Duke Energy Legacy Pension Plan

Summary Plan Description

IMPORTANT NOTICE: This booklet is the Summary Plan Description ("SPD") for the Duke Energy Legacy Pension Plan (the "Legacy Plan" or "Plan") as of January 1, 2021, and replaces all prior descriptions of the Legacy Plan. Although the SPD describes the principal features of the Legacy Plan that are of general applicability, it is only a summary. The complete provisions of the Legacy Plan are set forth in the Plan documents, which are available upon written request to the Plan Administrator at Benefits Committee; c/o Duke Energy Corporation; 550 South Tryon Street, DEC38D; Charlotte, NC 28202.

On Jan 1, 2018, Duke Energy restructured its defined benefit pension plans. As part of this restructuring, (i) a portion of the Duke Energy Retirement Cash Balance Plan ("RCBP") (generally, inactive participants as of Dec 1, 2017*)* was spun-off to create this new Legacy Plan, and (ii) a portion of the Cinergy Corp. Union Employee's Retirement Income Plan ("Cinergy RIP") (generally, inactive participants as of Dec 1, 2017) was spun-off and merged into this Legacy Plan. On Dec 31, 2020, a portion of the Retirement Plan for Bargaining Unit Employees of Florida Progress Corporation("Florida Bargaining Plan") (generally, certain inactive participants) was spun-off and merged into this Legacy Plan. The Legacy Plan is closed to new participants.

Your Plan benefit generally will be subject to the provisions of the Plan (and prior plans) in effect at termination of employment from Duke Energy Corporation ("Duke Energy") and affiliated companies (individually and collectively, the "Company"). However, the administrative provisions of the Plan will apply to your benefit, including the following information described in this summary plan description: access to benefit information, how to request a distribution, governmental limits on benefits, claims procedures, your rights under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), receiving less than you expected, and plan amendment procedure. If you have any questions regarding your specific situation, please contact the Duke Energy myHR Service Center at 888-465-1300.

TABLE OF CONTENTS

OVERVIEW

The Legacy Plan described in this SPD is a defined benefit retirement plan, which is intended to be tax-qualified (and its trust is intended to be tax exempt). The Legacy Plan provides a retirement benefit funded solely by the Company with the funding actuarially determined.

You are a participant in the Legacy Plan only if your benefit was transferred from the RCBP, Cinergy RIP, or Florida Bargaining Plan to the Legacy Plan. The Legacy Plan is closed to new participants, which means that no one else is eligible to participate.

If you have commenced your benefit, your benefit elections generally will determine your benefit under the Legacy Plan.

If you have not commenced your benefit, this SPD provides information on the prior RCBP's cash balance formula and where expressly noted other formulas. For example,

- Appendix A provides information on the traditional formula and transition rules under the prior Cinergy RIP, Cinergy Corp. Union Employees' Pension Plan ("Cinergy Union Plan") and Cinergy Corp. Non-Union Employees' Pension Plan ("Cinergy Non-Union Plan")
- Appendix B provides information on transition rules and alternative formulas under the prior Progress Energy Pension Plan ("Progress Plan").
- Appendix C provides information on the Part A final average pay formula under the Florida Bargaining Plan.
- Appendix D provides information on the Part B (cash balance formula) forms of payment under the Florida Bargaining Plan

Full information about the Legacy Plan is contained in the official Plan document, available by written request to the Plan Administrator.

PARTICIPATION, SERVICE CENTER, AND BENEFICIARIES

You are a participant in the Legacy Plan only if your benefit was transferred to the Legacy Plan as follows:

- From the RCBP or the Cinergy RIP effective as of Jan 1, 2018. Generally, only inactive participants as of Dec 1, 2017 were transferred to the Legacy Plan.
- From the Florida Bargaining Plan effective as of Dec 31, 2020. Generally, only certain inactive participants were transferred to the Legacy Plan.

The Legacy Plan is closed to new participants, which means that no other persons are eligible to participate in the Legacy Plan.

Service is Just a Click Away

You can obtain information about the Legacy Plan by accessing YBR through: http://digital.alight.com/duke-energy. YBR allows you to check your cash balance formula account balance (if applicable), verify your vesting status, name or change a Beneficiary designation, perform and save a benefit estimate, or start the retirement election process.

You also may call the Duke Energy myHR Service Center at 888-465-1300 when you need information and assistance. Representatives are available Monday through Friday, 8 a.m. – 5 p.m. Eastern Time.

Choosing a Beneficiary

If you have commenced your benefit, your benefit election generally will determine whether any benefits are payable from the Legacy Plan upon your death.

If you have a cash balance account or otherwise have the right to designate a beneficiary, you should periodically review your choice of beneficiary (or beneficiaries) for the Legacy Plan. Your beneficiary will receive a benefit if you die before you begin distribution of your cash balance account.

If you are married or become married, your spouse[1] is your beneficiary for your cash balance account unless you designate another beneficiary with your spouse's consent. The consent must be in writing and witnessed by a notary. If you are not married and have not designated a beneficiary, your beneficiary for the cash balance account will be your estate. If your designated beneficiary (or beneficiaries) does not survive you or is otherwise ineligible, your beneficiary for the cash balance account will be your spouse, or, if you are not married, your estate. We encourage you to name a beneficiary and periodically review your choice of beneficiary.

If you designated a non-spouse beneficiary while employed before the year in which you attain age 35, the designation expires on the first day of the year in which you attain age 35. You can again designate the same or another beneficiary (with spousal consent, as applicable) on or after the first day of the year in which you attain age 35 (or at any time after you are no longer employed). If you designate your spouse as a beneficiary and divorce, the beneficiary designation is automatically revoked except to the extent as may be required by a Qualified Domestic Relations Order ("QDRO").

[1] Your spouse on a relevant date is the person to whom you are married for federal tax purposes.

Beneficiary designations may only be made through the Your Benefit Resources (YBR) website. Any prior beneficiary designations that were not made through the Your Benefit Resources (YBR) website have automatically been revoked.

FROZEN BENEFIT AND INTEREST CREDITS

The Legacy Plan is frozen, which means that no participant will accrue additional benefits under the Legacy Plan (*e.g.*, no additional pay credits will be added to your cash balance account).

If you have commenced your benefit, your benefit election determines the benefit payable from the Legacy Plan.

If you participated in a cash balance formula under your prior plan and have not commenced your benefit, you have a cash balance account under the Legacy Plan. You also may have cash balance sub-accounts depending on when you were hired.

Your Legacy Plan cash balance account is a bookkeeping account. This means that although your account is used to measure the value of your benefit, no actual assets are allocated to your account. Rather, the Company contributes to the pension plan trust to fund all participants' benefits. You can see the amount of your benefit (account balance) at any time online.

Interest Credits

As long as you have not begun receiving payments from your Legacy Plan cash balance account, your account will receive an interest credit at the end of each month (or, in certain situations, the end of each year).

For pay credits accrued on and after the date listed below for your respective group, your interest credit will equal your account balance as of the last day of the preceding month multiplied by the monthly interest crediting rate of .327% (the monthly equivalent interest rate rounded to three decimal places of an annual rate of 4%).

Group	Date
Non-union employees (Legacy Duke Energy)	Jan 1, 2013
Non-union employees (Legacy Progress)	Jan 1, 2014
USW 7202	Jan 1, 2014
IBEW 962 or IBEW 962T	Apr 1, 2015
IBEW 1347	Jan 1, 2015
IBEW 1393	Jan 1, 2016
UWUA 600	Jan 1, 2016
USW 5541-06 and USW 12049	Jan 1, 2017

If you were a non-union employee (Legacy Progress), for pay credits accrued prior to Jan 1. 2014, interest credits are made annually on Dec 31st (or, if earlier, your retirement start date) based on an annual interest credit rate of 4%.

If you were in another group listed above, for pay credits accrued prior to the date listed above, interest credits are made monthly based on a monthly interest crediting rate derived from the average annual yield on the 30-year U.S. Treasury bond at the end of the third full business week of the month immediately prior to the quarter in which such monthly interest credit is to apply, subject to a minimum rate of 4% and a maximum rate of 9%.

If you were a Florida Bargaining Plan participant, interest credits are made annually on Dec 31st (or, if earlier, your retirement start date) based on an annual interest credit rate of 4%.

When Interest Credits End

Interest credits will continue to be made to your account until you begin to receive your vested benefit from the Legacy Plan. If you are not vested when you leave the Company, interest credits end when your benefit is forfeited.

Vesting

Vesting is the term for gaining ownership of your Legacy Plan account. You must be vested to receive a benefit from the Legacy Plan. You become 100% vested in your cash balance account when you complete three years of vesting service with the Company. You generally are vested in prior formula benefits when you complete three years of vesting service, but longer periods are required in certain contexts (*e.g.*, employment termination before the three year vesting rule went into effect and five years of continuous service for the final average pay formula under the Florida Bargaining Plan).

You generally receive vesting service beginning on the later of age 18 or your employment commencement date and ending on your severance from service date. Your severance from service date generally is the earlier of the date your employment terminated or the first anniversary of a period of absence.

If you were a Florida Bargaining Plan participant, however, vesting generally is based on continuous service. You earn a full year of continuous service when you work for (or are paid for) at least with 1,000 hours with the Company in a calendar year (January–December).

You also may be credited with service for certain family and medical leaves and military leaves to the extent required by federal law.

Your vesting service generally includes the vesting service that you had under the prior RCBP, Cinergy RIP, Cinergy Union Plan, Cinergy Non-Union Plan, Progress Plan, or Florida Bargaining Plan.

You generally will forfeit your benefit from the Legacy Plan if you are not vested. See “Break in Service” section below regarding service crediting upon reemployment.

Break in Service

If your Company employment terminated before you became vested in the Legacy Plan, your benefit generally is forfeited. If you are rehired within five years, your benefit (with interest credits for your period of absence) and your vesting service are reinstated and you will continue to accrue service toward the three-year vesting requirement for your cash balance account. If prior service is reinstated, the periods of service are aggregated so that you earn a year of vesting service upon completion of 365 days of service.

If your Company employment terminates and you are rehired within 12 months, you will be granted vesting service as if you had never terminated employment.

If you were a Florida Bargaining Plan participant, you generally incur a break in service when you work or are paid for 500 hours or less in a calendar year (except in your first year of employment). If you incur a break in service, you will lose credit for all previous continuous service unless your break in service is shorter than five years (or you were vested). You do not receive continuous service for the period of time that you were not employed.

