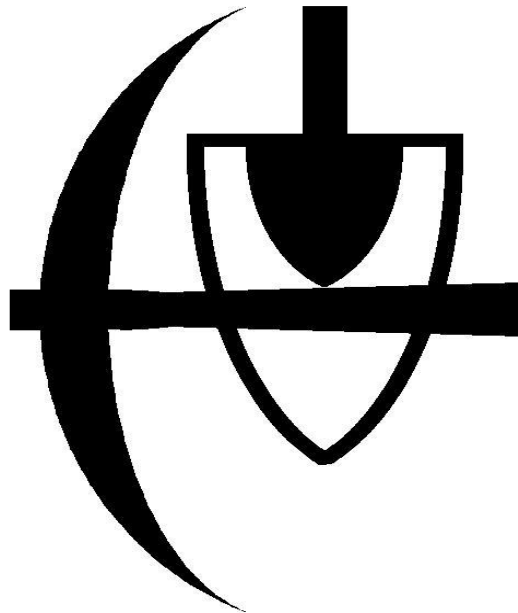


**LABORERS ANNUITY PLAN
FOR NORTHERN CALIFORNIA**

ANNUITY PLAN



Rules and Regulations

Amended and Restated as of June 1, 2014

Laborers Annuity Plan for Northern California

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Laborers Annuity Plan for Northern California

Rules and Regulations

Amended and Restated as of June 1, 2014

By Resolution, the Board of Trustees of the Laborers Pension Trust Fund for Northern California adopted the following Annuity Plan to be effective April 1, 1985. The Plan was adopted in accordance with the authority of the Board of Trustees granted under the Trust Agreement entered into as of August 2, 1963, as amended effective October 14, 1985. This document sets forth the Rules and Regulations of the Annuity Plan, as amended effective June 1, 2014, and constitutes an amendment, restatement and continuation of the Plan. This revised Annuity Plan is intended to comply with the Employee Retirement Income Security Act of 1974 and with the requirements for tax qualification under the Internal Revenue Code and all regulations and is to be interpreted and applied consistent with that intent.

Article I. Definitions

- Section 1.01** The term “**Accumulated Share**” means the amount payable from an Individual Account as described in Section 3.01. of these Rules and Regulations.
- Section 1.02** The term “**Actuarial Equivalent**” means the amount payable in an alternative benefit form which is equivalent to an amount payable in a given benefit form under the Plan, determined on an actuarial basis as may, from time to time, be approved by the Board based on the recommendations of a qualified actuary as being reasonable.
- Section 1.03** The term “**Annuitant**” means an Employee who retires and receives a benefit from the Plan.
- Section 1.04** The term “**Annuity Fund**” or “**Fund**” means the trust fund created and established by amendment to the Trust Agreement of the Laborers Pension Trust Fund for Northern California.
- Section 1.05** The term “**Annuity Plan**” or “**Plan**” means the Annuity Plan established by the Collective Bargaining Agreement and the Trust Agreement, including any amendment, extension or renewal of the Plan. The Plan is a money purchase plan.

Section 1.06 “Annuity Starting Date”

- a. The term “**Annuity Starting Date**” means the date benefits are calculated and paid under the Plan and is the first day of the month after or coincident with the later of:
 - (1) The month after 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 provides the Participant written information of the available benefit payment options.
- b. Notwithstanding Subsection a. above, the Annuity Starting Date may occur and benefits may begin before the end of the 30-day period, provided:
 - (1) The Participant and Spouse consent in writing to the commencement of payments before the end of the 30-day period, provided that distribution of the Accumulated Share begins no sooner than 7 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 after the 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 cannot 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 the Joint-and-Survivor Annuity and spousal consent do not apply.

Section 1.07 The term “**Beneficiary**” means a person designated by a Participant or by the terms of the Plan who is or who may become entitled to a benefit under the terms of the Plan.

Section 1.08 The term “**Board of Trustees**” or the “**Board**” means the Board of Trustees established by the Trust Agreement.

Section 1.09 The term “**Code**” means the Internal Revenue Code of 1986, as amended, including any regulations.

Section 1.10 The term “**Collective Bargaining Agreement**” means (a) the Laborers’ Master Agreement between the Employer and the Union for the 46 Northern California Counties dated June 4, 1952, including any amendment, extension or renewal of that Agreement and the Tunnel Master Agreement between Employers and the Union dated June 18, 1952, including any amendment, extension or renewal of that Agreement, and (b) any other collective bargaining agreement between the Union or any of its affiliated local unions, and any employer organization or Individual Employer which provides for the making of Contributions to the Annuity Plan.

Section 1.11 The term “**Compensation**” means:

- a. For the purposes of identifying Highly Compensated Employees and establishing the limitations under Section 415 of the Internal Revenue Code, a Participant’s annual Compensation means the total cash salary or wages paid to the Participant during a Plan Year and reportable as earnings subject to income tax on Form W-2. Effective for limitation years beginning after December 31, 1997, Compensation includes any elective deferral (as defined under Code Section 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 Section 125 or 457, is not includible in the gross income of the Employee. Effective January 1, 2001, Compensation also includes any reduction in compensation elected for qualified transportation fringes under Code Section 132(f)(4).
- b. Compensation does 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.
- c. In addition to any other applicable limitations which may be set forth in the Plan and notwithstanding any other provisions of the Plan, compensation taken into account under the Plan for any Plan Year for the purpose of calculating a Participant’s accrued benefit (including the right to an optional benefit provided under the Plan) cannot exceed the limits set forth in Section 401(a)(17) of the Internal Revenue Code, as adjusted for changes in the cost of living as provided in Sections 401(a)(17) and 415(d) of the Code. This limit will be applied on an Employer-by-Employer basis.

- d. Effective for years beginning after December 31, 2008, Compensation shall include military differential wage payments (as defined in Section 3401(h) of the Code).

Section 1.12 The term “**Contribution**” means the payment made or required to be made to the Plan by an Individual Employer.

The term “**Contribution**” also includes Contributions owed for periods of 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, as amended (USERRA), and Section 414(u) of the Internal Revenue Code, as amended. Contributions owed to the Individual Account of any Employee for a period of Qualified Military Service will be made from investment income, if any, before being made by any Employer.

Section 1.13 The term “**Employee**” means any employee of an Individual Employer who performs one or more hours of work covered by the Collective Bargaining Agreement. The term “Employee” also includes (a) employees of the Union, any of its affiliated local unions, or any labor council or other labor organizations with which the Union or any local unions are affiliated, and (b) employees of any trust or other entity that provides services in the training or retraining of laborers, but only to the extent that inclusion is consistent with the rules and regulations adopted by the Board of Trustees and set forth in a Subscriber’s Agreement, and as permitted by existing laws and regulations.

The term “Employee” does not include any self-employed person, whether a sole proprietor or a partner.

Solely for purposes of testing for compliance with the nondiscrimination regulations under Section 401(a)(4) of the Internal Revenue Code, all leased employees as defined in Code §414(n) or §414(o) who have performed services for a Contributing Employer on a substantially full-time basis for a period of at least one year will be treated as employed by a Contributing Employer, except to the extent these leased employees are excluded in accordance with Code Section 414(n)(5).

