

THE ARIZONA LABORERS' AND TEAMSTERS' ANNUITY PLAN

SUMMARY PLAN DESCRIPTION

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Amanda McGennis

Union Trustees

Andrew Marshall
Floyd Wyatt
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LEGAL COUNSEL

Keith Overholt, Esq., Jennings, Strouss & Salmon, P.L.C.
Barry Hinkle, Esq., Weinberg, Roger & Rosenfeld

CONSULTANT AND ACTUARY

The Segal Company

INVESTMENT MANAGER

McMorgan & Co.
NWQ
Wellington

ADMINISTRATOR

Southwest Service Administrators, Inc.
2400 West Dunlap Avenue
Suite 250
Phoenix, AZ 85021-2811
(602) 249-3582
(800) 474-3485

December 1, 2005

THE ARIZONA LABORERS' AND TEAMSTERS' ANNUITY PLAN

A MESSAGE FROM THE BOARD OF TRUSTEES

To All Participants:

We are pleased to provide you with this booklet which describes your Annuity Plan which is a defined contribution plan. The Internal Revenue Service has determined that the Plan continues to meet the requirements for tax-qualified status. This means that income taxes on the contributions made to the Plan are deferred until your benefit payments begin.

The Annuity Plan was established as a means of accumulating money to provide income to a Participant and family in the event of disability or death during his working years, and to provide an additional measure of financial security at retirement.

This booklet provides a brief outline of the more important provisions of the Plan, followed by the complete text of the official Plan Rules and Regulations. We urge you to read this booklet carefully to learn your rights under the Plan and the benefits to which you may become entitled. Please keep this booklet in a safe place for your future reference.

Please remember when reading the Plan, that if the facts and circumstances of a particular situation occurred before December 1, 2005, the provisions of the Plan in effect at the particular date may apply. Those provisions may be different from the Plan currently in effect and contained in this booklet.

If you have any questions about the Plan or desire additional information, you can call or write the Administrative Office.

Sincerely,

BOARD OF TRUSTEES

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SUMMARY OF THE ANNUITY PLAN
(Benefits Derived from Covered Employment after December 31, 1985)

Participation in the Annuity Plan

If you are an Employee of an Employer whose Collective Bargaining Agreement obligates that Employer to contribute to the Annuity Plan for your work, you are eligible to participate in this Plan.

The obligation to contribute to the Annuity Plan began for all signatory Employers on January 1, 1986. You become a Participant in the Annuity Plan when the first contribution is made to the Plan with respect to your Covered Employment.

Individual Accounts

If you are eligible, an Individual Account is established to receive all employer contributions with respect to your work in Covered Employment. At the end of each Plan Year (December 31, called the "Valuation Date"), the value of your Individual Account is determined according to the following formula:

1. The amount in your Individual Account as of the most recent Valuation Date, plus
2. The total amount of employer contributions received with respect to your work in Covered Employment since the last Valuation Date, plus
3. A proportionate share of the investment return (earnings or losses) of the Annuity Plan since the last Valuation Date, less
4. Administrative expenses, charged in an equal amount to each Individual Account per capita, plus
5. The amount, if any, of excess earnings from the Pension Plan for the Arizona Laborers, Teamsters and Cement Masons Pension Trust Fund which the Trustees determine to be allocable to Individual Accounts. Only Participants who have Credited Service in the Defined Benefit Plan prior to January 1, 1986 will be eligible for a share of these excess earnings.

If the market value of the Plan's investments is lower than the total amount in all Individual Accounts on the Valuation Date as calculated above, the value of each Individual Account will be reduced in proportion to the market value of the Plan's investments.

Each Participant will receive a statement following the close of the Plan Year showing the balance in their Individual Account.

Credit for Qualified Military Service

Participants who satisfy conditions imposed by the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) will be entitled to have contributions (but not investment income) added to their Individual Account for a period of Qualified Military Service. To receive credit, you must have left employment for an Employer in a job classification covered by a Contribution Agreement to join the military.

Your entitlement to benefits for time spent in military service also depends on your compliance with other legal requirements of USERRA, including the following:

- Your separation from military service must be other than disqualifying under USERRA, such as where you have a dishonorable or bad conduct discharge.
- The total length of your absence due to military service may not exceed five years.
- You return to work and notify the Administrative Office following military service within the time allowed by law.

If you meet these conditions, your Individual Account will be credited with contributions for every week of Qualified Military Service at a rate based on the average amount of hours you worked under this Plan during the 12-months prior to your Qualified Military Service. Until you or your employer notifies the Fund Office that you have met the foregoing conditions you will not receive credit for your military service.

As the rules for crediting military service are complex, we recommend that you contact the Fund Office before you leave and after you return from military service. If you think you may be eligible for contributions for a period of military service, please provide the Fund Office with accurate records of your service. This change is effective for eligible veterans returning to Covered Employment on or after December 12, 1994.

Investment of Contributions

Contributions made as a Participant are pooled and invested with the contributions made for all other Participants in order to obtain the best possible results. On each Valuation Date, you are credited with a pro rata share of the Plan's overall investment return, in addition to contributions received by the Plan with respect to your work in Covered Employment.

Plan assets are invested by professional investment managers employed by the Trustees, with the primary object of preserving the contributions made to the Plan. Consistent with preservation of principal, the Plan will seek a prudent rate of return while minimizing exposure to losses or wide swings in market value. It is emphasized, however, that there is **no guarantee of investment return or principal** when investing the Plan's assets. At any time, the value of your Individual Account will reflect any changes in the total value of all of the investments held by the Plan.

Accumulated Share

Your Accumulated Share is the amount which is paid to you or your beneficiaries once the eligibility requirements have been met, as long as it exceeds \$100.00. Your Accumulated Share is the amount in your Individual Account as of most recent Valuation Date, plus Employer contributions made since that Valuation Date.

Events Permitting Payment of Your Accumulated Share

Your Accumulated Share will be paid out only on account of one of the following reasons:

1. Retirement after age 55; or
2. Total Disability prior to reaching age 62, as established by receipt of Social Security Disability Benefits in connection with your Old Age and Survivor's Insurance Coverage; or
3. Death.

Form of Payment For Your Accumulated Share

The Plan provides several methods of payment of a Participant's Accumulated Share (provided it totals at least \$100.00). The form in which your benefits will be paid depends on how you became eligible for benefits, your marital status and what is required under federal law, and, in certain instances, how you choose to receive it.

Married Participants

Upon application, if your Accumulated Share becomes payable as a result of Retirement or Disability and you are married on the date your benefit payments are to begin, your benefits will automatically be paid in the form of a 50% contingent annuity, with your spouse named as contingent annuitant.

This means that the value of your Accumulated Share will be used to purchase a 50% Contingent Annuity from a legal reserve life insurance company, which will pay a fixed monthly benefit to you for your lifetime, and upon your death, 50% of that monthly amount will be paid to your spouse for your spouse's lifetime.

If you and your spouse do not want this form of payment, you may reject it and elect one of the optional forms of payment outlined below. Your rejection must be in writing, and contain the notarized signatures of you and your spouse.

Unmarried Participants

Upon application, if your Accumulated Share becomes payable as a result of Retirement or Disability and you are not married on the date your benefit payments are to begin, your benefits will automatically be paid in the form of a life annuity.

This means the value of your Accumulated Share will be used to purchase a life annuity from a legal reserve life insurance company, which will pay a fixed monthly benefit to you for your lifetime. All payments will cease upon your death.

If you do not want this form of payment, you may reject it and elect one of the optional forms of payment described below. Your rejection must be in writing, and your signature must be notarized.

Death Before Retirement

If your Accumulated Share becomes payable as a result of your death, and you have been married throughout the one year period ending on the date of your death, upon application, the automatic form of payment will be a life annuity for your surviving Spouse.

This means that the value of your Accumulated Share will be used to purchase a life annuity from a legal reserve life insurance company which will pay a fixed monthly benefit to your spouse for life, with all payments ending on your spouse's death. If your surviving spouse does not want to receive this form of payment, he or she may reject it and elect an optional form of payment as outlined below.

If your Accumulated Share becomes payable as a result of your death, and you have not been married throughout the one year period ending on the date of your death, the automatic form of payment is a single lump sum payment to your designated Beneficiary.

To ensure that your Accumulated Share is paid to the person you wish to receive it, be sure to file a beneficiary designation with the Administrative Office, and keep it up to date. If you do not designate a Beneficiary, your Accumulated Share will be paid to your surviving next of kin in the following order of priority:

1. Your surviving spouse.
2. Your surviving children, in equal shares.
3. Your surviving parents, in equal shares.
4. Your surviving brothers and sisters, in equal shares.
5. The executor or administrator of your estate.

Optional Forms of Payment

A Participant, surviving Spouse, or an eligible Beneficiary may reject the automatic form of payment described above, and request to have the Accumulated Share paid in any of the following forms:

1. A lump-sum payment; or
2. An annuity contract which provides monthly payments over a guaranteed number of years or for life; or
3. A combination of 1. and 2.

Automatic Lump Sum Payment

If the Accumulated Share payable to you, your spouse or a beneficiary is less than \$5,000, the Trustees will automatically pay your Accumulated Share in a lump sum payment, and no other method of payment will be available.

When to Apply for Benefits

You may apply for your benefits at any time after you become disabled or after you reach age 55 and retire. Your Beneficiary may apply following your death. Please see pages 6 through 10 for additional information regarding application for benefits.