If you are vested in the Legacy Plan when your Company employment terminated, and you are later rehired, all vesting service (and continuous service) earned prior to the break in service will be reinstated.

The Legacy Plan is frozen, so even if you are rehired, you will not accrue additional benefits under the Legacy Plan.

Special rules under the Uniformed Services Employment and Reemployment Rights Act (USERRA) apply if you timely return to work following military service or die while performing qualified military service. Contact the Duke Energy myHR Service Center at 888-465-1300 for details.

Viewing Your Account Online

You can obtain a statement of your cash balance account online. Your statement will show your opening and closing account balances for various designated date ranges, plus any pay or interest credits made to your account during a designated date range.

You can also get information about your account balance by calling the Duke Energy myHR Service Center at 888-465-1300.

RECEIVING YOUR BENEFIT

When You May Receive Your Benefit

You are eligible to receive your vested cash balance benefit from the Legacy Plan at any time. Your ability to receive your benefit attributable to other plan formulas may be limited, including as follows:

- If you were a participant, but not an employee, in the prior RCBP on Jan 1, 1997 or a participant, but not an employee, in either the prior Retirement Plan for Hourly Employees of Nantahala Power and Light Company or prior Retirement Plan for Salaried Employees of Nantahala Power and Light Company on Jan 1, 1999, your prior plan benefit may only be available at retirement or attainment of age 55.
- If you terminated employment with only a traditional formula benefit under the prior Cinergy RIP, Cinergy Non-Union Plan or Cinergy Union Plan, your traditional formula benefit may only be available at retirement or attainment of age 50.
- If you were automatically converted from the traditional formula benefit under the prior Cinergy RIP, Cinergy Non-Union Plan or Cinergy Union Plan, your Part A traditional formula benefit may only be available at retirement or attainment of age 50.
- If you were a participant in the Part A final average pay formula under the Florida Bargaining Plan, your final average pay benefit may only be available at retirement or attainment of age 55 and 15 years of continuous service.

Contact the Duke Energy myHR Service Center at 888-465-1300 for details.

Mandatory Commencement

If you do not timely elect a payment option prior to the Apr 1 following the calendar year in which you reach age 72* (or, if you continued working past age 72*, Apr 1 following the calendar year in which your Company employment terminates), your vested benefit, if greater than $5,000, will automatically be paid at that time as follows:

- If you are single — Single Life Annuity (provides a monthly benefit for your life; no benefits are paid after your death)
- If you are married — 100% Contingent Annuity

*Age 70½ if you attained age 70½ before Jan 1, 2020

Once payment begins (*i.e.*, the first of the month in which you are to receive payment), you will not be able to change the payment option.

If your vested benefit is $5,000 or less ($1,000 or less if you were a Florida Bargaining Plan participant), your benefit generally will be paid to you in a lump sum payment. If your benefit exceeds $1,000 and you do not make an affirmative election, distribution will be made to an individual retirement account designated by the Plan Administrator.

Form of Payment

When you are eligible to receive a distribution, you may choose among the payment options described below for your cash balance account (see Appendix D if you were a Florida Bargaining Plan participant):[2]

Single Life Annuity

You may receive your vested benefit as a Single Life Annuity, which provides you with ongoing monthly payments for life. There are no continuing payments after your death.

Contingent Annuity

You may receive a Contingent Annuity, which provides monthly payments of your vested benefit over your lifetime, with 50% or 100% of the monthly payment amount, whichever you elect, continued to your designated annuitant for the remainder of his or her lifetime. The 100% Contingent Annuity, with your spouse as the designated annuitant, is the standard form of benefit for a married participant.[3] Your monthly payments under the 100% Contingent Annuity will be less than under a Single Life Annuity, because payments continue for both your lifetime and that of your designated annuitant and will be less under the 100% Contingent Annuity than under the 50% Contingent Annuity.

If your spouse predeceases you after payment begins, your monthly payment will continue at the reduced amount and will end with your death. Should you remarry, your new spouse will not be eligible for benefit payments following your death.

Lump Sum Payment

The entire value of your cash balance benefit is paid as a single lump sum payment. If you elect this payment option, you may want to talk with a financial advisor about rolling over your lump sum payment into an IRA or other tax-qualified plan to defer taxation.

Spousal Consent

If you are married, you must receive your pension benefit in the form of a 100% Contingent Annuity (50% Contingent Annuity if you were a participant in the prior Progress Plan or prior Florida Bargaining Plan) with your spouse as the designated annuitant, unless you elect another form of payment. In general, your spouse's written, notarized (*i.e.*, witnessed by a notary) consent is required for you to elect another form of payment.

Direct Rollover

If your vested benefit is to be paid in a lump sum payment, you may be able to elect a direct rollover of some or all of the taxable amount of the payment into an IRA, another employer's plan, or, if you have an account balance in the Duke Energy Retirement Savings Plan ("RSP"), the RSP. A direct rollover also may be available for your beneficiary (to an IRA only) or spouse who receives a lump sum payment.

If you choose the direct rollover option, your lump sum payment will be made by check, payable to the rollover institution.

Conversions

Keep in mind that conversions from an annuity to a lump sum or from a Legacy Plan cash balance account to an annuity are impacted by both interest rates and life expectancy, and the impact of a change in one of these variables may either be offset or compounded by a change in the other variable.

If you elect to receive your vested Legacy Plan cash balance account as an annuity, your account balance will be converted to a monthly annuity that has the same actuarial value as your account balance. Similarly, if you elect to receive a prior plan annuity benefit in the form of a lump sum payment, the annuity benefit will be converted to a lump sum that has the same actuarial value as the annuity.

Life Expectancy

In general, when converting your Legacy Plan account balance to an annuity, a higher (older) age at commencement will produce a larger annuity.

When converting a prior plan annuity benefit, which is level or slightly increasing with age, to a lump sum, a

[2] If you were a participant in a prior Duke Energy plan before Jan 1, 1999, the prior Cinergy RIP, Cinergy Non-Union Plan, Cinergy Union Plan or Progress Plan, you may have additional payment options. Contact the Duke Energy myHR Service Center at 888-465-1300 for details.

[3] If you were an eligible employee in the prior Progress Plan as of Dec 31, 2015 or the prior Florida Bargaining Plan, the 50% Contingent Annuity, with your spouse as the designated annuitant, is the standard form of benefit for a married participant. For Part A (final average pay formula) of the prior Florida Bargaining Plan, if your spouse dies first, your benefit will increase (pop-up) to the amount of the Single Life Annuity on the first of the month following your spouse's death (or upon notice to the Plan Administrator if your spouse died before Jan 1, 2014). If you were a participant, but not an eligible employee, in the prior Progress Plan as of Dec 31, 2015, the 50% Contingent Annuity is the standard form of benefit only for your benefit attributable to the prior Progress Plan.

higher (older) age at commencement will produce a smaller lump sum amount.

Interest Rate Impact

An increase in the interest rate used for conversion of the Legacy Plan cash balance account to an annuity would result in an increase in the monthly annuity payment amount, and a decrease in the interest rate would result in a decrease in the monthly annuity payment amount.

An increase in the interest rate used for conversion of an annuity benefit to a lump sum would result in a decrease in the lump sum value, and a decrease in the interest rate would result in an increase in the lump sum value.

Interest Rate Used to Convert Benefit Payments

The interest conversion rate for a plan year for your cash balance account is based on the three-tiered corporate bond rate published by the IRS for August (of the prior year). Legacy Plan estimates, which may be processed online through YBR or by calling the Duke Energy myHR Service Center, will provide information on the interest rates used for these conversions.

Benefit After Death

If you die before receiving your vested benefit as a lump sum payment or before beginning to receive annuity payments (before the first day of the first month for which the annuity is to be paid on the last day of the month), your vested cash balance account will be paid as follows:

- If your spouse is your beneficiary, your spouse will have the option of receiving your vested cash balance account in a lump sum payment or in Single Life Annuity payments. Your spouse may elect to delay receiving the survivor benefit until anytime up until the end of the year in which you would have attained age 70½ had you lived. Interest credits will be allocated to the cash balance account after your death until your spouse begins to receive the benefit. If your spouse does not choose an alternate form by the end of the year in which you would have attained age 70½, payment will be made in the form of a Single Life Annuity.
- If your beneficiary is not your spouse, your beneficiary will receive a lump sum payment equal to your cash balance account balance as soon as practicable after your death.
- If you die without a spouse or designated beneficiary, your vested cash balance account will be paid to your estate in a lump sum payment.

If you die when you are neither employed by the Company nor vested, no death benefit will be paid. If you have commenced your benefit, the form of benefit payment will determine if any death benefit is payable (*e.g.*, no death benefit is payable following distribution in a lump sum payment; a survivor benefit is available under the Contingent Annuity).

Refer to *Choosing a Beneficiary* for information on designating a beneficiary.

How to Request a Distribution

Once you (or your beneficiary) are eligible to receive your Legacy Plan benefit, you can initiate your Legacy Plan elections online. When you use the online retirement process, you can view your retirement materials online or you may choose to receive an information package in the mail from the Duke Energy myHR Service Center that describes your distribution options. If you are married, you will receive a confirmation of your elections that will require your signature and spousal consent. If you are not married, you may complete the entire retirement process online.

If you (or your beneficiary) do not have access to the Internet, you should speak to a Duke Energy myHR Service Center representative at 888-465-1300 to initiate your Legacy Plan retirement elections. Whether you initiate your retirement online or by calling the Duke Energy myHR Service Center, you should do so at least 30 days (but generally not more than 90 days) in advance of when you want your benefit to commence (which must be as of the first of a month). This will allow enough time for you to consider which form of payment is best for you and to provide spousal consent, if required. It will also allow enough time for your application to be processed by your desired date. You should consider your retirement options carefully and consult a financial advisor. ***You may not change a form of payment on or after your benefit start date (i.e., the first day of the first month for which the first payment of the annuity is to be paid on the last day of the month).***

OTHER PLAN INFORMATION

Claims and Appeals Procedures

If you have a claim for a benefit or any grievance, complaint or claim concerning any aspect of the administration of the Legacy Plan, call the Duke Energy myHR Service Center at 888-465-1300 to obtain the appropriate form on which to file your written claim. The claim form will have instructions as to how to submit your written claim to the Alight Claims and Appeals Management team, as designee of the Plan Administrator (or its delegate). You must submit such claim no later than two years from the earliest of:

- in the case of any account balance or other account transaction information, the date such information was first made available to you,
- in the case of any payment or series of payments, the date of payment or the date the first in the series of payments was paid, or
- for all other claims, the date on which the action complained of first occurred.

