P.O. Box 7105
Rantoul, IL 61866-7105

If your formal written claim is denied in whole or in part, Claims and Appeal Management will notify you or your authorized beneficiary in writing of the reason for the denial. The notification will include the specific Plan provisions on which the denial was based, a description of any additional material or information that would complete or support your claim and an explanation of why it's needed, an explanation of how and when to appeal the denial, an explanation of the claim review procedures, and a statement regarding your right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on appeal (and, if the claim involves disability benefits, if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, either the special rule, guideline, protocol or other similar criterion or a statement that such a rule, guideline, protocol or similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge to the claimant upon written request).

Normally, if the claim does not involve disability benefits, you will receive this written notice within 90 days following receipt of your claim. If there are special circumstances requiring delay, the deadline may be extended for up to an additional 90 days (you will be furnished notice of the extension before the end of the initial 90-day period, including the reason for the extension of time and the date by which a decision is expected).

If the claim involves disability benefits, you will receive this written notice within 45 days following receipt of your claim. If there are special circumstances requiring delay, the deadline may be extended for up to an additional 60 days (you will be furnished notice of the extension before the end of the initial 30-day period, including the reason for the extension of time and the date by which a decision is expected; if, prior to the end of the initial 30-day extension, Claims and Appeal Management determines that a decision cannot be rendered within the extension period, the determination period may be extended for up to an additional 30 days and you will be notified of the second extension before the end of the initial extension that specifies the reason or reasons for such extension and the date by which a decision is expected).

Appeal to the Unisys Employee Benefits Administrative Committee

If you disagree with a determination made by Claims and Appeal Management, or if you believe your benefit has been improperly denied or incorrectly processed and you have been unable to receive a satisfactory explanation, you or your authorized beneficiary may appeal the decision within 60 days (or within 180 days if the claim involves disability benefits) after the date you receive your benefit determination by forwarding a written appeal to:

Unisys Employee Benefits Administrative Committee
Unisys Corporation
801 Lakeview Drive, Suite 100
Blue Bell, PA 19422

Your appeal should state the reasons you feel your benefits have been improperly handled. You may request and receive copies of pertinent documents. You may submit issues and comments in writing.

During the course of the review of your appeal, additional information may be required. This information will be requested in writing.

You will be notified of a decision within 60 days (within 45 days if the claim involves disability benefits) following receipt of your written appeal or the date all information requested from you is furnished, whichever date is later. Notification of the result of the appeal review will be written in a manner that you can understand and will specify the reasons for the decision. If there are special circumstances requiring delay, you will be notified of the final decision no later than 120 days (90 days if the claim involves disability benefits) after your appeal is received.

The Plan's final decision will be in writing or in electronic form and will include the reasons for the denial, references to the specific Plan provisions on which the denial is based, a statement regarding your right to bring civil action under Section 502(a) of ERISA, a statement that you are entitled to receive upon request, and free of charge, reasonable access to and copies of all relevant documents, a description of any voluntary appeals procedures offered by the Plan, and a statement of your rights to bring a civil action under section 502(a) of ERISA (as described below) (for claims involving disability benefits, if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, either the special rule, guideline, protocol or other similar criterion or a statement that such a rule, guideline, protocol or similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge upon written request).

If a claim for benefits is denied, you have certain rights under the law. For more information, see Your Rights under ERISA on page 85.

If you do not follow all these administrative claim and appeal procedures, you will lose the right to file a lawsuit. To be considered timely under the Plan's claims procedure, a claim must be filed with the Administrative Committee or its designee within one year after you knew or reasonably should have known of the principal facts upon which your claim is based. Any claim filed after the end of this one-year period will be time-barred. In addition, the deadline to file legal action is the later of (1) 24 months after you knew or reasonably should have known of the principal facts on which your claim is based or (2) six months after you have exhausted the claims and review procedure. Any legal claim or action filed after the deadline described in the preceding sentence will be time-barred. If you challenge the appeal denial decision, a review by a court of law shall be limited to the facts, evidence, and issues presented by you during the claims and appeals procedure set forth above. Issues not raised by you during the review process shall be deemed waived.