Applying for Your Accumulated Share

The first step in applying for your benefits from the Annuity Plan is to request an application from the Administrative Office. After you file your application, you will receive information about your benefits, choices and other information which will help you make your decisions and select your form of benefit payment.

Federal law requires that you and your Spouse, if married, have 30 days before you receive your benefits to consider your benefit options. If you select an option, you may change your mind at any time before benefits are first paid. Benefits cannot be paid sooner than 30 days after you receive this information.

You must provide adequate proof of your date of birth (such as a birth certificate) with your application, as well as any other information or proof reasonably requested by the Administrative Office. If you elect the 50% Contingent Annuity, proof of your marriage and your Spouse's date of birth will be needed. If you are married, but do not want the 50% Contingent Annuity, your rejection must be in writing and contain the notarized signatures of you and your spouse. If past records indicate you as married and you are divorced, you may need to provide a copy of your divorce decree.

You will be considered as having applied for benefits only when your completed application is received by the Administrative Office. Usually, benefits are effective on the first of the month after the completed application is received by the Administrative Office. However, you should apply as far as in advance as possible since it may take several months to complete the application process.

If you are applying for a Disability benefit, you must submit a copy of your Social Security Disability Award.

You must apply for your Accumulated Share in the year immediately following the calendar year in which you attain age 70½.

Federal Income Tax Withholding; Rollover to Another Qualified Account

If benefits from the Annuity Plan are paid as a lump sum, federal law requires 20% withholding for federal income tax on those payments, unless the individual to receive payment elects to rollover payment to another eligible tax-qualified account, such as an Individual Retirement Account (IRA). You should consult with your financial and/or tax advisor to select the best approach.

Social Security Benefits.

Benefits payable under this Plan are not affected by benefits to which you may be entitled from Social Security.

Domestic Relations Orders/Divorce Decrees

The Retirement Equity Act of 1984 provides that the Plan must recognize any Qualified Domestic Relations Order and make payments as directed by the Order to any Spouse, former Spouse, child or other dependent (called an "alternate payee") of a Plan participant specified by the Order. A Qualified Domestic Relations Order (QDRO) is a state domestic relations order such as a divorce decree which creates or recognizes an alternate payee's right to receive all or a portion of the benefits payable to a participant under the Plan. Any lawful judgment, decree, order, or property settlement agreement which has been entered into may be a QDRO if it relates to the provision of child support, alimony payments, or marital property of a spouse, former spouse, child or other dependent of a Plan Participant and is made pursuant to state domestic relations law, and meets certain other requirements specified by Federal law.

The Trustees cannot recognize or honor a domestic relations order, such as a divorce decree, which attempts to divide a pension, unless the order or decree contains certain information and otherwise complies with federal law. If you are contemplating a divorce or are a party to any other domestic relations action which may involve the Trust Fund, you should contact the Administrative Office for additional information before any such domestic relations order or decree is signed by a judge or commissioner.

The Trustees have adopted formal procedures for the treatment of domestic relations orders received by the Fund. A copy of these procedures is available without charge from the Administrative Office.

Application for Benefits by Beneficiaries

If you die before or after retirement, your surviving Spouse or other Beneficiary must file an application with the Administrative Office for death benefits and/or retirement benefits which may be due them.

To make it possible for payments to begin with minimum delay, the Spouse or Beneficiary, or their representative, should contact the Administrative Office as soon as possible after an Employee's or Pensioner's death about any benefits due and required procedures. The Administrative Office will supply the forms and information needed.

HOW TO OBTAIN BENEFITS AND SECURE REVIEW OF ADVERSE BENEFIT DETERMINATIONS

Preface

Final Regulations developed by the United States Department of Labor express minimum requirements for employee benefit plan procedures pertaining to claims for benefits by participants and beneficiaries.

This Section, “How to Obtain Benefits and Secure Review”, sets forth the Fund’s rules, developed to conform to the Regulations, that apply to benefit determinations and the review of adverse benefit determinations.

Hopefully, the process set forth in this Section will allow the prompt initial determination of your benefit claims and the full and fair review of adverse claim determinations for which you request review.

Authorized Representatives

The Regulations contemplate that you may pursue benefit claims through authorized representatives. They also contemplate that a benefit plan may establish procedures for determining whether an individual has been authorized to act on your behalf.

This Fund will recognize the following individuals as representatives for claims and claim review requests.

1. If you are an adult participant or beneficiary, you may speak on your own behalf;
2. If you are a parent (natural or adoptive), you may speak on behalf of a child – beneficiary; or
3. Your lawyer.

All other purported representatives must supply evidence that they are authorized to speak on your behalf. For the Fund to recognize such a representative, the representative must present to the Administrative Office a court order, a “Power of Attorney” or a similar document expressing the representative capacity.

Claim Determination Consistency

It goes without saying that like claims should receive like treatment. The Administrative Office of the Fund will take steps to ensure and to verify that your benefit claim determinations are made in accordance with governing plan documents and that these plan provisions have been applied consistently with respect to you and other similarly-situated claimants.

Benefits Available

The Annuity Plan provides benefits to individuals who qualify for those benefits. The benefits are summarized on pages 2 through 4.

Filing of Benefit Claims/Issues

If you believe that you are eligible for benefits under the Annuity Plan, you should contact the Administrative Office and request the appropriate benefit application forms. The Administrative Office

will mail the appropriate application forms to you. A claim is filed, or “received”, for purposes of these rules, when a completed benefit application is received by the Administrative Office, although additional information, including election forms, tax forms, retirement declarations, etc. may be required before an initial determination can be made on the application. The Administrative Office will specify what additional information may be needed.

If you wish to pose any other issue to the Fund for determination, you should put the issue in writing and submit it to the Administrative Office. An issue other than a benefit application is filed, or “received”, for purposes of these rules, when the writing posing the issue is received by the Administrative Office.

Benefit Claims and Disability Benefit Claims

Initial Determination – Notice

Benefit claims/issues are required to be initially determined by the Fund and notice of any decision given to you, within a reasonable period of time, not later than 90 days after receipt of the claim. This period may be extended one time by the Fund for up to 90 days, provided that the Fund both: (1) determines that special circumstances require the extension; and (2) notifies you, prior to the expiration of the initial 90-day period, of the circumstances requiring the extension of time and the date by which the Fund expects to make the determination.

If the special circumstance requiring the extension of time under this provision is your failure to supply information needed to perfect the claim, and such information is not received by the Administrative Office within the 180 day time period specified by this provision, the claim will be denied, and a new application must be filed with the Administrative Office under the Filing paragraph of these rules.

Form of Notice of Initial Determination

If an adverse determination is made by the Fund with respect to a benefit claim/issue, the Fund is required to provide to you written notification setting forth, in a manner suited to your understanding:

1. The specific reason(s) for the determination;
2. Reference to the specific plan provision(s) on which the determination is based;
3. A description of any additional material or information necessary to perfect the claim and any explanation of why the additional material or information is necessary; and
4. A description of the Fund’s review procedures and the time limits applicable to such procedures, including a statement of your right to sue under Section 502(a) of ERISA after exhaustion of the review procedures.

Time Frame To Request Review

You have 60 days following receipt of notification of an adverse determination to file a request for review. Any request for review received by the Fund after this time frame is untimely and subject to denial on review on that basis alone.

Request for Review

You may request review of an adverse determination by filing a written review request with the Board of Trustees at the Fund Office.

Full and Fair Review

You will be given the opportunity to submit written comments, documents, records and other information relating to the claim. The Fund will provide you, free of charge, reasonable access to and copies of all documents, records and other information relevant to the claim. The review of the claim will take into account all comments, documents, records and other information you submit relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

Determination on Review – Notice

A determination on review is required to be made by the Board of Trustees no later than the date of the meeting of the Board of Trustees that immediately follows receipt of the request for review, unless the request for review was filed within 30 days preceding the date of such meeting. In such a case, a benefit determination on review may be made no later than the date of the second meeting following the receipt of the request for review. If special circumstances require a further extension of time for processing, a benefit determination on review shall be rendered not later than the third meeting of the Board of Trustees following the receipt of the request for review. If special circumstances require such an extension, the Fund will notify you in writing of the extension, describing the special circumstances and the date on which the benefit determination on review will be made. If an extension is due to your failure to submit information necessary to decide the claim, the period for making the determination on review will be suspended from the date on which the notification or extension is sent to you until the date on which you respond to the request for additional information. Notice of the benefit determination on review will be given not later than 5 days after such a determination is made.

Form of Notice of Determination on Review

The Fund will provide you with written notification of the determination on review. If the determination is adverse, the Fund is required to provide written notice to you setting forth, in a manner calculated for your understanding:

1. The specific reason(s) for the determination;
2. Reference to the specific plan provision(s) on which the determination is based;
3. 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 related to the claim; and
4. A statement of your right to sue under Section 502(a) of ERISA.

TRUSTEE AUTHORITY

In carrying out their responsibilities under the Plan, the Trustees have sole and exclusive discretionary authority to interpret the terms of the Plan and to interpret any facts relevant to the determination, and to determine eligibility and entitlement to Plan benefits in accordance with the terms of the Plan. Any interpretation or determination made under this discretionary authority shall be binding and given full

force and effect, unless it can be shown that the interpretation or determination was arbitrary and capricious.

If at any time while a claim or other issue is pending, you feel that the rules expressed in this booklet are not being honored, you should contact the Board of Trustees, which is authorized, but is not required, to suspend these rules and move the pending claim or issue directly to their attention for final determination. The Trustees may be contacted c/o the Administrative Office.