Your claim must be in writing and include:

- a statement that it is a "claim under the Duke Energy Legacy Pension Plan";
- your full name, mailing address and daytime telephone number;
- if applicable, a copy of your written designation of a representative, including the representative's full name, mailing address and daytime phone number, and
- a complete description of the claim, including any issue or information you or your representative want considered.

If your claim is denied, either in whole or in part, you or your beneficiary will receive written notification within 90 days after receipt of your claim, unless special circumstances require an extension of time for processing the claim. If an extension is necessary, you will be notified, in writing, and the extension period will not be for more than 90 days. At any point in the claims process, you or your representative may request documents, records, or other information relative to your claim from the Alight Claims and Appeals Management team, as designee of the Plan Administrator (or its delegate), and copies will be provided within a reasonable time and free of charge.

If your claim is denied, the written notice will include the following:

- the specific reason or reasons for the denial;
- specific references to pertinent Legacy Plan provisions on which the denial is based;
- a description of any additional material or information necessary for you to perfect the claim, along with an explanation of why such material or information is necessary; and
- appropriate information about the steps to be taken if you wish to submit the denied claim for appeal and, a description of your right to bring legal action on the claim following an adverse determination on review.

If your claim is denied, you may file a written appeal with the Claims Committee within 60 days after the claim for a benefit was denied. The Claims Committee will then review the denied claim and give written notice of its final decision. Your appeal must be in writing and include:

- a statement that it is an "appeal of a denied claim under the Duke Energy Legacy Pension Plan";
- your full name, mailing address and daytime telephone number;
- if applicable and not previously submitted, a copy of your written designation of a representative, including the representative's full name, mailing address and daytime telephone number; and
- a complete description of the appeal including a description of the original claim and any issue or information that you or your representative want considered.

A written notice of the final decision will be furnished within 60 days or within 120 days if special circumstances require more time. If more time is needed, the Claims Committee will promptly inform you, in writing, of the reason for the delay and the date you can expect to receive a notice. If an adverse determination is made, the written notice will include the following information:

- the specific reason or reasons for the adverse determination;
- reference to the specific Legacy Plan provisions on which the benefit determination is based;
- a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits; and
- a statement that there are no voluntary appeal procedures and your right to bring an action under section 502(a) of ERISA.

You may, at any time during the claim denial or review process, hire an attorney — at your own expense — to represent you. You must first follow the Legacy Plan's claims procedures prior to filing any action or lawsuit, and any action or lawsuit must be filed no later than one year from the date of the decision on appeal. The Legacy Plan's proper name (see *Administrative Information* below) and your name should be used in any related formal correspondence.

See the next section for special rules for determinations regarding disability.

Disability Claims and Appeals Procedures

If a determination regarding disability is made under the Plan (other than by reference to determinations under the Social Security Act or the Company's long-term disability plan), the claims and appeals procedures set forth in the Duke Energy Long-Term Disability Plan will be followed, but with Alight Claims and Appeals Management team handing the claims determinations and the Claims Committee handling the appeal.

COVID-19 Pandemic

The period from March 1, 2020 until 60 days after the announced end of the National Emergency regarding the COVID-19 pandemic is disregarded in determining the date by which claimants may file claims and/or appeals.

Keep Us Informed

It is your responsibility to make sure your benefit records are correct and that the personal information needed to administer your benefit is current. For example, you must keep the Plan Administrator informed of your current address (to avoid delays and possible loss of benefit or rights). Promptly review any confirmation and other benefit statements carefully, and immediately advise the Plan Administrator if you believe there is an error.

Limits on Benefit

The maximum benefit that can be provided by the Legacy Plan to a participant is limited by law. In addition, the total retirement benefit provided to a participant through all Company-sponsored, tax-qualified retirement plans is limited by law. These limits are unlikely to affect most participants. If you are affected, you will be notified by the Duke Energy myHR Service Center.

Funding-Based Restrictions

Certain restrictions on the payment of lump sums and other accelerated payment forms apply if the funding percentage of the Legacy Plan falls below certain thresholds. You will be notified if any of these restrictions become applicable under the Legacy Plan.

Assignment of Benefit/Qualified Domestic Relations Orders (QDROs)

Normally, your benefit under the Legacy Plan cannot be transferred or assigned to another person, and you may not borrow against your benefit or pledge any part of it as security for a loan. No part of your benefit may be claimed by a creditor for the payment of any debt you have incurred except for plan overpayments, wrongdoing involving the plan, and federal tax liens. Further, the Legacy Plan will comply with any court-issued QDRO, which requires the Legacy Plan to distribute all or a part of your account balance to your spouse, former spouse, child or other dependent to meet marital, alimony or child support obligations imposed on you by law. A free copy of the Legacy Plan QDRO procedures may be obtained online at www.qocenter.com or by contacting the Duke Energy myHR Service Center at 888-465-1300. General questions regarding QDROs also may be addressed by calling the Duke Energy myHR Service Center.

Duke Energy has outsourced its QDRO administration, including questions regarding qualification of an order, to Alight. Your legal representative may contact the Qualified Order Team at 888-858-5500 between 8:30 a.m. and 5:00 p.m. Central Time, Monday through Friday. The mailing address is:

Duke Energy Corporation
Attention: Qualified Order Team
P.O. Box 7144
Rantoul, IL 61866-7144

You may fax draft orders (but not actual court orders) to the following Fax: 847-883-9313

PBGC Insurance

Your pension benefit under the Duke Energy Legacy Plan is insured by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency.

If the Legacy Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all the pension benefits they would have received under their plan, but some people may lose certain benefits.

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

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your plan has and on how much the PBGC collects from employers. For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the

PBGC's Technical Assistance Division
1200 K Street N.W., Suite 930,
Washington, D.C. 20005-4026

or call 202-326-4000 (not a toll-free number).

TTY/TDD users may call the federal relay service toll-free at 800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website at http://www.pbgc.gov.

Social Security

You may be eligible for Social Security retirement benefits for yourself and, if you are married, for your spouse. You and the Company equally shared the cost of these benefits. Social Security income may be payable to you and your spouse beginning at age 65 or as early as age 62 in reduced amounts. If you were born in 1938 or later, you will have to delay receiving your Social Security benefit beyond age 65 (until age 67 if you were born in 1960 or later) to receive full Social Security retirement benefits. Benefits from Social Security are not automatic. You must apply for these benefits at your local Social Security office at least three months before you want benefits to begin.

Plan Amendment or Termination

Duke Energy reserves the right to amend or terminate any of its employee benefit plans in any respect and at any time. For example, the Legacy Plan may be discontinued in part or in its entirety, or the benefit to be earned in the future may be changed. The right to amend or terminate a plan may be exercised by the Board of Duke Energy, the Chief Executive Officer of Duke Energy, or authorized delegates, and any amendment shall be in writing. If the Legacy Plan is terminated, your benefit under the Legacy Plan will be 100% vested as of the date of the Legacy Plan termination. The Legacy Plan's funds cannot revert to the Company prior to the Legacy Plan’s termination and payment of all benefits. If for any reason the Legacy Plan's funds are insufficient to pay benefits to all participants, payments would be made as prescribed by law.

Receiving Less Than You Expected

You also may lose your benefit or receive less than you expect from the Legacy Plan in the following circumstances:

- You terminated employment before you were vested.
- If you are not vested and incur a five-year break in service, any service prior to your five-year break in service will not be taken into account.
- The Legacy Plan is frozen, which means that, even if you are reemployed, you will not accrue additional benefits under the Legacy Plan.
- A delay in filing a proper application on a timely basis.
- You may not commence your vested benefit while employed, including employment following rehire.
- If you have commenced your vested benefit and are rehired, you will continue to receive your vested benefit.
- Death prior to commencement of retirement benefits.
- Death of a pensioner who has not taken an optional payment form with a death benefit.
- Amendment of the Legacy Plan.
- Termination of the Legacy Plan prior to full funding of benefits attributable to service prior to the termination date. In the event of termination of the Legacy Plan, assets are to be allocated to retired and active participants in accordance with the provisions of applicable federal laws and regulations.
- Deferring commencement of retirement benefits beyond initial eligibility date (*e.g.*, you may forgo early retirement subsidies for prior formulas).
- Failing to defer commencement of your retirement benefit.
- Recovery from total and permanent disability.
- The Internal Revenue Code limits the amount of compensation that may be considered under the Plan for each plan year.
- Benefits will be paid only if the Plan Administrator (or its delegate) decides in its discretion that the applicant is entitled to benefits under the Legacy Plan.
- The Legacy Plan is required by law to withhold taxes on payments from the Legacy Plan according to federal and state withholding rules in effect at the time of distribution. You will want to consult with your personal tax advisor regarding the tax treatment of your pension benefits.
- Calculation errors discovered by subsequent audit or otherwise.
- If you are overpaid from the Legacy Plan, the Plan Administrator may offset your current or future benefit payments or seek cash reimbursement to recover the overpayments.
- You do not keep the Plan Administrator advised of your current address so that you may receive Legacy Plan information in a timely manner.
- The amount payable from the Legacy Plan in a single sum or annuity form may increase or decrease based on changes in the mortality table and/or interest rate used to calculate the payment.

- You do not make and/or appeal claims in accordance with the Legacy Plan's strict time limits.

ADMINISTRATIVE INFORMATION

Plan Name

The formal name of the Legacy Plan is the Duke Energy Legacy Pension Plan.

Plan Sponsor

The Legacy Plan is sponsored by:

Duke Energy Corporation
550 South Tryon Street, DEC38D
Charlotte, NC 28202
Telephone: 704-382-4703

Participating Company

A complete list of affiliates (of Duke Energy) participating in the Legacy Plan may be obtained or examined upon written request to the Plan Administrator. You also may request in writing to the Plan Administrator whether a particular employer is a participating affiliate and, if a participating affiliate, its address.

An affiliated company of Duke Energy is a company that is, directly or indirectly, at least 80% owned by Duke Energy. A participating company automatically ceases to be a participating company when it ceases to be an affiliated company with Duke Energy.