CONTRIBUTIONS AND FUNDING

All required contributions to the Plan are currently paid by the Company and are actuarially determined based on valuations completed by an independent actuary. No employee contributions are required or permitted.

Benefits are financed exclusively by Company contributions to the pension trust fund and by earnings generated by the assets of the fund. The fund also contains employee contributions made under the provisions of prior pension plans.

The assets of the Unisys Pension Plan are held in a separate trust and are used solely to pay benefits from the Plan and associated administrative costs. No part of the assets or income from the fund may be used for any purposes other than the payment of benefits under the Plan or, as determined by the Plan Manager, the payments of expenses associated with the administration of the Plan (however, see the section entitled Plan Termination/Revision on page 87).

INVESTMENT COMMITTEE

An investment committee for the Plan is appointed by the Board of Directors of Unisys to serve as the named fiduciary of the Plan that carries out the Plan provisions relating to investments of the Plan assets that are held in a separate trust. The Unisys Pension Investment Review Committee has the responsibility to direct the trustee and investment managers with respect to the investment of the Plan's assets.

The investment committee and investment managers appointed by the investment committee may from time to time use financial futures and/or options as part of its overall investment strategy for the Plan's assets. The investment committee has claimed an exemption from the definition of the term "commodity pool operator" under the U.S. Commodity Exchange Act, and, therefore, the trust related to the Plan is not subject to registration or regulation as a pool operator under the U.S. Commodity Exchange Act.

TRUSTEE

The trustee of the separate trust fund related to the Unisys Pension Plan is the bank and trust company appointed by the Unisys Board of Directors.

The trustee is governed by a formal trust agreement and has the responsibility to manage and control the assets of the Unisys Pension Plan trust fund.

The trustee is:

The Bank of New York Mellon
500 Grant Street
Room 151-0410
Pittsburgh, PA 15258-0001

INDEMNIFICATION

Unisys indemnifies any employee of Unisys or any affiliated company to whom any fiduciary responsibility under the Plan is allocated or delegated, under the Plan and to the full extent permitted under the Unisys Certificate of Incorporation, bylaws or resolution of the Unisys Board of Directors. The foregoing right to indemnification is in addition to such other rights as such person may enjoy as a matter of law or by reason of insurance coverage of any kind.

AGENT FOR SERVICE OF LEGAL PROCESS

The Company hopes that any disagreement you have with the Plan can be resolved without resorting to legal process. If you wish to begin legal proceedings, however, service of legal process may be made upon the General Counsel of Unisys Corporation, at the address on page 82. Service of process may also be made upon the Plan Trustee at the above address or the Plan Manager at the address on page 80.

GOVERNING LAW

Except to the extent superseded by the U.S. Employee Retirement Income Security Act of 1974, as amended (ERISA), all questions pertaining to the validity, construction and operation of the Plan are determined in accordance with the laws of the Commonwealth of Pennsylvania, without regard to any choice of law provisions.

YOUR RIGHTS UNDER ERISA

As a participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan Benefits

- Examine, without charge, at the Plan Administrator’s office and at other specified locations, such as worksites, all documents governing the Plan, including a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration of the U.S. Department of Labor (EBSA).
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The administrator may assess a reasonable charge for the copies.
- Receive an Annual Funding Notice. The Plan Administrator is required by law to furnish each participant with a copy of the Annual Funding Notice.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65), and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. This statement must be requested in writing and is not required to be given more than once every twelve months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people responsible for the operation of the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including the Company, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a Plan benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan review and reconsider your claim.