The term “leased employee” refers to any person who is not an Employee of the company and who provides services to the company if those services are provided in accordance with an agreement between the recipient and any other person (referred to as the “leasing organization”). Further, the person has performed the service for the company (or for the company and related persons) on a substantially full-time basis for a period of at least one year; and the services are performed under primary direction or control by the company.

A leased employee is not considered an employee of the Employer if: (i) the employee is covered by a money purchase pension plan providing: (1) a non-integrated employer contribution rate of at least 10 percent of compensation, as defined in Section 415(c)(3) of the Internal Revenue Code, but including amounts contributed in accordance with a salary reduction agreement which are excludable from the employee's gross income under Section 125, Section 402(e)(3), Section 402(h)(1)(B), or Section 403(b) of the Internal Revenue Code; (2) immediate participation; and (3) full and immediate vesting; and (ii) leased employees do not constitute more than 20 percent of the Employer's non-highly compensated work force.

Section 1.14 The term "ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and any regulation issued under the Act.

Section 1.15 "Highly Compensated Employee"

- a. The term "**Highly Compensated Employee**" means each highly compensated active employee and highly compensated former employee of an Individual Employer. Whether an individual is a highly compensated employee is determined separately with respect to each Individual Employer, based solely on that individual's compensation from or status with respect to that Individual Employer.
- b. Effective June 1, 1997, a Highly Compensated Employee is any employee who:
 - (1) Was a 5% owner of the Employer at any time during the year or the preceding year, or
 - (2) For the preceding 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 for the preceding year. An employee is in the top-paid group of employees for any year if the employee is in the group consisting of the top 20% of the total employees when ranked by compensation paid during the year.
 - (c) For purposes of determining if an Employee's compensation from an Employer exceeds \$80,000 (adjusted for the cost of living) in the preceding year, the preceding year will be the calendar year beginning within the Plan Year immediately preceding the Plan Year for which the test is being applied.

Section 1.16 The term “**Individual Account**” means the account established for each Employee, according to Section 2.01 of the Plan.

Section 1.17 The term “**Individual Employer,**” “**Contributing Employer,**” or “**Employer**” means any Individual Employer who is required by the Collective Bargaining Agreement to make Contributions to the Annuity Plan. The term “Individual Employer” also includes the Union, any of its affiliated local unions, any labor council or other labor organization with which the Union or any local union are affiliated, and any trust or other entity that provides services in the training or retraining of laborers, which makes Contributions to the Plan with respect to the work of its Employees under a Subscriber’s Agreement approved by the Board of Trustees, but only to the extent the inclusion is permitted by existing laws and regulations and subject to the terms and conditions of any of these laws or regulations. The Union or any local union, labor council, other labor organization, trust or other entity is an Individual Employer solely for the purpose of making Contributions with respect to the work of its Employees and has no other rights or privileges under this Trust Agreement as an Individual Employer. An Employer is not deemed an Individual 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 Individual Employer.

For purposes of identifying Highly Compensated Employees and applying the rules of participation, vesting and statutory limits on benefits under the Plan 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 Code §414(b) and (c), all members of an affiliated service group with the Employer within the meaning of Code §414(m) and all other businesses aggregated with the Employer under Code §414(o).

Section 1.18 The term “**Market Value**” means the value of the assets at fair market value.

Section 1.19 The term “**Normal Retirement Age**” means age 65.

Section 1.20 The term “**Participant**” means any Employee or former Employee who is or who may become eligible to receive a benefit of any type from the Fund or whose Beneficiaries may be or become eligible to receive a benefit. An Employee becomes a Participant beginning with the first Contribution made or required to be made on his behalf to the Fund by any Individual Employer.

Section 1.21 The term “**Plan Year**” means the period from June 1 of any year through May 31 of the following year.

Section 1.22 The term “**Qualified Domestic Relations Order**” means a domestic relations order which has been determined, under the procedures established by the Board, to be a qualified domestic relations order as defined in Section 206(d)(3) of ERISA.

Section 1.23 “**Qualified Military Service**” means a Participant’s qualified military or other uniformed service period under the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended, (USERRA) and Section 414(u) of the Internal Revenue Code.

Qualified Military Service will be counted for purposes of crediting an Employee’s Individual Account with Contributions, provided the following conditions are satisfied.

- a. An Employee has re-employment rights under USERRA.
- b. An Employee had been an active Participant in the Plan immediately prior to his Qualified Military Service.

The hours for which Contributions are due on behalf of an Employee will be determined based upon the Employee’s average hours of work during the 12-month period immediately preceding Qualified Military Service or, if shorter, the period of employment immediately preceding the Qualified Military Service. Additionally, the basis for determining the amount of Contributions to be credited to the Employee’s Individual Account for Qualified Military Service will be based on the average rate of Contributions for all Employees during the year in which the Qualified Military Service was performed. The cost of Contributions for periods of Qualified Military Service will be the liability of the Plan and be made from investment income.

No more than 5 years of Qualified Military Service may be recognized for any purpose, except as required by law.

If a Participant dies on or after January 1, 2007 while performing Qualified Military Service (as defined in Code section 414(u)), the survivors of the Participant shall be entitled to any additional benefits (other than benefit accruals relating to the period of Qualified Military Service) provided under the Plan had the Participant resumed employment with an Individual Employer and then terminated employment on account of death. In addition, the period of such Participant’s Qualified Military Service shall be treated as vesting service under the Plan.

Section 1.24 The term “**Required Beginning Date**” means the April 1st following the calendar year in which the Participant attains age 70½.

Section 1.25 The term “**Retirees**” or “**Retired**” or “**Retirement**” means withdrawal from employment covered by the Plan as established in accordance with the provisions of Section 3.02.a. of the Plan.

Section 1.26 The term “**Spouse**” means a person to whom a Participant or Annuitant is legally married.

- Section 1.27** The term “**Subscriber’s Agreement**” means an agreement between an Individual Employer and the Fund establishing and maintaining the eligibility and participation of the Individual Employer’s non-bargained employees.
- Section 1.28** The term “**Trust Agreement**” means the Trust Agreement entered into as of August 2, 1963, establishing the Laborers Pension Trust Fund for Northern California, including any amendment, extension or restatement.
- Section 1.29** The term “**Union**” means the Northern California District Council of Laborers, affiliated with the Laborers’ International Union of North America, AFL-CIO.
- Section 1.30** The term “**Valuation Date**” means May 31, 1987, and thereafter the last day of May in each successive year.

Article II. Individual Accounts

Section 2.01 Establishment of Accounts.

As of each Valuation Date (May 31 of each year), an Individual Account will be established for each Employee, unless an Individual Account already exists for that Employee. An Employee is always 100% vested in the amount of his Individual Account.

Section 2.02 Individual Account Expense Charge.

The Individual Account Expense Charge will be determined as follows:

- a. Determine the total of all operating expenses incurred by the Plan during the Plan Year, excluding all investment related expenses.