Employer I.D. Number and Plan Number

The Employer Identification Number assigned by the IRS to Duke Energy is 20-2777218. The number assigned by Duke Energy to the Legacy Plan is 012.

Plan Type

The Legacy Plan is the following types of plan:

- The Legacy Plan is a pension plan under ERISA because it provides retirement income to vested participants.
- The Legacy Plan is a defined benefit plan because your benefit is based on a formula (and not based on the value of assets in an individual account).
- The portion of the Legacy Plan that is the "cash balance account" is a cash balance plan because the benefit formula is based on an assumed account.
- The Legacy Plan is intended to be a tax-qualified plan for purposes of the Internal Revenue Code.

Plan Trustee

The assets of the Legacy Plan are held in trust. The trust and trustee for the Legacy Plan are:

Duke Energy Corporation Master Retirement Trust
The Northern Trust Company, Trustee
50 South LaSalle Street
Chicago, IL 60675

Plan Cost

The Company pays the full cost of the Legacy Plan. Contributions to the Legacy Plan by the Company are actuarially determined.

You make no contributions.

Plan Administrator

The Plan Administrator for the Legacy Plan is the Benefits Committee. A benefit is paid only if the Benefits Committee decides in its discretion that the applicant is entitled to the benefit under the Legacy Plan. The Plan Administrator has the sole discretionary authority to interpret and regulate the Legacy Plan. You may contact the Plan Administrator at:

Benefits Committee
Duke Energy Corporation
550 South Tryon Street, DEC38D
Charlotte, NC 28202
Telephone: 704-382-4703

The Benefits Committee may assign or delegate any of its authority or duties to others.

Plan Year

The plan year for the Legacy Plan is the calendar year, Jan 1 through Dec 31.

Agent for Service of Legal Process

The agent for service of legal process is:

Corporate Secretary
Duke Energy Corporation
550 South Tryon Street, DEC45A
Charlotte, NC 28202

Service of legal process also may be made upon the Legacy Plan trustee or the Plan Administrator.

Statement of ERISA Rights

As a participant in the Legacy 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 and Benefits

Examine, without charge, at the Plan Administrator's office and at other specified locations - such as work sites – all documents governing the Plan, including insurance contracts and collective bargaining agreements and 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 (“EBSA”).

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

Receive the Plan's 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 benefit at normal retirement age (age 65) and if so, what your benefit would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a benefit, the statement will tell you how many more years you have to work to get a right to a benefit. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit 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 your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a pension benefit 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 your ERISA rights. For instance, if you request a copy of the Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in federal court. 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 Plan Administrator. If you have a claim for benefits which is denied or ignored - in whole or in part - you may file suit in a state or federal court. 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 federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your ERISA rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in federal court. If you file suit against the Plan, 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 the Plan, you should contact the Plan Administrator. If you have any questions about this statement of ERISA rights 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 Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, DC 20210. You also may obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of EBSA.

A Final Note

Although this SPD describes the principal features of the Legacy Plan that are generally applicable, it is only a summary. The complete provisions of the Legacy Plan are set forth in the plan documents, which are available upon written request to the Plan Administrator. An SPD is an overview and is written to be read in its entirety; descriptions of Legacy Plan features should not be taken out of context. Inquiries about specific situations should be directed to the Duke Energy myHR Service Center at 888-465-1300. Changes to the Legacy Plan, pending revision of the SPD, will be communicated in Summaries of Material Modifications provided through newsletters, benefit statements and notices. In the event of a conflict between the SPD or any other communication regarding the Legacy Plan and the Legacy Plan documents themselves, the Plan documents will govern. Finally, the Legacy Plan may be amended only by proper corporate action and not by oral or written communications about the Legacy Plan.

Neither the Legacy Plan, this SPD, nor your participation is an employment contract, and does not give any employee the right to continue to be employed by the Company.

APPENDIX A – CINERGY PLANS

Prior Cinergy Plans

Merger – Opening Account

The prior Cinergy Non-Union Plan, Cinergy Union Plan and Cinergy RIP merged into the Legacy Plan effective Dec 31, 2012 (Jan. 1, 2018 for the Cinergy RIP). If you had a Duke Energy account under the prior Cinergy Non-Union Plan, Cinergy Union Plan or Cinergy RIP, your opening account balance under the Legacy Plan is your prior Duke Energy account balance under the prior Cinergy Non-Union Plan, Cinergy Union Plan or Cinergy RIP as of Dec 31, 2012 (Jan. 1, 2018 for the Cinergy RIP).

Transition Rules – Cinergy Non-Union Plan

The traditional formula under the prior Cinergy Non-Union Plan is frozen (*i.e.*, no new participants, no increase in Years of Participation and no change in highest average earnings). The chart below summarizes the transition provisions of the prior Cinergy Non-Union Plan. You can get information about the transition rules applicable to you (and corresponding benefit) by calling the Duke Energy myHR Service Center at 888-465-1300.

Year	Non-Union Group	Non-Union Provision/Transition
2003	New Hires from Jan 1, 2003 to Dec 31, 2006	Initially participated in prior cash balance formula.
2003	Pre-2003 Hires – 2002 Cash Balance Choice Participants	Initially participated in prior cash balance formula with opening account balance and traditional (“Part A”) + cash balance with no opening account balance (“Part B”) conversion minimum.
2007	New Hires on or after Jan 1, 2007	Participation in Duke Energy account formula. These new hires were not eligible for banked vacation.
2007	2003-2006 New Hires	Converted from prior cash balance formula to Duke Energy account formula with prior formula account balance as opening account balance under the Duke Energy account formula. Your pay for banked vacation was included as eligible pay under the Duke Energy account formula.
2007	2002 Cash Balance Choice Participants	Converted from prior cash balance formula to Duke Energy account formula with prior formula account balance as opening account balance under the Duke Energy account formula and continuation of Part A + Part B conversion minimum. Your pay for banked vacation was included as eligible pay under the Duke Energy account formula.
2007	2007 Duke Energy account Choice Participants	Participation in Duke Energy account formula with no opening account balance and Part A + Part B formula, including “earnings” growth for Part A through Dec 31, 2016, no future earnings growth applied to Part A, and a lump sum payment optional form for Part A. Your pay for banked vacation was included under Part A at Dec 31, 2016 (based on your rate of pay as of Dec 31, 2016), or, if earlier, at Severance from Service. Your pay for banked vacation was not included as eligible pay under Part B.
2011	2011 Automatic Conversion Participants	Participation in Duke Energy account formula with no opening account balance and Part A + Part B formula. For purposes of clarity, your pay for banked vacation at Dec 31, 2010 generally was included in Part A and your pay for banked vacation was not included as eligible pay under Part B, no future earnings growth applied to Part A, and no lump sum payment optional form is available under Part A. Part A is only available on and after age 50 (except for a small benefit cash-out).
Special rules apply for transfers, rehires, persons on leave of absence and prior Trigen Plan participants. You can get information applicable to you by calling the Duke Energy myHR Service Center at 888-465-1300.		

Transition Rules – Cinergy Union Plan

Whether you participated in the prior Cinergy Union Plan traditional formula and/or the Duke Energy account formula depended on your date of hire and your elections if applicable. If you participated in the Legacy Plan cash balance formula, the chart below summarizes the transition provisions of the Cinergy Union Plan. You can get information about the transition rules applicable to you (and corresponding benefit) by calling the Duke Energy myHR Service Center at 888-465-1300.

Year	Union Group - IBEW 1393	IBEW 1393 Provision/Transition
2003	New Hires from Jan 1, 2003 to Dec 31, 2010	Initially participated in prior cash balance formula.
2003	Pre-2003 Hires – 2002 Cash Balance Choice Participants	Initially participated in prior cash balance formula with opening account balance and traditional ("Part A") + cash balance with no opening account balance ("Part B") conversion minimum.
2011	New Hires on or after Jan 1, 2011	Participation in Duke Energy account formula. These new hires were not eligible for banked vacation.
2011	2003-2010 New Hires	Converted from prior cash balance formula to Duke Energy account formula with prior formula account balance as opening account balance under the Duke Energy account formula. Your pay for banked vacation was included as eligible pay under the Duke Energy account formula.
2011	2002 Cash Balance Choice Participants	Converted from prior cash balance formula to Duke Energy account formula with prior formula account balance as opening account balance under the Duke Energy account formula and continuation of Part A + Part B conversion minimum. Your pay for banked vacation was included as eligible pay under the Duke Energy account formula.
2011	2011 Duke Energy account Choice Participants	Participation in Duke Energy account formula with no opening account balance and Part A + Part B formula, including "earnings" growth for Part A through employment termination and a lump sum payment optional form for Part A. Your pay for banked vacation was included under Part A, but is not included as eligible pay under Part B.
2015	2015 Automatic Conversion Participants (Automatically converted to the cash balance formula as of Jan 1, 2015 if your age plus service total is less than 75 on Dec 31, 2014.)	Participation in Duke Energy account formula with no opening account balance and "A (traditional) +B (Duke Energy account)" formula. For purposes of clarity, your pay for banked vacation was not included in Part A, but was included as eligible pay under Part B, no earnings growth applied to Part A through employment termination, and no lump sum payment optional form is available under Part A. Part A is only available on and after age 50 (except for a small benefit cash-out).
Special rules apply for transfers, rehires, persons on leave of absence and prior Trigen Plan participants. You can get information applicable to you by calling the Duke Energy myHR Service Center at 888-465-1300.		

Transition Rules – Cinergy RIP

Whether you participate in the prior Cinergy RIP traditional formula and/or the Duke Energy account formula depends on your date of hire and your elections if applicable. If you participate in the Legacy Plan cash balance formula, the chart below summarizes the transition provisions of the Cinergy RIP. You can get information about your benefit formula and transition benefit if applicable to you (and corresponding benefit) by calling the Duke Energy myHR Service Center at 888-465-1300.