SOME QUESTIONS AND ANSWERS

Who administers the Plan?

The Annuity Plan is administered by a Board of Trustees made up equally of representatives of the Union and of the Employers. The actions of the Board of Trustees are governed by the Agreement and Declaration of Trust. This provides that all money paid into the Annuity Plan can be used only for the purpose of providing benefits in accordance with the Rules and Regulations, as interpreted by the Board of Trustees, and paying expenses incurred in the operation of the Annuity Plan. The Board of Trustees has contracted with Southwest Service Administrators, Inc. (known as the "Administrative Office" or the "Fund Office") to handle day-to-day administration of the Plan including processing applications, claims, and requests for information.

Who is covered by the Plan?

The Plan covers only Employees of contributing Employers. Work done by any owner-operator, partner, independent contractor or self-employed person is not covered by the Plan.

Can a Participant or Beneficiary appeal if benefits are denied?

Yes. Any Participant or Beneficiary who is denied a benefit or disagrees with the type or amount of benefits allowed has the right to appeal to the Board of Trustees. This must be done within 60 days of the date of the letter notifying the Participant or Beneficiary of the Board's decision. The rules and procedures for filing an appeal are in Article VII, Section 3 of the Annuity Plan and on pages 8 through 10 of this Summary.

Are Plan documents available to Participants?

Yes. Copies of the Plan, summary description and a summary of the annual report are available for inspection at the Fund Office during regular business hours. On written request, copies will be supplied by mail. Copies of the Trust Agreement and the full annual report also are available for inspection at the Fund Office. These documents, too, can be supplied by mail on written request but a reasonable fee will be charged. It is advisable to find out what the charge will be before sending your request.

Must a Participant retire when he/she reaches age 62?

No. Retirement under this Plan is voluntary. However, payment of your benefits must commence on or before your Required Beginning Date. Your Required Beginning Date is the April 1 following the year in which you attain age 70½.

May Pension benefits be assigned?

No. The Plan is prohibited from paying your benefits to another party. However, the Plan is required by law to pay benefits in accordance with a Qualified Domestic Relations Order.

Do the benefits provided under this Plan affect Social Security benefits?

No. The benefits under this Plan are in addition to benefits paid under Social Security.

Do I have to pay tax on the money in my individual account?

The money in your Individual Account is not considered taxable income until you actually receive it. When you do receive the money in your Individual Account, it must be reported as taxable income. Generally, it will be taxed as ordinary income, depending on the way you choose to take payment. If you choose a lump sum distribution, the Internal Revenue Code provides several complex rules relating to the taxation of the amounts you receive.

When your Individual Account becomes payable, you will be advised of the taxability of your distribution and any choices you may have regarding the taxes. In order to determine the best form of payment of your Individual Account and the tax consequences of any payments you receive, you should discuss your particular circumstances with a competent tax advisor.

The material in the Summary sections of this booklet was prepared to explain your rights and benefits and other important features of the Annuity Plan. To keep this summary as clear as possible, some of the precise detail of the rules of the Plan has been summarized.

Every effort has been made to assure the accuracy of the summary, but we emphasize that nothing in the summary is intended to change in any way the rules of the Plan. In the event any question arises, your rights will be determined according to the rules and procedures prescribed in the Plan.

Only the full Board of Trustees is authorized to interpret the Plan. Neither the Union nor any Employer nor any of their representatives are authorized to interpret the Plan or to act as an agent of the Board of Trustees.

If you have any questions about the Plan, contact the Administrative Office. The staff has up-to-date information on the operation of the Plan and on your rights and responsibilities under them. The staff is available to help you with any question. Information from other sources is not official and may not be correct.

Please address your questions to:

Southwest Service Administrators, Inc.
2400 West Dunlap Avenue
Suite 250
Phoenix, AZ 85021-2811
(602) 249-3582
(800) 474-3485

CHECKLIST: THINGS FOR YOU TO DO

1. Let us know where you are.

Keep the Administrative Office informed of any change in your mailing address to make sure you receive all of our communications. Our address and telephone:

Southwest Service Administrators, Inc.
2400 West Dunlap Avenue
Suite 250
Phoenix, AZ 85021-2811
(602) 249-3582
(800) 474-3485

2. If your marital status changes.

Inform the Administrative Office. Your marital status affects the type of benefits you and your beneficiaries are entitled to receive.

3. If you are thinking about retirement.

Get the information you need and file your application in plenty of time. You will need copies of certain documents such as birth certificates, marriage certificate, etc. The Administrative Office can tell you what you will need to file.

4. Keep your records.

The accuracy and completeness of the records of your work in Covered Employment can be important in determining your eligibility for benefits under the Plan. You can protect yourself against possible future difficulty by checking the work records you receive. Try to keep pay vouchers, payroll check stubs, and other evidence of your employment until you are sure you have been credited for that work.

5. Designate a Beneficiary.

For the protection of the person or persons you want to receive the Plan's death benefits, be sure that you have made your designated Beneficiary known to the Administrative Office. If your Beneficiary should die before you, or if you want to change your choice for any other reason, you should promptly inform the Administrative Office.

6. Any questions? Ask the Administrative Office.

You should contact the Administrative Office about any question you have on the Plan, your rights and benefits under it, or about any disagreement or doubts you may have concerning your records.

7. Qualified Domestic Relations Orders (QDROs).

If you become a party to a QDRO, notify the Administrative Office as soon as possible. See pages 5 and 6 for more information regarding QDROs.

ERISA STATUTORY DATA

The following information, some of which appears elsewhere in this booklet, is specifically required by Section 102(b) of the Employee Retirement Income Security Act of 1974 (ERISA).

1. **The names and type of administration of the Plan.**

The Arizona Laborers' and Teamsters' Annuity Plan. This plan is a Money Purchase Pension Plan.

This plan is collectively-bargained, joint-trusteed, labor-management trust.

2. **Internal Revenue Service Plan Identification Number and Plan Number.**

The Employer Identification Number is 86-6084210 and the Plan Number is 002.

3. **Name and address of the person designated for service of legal process.**

Keith Overholt, Esq.
Jennings, Strouss & Salmon, P.L.C.
The Collier Center, 11th Floor
Phoenix, Arizona 85004-2385

Barry Hinkle, Esq.
Weinberg, Roger & Rosenfeld
180 Grand Avenue, Suite 1400
Oakland, CA 94612

Legal process may also be served on a Plan Trustee.

4. **Name and address of the Administrator.**

The Board of Trustees, as shown in Item 5 below.

The Trustees have engaged the following independent contractor to perform the routine administrative functions of the Plan:

Southwest Service Administrators, Inc.
2400 West Dunlap Avenue
Suite 250
Phoenix, AZ 85021-2811
(602) 249-3582
(800) 474-3485

5. **Names, titles and business addresses of the Board of Trustees:**

Management Trustees

David Martin
Arizona Chapter A.G.C.
1825 West Adams
Phoenix, Arizona 85007

Amanda McGennis
Arizona Chapter A.G.C.
1825 West Adams
Phoenix, Arizona 85007

Labor Trustees

Andrew Marshall
Teamsters' Local 104
P. O. Box 18090
Phoenix, Arizona 85009

Floyd Wyatt
9232 W. Meadow Hills Dr.
Sun City, AZ 85351

Javil Delgado
Laborers Local No. 383
512 West Adams
Phoenix, AZ 85003

Lino Rodriguez
Laborers Local No. 383
512 West Adams
Phoenix, AZ 85003

6. **Collective Bargaining Agreement information.**

Contributions to the Plan are made by signatory Employers with respect to the employment of each Participant in accordance with their respective Collective Bargaining Agreements. The Administrative Office will provide you, upon written request, a copy of the Collective Bargaining Agreements.

7. **Source of Contributions.**

All contributions to the Annuity Plan are made by Employers in accordance with the Collective Bargaining Agreements. Benefits are provided directly from the Fund's assets which are accumulated under the provisions of the Trust Agreement.

The Administrative Office will provide you, upon written request, information as to whether a particular employer is contributing to this Plan on behalf of Participants working under the Collective Bargaining Agreements.

8. **Recordkeeping period and plan year.**

The period used is the calendar year, January 1 through December 31.

9. **The Plan's requirements with respect to eligibility for participation and benefits.**

The eligibility requirements for benefits under the Plan are set forth in the rules and regulations of the Plan and can be found in Articles II and VI in the Restated Rules of the Annuity Plan.

10. **Remedies available under the Plan for the redress of claims which are denied in whole or in part, including provisions required by Section 503 of Employee Retirement Income Security Act.**

The procedure for filing a claim for benefits under the Plan is described beginning on page 7.

If a person wishes to appeal a denial of a benefit in whole or in part, he/she should file a request for a review within 60 days after receiving the denial. The procedure for filing an appeal for any decision of the Trustees regarding benefits and eligibility under the Plan is described beginning on page 8.

11. **Description of provisions for nonforfeitable benefits.**

A Participant is immediately 100% vested in his Individual Account.

12. **Description of circumstances which may result in disqualification, ineligibility, denial or loss of benefits.**

- a. A Participant is not eligible to receive payment of his Accumulated Share until he/she files an application and supplies reasonably required information or proof. Refer to Article VII, Section 1 of the Plan.
- b. The Accumulated Share of a terminated Participant who fails to apply for a benefit will be forfeited if the Board of Trustees is unable to locate the Participant in the course of three years from the date of termination.
- c. The maximum annual addition to individual account balances under the Plan is limited by Section 415 of the Internal Revenue Code. That section generally limits annual additions to a defined contribution plan to the lesser of (a) a flat dollar amount, or (b) 100% of an employee's compensation for the period being measured. For 2004, the flat dollar amount is \$41,000.