Exception: \$28,750 of the operating expenses incurred for the Plan Year ending May 31, 1998 Valuation Date will be recovered on an amortized basis over the next 5 Valuation Dates beginning with the May 31, 1998 Valuation Date at the rate of 20% or \$5,750 each year.

- b. For the first Valuation Date after the inception of the Plan, expense charges will be deferred to the second Valuation Date.
- c. For the second and subsequent Valuation Dates, determine the number of accounts that were in existence on the preceding Valuation Date and remain in existence for the current Valuation Date.
- d. For the second Valuation Date, divide the total of all operating expenses (excluding investment related expenses) incurred since the inception of the Plan by c. For the third and subsequent Valuation Dates, divide a. by c. The result is the Individual Account Expense Charge for the year.

Section 2.03 Investment Income Factor.

The investment income factor will be determined as follows:

- a. Determine the total investment income at fair market value of assets (i.e., including all realized as well as unrealized capital gains and losses) for the Plan Year, net of any investment related expenses and minus Contributions determined by the Trustees to be delinquent and uncollectible, and Contributions owed for a period of Qualified Military Service.
- b. For the first Valuation Date after the inception of the Plan, investment income will not be allocated.

- c. For the second and subsequent Valuation Dates, determine the sum of the Individual Account balances on the preceding Valuation Date for those accounts that were in existence on the preceding Valuation Date and that remain in existence on the current Valuation Date.
- d. For the second Valuation Date, divide the total of all investment income (as defined in a. above) since the inception of the Plan by c. For the third and subsequent Valuation Dates, divide a. by c. The result is the Investment Income Factor for the year.

Section 2.04 Allocation of Investment Income to Individual Accounts.

The investment income to be allocated to the Employee's Individual Account for the year is obtained by multiplying the Investment Income Factor by the Individual Account balance on the preceding Valuation Date.

Section 2.05 Amount of Individual Account.

The amount in an Individual Account as of a Valuation Date is determined as follows:

- a. Start with the Individual Account amount on the preceding Valuation Date;
- b. Add the Contributions made or required to be made to the Employee's Individual Account for the year, including any Contributions owed for a period of Qualified Military Service;
- c. Add the investment income allocated to the Employee's Individual Account for the year;
- d. Subtract the Individual Account Expense Charge for the year.

Section 2.06 Termination of Account.

An Individual Account will be considered terminated in the month in which payment of the Accumulated Share is made, or commenced if on a monthly basis.

Section 2.07 Individual Account Nonforfeitable.

The fact that Individual Accounts are established and valued as of each Valuation Date does not give any Employee or others any right, title or interest in the Plan or its assets, or in the Individual Account, except at the time and on the terms and conditions provided in the Plan. Subject to those terms, an Employee's right to the value of the assets in his Individual Account is non-forfeitable from the time that the Individual Account is established.

Section 2.08 Annual Statements.

As soon as practicable after the close of each Plan Year, each Participant who has an Individual Account will receive a statement reflecting the balance of his Individual Account as of the most recent Valuation Date.

Article III. Benefits and Eligibility

Section 3.01 Amount to be Paid.

- a. Upon the happening of an event calling for the payment of any annuity, lump sum amount, or other benefit from this Plan, the amount to be paid, subject to the Plan provisions of the following Sections, will be the Employee's Accumulated Share determined as of the Annuity Starting Date as follows:
 - (1) Determine the Employee's Individual Account balance as of the last annual Valuation Date;
 - (2) Credit interest on the total of (1) above to the last day of the month preceding the date of actual payment. Interest will be equal to the Passbook Savings and Loan Rate in effect for the Fund's corporate co-trustee as of the preceding June 1;
 - (3) Add all Contributions made or required to be made with respect to the work of the Employee;
 - (4) The total of (1) through (3) is the Employee's Accumulated Share.
- b. For the purpose of determining the Accumulated Share under Subsection a. above, the happening of the event calling for a payment will be the month in which the application for payment is received by the Board.
- c. An Employee who has Retired, may elect in writing to defer the payment of his Individual Account, in which case, the happening of an event calling for a payment under Subsection a. above, will be the month in which application for payment is received by the Board, but in no event later than the Required Beginning Date, as defined in Article I, Section 1.24.

Section 3.02 Payment of Accumulated Share.

- a. In the event that an Employee Retires, the amount in his Individual Account, if any, will be paid to the Employee in accordance with Section 3.03 of the Plan. Retirement by an Employee is established by:
 - (1) Attainment of age 65 and no Contributions to the Employee's Individual Account for at least 3 consecutive months; or
 - (2) Regardless of age, there have been less than 500 hours of work for Individual Employers for which Contributions were made, or required to be made, in each of 2-consecutive calendar years; or
 - (3) Entitlement to a Social Security Disability Benefit; or

- (4) Receipt of a pension from the (A) Laborers Pension Trust Fund for Northern California, (B) the Pension Plan of the Laborers' International Union of North America (LIUNA) or (C) in the case of a non-bargained Employee of a Contributing Employer, receipt of a pension from any qualified defined benefit plan sponsored by that Contributing Employer. An Employee who receives a pension under (B) or (C) can neither be a Participant in the Laborers Pension Plan for Northern California nor be working for a Contributing Employer when his application for payment of his Accumulated Share is approved.
- (5) Regardless of age, there have been less than 1,000 hours of work for Individual Employers for which Contributions were made, or required to be made, within the 24-consecutive month period preceding the Employee's Annuity Starting Date.

The Board may require any documentary proof or other evidence it deems necessary or desirable to implement this Section.

- b. In the event that an Employee dies before he becomes an Annuitant, his Individual Account will be paid to his Beneficiary, as elected by his Beneficiary, on the same terms as set forth in Section 3.03, subject to the provisions of the Retirement Equity Act of 1984. In the event an Employee dies before the Valuation Date that first establishes his Individual Account, his Individual Account will be equal to the total Contributions received on his behalf. Payment of this benefit to a non-Spouse Beneficiary of a married Participant is subject to the Participant waiver and spousal consent requirements of the Retirement Equity Act of 1984, including the requirement that the Spouse of the Participant consent in writing to the election; the election designates a Beneficiary which may not be changed without spousal consent (or the consent of the Spouse expressly permits distributions by the Participant without any requirement of further consent by the Spouse); and the Spouse's consent acknowledges the effect of the election and is witnessed by a designated Plan representative or Notary Public.

The Participant and Spouse may revoke their individual elections at any time and any number of times during the period prior to the Participant's death.

In the event that the Individual Account is payable to the surviving Spouse, the Spouse may direct payment of the Individual Account within a reasonable period of time following the Participant's death.

Section 3.03 Payment Options.

- a. A Participant may, at least 30 days prior to the time a distribution is made, request that the Board pay his Accumulated Share in any of the following forms:
 - (1) An annuity under terms which may be available through an insured group annuity contract which the Board may arrange with an insurance company, or
 - (2) A lump sum payment, or

(3) A combination of (1) and (2) above.