Year	Union Group - USW 12049 and 5541-06)	USW 12049 and 5541-06 Provision/Transition
2006	New Hires from Jan 1, 2006 to Dec 31, 2007	Initially participated in prior cash balance formula.
2006	Pre-2006 Hires – 2005 Cash Balance Choice Participants	Initially participated in prior cash balance formula with opening account balance and traditional ("Part A") + cash balance with no opening account balance ("Part B") conversion minimum.
2007	Pre-2006 Hires – 2006 Cash Balance Choice Participants	Initially participated in prior cash balance formula with opening account balance and traditional ("Part A") + cash balance with no opening account balance ("Part B") conversion minimum.
2008	New Hires on or after Jan 1, 2008 to Dec. 31, 2016.	Participation in Duke Energy account formula. These new hires were not eligible for banked vacation.
2008	2006-2007 New Hires	Converted from prior cash balance formula to Duke Energy account formula with prior formula account balance as opening account balance under the Duke Energy account formula. Your pay for banked vacation was included as eligible pay under the Duke Energy account formula.
2008	2005 and 2006 Cash Balance Choice Participants	Converted from prior cash balance formula to Duke Energy account formula with prior formula account balance as opening account balance under the Duke Energy account formula and continuation of Part A + Part B conversion minimum. Your pay for banked vacation was included as eligible pay under the Duke Energy account formula.
2008	2007 Duke Energy account Choice Participants	Participation in Duke Energy account formula with no opening account balance and Part A + Part B formula, including "earnings" growth for Part A through employment termination and a lump sum payment optional form for Part A. Your pay for banked vacation was included under Part A, but was not included as eligible pay under Part B.
2012	2011 Duke Closure Choice	Participation in Duke Energy account formula with no opening account balance and Part A + Part B formula, including "earnings" growth for Part A through employment termination and a lump sum payment optional form for Part A. Your pay for banked vacation was included under Part A, but is not included as eligible pay under Part B.
2012	2012 Automatic Conversion Participants (Automatically converted to the cash balance formula as of Jan 1, 2012 if you had not attained at least age 50 and 25 years of service on Dec 31, 2011.)	Participation in Duke Energy account formula with no opening account balance and "A (traditional) +B (Duke Energy account)" formula. For purposes of clarity, your pay for banked vacation was neither included in Part A nor Part B, no earnings growth applied to Part A, and no lump sum payment optional form is available under Part A. Part A is only available on and after age 50 (except for a small benefit cash-out).
Special rules apply for transfers, rehires, persons on leave of absence and prior Trigen Plan participants. You can get information applicable to you by calling the Duke Energy myHR Service Center at 888-465-1300.		

Year	Union Group – UWUA 600	UWUA 600 Provision/Transition
2003	New Hires from Jan 1, 2003 to Dec 31, 2004 – 2003 and 2004 Cash Balance Choice Participants	If elected, initially participated in prior cash balance formula.
2003	Pre-2003 Hires – 2002 Cash Balance Choice Participants	Initially participated in prior cash balance formula with opening account balance and traditional ("Part A") + cash balance with no opening account balance ("Part B") conversion minimum.
2005	New Hires on or after Jan 1, 2005 to Dec 31, 2008	Initially participated in prior cash balance formula.
2009	2003 and 2004 Cash Balance Choice Participants	Converted from prior cash balance formula to Duke Energy account formula with prior formula account balance as opening account balance under the Duke Energy account formula. Your pay for banked vacation was included as eligible pay under the Duke Energy account formula.
2009	2005-2008 New Hires	Converted from prior cash balance formula to Duke Energy account formula with prior formula account balance as opening account balance under the Duke Energy account formula. Your pay for banked vacation was included as eligible pay under the Duke Energy account formula.
2009	2002 Cash Balance Choice Participants	Converted from prior cash balance formula to Duke Energy account formula with prior formula account balance as opening account balance under the Duke Energy account formula and continuation of Part A + Part B conversion minimum. Your pay for banked vacation was included as eligible pay under the Duke Energy account formula.
2009	New Hires on or after Jan 1, 2009 to Dec 31, 2015	Participation in Duke Energy account formula. These new hires were not eligible for banked vacation.
2009	2008 Duke Energy account Choice Participants	Participation in Duke Energy account formula with no opening account balance and Part A + Part B formula, including "earnings" growth for Part A and a lump sum payment optional form for Part A. Your pay for banked vacation was included under Part A, but was not included as eligible pay under Part B.
2013	2012 Closure Choice Participants	Participation in Duke Energy account formula with no opening account balance and Part A + Part B formula, including "earnings" growth for Part A through employment termination and a lump sum payment optional form for Part A. Your pay for banked vacation was included under Part A, but is not included as eligible pay under Part B.
2013	2013 Automatic Conversion Participants (Automatically converted to the cash balance formula as of Jan 1, 2015 if you had not attained at least age 50 and 25 years of service on Dec 31, 2012.)	Participation in Duke Energy account formula with no opening account balance and Part A + Part B formula. For purposes of clarity, your pay for banked vacation was neither included in Part A nor Part B, no earnings growth applied to Part A, and no lump sum payment optional form is available under Part A. Part A is only available on and after age 50 (except for a small benefit cash-out).
Special rules apply for transfers, rehires, persons on leave of absence and prior Trigen Plan participants. You can get information applicable to you by calling the Duke Energy myHR Service Center at 888-465-1300.		

Year	Union Group – IBEW 1347	IBEW 1347 Provision/Transition
2005	New Hires from Jan 1, 2005 to Dec 31, 2009	Initially participated in prior cash balance formula.
2006	Pre-2005 Hires – 2005 Cash Balance Choice Participants	Initially participated in prior cash balance formula with opening account balance and traditional ("Part A") + cash balance with no opening account balance ("Part B") conversion minimum.
2010	New Hires on or after Jan 1, 2010 to Dec 31, 2014	Participation in Duke Energy account formula. These new hires were not eligible for banked vacation.
2010	2005-2009 New Hires	Converted from prior cash balance formula to Duke Energy account formula with prior formula account balance as opening account balance under the Duke Energy account formula. Your pay for banked vacation was included as eligible pay under the Duke Energy account formula.
2010	2005 Cash Balance Choice Participants	Converted from prior cash balance formula to Duke Energy account formula with prior formula account balance as opening account balance under the Duke Energy account formula and continuation of Part A + Part B conversion minimum. Your pay for banked vacation was included as eligible pay under the Duke Energy account formula.
2010	2009 Duke Energy account Choice Participants	Participation in Duke Energy account formula with no opening account balance and Part A + Part B formula, including "earnings" growth through employment termination for Part A and a lump sum payment optional form for Part A. Your pay for banked vacation was included under Part A, but is not included as eligible pay under Part B.
2014	2014 Automatic Conversion Participants (Automatically converted to the cash balance formula as of Jan 1, 2015 if your age plus service total is less than 75 on Dec 31, 2013.)	Participation in Duke Energy account formula with no opening account balance and "A (traditional) +B (Duke Energy account)" formula. For purposes of clarity, your pay for banked vacation was not included in Part A, but was included as eligible pay under Part B, no earnings growth applied to Part A, and no lump sum payment optional form is available under Part A. Part A is only available on and after age 50 (except for a small benefit cash-out).
Special rules apply for transfers, rehires, persons on leave of absence and prior Trigen Plan participants. You can get information applicable to you by calling the Duke Energy myHR Service Center at 888-465-1300.		

Traditional Formula Retirements

Normal Retirement
You are eligible for a normal retirement benefit under the traditional formula if you terminated employment at age 65 (normal retirement age).

Postponed Retirement
You are eligible for a postponed retirement benefit under the traditional formula if you terminated employment after age 65.

Early Retirement
You are eligible for an early retirement benefit under the traditional formula if you terminated employment at or after age 50 with three or more years of service. You can choose to receive a reduced monthly benefit starting on the first day of any month before age 62, or you can choose to postpone payments until age 62 and receive an unreduced pension.

Exhibit A shows the early retirement reduction factors for payments beginning at different ages. To calculate the reduction, your benefit is multiplied by the factor, and the resulting amount is your benefit.

You also are eligible for an unreduced benefit if you terminated employment under the traditional formula at any time after age 55 if your age plus years of service at your retirement date (counted in full years beginning with your hire date or adjusted hire date if you have one) equal 85 or more.

Vested Termination

If you terminated employment with the Company before you were eligible for normal or early retirement and were vested (*i.e.*, generally, you were vested if you have earned three years of service), you can choose to have the payment of your vested benefit under the traditional formula begin as early as age 50. However, if you choose to start your payments before age 65, your benefit will be reduced either (i) to an actuarial equivalent amount or (ii) by 5% for each year (or 0.4166% for each month) that your benefit begins before age 65, whichever will provide you the greater benefit. As an alternative, you may postpone the start of payments until you reach age 65, and receive an unreduced benefit.

Traditional Payment Forms

The following describes the traditional payment forms.

Keep in mind that the normal form of payment if you are married is a 100% Contingent Annuitant Option with your spouse as Beneficiary. In general, your spouse must consent in writing to the election of another form of payment (including a 100% Contingent Annuitant Option with a Beneficiary who is not your spouse). Your spouse's consent must be witnessed by a notary.

Single Life Annuity
This is the normal form of payment for your benefit if you are single and may be elected if you are married. The option provides you with monthly payments for life. All benefit payments stop when you die. If you are married and your spouse survives you, he or she receives no payments.

50% Contingent Annuitant Option
This option provides monthly payments for your life, and, if you die before your named Beneficiary, with 50% of the monthly amount continuing after your death to your Beneficiary for the remainder of his or her lifetime. Your monthly payments will be less than under a Single Life Annuity because payments are payable for both your lifetime and that of your Beneficiary and more than under the 100% Contingent Annuitant Option because of the smaller contingent benefit.

If your Beneficiary dies before you and you commenced your benefit on or after age 50, your benefit will increase (pop-up) to the amount of the Single Life Annuity on the first of the month following your Beneficiary's death. Note that you must notify the Duke Energy myHR Service Center of your Beneficiary's death. Later, at your death, benefit payments will end.

66-2/3% Contingent Annuitant Option
This option provides monthly payments for your life, and, if you die before your named Beneficiary, with 66-2/3% of the monthly amount continuing after your death to your Beneficiary for the remainder of his or her lifetime. Your monthly payments will be less than under a Single Life Annuity because payments are payable for both your lifetime and that of your Beneficiary and less than under the 50% Contingent Annuitant Option because of the larger contingent benefit.

If your Beneficiary dies before you and you commenced your benefit on or after age 50, your benefit will increase (pop-up) to the amount of the Single Life Annuity on the first of the month following your Beneficiary's death. Note that you must notify the Duke Energy myHR Service Center of your Beneficiary's death. Later, at your death, benefit payments will end.