If your claim for a pension or welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a U.S. federal court in a timely manner. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have both a claim and appeal for benefits that is denied or ignored, in whole or in part, you may file suit in a court of competent jurisdiction in a timely manner. In addition, if you disagree with the Plan's decision, or lack thereof, concerning the qualified status of a QDRO or a medical child support order, you may file suit in U.S. federal court in a timely manner. However, no action in law or in equity may be brought to recover under the Plan until the appeal rights in the claims procedures in the earlier part of this section have been exercised and the Plan benefits requested in such appeal have been denied in whole or in part.

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

Assistance with Your Questions

If you have any questions about your Plan or need any Plan documents, you should contact the Unisys Benefits Service Center at the number or website listed on page 81. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of EBSA by calling the toll-free hotline at 1-866-444-EBSA (3272). You will be automatically transferred to the nearest EBSA office (based on the area code of the telephone used to place the call). Alternatively, you can write to the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by contacting EBSA by telephone or mail (at the number and address stated above) or online at www.dol.gov/ebsa.

PLAN TERMINATION/REVISION

Unisys reserves the right to change, amend and revise the Plan at any time, in any manner and for any reason, at its sole and complete discretion. This includes, but is not limited to, amendments that increase or reduce benefits, modification of the pension formula, changes in the table-driven factors for early retirement or optional forms of payment, and any other term or condition of the Plan.

The Unisys decision to change the Plan may be due to changes in U.S. federal or state laws governing retirement benefit plans, the requirements of the Internal Revenue Code or ERISA, or any other reason. A Plan change may transfer Plan assets and liabilities to another plan or split a plan into two or more parts.

Unisys also reserves the right to terminate the Plan for any reason. Should the Plan be terminated, all participants in an active employment status automatically will become 100 percent vested in the benefits earned under the terms of the Plan through the date the Plan is terminated, to the extent then funded.

If the Plan is terminated, payments from the pension trust fund will be made in a manner prescribed by law. In this event, you will receive specific information on payment priorities. None of the assets in the trust fund will be returned to Unisys unless all benefits earned under the Plan have been fully funded.

The providing of benefits by Unisys does not imply the creation of a contract of employment or an obligation to continue the present or future level of benefits.

PENSION BENEFIT GUARANTY CORPORATION

Your pension benefits under the Unisys Pension Plan are insured by the U.S. Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. Unisys pays an annual premium to the PBGC for each Plan participant to guarantee payment of certain benefits. 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 is an agency of the U.S. federal government which guarantees most vested normal retirement benefits, early retirement benefits and certain survivor benefits. However the PBGC does not guarantee all types of benefits under covered plans, and the amount of benefit protection is subject to certain limitations.

The PBGC guarantee generally covers:

- Normal and early retirement benefits,
- Disability benefits if you become disabled before the Plan terminates, and
- Certain benefits for your survivors.

The PBGC guarantee generally does *not* cover:

- Benefits greater than the maximum guaranteed amount set by law for the year in which the Plan terminates,

- Some or all of the benefit increases and new benefits based on Plan provisions that have been in place for fewer than five years at the time the Plan terminates,
- Benefits that were not vested before the Plan terminated because you have not worked long enough for the Company,
- Benefits for which you have not met all of the requirements at the time the Plan terminates,
- 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
- Non-pension benefits, such as health, and certain death benefits.

Even if certain 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 the Company.

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 NW, Suite 930, Washington, DC 20005-4026 or call 1-202-326-4000 (not a toll-free number) or toll-free at 1-800-400-7242. TTY/TDD users who are hearing-impaired may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000 or toll-free at 1-800-400-7242. Additional information about the PBGC is available through the PBGC's website on the Internet at http://www.pbgc.gov.

.

A Final Note

This document serves as the SPD for the Unisys Pension Plan.

The complete provisions of the Plan are contained in the Plan document, which governs the operation of the Unisys Pension Plan.

Although every effort has been made in this SPD to properly explain the benefit provisions of the Plan, if there is a discrepancy between the information presented here and the information contained in the Plan document, the Plan document governs in all cases.