13. The provisions of the 50% Contingent Annuity which provides a life-time benefit for a surviving Spouse are set forth in Article VI of the Annuity Plan.

14. **Normal retirement age.**

The Normal Retirement Age is age 62.

15. **The identity of any organization used for the accumulation of assets through which benefits are provided.**

Benefits are provided from the Fund's assets which are contributed pursuant to the Collective Bargaining Agreements and accumulated under the Trust Agreement and held in a Trust Fund for the purpose of providing benefits to Participants and defraying reasonable covered administrative expenses. The Fund's assets and reserves are held in custody by Wells Fargo Bank and invested by McMorgan and Company, NWQ, and Wellington .

16. **Plan documents and reports.**

You may examine the following documents at the Administrative Office during regular business hours, Monday through Friday, except holidays:

- a. Trust Agreement and Plan Rules and Regulations
- b. Collective Bargaining Agreements
- c. Insurance contracts, if any
- d. Form 5500 (Annual Return/Report) filed with the Internal Revenue Service and Department of Labor
- e. A list of contributing Employers

You may also obtain copies of the documents by writing for them and paying the reasonable cost of duplication. You should find out what the charges will be before requesting copies. If you prefer, you can arrange to examine these reports, during business hours, at your union office. To make such arrangements, call or write the Administrative Office. A Summary Annual Report which gives details of the financial information about the Fund's operation is furnished annually to all Participants free of charge.

16. **Plan termination provisions.**

If the Plan is terminated, you will be entitled to the full value of your Individual Account as of the termination date. This amount will include the balance of your Employer's contributions to your account plus or minus investment performance as of the termination date.

17. **Statement of ERISA Rights**

As a Participant in The Arizona Laborers' and Teamsters' Annuity Plan, you are entitled to certain rights and protection under the Employee Retirement Income Security Act of 1974. 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 worksites and union halls, 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.

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 administrator may make a reasonable charge for the copies.

Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive a benefit at normal retirement age (age 62) and if so, what your benefits 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 twelve (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 benefit or exercising your rights under ERISA.

Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a 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 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. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order 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 rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the 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, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

**JANUARY 1, 2002 RESTATEMENT OF THE RULES AND REGULATIONS OF THE
THE ARIZONA LABORERS' AND TEAMSTERS' ANNUITY PLAN**

This document sets forth the Rules and Regulations for the above named Annuity Plan restated effective January 1, 2002, and incorporates subsequent Amendments 1 through 3. This restated Plan is applicable only to pensions or other benefits which commence on and after January 1, 2002. Benefits which commence prior to January 1, 2002 are to be determined under the prior Annuity Plan.

ARTICLE I. DEFINITIONS

Unless the context of subject matter otherwise requires, the following definitions shall govern in this Plan:

Section 1. "Annuitant" means an Employee who retires and for whom an annuity is purchased.

Section 2. "Employer Trustors" means the Associated General Contractors, Arizona Chapter; Arizona Building Chapter, Associated General Contractors; and Arizona Rock Products Association.

Section 3. "Collective Bargaining Agreement" includes and shall mean:

- (a) The Master Labor Agreement and the Arizona Rock Products Association Agreement, as described in the Trust Agreement;
- (b) Any other Collective Bargaining Agreement executed by and between some or all of the Trustors which specifically provides for the making of contributions to the Trust Fund;
- (c) Any other Collective Bargaining Agreement between some or all of the Trustors who are labor organizations and any other employer, whether individual or an association of individual employers, which specifically provides for the making of contributions to the Trust Fund, provided the Trustees of this Fund agree to the participation of such other employers;
- (d) Any extension, amendment, modification or renewal of any of the above described agreements which specifically provides for the making of contributions to the Trust Fund.

Section 4. "Contributions" shall mean payments to the Plan by an Employer, pursuant to a Collective Bargaining Agreement.

Section 5. The term "Employee" means an individual in the employment of an Employer whose employment is the subject matter of a Collective Bargaining Agreement. The term "Employee" shall also include:

- (a) a regularly employed and salaried officer or business representative of the Union;
- (b) an individual trained as a laborer under the United States Manpower Training and Development Act;
- (c) any employee of any Association, signatory to the Trust Agreement;
- (d) any employee of any signatory Union and the Laborers Training Trust Fund and the Teamsters Joint Training Trust Fund; and

- (e) the Trust Fund Representatives, on whose behalf contributions are made to the Trust Fund pursuant to regulations adopted by the Trustees. The term “Employee” shall not include any self-employed person, sole proprietor of a business organization, a partner or any corporate officer, executive or supervisor of an employer excluded from coverage of the Collective Bargaining Agreements, which is a Contributing Employer.

Section 6. The term “Employer” means any employer, whether individual, partnership or corporation, who is required by a Collective Bargaining Agreement to make contributions to the Trust Fund. For the sole purpose of making contributions to the Trust Fund, the term “Employer” may also include the Union and the Trust Fund Office, pursuant to regulations adopted by the Trustees. An employer shall not be deemed an Employer simply because it is part of a controlled group of corporations or of a trade or business under common control, some other part of which is an Employer.

For purposes of identifying highly compensated employees and applying the rules on participation, vesting and statutory limits on benefits under the Fund but not for determining Covered Employment, the term “Employer” includes all corporations, trades or businesses under common control with the Employer within the meaning of Internal Revenue Code §414(b) and (c), all members of an affiliated service group with the Employer within the meaning of Internal Revenue Code §414(m) and all other businesses aggregated with the Employer under Internal Revenue Code §414(o).

Section 7. “Calendar Year” means the period from January 1 of any year to December 31 of the same year.

Section 8. “Individual Account” means the account established for each Employee.

Section 9. “Normal Retirement Age” means age 62.

Section 10. “Participant” means any Employee participating in the Plan for whom an Individual Account has been established.

Section 11. “Plan” means this Annuity Plan established under the Trust Agreement and shall include contributions from Employers, interest, income or return thereon, insurance policies, together with any premium dividends, refunds, or other sums payable to the Trustees on account of such policies, and any other property of any kind received and held by the Trustees for the uses and purposes declared by the Trust. It also means the rules and regulations set forth herein.

Section 12. “Retires” or “Retired” means the complete withdrawal of an Employee from employment for wages or profit in the type of work included in the bargaining unit and covered by the Collective Bargaining Agreement and from activity or employment for wages or profit in the construction and related industry wherever such activity or employment may occur.

Section 13. The term “Union” means the Laborers’ District Council of the State of Arizona, including Locals 479 and 383; Local No. 104 Affiliate of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America; and Operative Plasterers’ and Cement Masons’ International Association, Local No. 394 as the successor in interest to Local No. 395.

Section 14. “Valuation Date” means December 31 of each Calendar Year, the first of which shall be December 31, 1986.

Section 15. “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

Section 16. “Defined Benefit Plan” means the Defined Benefit Plan established and maintained pursuant to the Agreement and Declaration of Trust dated June 29, 1973 between the Trustor parties.

Section 17. “Trust Agreement” means the Trust Agreement establishing the Arizona Laborers, Teamsters and Cement Masons Local 395 Pension Trust Fund, dated June 1, 1973.

Section 18. “Trust Fund” or “Trust” means the Trust established by the Trust Agreement, and unless the context otherwise requires, includes the assets of the Defined Benefit Plan and the assets of this Annuity Plan.

Section 19. “Trustee” means any natural persons designated as Trustee pursuant to the Trust Agreement.

Section 20. “Board of Trustees” or “Board” means the Board of Trustees as established and constituted pursuant to the provisions of the Trust Agreement.

Section 21. “Beneficiary” means a person (other than a Pensioner) who is (a) legally entitled to receive benefits under this Plan because of his or her designation for such benefits by an Active Participant, by a Vested Participant, or a Pensioner, or (b) who is legally entitled to and receiving or is entitled to receive benefits by operation of law.

Section 22. “Spouse” means the person to whom the Participant is married at the time of entitlement to benefits which said marriage is recognized as valid under the laws of the State of Arizona.

Section 23. Annuity Starting Date.

- (a) The “Annuity Starting Date” is the date as of which benefits are calculated and paid under the Plan and shall be the first day of the month after or coincident with the later of:
 - (1) the month following the month in which the claimant has fulfilled all of the conditions for entitlement to benefits including the filing of an application for benefits, or
 - (2) 30 days after the Plan advises the Participant of the available benefit payment options.
- (b) Notwithstanding subsection (a) above, the Annuity Starting Date may occur before the end of the 30-day notice period, provided:
 - (1) the Participant and spouse, if any, consent in writing to the commencement of benefits before the end of the 30-day notice period and as long as the following conditions are satisfied:
 - (A) the Participant is informed of the right to take up to 30 days to consider whether to waive the qualified joint and survivor’s annuity and consent to one of the alternate forms of benefit allowed by the Plan,
 - (B) the Participant is given at least seven days to change his/her mind and cancel an election to waive the qualified joint and survivor’s annuity, and
 - (C) distribution of the benefits begins more than seven days after the written explanation was provided to the Participant and Spouse.