100% Contingent Annuitant Option
If you are married, this is the normal form of payment, with the contingent annuitant option payable to your spouse. This option provides monthly payments for your life, and, if you die before your named Beneficiary, with 100% of the monthly amount continuing after your death to your Beneficiary for the remainder of his of her lifetime. Your monthly payments will be less than under a Single Life Annuity because payments are payable for both your lifetime and that of your Beneficiary and less than under the 50% and 66-2/3% Contingent Annuitant Options because of the larger contingent benefit.

If your Beneficiary dies before you and you commenced your benefit on or after age 50, your benefit will increase (pop-up) to the amount of the Single Life Annuity on the first of the month following your Beneficiary's death. Note that you must notify the Duke Energy myHR Service Center of your Beneficiary's death. Later, at your death, benefit payments will end.

Ten-Year Certain and Life Option

This option is available only if you commence your benefit on or after age 50 and provides you with a monthly amount payable during your lifetime. If your death occurs before you receive payments for ten years, the person you name as Beneficiary (or your Beneficiary's estate) receives payments for the remainder of the original ten-year period. If you die after you receive ten years of payments, no further benefit is payable to any Beneficiary. Your benefit under this option does not increase (pop-up) to the Single Life Annuity if your Beneficiary dies before you.

Level Income Option
The level income option coordinates with your eligibility for Social Security benefits. This option is available only if you commence your benefit on or after age 50 and before age 62, and it applies only to the Single Life Annuity and 100% Contingent Annuitant Option. It provides that you receive an increased monthly benefit from the Plan up to age 62, when your monthly pension benefit will be decreased. The difference between the two pension amounts will be equal to Duke Energy's estimate of your Social Security benefits at age 62, so that your total benefits will remain about the same throughout your retirement (assuming you commence your Social Security benefits at age 62). This means that your pension benefit before you are eligible to begin receiving Social Security will be increased to a larger amount than the respective amount had you taken the Single Life Annuity or the 100% Contingent Annuitant Option. Generally, your pension benefit after you reach age 62 will be reduced to a lower amount than the respective benefit you would have received under the Single Life Annuity or the 100% Contingent Annuitant Option. With the 100% Contingent Annuitant Level Income Option, if your Beneficiary dies before you and you commenced your benefit on or after age 50, your benefit will increase (pop-up) to the amount of the Single Life Annuity Level Income Option on the first of the month following your Beneficiary's death. Note that you must notify the Duke Energy myHR Service Center of your Beneficiary's death. Later, at your death, benefit payments will end.

Lump Sum Payment

The entire value of your traditional benefit is paid as a single lump sum payment. This option is available only for certain participants as discussed in the transition rules. If you elect this payment option, you may want to talk with a financial advisor about rolling over your lump sum payment into an IRA or other tax-qualified plan to defer taxation.

If your vested benefit is $5,000 or less, your benefit generally will be paid to you in a lump sum payment.

Election Information

The following provides information on your election of a form of payment.

Election Effective Date
Your election takes effect on your annuity starting date, which is the first day of the month and is the date your benefit is considered to begin. **(Actual payment is typically made by month's end.)** The Plan calculates your benefit based on your and your Beneficiary's ages on the annuity starting date. If you die before your annuity starting date, your payment election (if you have made one) will be cancelled. See the *Traditional Pre-Retirement Death Benefit* section regarding whether any death benefit is payable.

Changing Your Payment Method Election
Once your election becomes effective on your annuity starting date, you cannot change your election.

Spousal Consent for Payment Methods
Keep in mind that the normal form of payment if you are married is a 100% Contingent Annuitant Option with your spouse as Beneficiary. In general, your spouse must consent in writing to the election of another form of payment (including a 100% Contingent Annuitant Option with a Beneficiary who is not your spouse). Your spouse's consent must be witnessed by a notary.

Benefit Payment Method Notice
You should call the Duke Energy myHR Service Center at 888-465-1300 or visit the YBR website when you are ready to commence your benefit You will receive a pension calculation with detailed information about the payment methods available to you, including the monthly benefit payable under each payment method. You will also receive a confirmation statement and authorization forms. To apply for your benefit, complete the forms and return them to the Duke Energy myHR Service Center.

You will receive more information on your payment choices before you make your election.

Traditional Pre-Retirement Death Benefit

If you have commenced your traditional formula benefit, your benefit election generally will determine whether any benefits are payable from the Legacy Plan upon your death.

Under the traditional pre-retirement death benefit, your surviving spouse may receive a lifetime monthly income if you die before your traditional formula benefit begins.

Eligibility
The traditional pre-retirement death benefit is only payable to your surviving spouse. If you die and are not married, no death benefit is payable under the traditional pre-retirement death benefit provisions.

Spouse's Benefit Amount
Former Union Participants Age 50 or More
If you were a participant in the Cinergy RIP or Cinergy Union Plan and are age 50 or more at your death, your spouse's benefit is the monthly amount you would have received under the Single Life Annuity payment method if you had commenced receiving a benefit on the first day of the month following your date of death. The benefit is reduced if your spouse is more than eight years younger than you.

Payments usually begin on the first day of the month following the date of your death. However, your spouse can defer payment until a later date (generally your age 65) to avoid the early payment reduction.

Other Former Participants
If you are not described above, your spouse's benefit is the monthly amount you would have received under the 100% Contingent Annuitant Option if you had commenced receiving a benefit on the first day of the month following your 50th birthday.

Payments usually begin on the first day of the month following when you would have reached age 50. However, your spouse can defer payment until a later date (generally your age 65) to avoid the early payment reduction.

Other Plan Information – Traditional Formula

See the *Other Plan Information* section in this SPD for important information, including claims and appeals procedures, which also applies to a benefit under the traditional formula.

Administrative Information – Traditional Formula

See the *Administrative Information* section in this SPD for important administration provisions.

EXHIBIT A

Early Retirement Reduction Factors – Traditional Program

The following chart shows the early retirement reduction factors at different ages.

Early Retirement Reduction Factors					
If You Choose to Have Payments Start at Age:	**Your Benefit Is Multiplied by This Early Reduction Factor:**	**If You Choose to Have Payments Start at Age:**	**Your Benefit Is Multiplied by This Early Reduction Factor:**	**If You Choose to Have Payments Start at Age:**	**Your Benefit Is Multiplied by This Early Reduction Factor:**
62	1.0000	59 and 3 months	0.8167	56 and 6 months	0.6500
61 and 11 months	0.9944	59 and 2 months	0.8111	56 and 5 months	0.6473
61 and 10 months	0.9889	59 and 1 month	0.8056	56 and 4 months	0.6445
61 and 9 months	0.9833	59 and 0 months	0.8000	56 and 3 months	0.6417
61 and 8 months	0.9778	58 and 11 months	0.7944	56 and 2 months	0.6389
61 and 7 months	0.9722	58 and 10 months	0.7889	56 and 1 month	0.6361
61 and 6 months	0.9667	58 and 9 months	0.7833	56 and 0 months	0.6334
61 and 5 months	0.9611	58 and 8 months	0.7778	55 and 11 months	0.6306
61 and 4 months	0.9556	58 and 7 months	0.7722	55 and 10 months	0.6278
61 and 3 months	0.9500	58 and 6 months	0.7667	55 and 9 months	0.6250
61 and 2 months	0.9444	58 and 5 months	0.7611	55 and 8 months	0.6223
61 and 1 month	0.9389	58 and 4 months	0.7556	55 and 7 months	0.6195
61 and 0 months	0.9333	58 and 3 months	0.7500	55 and 6 months	0.6167
60 and 11 months	0.9278	58 and 2 months	0.7444	55 and 5 months	0.6139
60 and 10 months	0.9222	58 and 1 month	0.7389	55 and 4 months	06111
60 and 9 months	0.9167	58 and 0 months	0.7333	55 and 3 months	0.6084
60 and 8 months	0.9111	57 and 11 months	0.7278	55 and 2 months	0.6056
60 and 7 months	0.9056	57 and 10 months	0.7222	55 and 1 month	0.6028
60 and 6 months	0.9000	57 and 9 months	0.7167	55 and 0 months	0.6000
60 and 5 months	0.8944	57 and 8 months	0.7111	54 and 11 months	0.5973
60 and 4 months	0.8889	57 and 7 months	0.7056	54 and 10 months	0.5945
60 and 3 months	0.8833	57 and 6 months	0.7000	54 and 9 months	0.5917
60 and 2 months	0.8778	57 and 5 months	0.6944	54 and 8 months	0.5889
60 and 1 month	0.8722	57 and 4 months	0.6889	54 and 7 months	0.5861
60 and 0 months	0.8667	57 and 3 months	0.6833	54 and 6 months	0.5834
59 and 11 months	0.8611	57 and 2 months	0.6778	54 and 5 months	0.5806
59 and 10 months	0.8556	57 and 1 month	0.6722	54 and 4 months	0.5778
59 and 9 months	0.8500	57 and 0 months	0.6667	54 and 3 months	0.5750
59 and 8 months	0.8444	56 and 11 months	0.6639	54 and 2 months	0.5723
59 and 7 months	0.8389	56 and 10 months	0.6611	54 and 1 month	0.5695
59 and 6 months	0.8333	56 and 9 months	0.6584	54 and 0 months	0.5667
59 and 5 months	0.8278	56 and 8 months	0.6556	53 and 11 months	0.5639
59 and 4 months	0.8222	56 and 7 months	0.6528	53 and 10 months	0.5611

Early Retirement Reduction Factors					
If You Choose to Have Payments Start at Age:	**Your Benefit Is Multiplied by This Early Reduction Factor:**	**If You Choose to Have Payments Start at Age:**	**Your Benefit Is Multiplied by This Early Reduction Factor:**	**If You Choose to Have Payments Start at Age:**	**Your Benefit Is Multiplied by This Early Reduction Factor:**
53 and 9 months	0.5584	52 and 5 months	0.5093	51 and 1 month	0.4574
53 and 8 months	0.5556	52 and 4 months	0.5059	51 and 0 months	0.4542
53 and 7 months	0.5528	52 and 3 months	0.5024	50 and 11 months	0.4513
53 and 6 months	0.5500	52 and 2 months	0.4990	50 and 10 months	0.4485
53 and 5 months	0.5473	52 and 1 month	0.4955	50 and 9 months	0.4456
53 and 4 months	0.5445	52 and 0 months	0.4921	50 and 8 months	0.4427
53 and 3 months	0.5417	51 and 11 months	0.4889	50 and 7 months	0.4398
53 and 2 months	0.5389	51 and 10 months	0.4858	50 and 6 months	0.4370
53 and 1 month	0.5361	51 and 9 months	0.4826	50 and 5 months	0.4341
53 and 0 months	0.5334	51 and 8 months	0.4795	50 and 4 months	0.4312
52 and 11 months	0.5300	51 and 7 months	0.4763	50 and 3 months	0.4283
52 and 10 months	0.5265	51 and 6 months	0.4732	50 and 2 months	0.4255
52 and 9 months	0.5231	51 and 5 months	0.4700	50 and 1 month	0.4226
52 and 8 months	0.5196	51 and 4 months	0.4668	50	0.4197
52 and 7 months	0.5162	51 and 3 months	0.4637		
52 and 6 months	0.5127	51 and 2 months	0.4605		

APPENDIX B: PROGRESS ENERGY PENSION PLAN

Part I: Special Transition Provisions for Prior Progress Plan Participants

This section describes certain transition provisions for certain prior Progress Plan participants. For more information about the transition provisions, call the Duke Energy myHR Service Center at 888-465-1300.