In the absence of an election by a Participant for a specific form of distribution and subject to Subsections b. and c. below, the Board will arrange for a nontransferable annuity contract purchased from a licensed insurance company providing monthly annuity payments over the life of the Participant.

- b. Unless otherwise elected under Subsection c., a married Participant who becomes entitled to receive his Accumulated Share upon Retirement on or after August 23, 1984, will receive payments under the Plan in the form of a Qualified Joint-and-Survivor Annuity, which provides monthly payments for the life of the Participant and continues monthly payments upon the Participant's death for the life of his Spouse in an amount equal to 50% of the rate at which the benefit was payable to the Participant during his lifetime. The benefit payments under the Qualified Joint-and-Survivor Annuity will be the Actuarial Equivalent of the Participant's Accumulated Share at the time of the Participant's Retirement. For Plan Years beginning on and after June 1, 2007, a married Participant whose Annuity Starting Date is on or after January 1, 2008 may elect to receive the 75% Qualified Joint-and-Survivor Annuity in lieu of the Qualified Joint-and-Survivor Annuity.

At least 30 days before but no more than 180 days before the Annuity Starting Date (or at such other time as provided by law), a Participant will be provided with a written explanation of the terms and conditions of the Qualified Joint-and-Survivor Annuity and the 75% Qualified Joint-and-Survivor Annuity benefit forms that includes a discussion of:

- (1) The terms and conditions of the Qualified Joint-and-Survivor Annuity and the 75% Qualified Joint-and-Survivor Annuity,
- (2) The Participant's right to make, and the effect of, an election to waive the Qualified Joint-and-Survivor Annuity form of benefit,
- (3) The rights of the Participant's spouse, regarding his/her consent to such an election,
- (4) The right to make, and the effect of, a revocation of such an election,
- (5) The financial relative values of the various optional forms of benefit under the Plan, and
- (6) The right to defer any distribution and the consequences of failing to defer distribution of benefits including a description of how much larger benefits will be if the commencement of distributions is deferred.

Such written explanation shall be made available by mail, personal delivery, or another method which is reasonably calculated to reach the attention of the Participant on or about the prescribed date and to continue reaching the Participant's attention during the election period, such as by permanent posting or repeated publication.

- c. Any married Participant who becomes entitled to receive his Accumulated Share upon Retirement on or after August 23, 1984, may elect to waive payment of his Accumulated Share in the form of a Qualified Joint-and-Survivor Annuity by making a written election, in the form and manner required by the Board within the 90-day period ending on his Annuity Starting Date, that directs payment of his Accumulated Share in another form allowed under the Plan. However, the rejection period ends 30 days after the date the written explanation is provided, if the written explanation is provided after the Annuity Starting Date. A written election will not take effect unless:
- (1) The Spouse of the Participant consents in writing to the election; the election designates a Beneficiary (or 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 the Spouse's consent acknowledges the effect of the election and is witnessed by a designated Plan representative or a Notary Public; or
 - (2) It is established to the satisfaction of a designated Plan representative that the consent required under Subsection c.(1) above may not be obtained because there is no Spouse, because the Spouse cannot be located, or because of other circumstances as the Secretary of the Treasury may by regulation prescribe.

Any consent by a Spouse (or establishment that the consent of a Spouse cannot be obtained) will be effective only with respect to that Spouse.

The Participant and Spouse may revoke their elections at any time and any number of times during the period prior to the Participant's Annuity Starting Date.

- d. A Participant who is not married will receive payments under the Plan in the form of a single-life annuity, unless he elects another form of benefit within the 90-day period ending on his Annuity Starting Date.
- e. Notwithstanding anything to the contrary, a Participant whose named Beneficiary is other than his Spouse will not receive a distribution which is less than that required under Code Regs. §1.401(a)(9)-2.
- f. A Participant or a Participant's Spouse who becomes entitled to receive a Participant's Accumulated Share may elect to receive his Accumulated Share in a form described in Subsection a. In addition, a qualified rollover distribution may be elected under the provisions of the 1992 Unemployment Compensation Act, as described in Section 3.04. Benefit payments under a periodic form of payment will be the Actuarial Equivalent of the Participant's Accumulated Share at the time of the Participant's Retirement or death, whichever is applicable.

Any alternative form of payment must provide for the distribution of the entire interest of the Participant's Accumulated Share over a period not extending beyond the life expectancy of the Participant or the life expectancy of the Participant and his designated Beneficiary.

- g. Notwithstanding anything to the contrary, if a Participant dies before the distribution of his Accumulated Share begins, the entire interest of the Participant's Accumulated Share must be distributed within 5 years after the death of the Participant, unless:
 - (1) Any portion of the Participant's interest is payable to (or for the benefit of) his Spouse, whom he had designated as his Beneficiary;
 - (2) That portion would be distributed (in accordance with Code Regulations) over the life of the Spouse (or over a period not extending beyond the life expectancy of the Spouse); and
 - (3) That distribution begins no later than one year after the date of the Participant's death or any later date as the Secretary of the Treasury may by regulation prescribe.
- h. Notwithstanding anything to the contrary, the Board will pay a Participant's Accumulated Share in a lump sum upon his Retirement, or upon his death, if the value of the Participant's Accumulated Share is not greater than \$5,000.

Section 3.04 Eligible Rollover Distributions.

This Section applies to distributions made from the Plan on or after January 1, 1993. Notwithstanding any other provision of the Plan that would otherwise limit a distributee's election under this Section, a distributee may elect, at any 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. (Effective January 1, 2002, any provisions in this Section 3.04 that are contrary to those contained in Section 7.04 will be superseded by those in Section 7.04.) For purposes of this Section, the following definitions apply:

- a. **Eligible rollover distribution.** An eligible rollover distribution is any distribution of all or any portion of the balance in a distributee's Individual Account, except that an eligible rollover distribution does not include:
 - (1) Any distribution that is one of a series of substantially equal periodic payments (not less frequent 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 10 years or more;
 - (2) Any distribution to the extent the distribution is required under Section 401(a)(9) of the Internal Revenue Code;
 - (3) One-time retiree benefit increases payable as extra monthly annuity benefits; or

(4) The portion of any distribution that is not includible in gross income.

b. **Eligible retirement plan.** An eligible retirement plan is:

(1) An individual retirement account described in Section 408(a) of the Code;

(2) An individual retirement annuity described in Section 408(b) of the Code; or

(3) A qualified trust described in 401(a) or Section 403(a) of the Code that accepts the distributee's eligible rollover distributions. Effective for distributions made after December 31, 2001, a qualified trust shall also include an annuity contract described in Section 401(b) of the Code and a retirement plan maintained under Section 457(b) of the Code which is maintained by a state, political subdivisions of a state or any instrumentality of a state or political subdivisions of a state and which agrees to separately account for amounts transferred into such plan from this Plan. Effective for distributions made after December 31, 2007, an eligible retirement plan shall also include a Roth IRA described in Code §408A, subject to the restrictions that currently apply to rollovers from a traditional IRA into a Roth IRA. However, in the case of an eligible rollover distribution to the non-spouse beneficiary, 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 Employee's or former Employee's 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. Effective on or after January 1, 2008, a distributee also includes a Participant's non-spouse beneficiary who is his or her designated beneficiary within the meaning of Code Section 401(a)(9)(E). In the case of a non-spouse beneficiary, the direct rollover may be made only to an individual retirement account or annuity described in §408(a) or §408(b) ("IRA") that is established on behalf of the designated beneficiary and that will be treated as an inherited IRA pursuant to §402(c)(11).