- (2) the Participant's benefit was previously being paid because of an election at or after the Participant's Normal Retirement Age, or
- (3) the benefit is being paid out automatically as a lump sum under the provisions of the Plan.
- (c) The Annuity Starting Date will not be later than the Participant's Required Beginning Date.
- (d) The Annuity Starting Date for a Beneficiary or Alternate Payee under a Qualified Domestic Relations Order (within the meaning of Section 206(d)(3) of ERISA and Section 414(p) of the Internal Revenue Code) will be determined as stated in subsections (a) and (b) above, except that references to the Qualified Joint and Survivor Annuity and spousal consent do not apply.

Section 24. Highly Compensated Employee.

- (a) The term "Highly Compensated Employee" includes highly compensated active Employees and highly compensated former Employees of an Employer. Whether an individual is a Highly Compensated Employee is determined separately with respect to each Employer, based solely on that individual's Compensation from or status with respect to that Employer.
- (b) A Highly Compensated Employee is any Employee who:
 - (1) was a 5-percent owner of the Employer at any time during the determination year or the look-back year, or
 - (2) for the look-back year
 - (A) had Compensation from the Employer in excess of \$80,000 (as adjusted annually for increases in the cost-of-living in accordance with regulations prescribed by the Secretary of the Treasury), and
 - (B) was in the top-paid group of employees of such Employer for such year. For this purpose, the top-paid group of Employees shall consist of the top 20 percent of the Employees when ranked on the basis of Compensation paid during such year.

Section 25. Compensation.

- (a) Solely for the purposes of identifying Highly Compensated Employees and the limitations under section 415 of the Internal Revenue Code, a Participant's Compensation shall mean the total wages, salaries and fees for professional services and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the employer maintaining the plan to the extent that the amounts are includible in gross income (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, reimbursements and expense allowances). In addition, Compensation shall include any elective deferral (as defined under Code § 402(g)(3)), and any amount which is contributed or deferred by the Employer at the election of the Employee, and which, by reason of Code §§ 125 or 457, is not includible in the gross income of the Employee.
- (b) Compensation shall not include:

- (1) Amounts realized from the exercise of a non-qualified stock option, or when restricted stock (or property) held by the employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
- (2) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option; and
- (3) Other amounts which received special tax benefits, other than amounts referred to in subsection (a).
- (4) All Compensation in excess of the limits contained in IRC §401(a)(17).

Section 26. Qualified Military Service. Notwithstanding any provision to the contrary, the benefits of an individual who was absent from employment requiring Contributions to the Plan by reason of, and who returns to such employment from, a period of Qualified Military Service in the uniformed services of the United States, shall include Contributions (but not investment income or forfeitures) consistent with and to the extent required by the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), as amended, and Section 414(u) of the Internal Revenue Code, as amended. Qualified Military Service will be counted for purposes of crediting a Participant's Individual Account with Contributions provided the following conditions are satisfied.

- (a) An individual must have re-employment rights under USERRA in order for his period of Qualified Military Service to be recognized.
- (b) After discharge from Qualified Military Service, the individual must return to work within the time required by USERRA in order for any period of Qualified Military Service to be recognized.
- (c) No more than five years of Qualified Military Service may be recognized for any purpose except as required by law.
- (d) The Board of Trustees determines, in accordance with USERRA, that an individual is entitled to a period of Qualified Military Service.

ARTICLE II. PARTICIPATION

Section 1. Each Employee shall become a Participant when an Individual Account is established in his name.

Section 2. A person will cease to be a Participant when his "Accumulated Share," as defined in Article VI, Section 1, has been paid to him pursuant to Article VI. If such a person is then re-employed by a Contributing Employer, he will again become a Participant in accordance with Section 1 of this Article.

ARTICLE III. CONTRIBUTIONS

Section 1. Employer Contributions. Subject to the terms of its collective bargaining agreement with the Union and during its term Employers shall contribute to the Plan with respect to each calendar month the amount which the Employer is obligated to pay on behalf of each Employee under the terms of the Collective Bargaining Agreement or any subscription agreement approved by the Board of Trustees authorizing contributions from the Union.

In addition, a Participant's Individual Account shall be credited with Contributions (but not investment income or forfeitures) for every week of Qualified Military Service based on the average amount of hours worked by the Participant under this Plan during the 12-month period of employment immediately prior to the period of Qualified Military Service (or if shorter, the period of employment immediately preceding the period of Qualified Military Service). The hourly rate of Contribution shall be equal to the rate of Contributions the individual would have earned during the period in which the Qualified Military Service was performed.

Contributions owed to the Individual Account of a Participant for a period of Qualified Military Service shall be deducted from Plan assets as an administrative expense for the Calendar Year in which credited.

ARTICLE IV. INDIVIDUAL ACCOUNTS

Section 1. As of January 1, 1986, an Individual Account shall be established for each Employee. As of each Valuation Date following January 1, 1986, an Individual Account shall be established for each Employee unless an Individual Account has already been established.

Section 2. As soon as practicable following each Valuation Date, the Trustees shall determine and fix the amount in each Participant's Individual Account. The amount in each Individual Account shall be determined as follows:

- (a) The amount in the Individual Account, as of the last previous Valuation Date; plus
- (b) The contributions actually made on behalf of the Employee since the last Valuation Date, including any contributions (but not earnings of forfeitures) owed for a period of Qualified Military Service in the armed forces of the United States consistent with and to the extent required by the Uniformed Services Employment and Reemployment Rights Act of 1994, 38 U.S.C. Section 4301 et seq., as amended, and Section 414(u) of the Internal Revenue Code, as amended; plus
- (c) A proportionate share of the investment yield determined by the Trustees in accordance with Section 3 of this Article; minus
- (d) The administrative charge determined by the Trustees to be applicable to Individual Accounts on a per capita basis, but not more than the amount in the Individual Account; plus
- (e) The amount, if any, of excess earnings from the Arizona Laborers' and Teamsters' Pension Plan which the Trustees shall determine to be allocable to an Individual Account. It is specifically recognized that only Participants who have credited service in the Defined Benefit Plan prior to January 1, 1986, will be eligible for a share of any excess earnings distributable under this Section.

In no event will any forfeitures be added to the Participant's Individual Account. Any forfeitures hereunder will be used to defray administrative expenses of the Plan.

Annually, within six months after the close of the Calendar Year, each Participant who has an Individual Account shall receive a statement reflecting the balance of his Individual Account as of the last preceding Valuation Date.

Section 3. Investment Income. For the purpose of arriving at the investment yield to be credited to the Participant's Individual Account as of the Valuation Date, the Trustees shall determine the Gross Investment Income in accordance with Section 4 of this Article, which shall include realized and unrealized gain or loss obtained by the Plan during the period for which the Valuation is being made. This Investment Income shall be credited to each Individual Account in the following manner:

- (a) For the first Valuation Date after the inception of the Plan, the Investment Income shall be divided by the total amount in all Individual Accounts established on such Valuation Date to arrive at the investment yield. Thereafter, beginning with the second and each subsequent Valuation Date, the Investment Income shall be divided by the total in all Individual Accounts as of the last previous Valuation Date (excluding any Individual Accounts terminated since the previous Valuation Date as well as contributions received since that date) to arrive at the investment yield.

- (b) The investment yield to be credited to each Individual Account (excluding Individual Accounts terminated since the previous Valuation Date) shall be the amount in the Individual Account on the previous Valuation Date multiplied by the fraction obtained in subsection (a) above.

Section 4. Gross Investment Income. As soon as practicable after each Valuation Date, the Trustees shall determine the Gross Investment Income in the following manner:

- (a) Determine the total market value of the Plan as of the last preceding Valuation Date (less the total of all Individual Accounts terminated subsequent to the said Valuation Date).
- (b) Determine the total market value of the Plan as of the new Valuation Date, (less the total of all contributions, including contributions owed for a period of Qualified Military Service, received during the Calendar Year).
- (c) Determine the total administrative charges paid by the Plan during the Fiscal Year.
- (d) Add (b) to (c).
- (e) Subtract (a) from (d). The resulting figure shall be the Gross Investment Income.

Section 5. Limitation of Accounts. In no event and at no time shall the total amounts in all Individual Accounts plus amounts previously established for expenses exceed the total market value of the Plan and if such an event should occur, then all existing Individual Accounts shall automatically be proportionately reduced so that the total of all Individual Accounts plus amounts previously established for expenses is not more than the total net assets.

Section 6. Vesting. The fact that the Individual Accounts are established and valued as of each Valuation Date, shall not vest in any Participant, or others, any right, title, or interest in the Plan or its assets, or in the Individual Account, except at the time or times and upon the terms and conditions herein provided.

ARTICLE V. VESTING

Section 1. Subject to Section 2 of this Article, each Participant shall always be 100% vested in his Individual Account.

Section 2. Notwithstanding Section 1 of this Article, if the sum of the amount of the Participant's Individual Account and the contributions made to his Individual Account but not included in his Individual Account on the last preceding Valuation Date do not total One Hundred Dollars (\$100.00), then the Participant's Individual Account and the contributions made to his Individual Account shall be forfeited and used to reduce the administrative expenses of this Plan.

ARTICLE VI. BENEFITS AND ELIGIBILITY

Section 1. Amount to be Paid. Subject to the specific provisions of the following sections, the amount to be paid as payment of any annuity, lump sum amount or other benefit from this Plan shall be the amount of the Participant's Individual Account as of the last preceding Valuation Date, plus any additional Employer contributions made on behalf of the Participant not included in his Individual Account on the last preceding Valuation Date. The total of these two items shall be the Participant's "Accumulated Share."