Prior CP&L Plan Participants

If you were an Active CP&L Plan Participant on Dec 31, 1998, your earned benefit under the final average pay formula was converted to your opening account balance in the prior Progress Plan as soon as you completed one Hour of Service on or after Jan 1, 1999. If you were an Active participant in the CP&L Plan on Dec 31, 1998, you received transition credits to your cash balance account annually until the earlier of your termination of employment or Dec 31, 2008. Your benefit under the Plan, however, will not be less than your benefit under the final average pay formula as of Dec 31, 2003.

If you left Carolina Power & Light Company ("CP&L") or one of its controlled group of companies before Jan 1, 1999, and returned after Jan 1, 1999 but before Jan 1, 2010, a cash balance account was set up for you upon your return. If you did not receive either a lump sum distribution or monthly payments from the prior Progress Plan before you were rehired, your new cash balance account received an opening account balance based on your earned (vested) benefit as of Dec 31, 1998 (payable at age 65).

If you were a vested terminated participant in the CP&L Plan with an earned (accrued) benefit on or before Dec 31, 1998, you did not have a benefit commencement date and you were rehired on or after Jan 1, 2010 and before Jan 1, 2014, a cash balance account was established for you on your return without an opening cash balance account. You will receive a benefit equal to the sum of (1) your accrued benefit under the final average pay formula of the CP&L Plan, frozen as of the date of your initial termination of employment and (2) your cash balance benefit under the Plan.

Prior NCNG Plan Participants

If you were an active participant in the NCNG Plan on Dec 31, 1999, your participation in the prior Progress Plan began Jan 1, 2000, provided you met the eligibility requirements. If you were an active participant in the NCNG Plan on Dec 31, 1999, the prior Progress Plan allocated transition credits to your cash balance account beginning in 2000 through the earlier of the date your employment terminated or Dec 31, 2013.

You will receive a benefit equal to the sum of (1) your earned benefit under the NCNG Plan formula, frozen as of Dec 31, 1999 and (2) your cash balance benefit under the Plan.

Prior FPC Plan Participants

If you were an active participant in the FPC Plan on Dec 31, 2001, your participation in the prior Progress Plan began Jan 1, 2002. Transition credits were added to your cash balance account if you have been continuously employed by a participating employer since the date of the merger with CP&L, Nov 30, 2000, through Dec 31, 2013.

You will receive a benefit equal to the sum of (1) your earned benefit under the FPC Plan formula, frozen as of Dec 31, 2013 and (2) your cash balance benefit under the Plan.

CP&L Early Retirement Pension

You are eligible for an early retirement CP&L benefit if you terminated employment at or after age 55 with at least 15 years of vesting service. Early retirement benefits may be reduced based on your age when payments begin and your vesting service as of your retirement date.

If you have 35 years of eligibility service and terminated employment before age 55, you may receive the same percentage (75%) of your benefit that you would have received if you started payments at age 55.

CP&L Deferred Vested Pension

If you are a former CP&L employee who (a) left CP&L prior to Jan 1, 1999, (b) satisfied the vesting rules in effect at the time of your termination, and (c) were rehired by the Company on or after Jan 1, 2010 and before Jan 1, 2014, you have a vested benefit under the final average pay formula. When you left CP&L, you were awarded a deferred vested pension benefit payable at your normal retirement date (age 65). If you had more than 15 years of service at your termination, you are eligible to receive your benefit as early as age 55 in a reduced amount using the deferred vested benefit factors described below. A deferred vested pension under the final average pay formula is calculated in the same way as an early retirement pension, but uses different early commencement factors.

Your pension benefit under the final average pay formula will be based on the accrued benefit earned through your termination date and previously communicated to you, and will not be increased for any reason.

Upon your rehire after Jan 1, 2010 and before Jan 1, 2014, you are eligible for both the CP&L Plan final average pay formula benefit earned from your prior service and the benefit you earn under the cash balance formula. You will be offered applicable payment options for your cash balance account and benefit earned under the final average pay formula.

CP&L Plan Benefit Payment Options

Your choices for how to receive your final average pay formula benefit may be different from your cash balance account payment options. Contact the Duke Energy myHR Service Center at 888-465-1300 for more information on your payment options.

CP&L: In the Event of Your Death

Contact the Duke Energy myHR Service Center at 888-465-1300 for more information regarding the death benefits payable in the event of your death prior to your commencement of your benefit.

NCNG Plan

Eligibility

If you were a participant in the NCNG Plan on Dec 31, 1999, you may be eligible for a frozen benefit under the NCNG Plan formula.

Receiving Your NCNG Frozen Benefit

The date you commence payment of your frozen benefit depends on your age and service when you terminated employment. You must, however, begin payments no later than April 1 following the later of the year in which you reach age 70½ or terminate employment.

NCNG Normal Retirement

You can receive a normal retirement benefit on the first day of the month coinciding with or following your normal retirement date (age 65).

NCNG Early Retirement

To qualify for the early retirement provisions of the NCNG Plan formula, you must have been at least age 55 with 20 years of service when you terminated employment from the Company.

A benefit paid before age 65 will be based on your Frozen NCNG Plan age 65 benefit, reduced because payments will extend over a longer period of time. If you retired early, you may defer your benefit payments until you reach your normal retirement date. If you wait until your normal retirement date for your first payment, the benefit will not be reduced.

You also may begin payments on the first day of any month between your early retirement date and your normal retirement date, with the benefit based on your age when payments begin.

If you choose to start your payments before age 65, your benefit will be reduced either (i) to an actuarial equivalent amount or (ii) in accordance with the following table, whichever will provide you the greater benefit:

NCNG Plan Early Retirement Factors

Age When Early Retirement Benefit Begins	Percent of Age 65 Benefit Payable
64	93.33%
63	86.67%
62	80.00%
61	73.33%
60	66.67%
59	63.33%
58	60.00%
57	56.67%
56	53.33%
55	50.00%

Your benefit will be reduced for each full month that is less than one year.

NCNG Deferred Vested Benefit

If you terminated employment before you are eligible for an early or normal retirement benefit under the NCNG Plan formula, but after you were vested, you are eligible for a deferred vested benefit. You may begin payment of your deferred vested pension at age 55 if you had at least 20 years of vesting service when you terminated your employment from the Company. If you had less than 20 years of vesting service when you terminated employment with the Company, payments generally will start when you reach age 65, and must start no later than April 1 following the later of the year in which you reach age 70½ or terminate employment.

NCNG Plan Benefit Payment Options

Your choices for how to receive your NCNG Plan benefit may be different from your cash balance account payment options. Contact the Duke Energy myHR Service Center at 888-465-1300 for more information on your payment options.

NCNG: In the Event of Your Death

Contact the Duke Energy myHR Service Center at 888-465-1300 for more information regarding the death benefits payable in the event of your death prior to your commencement of your benefits.

FPC Plan

FPC Eligibility for Frozen Benefit

You are eligible for a frozen benefit under the FPC Plan formula if you were a participant in that plan on Dec 31, 2001, and became a participant in the prior Progress Plan as of Jan 1, 2002.

Normal Retirement Benefit

Normal retirement age is age 65 or the fifth anniversary of the date you became a Participant in the FPC Plan, if later. Your normal retirement benefit is payable at your normal retirement age. If you terminated employment after you reach normal retirement age, you are eligible to collect 100% of your frozen benefit beginning the first of the month following your retirement.

Early Retirement Benefit

To qualify for the early retirement provisions of the FPC Plan formula, you must have been at least age 55 with 15 years of credited service (including service with the Company) when you terminated employment from the Company. If you are eligible for early retirement, you may begin collecting your frozen FPC Plan benefit immediately or you may defer payment until a later date. The amount you receive will depend on your service as of the date you terminated employment with the Company and your age when you start receiving benefit payments.

Early Retirement Benefit Amounts			
Your age when your benefit begins:	**With at least 15 credited years but less than 20 years of credited service when you leave Duke Energy:**	**With 20-34 years of credited service when you leave Duke Energy:**	**With 35 or more years of credited service when you leave Duke Energy:**
64	100%	100%	100%
63	100%	100%	100%
62	100%	100%	100%
61	94%	100%	100%
60	88%	100%	100%
59	82%	93%	100%
58	76%	86%	100%
57	70%	79%	100%
56	65%	72%	100%
55	60%	65%	100%

This example illustrates the single life annuity option amount that would be payable for the participant's lifetime. If another form of payment that will continue to a survivor is chosen, the monthly benefit would be reduced.

Deferred Vested Benefit

You are entitled to a benefit if you terminated employment from the Company after you are vested in the Plan, even if you are not yet eligible for normal or early retirement. To be vested, you generally must have five or more years of vesting service (three years if you have a cash balance account) when your employment stopped.

If the value of your benefit is $7,500 or less, you are eligible to receive a one-time, lump sum payment instead of a monthly benefit. If the present value of your Plan benefit is more than $5,000, your spouse's consent is needed to elect the lump sum payment. The amount you receive will depend on your service as of the date you terminated employment with the Company and your age when you start receiving benefit payments as described in the below table.