Direct rollover. A direct rollover is a payment by the Plan made directly to the eligible retirement plan specified by the distributee.

Article IV. General Provisions

Section 4.01 Benefit Payments Generally.

As a condition to payment of any benefits, an application for those benefits must be made in writing in a form and manner prescribed by the Board. No benefits will be paid prior to the establishment and crediting of Individual Accounts or prior to the receipt of written confirmation from the Internal Revenue Service that the Plan is an exempt trust and that the Plan is a qualified plan under the provisions of the Code, whichever is later.

An Employee, who upon application is eligible to receive benefits under this Plan, is entitled to receive those benefits at retirement. Benefit payments will begin on the Annuity Starting Date.

An Employee may elect, in writing, to defer payment of his benefits, provided no election may postpone the commencement of benefits to a date later than the Required Beginning Date.

If an Employee's Beneficiary is not his surviving Spouse, the payment of any benefits under the Plan that become payable on account of the Employee's death will begin no later than one year from the date of his death or, if later, as soon as practicable after the Board learns of the Employee's death, and will be distributed in accordance with Section 3.03. If the Beneficiary is the Employee's surviving Spouse, payment of any Plan benefits will commence no later than the date of the Employee's Required Beginning Date. In no event will the determination of this benefit result in one that is more than an incidental death benefit.

Section 4.02 Proof to be Furnished; Penalties for Fraud.

- a. Every Employee, Annuitant, or Beneficiary must furnish, at the request of the Board, any information or proof reasonably required for the administration of the Plan or for the determination of any matter that the Board may legitimately have before it. Failure to furnish information or proof promptly and in good faith is sufficient reason for the denial of benefits to an Employee or a Beneficiary, or the suspension or discontinuance of benefits to the Annuitant. The falsity of any statement material to an application or the furnishing of fraudulent information or proof is a sufficient reason for the denial, suspension or discontinuance of benefits under this Plan, except to the extent that the benefits are nonforfeitable. The Board has the right to recover any benefit payments made in reliance on any false statements or fraudulent information or proof.
- b. Without limitation of the provisions of Subsection a., every Participant must file, before his Annuity Starting Date, a written statement on which the Board or other Plan representative is entitled to rely, concerning the Participant's current and prior marital status including, whether or not he is currently legally married, and if married, as to when the marriage occurred. If a Participant states that he was not married throughout the year before his benefit payments began, no person will be entitled to benefits under this Plan on the ground that she

was his Spouse or, if his Spouse, was legally married to him throughout the year before his benefit payments began.

- c. Any payment made in good faith on the basis of a written statement by a Participant or Beneficiary will discharge all obligations of the Plan to the extent of that payment, and entitles the Board to exercise all rights of recoupment or other remedies, including the right to adjust the dollar amount of payments made to a surviving Spouse or other Beneficiary in order to recoup any excess benefits which may have been paid in error.
- d. In the event that a Participant who retires is to receive a Qualified Joint-and-Survivor form of benefit, the Participant must satisfy the consent requirements stated in Section 3.03.c.(1). If a Participant and his lawful Spouse elect to waive the Joint-and-Survivor Annuity, they may revoke that election at any time and any number of times but no later than 30 days before the Annuity Starting Date and no earlier than 90 days after they have been provided with a written explanation of the terms and conditions of the Joint-and-Survivor Annuity. The explanation must include the Participant's right to make an election and the effect of an election to waive the annuity, the rights of the Spouse and the right of the Participant to revoke the election and the effect of that revocation. However, the rejection period ends 30 days after the date the written explanation is provided, if the written explanation is provided after the Annuity Starting Date. A Participant (with any applicable spousal consent) may waive the requirement that the written explanation be provided at least 30 days before the Annuity Starting Date if the Participant's annuity commences more than 7 days after the written explanation is provided.
- e. The rights of a former spouse or other alternate payee to any share of a Participant's benefits, as set forth in a Qualified Domestic Relations Order, takes precedence over any claims of the Participant's Spouse at the time of retirement or death, to the extent provided by a domestic relations order or by any law or regulation of the United States.
- f. The consent of a Spouse given pursuant to any provision of this Plan may not be revoked, except as specifically provided in Subsections 3.02.b., 3.03.b., and 4.02.d above.

Section 4.03 Powers of the Board.

The Board is the sole judge of the standard of proof required to receive benefits. In the application and interpretation of any of the provisions of this Plan, the decisions of the Board are final and binding on all parties or persons affected including, Employees, Individual Employers, the Union, Annuitants and Beneficiaries, subject only to judicial review as may be in harmony with federal labor law.

Section 4.04 Designation of Beneficiary.

- a. A Participant may designate a Beneficiary on a form and in a manner required by the Board. That designation may be changed from time to time in the same manner as permitted under

the Plan. Any designation of a Beneficiary by a married Participant is subject to the provisions of Section 3.03.c.

- b. Subject to Subsection 3.03.g., payment of any benefit due as the result of the death of the Participant will be made to his Beneficiary. If no Beneficiary has been designated or has survived the Participant, payment will be made to the deceased Participant's surviving Spouse or, if none, to his surviving children in equal shares or, if none, to his surviving parent or parents in equal shares or, if none, to the estate of the Participant.

Section 4.05 Incompetence or Incapacity of a Participant or Beneficiary.

In the event it is determined to the satisfaction of the Board that a Participant or Beneficiary is unable to care for his affairs because of mental or physical incapacity, any payment due may be applied, at the discretion of the Board, to the maintenance and support of the Participant or Beneficiary unless, prior to any payment, claim has been made for the payment by a legally-appointed guardian, committee, or other legal representative to receive payments on behalf of the Participant or Beneficiary. Any payment made will completely discharge the Board's liability to the extent of that payment.

Section 4.06 Non-Assignment of Benefits.

- a. Except to the extent provided by a Qualified Domestic Relations Order, or the equivalent, authorized by ERISA, the Code or the Retirement Equity Act, each Employee, Annuitant or Beneficiary under the Annuity Plan is restrained from selling, transferring, anticipating, assigning, alienating, hypothecating or otherwise disposing of his annuity, prospective annuity, individual account, accumulated share or any other right or interest under the plan, and the Board will not recognize, or be required to recognize, any sale, transfer, anticipation, assignment, alienation, hypothecation or other disposition. Any annuity, prospective annuity, individual account, accumulated share, right or interest will not be subject in any manner to voluntary transfer or transfer by operation of law or otherwise, and will be exempt from the claims of creditors or other claimants and from all orders, decrees, garnishments, executions or other legal or equitable process or proceedings to the fullest extent permitted by the laws of the United States or any regulation. However, in the event that through mistake or any other circumstance an Employee, Annuitant or Beneficiary has been paid or credited with more than he is entitled to under the Plan or the law or has become obligated to the Fund under an indemnity agreement or in any other way, the Board may set off, recoup and recover the amount of the overpayment, excess credit or obligation from benefits accrued or subsequently accrue to the Employee, Annuitant or Beneficiary (or the Beneficiary of the Employee or Annuitant) and not yet distributed.
- b. The Board will adopt and prescribe reasonable rules and regulations for the implementation of the Qualified Domestic Relations Order provisions of ERISA, the Code and the Retirement Equity Act.