Section 2. Retirement and Disability. If the Participant's employment is terminated as a result of total disability at any age or Retirement after the attainment of age 55, the Participant shall be entitled to receive his Accumulated Share in accordance with Section 4, or in such other optional form as the Participant may elect.

A Participant shall be deemed totally disabled only if the Board of Trustees, in its sole and absolute discretion, finds that:

- (a) The Participant has been awarded a Social Security Disability Benefit under Title II of the Social Security Act; and
- (b) The Participant has not attained age 62.

Section 3. Death Before Retirement. In the event that a Participant dies before his Annuity Starting Date, the entire amount of the Participant's Accumulated Share shall, upon application, be paid to the Participant's beneficiary in accordance with the following:

(a) Surviving Spouse.

- (1) If the Participant has been married throughout the year before the date of death, the Participant's surviving Spouse shall be entitled to receive a single premium nontransferable contract in the form of a life annuity from the entire amount of the Participant's Accumulated Share. However, the surviving Spouse may reject, in writing, this form of payment and elect to receive the Accumulated Share in an optional form in accordance with Article VI, Section 5. Such election shall be made on a form prescribed by the Trustees and shall contain the notarized signature of the surviving Spouse. The surviving Spouse shall be given ninety (90) days after being advised of the availability and effect of such election in writing by the Trustees, to file such election. If such election is not filed within such 90-day period, the Accumulated Share will automatically be paid to the surviving Spouse in the form of a life annuity.
- (2) Payment of the pre-retirement surviving spouse benefit must start by no later than December 1 of the calendar year in which the Participant would have reached 70½ or, if later, December 1 of the calendar year following the year of the Participant's death. If the Trustees confirm the identity and whereabouts of a surviving legal Spouse who has not applied for benefits by that time, payments to that surviving legal Spouse in the form of a single-life annuity (subject to the provisions of subsection (c) of this Section on small-benefit cashouts) will begin automatically as of that date.
- (3) If a surviving legal Spouse dies before the Annuity Starting Date of the pre-retirement surviving spouse benefit, the benefit shall be paid to the Spouse's designated Beneficiary, or if none, to the person or persons determined in accordance with Article VII, Section 5.

(b) Non-Spouse Beneficiary.

- (1) If the Participant is not married or, if married has not been married throughout the year before the date of death, the Participant's Accumulated Share shall be paid to the Participant's designated Beneficiary in a lump sum. However, the Beneficiary may reject, in writing, this form of payment and elect to receive the Accumulated Share in an optional form in accordance with Section 5 of this Article. Such election shall be made on a form prescribed by the Trustees and shall contain the notarized signature of the Beneficiary. The Beneficiary shall be given ninety (90) days after being advised of the availability and effect of such election in writing by the Trustees, to file such election. If such election is not filed within such 90-day period, the Accumulated Share will automatically be paid to the Beneficiary in the form of a lump sum payment.
- (2) The benefit payable under this subsection must begin by December 1 of the year following the year of the Participant's death and be paid out over a period no longer than the Beneficiary's life or life expectancy, as determined under Table V of Treas. Reg. §1.72-9 as of the date payments commence, except that they can continue until the end of the fifth calendar year following the year of the Participant's death if longer.

(c) Notwithstanding the above, if the Participant's Accumulated Share is less than \$5,000, it shall be paid out in a lump sum, and the optional payments under Section 5 shall not be available.

Section 4. Automatic Forms of Payment. When payment of an Accumulated Share is made in accordance with Section 2 to a Participant who is married on the date when benefit payments are to commence, the Trustees shall, unless the Participant elects otherwise, as provided in Section 5, purchase from a legal reserve life insurance company, and distribute to the Participant, a single premium nontransferable contract in the form of a 50% contingent annuity under which the Participant's Spouse is named as the contingent annuitant.

When payment of an Accumulated Share is made in accordance with Section 2 to a Participant who is not married on the date benefits are to commence, the Trustees shall, unless the Participant elects otherwise as provided in Section 5, purchase from a legal reserve life insurance company, and distribute to the Participant, a single premium nontransferable contract in the form of a life annuity.

Notwithstanding the above, if the Participant's Accumulated Share is less than \$5,000, it shall be paid out in a lump sum, and the optional payments under Section 5 shall not be available.

Section 5. Optional Forms of Payment. Subject to the provisions of IRC §401(a)(9) and the regulations thereunder, a Participant who is entitled to receive a distribution under Section 2, or a Beneficiary or a Spouse who is entitled to receive a distribution under Section 3, may elect, in writing, and on such forms and subject to such conditions as the Trustees may provide, to receive payment by any of the following methods:

- (a) The Accumulated Share may be used to purchase an annuity contract which provides for an income payable for a period of years certain or for the lifetime of the Participant, and such contract may provide in addition that payments will be made for a period of years to the Participant and such contract may provide for an income to the Participant which, in the event of death, will be continued for the lifetime of the Participant's spouse, or under such other terms which may be available under the contract; or
- (b) A lump sum payment; or

- (c) A combination of forms (a) and (b) above, using whatever proportion of the Participant's share the Participant may elect.

The Participant's election shall specify the date he selects for commencement of benefit payments which may be the date of his entitlement to benefits or may be a date deferred to the extent provided below, but not beyond the Required Beginning Date, and his selection of the method or methods of payment from the list above.

A Participant shall be supplied with written information concerning the financial effect of the election of any of the methods of payment available under this Plan. A Participant may reject the 50% contingent annuity or life annuity at any time during the period not more than 90 days prior to his Annuity Starting Date or less than 30 days after he is provided a detailed explanation of the amount payable under the available forms of payment. In no event will benefit payments under any method available under this Plan begin less than 90 days from the date of a Participant's written election or written revocation of election under this Section.

If a Participant is married on the date when benefit payments are to commence, any election made under this Section 5 must bear the notarized signatures of both the married Participant and his Spouse.

Any written election, rejection or revocation (including any change of a previous choice) made under this Section, shall not take effect unless (1) the Spouse of the Participant consents in writing to such election, (2) such election designates a Beneficiary (or a form of benefits) which may not be changed without spousal consent (or the consent of the Spouse expressly permits designations by the Participant without any requirement of further consent by the Spouse), and (3) the Spouse's consent acknowledges the effect of such election and is witnessed by a notary public. Notwithstanding the preceding sentence, no spousal consent shall be required if it is established to the satisfaction of the Trustees that spousal consent may not be obtained because there is no Spouse, because the Spouse cannot be located, or because of such other circumstances as the Internal Revenue Service may by regulations prescribe.

Section 6. Failure to Apply for Accumulated Share. If an eligible Participant or eligible Beneficiary fails to make the required application or makes the required application hereunder but, on the date that payment of the Accumulated Share is due to be made the Board of Trustees is unable to locate the Participant or Beneficiary, the Trustees shall make a reasonable attempt to locate such Participant or Beneficiary and if unable to do so within three years of the date on which the payment of the Accumulated Share was to have been made, the Accumulated Share shall be forfeited and used as an offset against the administrative charges of the Plan or to credit Individual Accounts with contributions owed for a period of Qualified Military Service. If the Participant or his Beneficiary is thereafter located, his Accumulated Share shall be paid to him or his Beneficiary in the amount originally payable. Such later payment shall be deducted from Plan assets as an administrative expense for the Calendar Year in which paid.

Section 7. Benefit Limitations. Notwithstanding any other provisions of the Plan, all benefits shall comply with the following:

- (a) If the distribution of the Participant's entire interest is not made in a lump sum, the distribution shall be made:
 - (1) over the life of the Participant; or
 - (2) over the lives of the Participant and designated Beneficiary; or

- (3) over a period certain not extending beyond the life expectancy of the Participant or the life expectancy of the Participant and a designated Beneficiary.
- (b) If distribution of the Participant's benefits commenced in accordance with the Regulations before the Participant's death, the remaining interest shall be distributed at least as rapidly as under the method used as of the date of the Participant's death.
- (c) If the Participant dies before his benefits commenced in accordance with the Regulations, the method of distribution must satisfy the following requirements:
 - (1) any remaining portion of the Participant's interest that is not payable to a Beneficiary designated by the Participant shall be distributed within five years after the Participant's death; and
 - (2) any portion of the Participant's interest that is payable to a Beneficiary designated by the Participant shall be distributed either (i) within five years after the Participant's death, or (ii) over the life of the Beneficiary or over a period certain not extending beyond the life expectancy of the Beneficiary commencing not later than the end of the calendar year following the calendar year in which the Participant died (or, if the designated Beneficiary is the Participant's surviving Spouse, commencing not later than the end of the calendar year following the calendar year in which the Participant would have attained age 70½).
- (d) All survivor benefits shall comply with the limits of Internal Revenue Code §401(a)(9) and the incidental benefit rule and the regulations prescribed under them, including proposed Treas. Reg. §§1.401(a)(9)-1 and 1.401(a)(9)-2.

ARTICLE VII. GENERAL PROVISIONS

Section 1. Application. Application for all benefits must be made in writing in a form and manner prescribed by the Trustees. No benefits shall be paid prior to establishment and crediting of Individual Accounts for contributions and investment earnings for any Fiscal Year or prior to the receipt of written confirmation from the Internal Revenue Service of the United States that the Plan is qualified under the provisions of the Internal Revenue Code, whichever is later.