Percent of Frozen Benefit Amounts Payable Before Age 65 Deferred Vested Benefit				
Your age when benefit begins	**5–14 years of service* or****	**15–19 years of service***	**20–34 years of service***	**35 or more years of service***
64	89.87%	100%	100%	100%
63	80.96	100	100	100
62	73.09	100	100	100
61	66.13	94	100	100
60	59.93	88	100	100
59	54.42	82	93	100
58	49.50	76	86	100
57	45.08	70	79	100
56	41.12	65	72	100
55	37.57	60	65	100

*of the type specified in the Plan

**You will receive the actuarial equivalent of the age 65 benefit, if it provides you a greater benefit.

Payment Options

Your choices for how to receive your FPC Plan benefit may be different from your cash balance account payment options. Contact the Duke Energy myHR Service Center at 888-465-1300 for more information on your payment options.

FPC: In the Event of Your Death

Contact the Duke Energy myHR Service Center at 888-465-1300 for more information regarding the death benefits payable in the event of your death prior to your commencement of your benefit

APPENDIX C: PART A (FINAL AVERAGE PAY) TO FLORIDA BARGAINING PLAN

Types of Retirement

The following describes the types of retirement under the final average pay formula.

Normal and Late Retirement

You may terminate employment with the Company on or after your normal retirement date (*i.e.*, first day of the month following your attainment of age 65) and receive your retirement benefit.

Early Retirement

You may terminate your employment with the Company and receive an early retirement benefit if you have attained at least age 55 and have at least 15 years of continuous service.

If you commence your early retirement benefit before your normal retirement date, your retirement benefit may be reduced for early commencement. The following table shows what percentage of your retirement benefit you would receive if your payments start before your normal retirement date.

Early Retirement			
Your Age when your benefit begins	**If you have at least 15 but less than 20 years of credited service (or, continuous service, if greater), then you get this percentage of your retirement benefit:**	**If you have 20 or more years but less than 35 years of credited service (or, continuous service, if greater), then you get this percentage of your retirement benefit:**	**If you have 35 or more years of credited service (or, continuous service, if greater), then you get this percentage of your retirement benefit:**
55	**60%**	**65%**	**100%**
56	**65%**	**72%**	**100%**
57	**70%**	**79%**	**100%**
58	**76%**	**86%**	**100%**
59	**82%**	**93%**	**100%**
60	**88%**	**100%**	**100%**
61	**94%**	**100%**	**100%**
62	**100%**	**100%**	**100%**
63	**100%**	**100%**	**100%**
64	**100%**	**100%**	**100%**

Deferred Vested Retirement

If you have at least five years of continuous service at your termination of employment with the Company (and are not eligible for normal, late or early retirement), you are eligible for a deferred vested retirement benefit. You may begin your deferred vested retirement benefit at your normal retirement date.

If you had at least 15 years of continuous service at termination of employment, you may commence your retirement benefit as early as the first of the month following your attainment of age 55, reduced for early commencement in the same manner as provided for early retirement.

Regardless of your age and years of continuous service, you may commence your retirement benefit as of the first day of any month following your termination of employment if the present value of your retirement benefit is $7,500 or less at your benefit commencement date.

Postponed Commencement

You may postpone commencement of your retirement benefit, but no later than the April 1 following the calendar year in which you reach age 72 (70½ if you attained age 70½ prior to Jan 1, 2020) or retire, if later. Your retirement benefit generally will be the actuarial equivalent of your retirement benefit at your normal retirement date or, if later, your late retirement date. However, see “Small Benefits” below.

Forms of Payment

Normal Forms of Payment

- **If you are single**, the normal form of payment is the Life Annuity. This form of payment provides a monthly benefit for your life. No benefits are paid after your death.
- **If you are married**, the normal form of payment is the 50% Contingent Annuitant option, with your spouse as beneficiary. This form of payment provides a reduced amount for your life, with 50% of that reduced amount payable to your surviving spouse for life. If your spouse dies before you do,

your retirement benefit will be increased to the amount that would have been payable in a Life Annuity.

Optional Forms of Payment

You can elect an optional form of payment described below. If you are married, your spouse's consent is required for you to elect an optional form of payment unless the form of payment would provide your spouse with more than under the normal form of payment.

Life Annuity Option

Your retirement benefit is payable for your life only. No benefits are paid after your death.

Ten-Year Certain Option (Available for Normal and Early Retirements only).

Your retirement benefit is payable for your life in a reduced amount. If you die before you receive 120 monthly payments, monthly payments will continue to your beneficiary for the remainder of 120 months.

Contingent Annuitant Option

Your retirement benefit is payable for your life in a reduced amount and, following your death, 100%, 75%, 66-2/3%, 50%, 33-1/3% or 25% of the reduced amount is payable to your beneficiary.* If your beneficiary dies before you do, you cannot choose another beneficiary. Your retirement benefit, however, will be increased to the amount that would have been payable in a Life Annuity.

*Only the 50% or 75% options are available for Deferred Vested Retirements.

Social Security Leveling Option (Available for Normal and Early Retirements only).

If you are eligible for Early Retirement and retire prior to age 62, you may choose to receive a larger benefit before age 62 and a smaller benefit thereafter for your life. The difference between what is payable before and after age 62 is approximating the monthly Social Security benefits that you would receive commencing at age 62. Payments stop at your death. No benefits are paid after your death.

Lump Sum Payment

You may elect a lump-sum payment of your Plan benefit if the actuarial equivalent of the benefit is $7,500 or less.

Small Benefits

If the present value of your benefit at retirement or termination is $1,000 or less, your pension benefit will automatically be paid in a single lump sum shortly after your termination date.

Survivor Benefits

The following describes the survivor benefits available under the Final Average Pay formula.

After Commencement

If you die after you have commenced your retirement benefit, the form of payment that you elected will determine whether any survivor benefits are payable following your death. See "Forms of Payment" above.

Before Commencement

If you die before you have commenced your retirement benefit and are <u>not</u> married, <u>no</u> survivor benefits are payable.

If you die before you have commenced your retirement benefit and are married, the survivor benefit payable to your surviving spouse (if you are not actively employed with the Company) is determined as follows:

- If you are eligible for an early retirement benefit at your death, your spouse may receive a monthly benefit for life beginning at any time after your death. The survivor benefit is based on the benefit you earned at your death and is the amount that would have been paid, if you had commenced payment in the form of a 50% Contingent Annuitant (with your spouse as beneficiary) at benefit commencement and then died. If you elected a 100%, 75% or 66-2/3% Contingent Annuitant (with your spouse as beneficiary) within the 180-day period prior to a selected benefit commencement date, that form of payment will be used to determine the death benefits.
- If you are not eligible for an early retirement benefit at your death, your spouse may receive a monthly benefit for life beginning at your Normal Retirement Date. The survivor benefit is based on the benefit you had earned at your death and is the amount that would have been paid, if you had commenced payment in the form of a 50% Contingent Annuitant (with your spouse as beneficiary) on your Normal Retirement Date and then died. If you elected a 100%, 75% or 66-2/3% Contingent Annuitant (with your spouse as beneficiary) within the 180-day period prior to a selected benefit commencement date, that form of payment will be used to determine the death benefits.

Your spouse may elect to commence the survivor benefit prior to Normal Retirement Date, as follows:

- If you had completed 15 years of Continuous Service and attained age 55 at your death, the survivor benefit may be commenced and is based on the amount that would have been payable to you at your spouse's commencement date.

- If the present value of your spouse's benefit is not more than $7,500, he or she may elect to commence the survivor benefit at any time in an amount that is the actuarial equivalent of the amount that would have been paid at your Normal Retirement Date.

Lump sum. If the present value of your spouse's benefit is not more than $7,500, he or she may elect to receive a one-time, lump-sum payment instead of a monthly benefit. This one-time, lump-sum payment would be in lieu of a monthly pension payment.

Other Plan Information

See the *Other Plan Information* section in this SPD for important information, including claims and appeals procedures, which also applies to a benefit under the traditional formula.

Administrative Information

See the *Administrative Information* section in this SPD for important administration provisions.

APPENDIX D: PART B (CASH BALANCE) TO FLORIDA BARGAINING PLAN

Cash Balance Formula Forms of Payment

The forms of payment under the cash balance formula are the actuarial equivalent of your Pension Benefit, which is determined as follows:

- If you terminate employment on your Normal Retirement Date (*i.e.*, the month following the month in which you attain age 65), your pension benefit is your cash balance account actuarially converted into a life annuity for your life.
- If you terminate employment prior to your Normal Retirement Date, your pension benefit is your cash balance account projected to your Normal Retirement Date with Interest Credits, and then actuarially converted into a life annuity for your life.
- If you terminate employment after your Normal Retirement Date, your pension benefit is the greater of the actuarially equivalent of your cash balance account at your termination of employment or the actuarial equivalent of your cash balance account at your Normal Retirement age, as actuarially adjusted for the later commencement.

Normal Forms of Payment

- **If you are single**, the normal form of payment is the Life Annuity. This form of payment provides a monthly benefit for your life. No benefits are paid after your death.
- **If you are married**, the normal form of payment is the 50% Contingent Annuitant option, with your spouse as beneficiary. This form of payment provides a monthly benefit for your life, with 50% of that amount payable to your surviving spouse for life.

Optional Forms of Payment

You can elect an optional form of payment described below. If you are married, your spouse's consent is required for you to elect an optional form of payment unless the form of payment would provide your spouse with more than under the normal form of payment.

Life Annuity Option

Your Pension Benefit is payable for your life only. No benefits are paid after your death.

Lump Sum

The entire value of your benefit is paid as a single lump sum payment. The lump sum is equal to the greater of your Cash Balance account balance or the present value of your Pension Benefit.

Partial Lump Sum (Only available on or after age 50 and remainder life annuity must be at least $500)

A portion of your benefit (25%, 50% or 75%) is paid as a single lump sum payment, with the remainder paid in the normal form.

75% Qualified Contingent Annuitant Option (Only if you are married.)

This form of payment provides a monthly benefit for your life, with 75% of that amount payable to your surviving spouse for life.

Refund Annuity Option

This form of payment is similar to the normal forms, but upon your death, or the death of you or your spouse, the excess, if any of the balance in your Cash Balance account at your benefit commencement date over the sum of all payments made to you and, if applicable, your spouse, is paid to a beneficiary. If you are married, you can elect either form of refund annuity option.