In the event that a Qualified Domestic Relations Order directs that a portion of a Participant's Accumulated Share be paid to an alternate payee, the Board, in its sole discretion, may authorize the distribution of that portion to the alternate payee within a reasonable period of time after the determination of the qualified status of the Order. If the alternate payee is the former spouse of the Participant, the distribution will be made upon the condition that the former spouse relinquish all right, title or interest in the Participant's Accumulated Share, either under the Qualified Domestic Relations Order or otherwise, and any claim to treatment as the surviving spouse of the Participant with respect to the Plan or any benefits, or to be considered a Beneficiary under the Plan.

Section 4.07 Merger or Consolidation.

In the event of any merger or consolidation with, or transfer of assets or liabilities to, any other plan, the amount of benefit which a Participant would receive upon termination of the Plan immediately after the merger, consolidation, or transfer will be no less than the benefit he would have been entitled to receive immediately before the merger, consolidation, or transfer if the Plan had terminated.

Article V. Maximum Annual Additions

Section 5.01 Limitations on Annual Allocations under Section 415.

- a. In addition to any other limitations set forth in the Plan and notwithstanding any other provisions of the Plan, effective for Limitation Years beginning on and after January 1, 2008, contributions and other amounts (“annual additions”) under the Plan shall be limited in accordance with section 415 of the Code and the Treasury Regulations thereunder, in accordance with this Section. This Section 5.01 is intended to incorporate the requirements of Section 415 of the Code by reference except as otherwise specified herein.
- b. **Definitions.**

For purposes of this Section 5.01, the following terms shall have the following meanings.

(1) Compensation.

For Limitation Years beginning on or after July 1, 2007 for all purposes under the Plan, including this Section 5.01, “Compensation” means remuneration as defined in Treasury Regulation § 1.415(c)-2(d)(4).

Compensation shall also be subject to the following rules:

- (a) Compensation must be paid within the Limitation Year, and paid or treated as paid before Severance from Employment in accordance with the general timing rule of Treasury Regulation § 1.415(c)-2(e)(1) and in accordance with §1.415(c)-2(e)(2).
- (b) Compensation must include amounts paid by the later of 2½ months after Severance from Employment or the end of the Limitation Year that includes the Severance from Employment date in accordance with §1.415(c)-2(e)(3)(i). Such post-severance compensation includes regular pay as defined in §1.415(c)-2(e)(3)(ii), leave cashouts and deferred compensation as defined in §1.415(c)-2(e)(3)(iii), salary continuation payments for military service and disabled participants in accordance with §1.415(c)-2(e)(4), deemed section 125 compensation as defined in §1.415(c)-2(g)(6), deemed compensation for periods of permanent and total disability in accordance with §1.415(c)-2(g)(4), but not other post-severance payments as defined in §1.415(c)-2(e)(3)(iv).
- (c) 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.

(2) Limitation Year. "Limitation Year" means the calendar year.

(3) Severance from Employment. "Severance from Employment" has occurred when a Participant is no longer an employee of any Employer maintaining the Plan.

c. Limit on Annual Additions.

For Limitation Years beginning on or after January 1, 2008, in no event shall the total annual additions credited with respect to any Participant for a Limitation Year exceed the limits determined in accordance with section 415 of the Code and the Treasury regulations thereunder (the "maximum annual addition"). If a Participant's total annual additions for a Limitation Year beginning on or after January 1, 2008 would exceed the maximum annual addition for that Limitation Year, annual additions with respect to the Participant shall be frozen or reduced so that the annual additions with respect to the Participant do not exceed the maximum annual addition for that Limitation Year.

d. Aggregation of Plans.

(1) For purposes of applying the limits of this Section 5.01, if a Participant also participates in another tax-qualified defined contribution plan of the Employer that is not a multiemployer plan, only the annual additions under this Plan that are provided by the Employer are aggregated with the annual additions under the other plan.

(2) In the event that the aggregate annual addition in any Plan Year by a Participant exceeds the limits under section 415 of the Code and the Treasury Regulations thereunder as a result of the mandatory aggregation of the annual additions under this Plan with the annual additions under another plan maintained by the Employer, the annual additions under such other plan shall be reduced to the extent necessary to comply with section 415 of the Code and the Treasury Regulations thereunder.

e. General.

(1) To the extent that a Participant's annual additions are subject to provisions of section 415 of the Code and the Treasury Regulations thereunder that have not been set forth in the Plan, such provisions are hereby incorporated by reference into this Plan and for all purposes shall be deemed a part of the Plan.

(2) This Section 5.01 is intended to satisfy the requirements imposed by section 415 of the Code and the Treasury Regulations thereunder and shall be construed in a manner that will effectuate this intent. This Section 5.01 shall not be construed in a manner that would impose limitations that are more stringent than those required by section 415 of the Code and the Treasury Regulations thereunder.

(3) If and to the extent that the rules set forth in this Section 5.01 are no longer required for qualification of the Plan under section 401(a) and related provisions of the Code and the Treasury Regulations thereunder, they shall cease to apply without the necessity of an amendment to the Plan.

f. Interpretation or Definition of Other Terms

The terms used in this Section 5.01 that are not otherwise expressly defined for this Section shall be defined as provided in the Plan, or if not defined in the Plan, shall be defined, interpreted and applied for purposes of this Section 5.01 as prescribed in section 415 of the Code and the Treasury Regulations thereunder.

Article VI. Right of Appeal and Determination of Disputes

Section 6.01 General.

No Participant, Pensioner, Beneficiary or other person has any right or claim to benefits under the Annuity Plan, or any right or claim to payments from the Fund, other than as specified in the Plan. Any dispute as to eligibility, type, amount or duration of benefits or any right or claim to payments from the Fund will be resolved by the Board under the Pension Plan provisions, and its decision of the dispute, right or claim will be final and binding on all parties, subject only to any civil action under §502(a) of ERISA, including the petitioner and any person claiming under the petitioner, however, no legal action may be commenced or maintained against the Plan more than 90 days after the Board of Trustees' decision upon review. The provisions of this Section will apply to and include any and every claim to benefits from the Fund, and any claim or right asserted under the Pension Plan or against the Fund, regardless of the basis asserted by the claim and regardless of when the act or omission upon which the claim is based occurred.

Section 6.02 Notice of Denial and Appeal Procedures.

a. Denial of Benefits.