Section 2. Information and Proof. Every Employee, Participant, Annuitant, or Beneficiary shall furnish, at the request of the Trustees, any information or proof reasonably required for the administration of the Plan or for the determination of any matter that the Trustees may legitimately have before them. Failure to furnish such information or proof promptly and in good faith shall be sufficient reason for the denial of benefits to such Employee or Beneficiary. The falsity of any statement material to an application or the furnishing of fraudulent information or proof shall be sufficient reason for the denial of benefits under this Plan, and in any such case, the Trustees shall have the right to recover any benefit payments made in reliance thereon.

Section 3. Action of Trustees. The Trustees shall be the sole judges of the standard proof required in any case. In the application and interpretation of any of the provisions of this Plan, the decisions of the Trustees shall be final and binding on all parties including Employees, Employers, the Union, Annuitants and Beneficiaries.

Section 4. Right of Appeal and Determination of Disputes.

- (a) Any person whose application for benefits under the Plan has been denied in whole or in part by the Trustees, or whose claim to benefits is otherwise denied by the Trustees, shall be notified of such decision, in writing, by the Trustees and may petition the Trustees to reconsider their decision. A petition for reconsideration shall be in writing, shall state in clear and concise terms the reason or reasons for disagreement with the decision of the Trustees, and shall be filed with or received by the Administrative Office within 60 days after the date shown on the notice to the petitioner of the decision by the Trustees.
- (b) Upon good cause shown, the Trustees may permit the petition to be amended and supplemented. The failure to file a petition for reconsideration within such 60-day period shall constitute a waiver of the claimant's right to reconsideration of the decision on the basis of the information and evidence submitted prior to the decision. Such failure shall not, however, preclude the applicant or claimant from establishing entitlement at a later date based on additional information and evidence which was not available to the Participant at the time of the decision of the Trustees.
- (c) Upon receipt of a petition for reconsideration, the Trustees, or a Committee appointed by the Trustees and authorized to act on such petitions, shall proceed to review the administrative file, including the petition for reconsideration and its contents. A decision by the Trustees shall be made promptly and not later than 60 days after receipt of the petition by the Administrative Office unless special circumstances (such as the petitioner's right to request a hearing) required an extension of time for processing, in which case a decision shall be rendered as soon as possible, but not later than 120 days after the receipt of the request for review. The petitioner shall be advised of the decision of the Trustees in writing.
- (d) The decision of the Trustees with respect to a petition for reconsideration shall be final and binding upon all parties, including the petitioner and any person claiming under the petitioner. The provisions of this Section shall apply to and include any and every claim to benefits from the Plan,

and any claim or right asserted under the Plan, regardless of the basis asserted for the claim and regardless of when the act or omission upon which the claim is based occurred.

Section 5. Designation of Beneficiary. An Employee may designate a beneficiary on a form provided by or acceptable to the Trustees and delivered to the Trustees before death. An unmarried Employee may change the beneficiary designation (without consent of the beneficiary) in the same manner. If no beneficiary has been designated, or no designated beneficiary has survived the Employee, distribution of the Participant's Accumulated Share shall be made to the survivors of the Participant in the following order of preference:

- (a) The surviving Spouse.
- (b) The surviving children in equal shares.
- (c) The surviving parents in equal shares.
- (d) The surviving brothers or sisters in equal shares.

If the Employee leaves no named Beneficiary, spouse, child, parent, or brother or sister, distribution shall be made to the deceased Employee's executor or administrator.

Section 6. Incompetence or Incapacity of Participant or Beneficiary. In the event it is determined that any Employee, Annuitant, Participant, or Beneficiary is unable to care for his or her affairs because of mental or physical incapacity, any benefit due such Employee, Participant, Annuitant, or Beneficiary, unless claim therefor has been made by his or her legal guardian or legal representative may be applied in the discretion of the Trustees for his or her maintenance and support, or the maintenance and support of his or her spouse and minor children.

Section 7. Non-Assignment of Benefits. No Employee, Annuitant, Participants or Beneficiaries hereunder shall have any right to assign, alienate, transfer, sell, hypothecate, mortgage, encumber, pledge, commute or anticipate any payments and that such payments shall not in any way be subject to any legal process to levy execution upon, or attachment or garnishment proceedings against the same for the payment of any claim against any Employee, Annuitant, Participant or Beneficiary; nor shall such payments be subject to the jurisdiction of any bankruptcy court of insolvency proceedings by operation of law or otherwise, and any such assignment shall be void and of no effect whatsoever, and in any such event the Trustees shall have the right to terminate any payments to such Employee, Annuitant, Participant or Beneficiary. Notwithstanding the foregoing, benefits shall be paid in accordance with the applicable requirements of any "qualified domestic relations order" as defined by Section 206(d)(3) of ERISA.

Section 8. Amendment. The Trustees may amend or modify the Plan at any time in accordance with the Trust Agreement, except that no amendment or modification may reduce any benefits which have been approved for payment prior to amendment so long as funds are available for payment of such benefits.

Section 9. Merger. In the event of any merger or consolidation with, or transfer of assets or liabilities to, any other plan, the amount of benefit which an Employee would receive upon a termination of the Plan immediately after such merger, consolidation, or transfer shall be no less than the benefit an Employee would have been entitled to receive immediately before the merger, consolidation, or transfer if the Plan had been terminated.

Section 10. Termination. In the event of termination or partial termination of the Plan, or in the event of complete discontinuance of contributions, such Employee shall have a nonforfeitable right, and the assets then remaining, after providing for the expenses of the Plan and for payment of any Accumulated Share theretofore approved, shall be distributed among the Employees. Each Employee shall receive that part of the total remaining assets in the same ratio as his or her Accumulated Share bears to the aggregate amount of the Accumulated Share of all Employees. No part of the assets shall be returned to any Employer or inure to the benefit of any Employer or Union. In the event that an Employee cannot be located and no claim is made by him for payment of his or her Accumulated Shares within six months following the sending of notice by Registered Mail to the Employee's last known address, such Accumulated Share shall be forfeited and shall be used as an offset against the expenses of terminating the Plan. An Employee whose Accumulated Share has been forfeited pursuant to the preceding sentence may be reinstated in accordance with Article VI, Section 6.

Section 11. Benefit Payments Generally. A Participant who is eligible to receive benefits under this Plan and who makes application in accordance with the rules of this Plan shall be entitled to receive payment within a reasonable time after meeting such requirements.

However, in no event, unless the Participant elects otherwise, shall a payment of benefits begin later than the 60th day after the later of the close of the Calendar Year in which:

- (a) The Participant attains Normal Retirement Age; or
- (b) The Participant's employment with an Employer is terminated and he retires, as that term is defined in Section 12 of Article I.

No Participant may elect to postpone the commencement of benefits to a date later than the end of the Calendar Year in which the Participant reaches his Required Beginning Date. For purposes of the preceding sentence, Required Beginning Date means April 1 of the Calendar Year following the Calendar Year in which the Participant attained age 70½.

If the present value of a Participant's vested accrued benefit derived from Employer and Participant contributions exceeds (or at the time of any prior distribution exceeded) \$5,000, and the accrued benefit is immediately distributable, the Participant and the Participant's Spouse (or where either the Participant or the Spouse has died, the survivor) must consent to any distribution of such accrued benefit.

An accrued benefit is immediately distributable if any part of the accrued benefit could be distributed to the Participant (or surviving Spouse) before the Participant attains (or would have attained if not deceased) Normal Retirement Age.

Section 12. Contribution Limitations.

- (a) Notwithstanding anything contained herein to the contrary, the total Contributions allocated to any Participant's Individual Account during any calendar year ("annual additions") shall not exceed the limitations of Section 415 of the Internal Revenue Code of 1986, as amended from time to time, as follows:

The amount of Contributions allocated to any Individual Account for any calendar year shall not exceed the lesser of:

- (1) Twenty-five percent (25%) of the Participant's Compensation for such year, or

- (2) \$30,000 (as adjusted for the increases in the cost of living pursuant to IRC § 415(d)(1)).
- (b) Plan Aggregation.
 - (1) In applying the limits under this Article, contributions to and benefits of all other retirement plans sponsored by the Employer or any affiliate shall be taken into consideration, except for multiemployer plans. For this purpose, an Employer means an employer which maintains this Plan, and all members of a controlled group of corporations (as defined in section 414(b) of the Internal Revenue Code as modified by section 414(h)), all commonly controlled trades or businesses (as defined in section 414(c) as modified by section 415(h)) or affiliated service groups (as defined in section 414(m)) of which the employer maintains this Plan is a part.
 - (2) If necessary to observe these limits, benefits of or contributions to other plans will be reduced before contributions to this Plan, but contributions to this Plan will be reduced if contributions to the other plans cannot be reduced.
- (c) If the annual additions for a particular Participant with respect to an Employer causes the limitations of Section 415 (as stated above and applicable to that Participant and Employer) to be exceeded, the Participant's account will be credited only with the maximum annual addition permitted and all excess amounts will be applied as an offset against administrative expenses for the calendar year. However, if the excess amounts exceed administrative expenses, the differences not applied to expenses will be held to be applied against expenses in succeeding calendar years.
- (d) In no event shall this Plan accept contributions in excess of the maximums specified for qualified plans by Section 415 of the Internal Revenue Code. The Trustees shall be entitled to rely on a representation by an Employer that the contributions payable from the Employer to the Plan on behalf of the Employee, to the extent attributable to employment with that Employer, do not, together with any contributions to any other plan maintained by the Employer (and to the extent attributable to employment with that Employer), exceed the limits of Section 415.

Section 13. Direct Rollovers. This section applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and in the manner prescribed by the plan administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

- (a) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; and the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).
- (b) Eligible retirement plan: An eligible retirement plan is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, or a qualified trust described in

Section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving Spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.