- (1) If an application for benefits is denied in whole or in part by the Fund Office (acting for the Board of Trustees), the applicant will be notified of the denial, in writing, within a reasonable period of time but not later than 90 days after receipt of the application unless the Fund Office determines that special circumstances require an extension of time for processing the application. In that case, a written notice of the extension will be furnished to the applicant prior to the end of the 90-day period. In no event can the extension exceed a period of 90 days from the end of the initial 90-day period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to make a decision.
- (2) The period of time within which a benefit determination is required to be made will begin at the time an application for benefits is filed with the Fund Office without regard to whether all the information necessary to make a benefit determination accompanies the filing. In the event that a period of time is extended, as permitted above, due to an applicant's failure to submit information necessary to make a determination, the period for making the benefit determination will be tolled from the date on which the notification of the extension is sent to the applicant until the date on which the applicant responds to the request for additional information.

b. Notification of Denial of Benefits.

The written notification of the benefit denial will be set forth, in a manner calculated to be understood by the applicant and include:

- (1) All specific reasons for the adverse determination;
- (2) Reference to all specific Plan provisions on which the denial is based;
- (3) A description of any additional material or information necessary for the applicant to perfect the claim and an explanation of why the material or information is necessary; and
- (4) A description of the Plan's review procedures and the time limits which apply to those procedures, including a statement of the applicant's right to bring a civil action under §502(a) of ERISA following an adverse benefit determination on review.

c. Right of Appeal.

- (1) Any person whose application for benefits under this Plan has been denied in whole or in part by the Board of Trustees, or whose claim to benefits is otherwise denied by the Board of Trustees, may petition the Board of Trustees to reconsider its decision. A petition for reconsideration:
 - (a) Must be in writing; and
 - (b) Must state in clear and concise terms the reason(s) for disagreement with the decision of the Board of Trustees; and
 - (c) May include documents, records, and other information related to the claim for benefits; and
 - (d) Must be filed by the petitioner or the petitioner's duly authorized representative with or received by the Fund Office within sixty (60) days after the date the notice of denial was received by the petitioner.
- (2) Upon good cause shown, the Board of Trustees may permit the petition to be amended or supplemented, either through the submission of additional documents, or testimony. The failure to file a petition for reconsideration within the sixty (60) day period will constitute a waiver of the petitioner's right to reconsideration of the decision. However, failure to file a petition does not preclude the petitioner from establishing his entitlement at a later date based on additional information and evidence that was not available to him at the time of the decision of the Board of Trustees.
- (3) Upon request, the petitioner or the petitioner's duly authorized representative will be provided, free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the petitioner's claim for benefits. A document, record or other information will be considered relevant to a petitioner's claim if it was relied upon in making the benefit determination; was submitted, considered or generated in the course of making the benefit determination, without regard to whether it was relied upon in making the benefit determination; demonstrates that the benefit determination was

made in accordance with the Plan provisions and that the provisions have been applied consistently with respect to similarly situated claims; or demonstrates the Plan's policy or guidance with respect to the benefit denial (whether or not it was relied upon in making the benefit determination) and other relevant information.

The review of the determination will take into account all comments, documents, records, and other information submitted by the claimant relating to the claim without regard to whether the information was submitted or considered in the initial benefit determination.

d. Review of Appeal.

- (1) A benefit determination on review will be made by the Trustees or by a committee designated by the Trustees no later than the date of the quarterly meeting of the Board of Trustees that immediately follows the Plan's receipt of the request for review unless the request for review is filed within thirty (30) days preceding the date of the meeting. In that case, a benefit determination will be made no later than the date of the second meeting following the Fund Office's receipt of the request for review. If special circumstances require a further extension of time for processing, a benefit determination will be made no later than the third meeting following the Fund Office's receipt of the request for review and the Board of Trustees will provide the petitioner with a written notice of the extension, describing the special circumstances and the date by which the benefit determination will be made, prior to the commencement of the extension. The Board of Trustees will notify the petitioner of the benefit determination as soon as possible but not later than 5 days after the benefit determination is made.
- (2) The notification of a benefit determination upon review will be in writing and will include the reason(s) for the determination, including references to the specific Plan provisions on which the determination is based. It will also include a statement that the petitioner is entitled to receive, upon request and free of charge, reasonable access to, and copies of all documents, records and other information relevant to the claim for benefits.

The period of time within which a benefit determination review is required to be made by the Trustees or by a committee designated by them will begin at the time the request for the benefit determination review is filed with the Fund Office without regard to whether all the information necessary to make a benefit determination review accompanies the filing.

In the event that the period for the benefit determination review is extended due to a petitioner's failure to submit information necessary to make such a determination, the period for making the benefit determination review will be suspended from the date on which the notification of the extension is sent to the petitioner until the date on which the petitioner responds to the request for additional information.

- e. The denial of a claim to which the right to review has been waived, or the decision of the Board of Trustees or its designated committee with respect to a petition for review, is final

and binding upon all parties, subject only to any civil action the applicant may bring under §502(a) of ERISA. Following issuance of a written decision of the Board of Trustees on an appeal, there is no further right of appeal to the Board of Trustees or right to arbitration.

However, a petitioner may re-establish his or her entitlement to benefits at a later date based on additional information and evidence which was not available to him at the time of the decision of the Board of Trustees.

Article VII. Minimum Distribution Requirements

Section 7.01 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 7.02 Time and Manner of Distribution.

- a. Required Beginning Date. The Participant's entire Individual Account will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date as defined in Section 1.24 of the Plan.
- b. Death of Participant Before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire Individual Account 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 Individual Account must be distributed to the designated Beneficiary by December 31st 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 7.02.b.(1) above, to have distributions to the surviving Spouse begin by December 31st of the calendar year immediately following the calendar year in which the Participant died, or by December 31st of the calendar year in which the Participant would have attained age 70½, if later. The election must be made no later than September 30th of the calendar year in which distribution would be required to begin under this Section 7.02.b.(2), or if earlier, Section 7.02.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 7.02.b.(1) above, to have distributions begin by December 31st of the calendar year immediately following the calendar year in which the Participant died. The election must be made no later than September 30th of the calendar year in which distribution would be required to begin under this Section 7.02.b.(3).
- (4) If there is no designated Beneficiary as of September 30th of the year following the year of the Participant's death, payment will be made in accordance with Section 4.04.b, and in the case that payment is made to the executor or administrator, the Participant's entire Individual Account will be distributed by December 31st 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 7.02.b., other than Section 7.02.b.(1), will apply as if the surviving Spouse were the Participant.

For purposes of this Section 7.02.b and Section 7.04, unless Section 7.02.b.(5) applies, distributions are considered to begin on the Participant's Required Beginning Date. If Section 7.02.b.(5) applies, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under this Section 7.02.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 7.02.b.(2)), the date distributions are considered to begin is the date distributions actually commence.

- c. Forms of Distribution. Unless the Participant's Individual Account 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 7.03 and 7.04 of this Article VII. If the Participant's or designated Beneficiary's Individual Account 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 7.03 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 7.03 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 7.04 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 30th of the year after the year of the Participant's death payment will be made in accordance with Section 4.04.b., and in

the case that payment is made to the executor or administrator, 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 7.02.b.(2) or 7.02.b.(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 7.04.a.
- (2) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30th of the year following the year of the Participant's death payment will be made in accordance with Section 4.04.b., and in the case that payment is made to the executor or administrator, distribution of the Participant's entire Individual Account will be completed by December 31st 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 7.02.b(2), this Section 7.04.b. will apply as if the surviving Spouse were the Participant.