- (c) Distributee: A distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving Spouse and the Employee's or former Employee's Spouse or former Spouse who is the alternate payee under a Qualified Domestic Relations Order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the Spouse or former Spouse.
- (d) Direct rollover: A direct rollover is a payment by the plan to the eligible retirement plan specified by the distributee.

Section 14. Laws Applicable. This Plan is intended to comply with the Employee Retirement Income Security Act of 1974 and with the requirements for tax qualification under the Code and all regulations thereunder, and is to be interpreted and applied consistent with that intent.

ARTICLE VIII. AMENDMENTS TO COMPLY WITH EGTRRA

Section 1. Purpose and Scope. The plan amendments set forth in this Article are adopted to reflect certain provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA). These amendments are intended to constitute good faith compliance with the requirements of EGTRRA and are to be construed in accordance with EGTRRA and the guidance issued thereunder. Except as otherwise provided herein, the amendments contained in this Article shall be effective as of the first day of the first Plan Year beginning after December 31, 2001. The provisions of this Article shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Article.

Section 2. Limitation on Allocations to an Employee's Account.

- (a) **Effective Date.** This Section shall apply to limitation years beginning after December 31, 2001.
- (b) **Maximum Annual Addition.** The annual addition that may be contributed or allocated to a Participant's account under the Plan for any Limitation Year shall not exceed the lesser of:
 - (1) \$40,000, as adjusted for increases in the cost-of-living under IRC §415(d), or
 - (2) 100% of the Participant's compensation, within the meaning of IRC §415(c)(3), for the limitation year.

The 100% of compensation limit referred to in paragraph (b)(2) above shall not apply to any contribution for medical benefits after separation from service (within the meaning of IRC §§401(h) or 419A(f)(2)) that otherwise is treated as an annual addition.

Section 3. Increase in Limit on Compensation Taken into Account.

The annual compensation of each Participant taken into account in determining allocations for any Plan Year beginning after December 31, 2001, shall not exceed \$200,000, as adjusted for cost-of-living increases in accordance with IRC §401(a)(17)(B). Annual compensation for this purpose means compensation during the Plan Year or such other consecutive 12-month period over which compensation otherwise is determined under the Plan (the determination period). The cost-of-living adjustment in effect for a calendar year applies to annual compensation for the determination period that begins with or within such calendar year.

Section 4. Direct Rollovers of Plan Distributions.

- (a) **Effective Date.** This Section shall apply to distributions made after December 31, 2001. To the extent that the provisions of this Section conflict with the provisions of Article VII, Section 13, the provisions of this Section shall govern.
- (b) **Modification of Definition of Eligible Retirement Plan.** An "eligible retirement plan" also shall include an annuity contract described in IRC §403(b) and an eligible plan under IRC §457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. The definition of "eligible retirement plan" also shall apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relation order, as defined in IRC §414(p).

ARTICLE IX. MINIMUM DISTRIBUTION REQUIREMENTS

Section 1. General Rules.

- (a) Effective Date. The provisions of this Article will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.
- (b) Precedence.
 - (1) The requirements of this Article will take precedence over any inconsistent provisions of the plan.
 - (2) Except to the extent inconsistent with this Article, all distribution options provided under the plan are preserved.
 - (3) This Article does not authorize any distribution options not otherwise provided under the plan.
- (c) Requirements of Treasury Regulations Incorporated. All distributions required under this Article will be determined and made in accordance with the Treasury regulations under section 401(a)(9) of the Internal Revenue Code.

Section 2. Time and Manner of Distribution.

- (a) Required Beginning Date. The participant's entire interest will be distributed, or begin to be distributed, to the participant no later than the participant's Required Beginning Date as defined in Article VII, Section 11 of the Plan.
- (b) Death of Participant Before Distributions Begin. If the participant dies before distributions begin, the participant's entire interest will be distributed, or begin to be distributed, no later than as follows:
 - (1) If the participant dies before distributions begin and there is a designated beneficiary, the participant's entire interest must be distributed to the designated beneficiary by December 31 of the calendar year containing the fifth anniversary of the participant's death.
 - (2) If the participant's surviving spouse is the participant's sole designated beneficiary, then the participant's spouse may elect, in lieu of Section 2(b)(1), to have distributions to the surviving spouse begin by December 31 of the calendar year immediately following the calendar year in which the participant died, or by December 31 of the calendar year in which the participant would have attained age 70 1/2, if later. The election must be made no later than September 30 of the calendar year in which distribution would be required to begin under this Section 2(b)(2), or if earlier, Section 2(b)(1).
 - (3) If the participant's surviving spouse is not the participant's sole designated beneficiary, then the designated beneficiary may elect, in lieu of Section 2(b)(1), to have distributions begin by December 31 of the calendar year immediately following the calendar year in which the participant died. The election must be made no later than September 30 of the calendar year in which distribution would be required to begin under this Section 2(b)(3).
 - (4) If there is no designated beneficiary as of September 30 of the year following the year of the participant's death, the participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the participant's death.

- (5) If the participant's surviving spouse is the participant's sole designated beneficiary and the surviving spouse dies after the participant but before distributions to the surviving spouse begin, this Section 2(b), other than Section 2(b)(2), will apply as if the surviving spouse were the participant.

For purposes of this Section 2(b) and Section 4, unless Section 2(b)(5) applies, distributions are considered to begin on the participant's Required Beginning Date. If Section 2(b)(5) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under this Section 2(b)(2), if such election is made. If distributions under an annuity purchased from an insurance company irrevocably commence to the participant before the participant's Required Beginning Date (or to the participant's surviving spouse before the date distributions are required to begin to the surviving spouse under an election made under Section 2(b)(2)), the date distributions are considered to begin is the date distributions actually commence.

- (c) Forms of Distribution. Unless the participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first distribution calendar year distributions will be made in accordance with Sections 3 and 4 of this Article. If the participant's or designated beneficiary's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of section 401(a)(9) of the Code and the Treasury regulations.

Section 3. Required Minimum Distributions During Participant's Lifetime.

- (a) Amount of Required Minimum Distribution for Each Distribution Calendar Year. During the participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:
 - (1) the quotient obtained by dividing the participant's account balance by the distribution period in the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations, using the participant's age as of the participant's birthday in the distribution calendar year; or
 - (2) if the participant's sole designated beneficiary for the distribution calendar year is the participant's spouse, the quotient obtained by dividing the participant's account balance by the number in the Joint and Last Survivor Table set forth in section 1.401(a)(9)-9 of the Treasury regulations, using the participant's and spouse's attained ages as of the participant's and spouse's birthdays in the distribution calendar year.
- (b) Lifetime Required Minimum Distributions Continue Through Year of Participant's Death. Required minimum distributions will be determined under this Section 3 beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the participant's date of death.

Section 4. Required Minimum Distributions After Participant's Death.

- (a) Death On or After Date Distributions Begin.
 - (1) Participant Survived by Designated Beneficiary. If the participant dies on or after the date distributions begin and there is a designated beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the participant's death is the quotient obtained by dividing the participant's account balance by the longer of the remaining

life expectancy of the participant or the remaining life expectancy of the participant's designated beneficiary, determined as follows:

- (A) The participant's remaining life expectancy is calculated using the age of the participant in the year of death, reduced by one for each subsequent year.
 - (B) If the participant's surviving spouse is the participant's sole designated beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.
 - (C) If the participant's surviving spouse is not the participant's sole designated beneficiary, the designated beneficiary's remaining life expectancy is calculated using the age of the beneficiary in the year following the year of the participant's death, reduced by one for each subsequent year.
- (2) No Designated Beneficiary. If the participant dies on or after the date distributions begin and there is no designated beneficiary as of September 30 of the year after the year of the participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the participant's death is the quotient obtained by dividing the participant's account balance by the participant's remaining life expectancy calculated using the age of the participant in the year of death, reduced by one for each subsequent year.

(b) Death Before Date Distributions Begin.

- (1) Participant Survived by Designated Beneficiary. If the participant dies before the date distributions begin and there is a designated beneficiary, if the designated beneficiary has made an election under Section 2(b)(2) or (3), the minimum amount that will be distributed for each distribution calendar year after the year of the participant's death is the quotient obtained by dividing the participant's account balance by the remaining life expectancy of the participant's designated beneficiary, determined as provided in Section 4(a).
- (2) No Designated Beneficiary. If the participant dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the participant's death, distribution of the participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the participant's death.
- (3) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the participant dies before the date distributions begin, the participant's surviving spouse is the participant's sole designated beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse after having made an election under Section 2(b)(2), this Section 4(b) will apply as if the surviving spouse were the participant.

Section 5. Definitions.

- (a) Designated beneficiary. The individual who is designated as the beneficiary under Article VII, Section 5 of the Plan and is the designated beneficiary under section 401(a)(9) of the Internal Revenue Code and section 1.401(a)(9)-4, Q&A-1, of the Treasury regulations.

- (b) Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the participant's Required Beginning Date. For distributions beginning after the participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 2(b). The required minimum distribution for the participant's first distribution calendar year will be made on or before the participant's Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the participant's Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.
- (c) Life expectancy. Life expectancy as computed by use of the Single Life Table in section 1.401(a)(9)-9 of the Treasury regulations.
- (d) Participant's account balance. The account balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account balance as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The account balance for the valuation calendar year includes any amounts rolled over or transferred to the plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

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