Section 7.05 Definitions.

- a. Designated Beneficiary. The individual who is designated as the Beneficiary under Section 1.07 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 7.02.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 31st 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.

Section 7.06 Treatment of 2009 Required Minimum Distributions.

Notwithstanding any provisions in this Article VII, amounts that would have been 2009 required minimum distributions in the absence of Section 401(a)(9)(H) of the Internal Revenue Code, as added by the Worker, Retiree and Employer Recovery Act of 2008, including amounts that would have been first required minimum distributions payable in 2010, were paid as scheduled for 2009.

Article VIII. Amendment and Termination

Section 8.01

The Board 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 the amendment or modification, so long as funds are available for payment of the benefits.

Section 8.02

In the event of termination of the Plan, the remaining assets, after providing for the expenses of the Plan and the approved payments of any Accumulated Shares, will be distributed among the Employees. Each Employee will receive that part of the total remaining assets in the same ratio as his Accumulated Share bears to the total amount of the Accumulated Shares of all Employees. No part of the assets will be returned to any Individual Employer or inure to the benefit of any Individual Employer or the Union. In the event that an Employee cannot be located and no claim is made by him for payment of his Accumulated Share within ninety (90) days following the sending of notice by registered mail to the Employee's last known address, his Accumulated Share will be held in a suspense account in a financial institution insured by an instrument of the United States government until the Employee files a claim for payment.

In the event the liquidation value of the assets on the date of termination is less than the total of all Accumulated Shares plus expenses, the Board will have the option of paying all Accumulated Shares to Employees over a period not to exceed 10 years to the extent permitted by the assets available.

Section 8.03

If any provision of the Plan or any step in the administration of the Plan is held to be illegal or invalid for any reason, the illegality or invalidity will not affect the remaining provisions of the Plan, unless that illegality or invalidity prevents accomplishment of the purposes and objectives of the Plan. In that event, the Board will immediately amend the Plan to remedy the defect.

Article IX. Contingent Top-Heavy Rules

Section 9.01 Definitions.

For purposes of this Article IX, the following words and phrases shall have the meaning stated below unless a different meaning is clearly required by the context:

a. Key Employee

- (1) In determining whether the Plan is top-heavy for Plan years beginning after December 31, 2001, Key Employee means any Employee or former employee (including any deceased employee) who at any time during the Plan year that includes the determination date is an officer of the Employer having an annual Compensation greater than \$130,000 (as adjusted under Section 416(i)(1) of the Code for Plan years beginning after December 31, 2002), a 5-percent owner of the Employer, or a 1-percent owner of the Employer having an annual Compensation of more than \$150,000. In determining whether a plan is top-heavy for plan years beginning before January 1, 2002, Key Employee means any employee or former employee (including any deceased employee) who at any time during the 5-year period ending on the determination date, is an officer of the Employer having an annual Compensation that exceeds 50-percent of the dollar limitation under Section 415(b)(1)(A), an owner (or considered an owner under Section 318) of one of the ten largest interests in the Employer if such individual's Compensation exceeds 100 percent of the dollar limitation under Section 415(c)(1)(A), a 5-percent owner of the Employer, or a 1-percent owner of the Employer who has an annual Compensation of more than \$150,000. For purposes of this paragraph (1), annual Compensation means Compensation as defined in Section 1.11.

The determination of who is a Key Employee will be made in accordance with Section 416(i)(1) of the Code and the applicable regulations and other guidance of general applicability issued thereunder.

b. Top-Heavy Plan

This Plan is top-heavy if any of the following conditions exists:

- (1) If the top-heavy ratio for this Plan exceeds 60 percent and this Plan is not part of any required aggregation group or permissive aggregation group of plans.
- (2) If this Plan is a part of a required aggregation group of plans but not part of a permissive aggregation group and the top-heavy ratio for the group of plans exceeds 60 percent.
- (3) If this Plan is a part of a required aggregation group and part of a permissive aggregation group of plans and the top-heavy ratio for the permissive aggregation group exceeds 60 percent.

c. Top-Heavy Ratio.

- (1) If the Employer maintains one or more defined contribution plans (including any Simplified Employee Pension Plan) and an Employer has not maintained any defined benefit plan which during the 5-year period ending on the determination date(s) has or has had accrued benefits, the top-heavy ratio for this Plan alone or for the required or permissive aggregation group as appropriate is a fraction, the numerator of which is the sum of the account balances of all Key Employees as of the determination date(s) (including any part of any account balance distributed in the 1-year period ending on the determination date(s)) (5-year period ending on the determination date in the case of a distribution made for a reason other than severance from employment, death or disability and in determining whether the Plan is top-heavy for Plan years beginning before January 1, 2002), and the denominator of which is the sum of all account balances (including any part of any account balance distributed in the 1-year period ending on the determination date(s)) (5-year period ending on the determination date in the case of a distribution made for a reason other than severance from employment, death or disability and in determining whether the Plan is top-heavy for Plan years beginning before January 1, 2002), both computed in accordance with Section 416 of the Code and the regulations thereunder. Both the numerator and denominator of the top-heavy ratio are increased to reflect any contribution not actually made as of the determination date, but which is required to be taken into account on that date under Section 416 of the Code and the regulations thereunder.

- (2) If an Employer maintains one or more defined contribution plans (including any Simplified Employee Pension Plan) and the Employer maintains or has maintained one or more defined benefit plans which during the 5-year period ending on the determination date(s) has or has had any accrued benefits, the top-heavy ratio for any required or permissive aggregation group as appropriate is a fraction, the numerator of which is the sum of account balances under the aggregated defined contribution plan or plans for all Key Employees, determined in accordance with (1) above, and the present value of accrued benefits under the aggregated defined benefit plan or plans for all Key Employees as of the determination date(s), and the denominator of which is the sum of the account balances under the aggregated defined contribution plan or plans for all Participants, determined in accordance with (1) above, and the present value of accrued benefits under the defined benefit plan or plans for all Participants as of the determination date(s), all determined in accordance with Section 416 of the Code and the regulations thereunder. The accrued benefits under a defined benefit plan in both the numerator and denominator of the top-heavy ratio are increased for any distribution of an accrued benefit made in the 1-year period ending on the determination date (5-year period ending on the determination date in the case of a distribution made for a reason other than severance from employment, death or disability and in determining whether the Plan is top-heavy for Plan years beginning before January 1, 2002).

(3) For purposes of (1) and (2) above the value of account balances and the present value of accrued benefits will be determined as of the most recent valuation date that falls within or ends with the 12-month period ending on the determination date, except as provided in Section 416 of the Code and the regulations thereunder for the first and second Plan years of a defined benefit plan. The account balances and accrued benefits of a Participant (i) who is not a Key Employee but who was a Key Employee in a prior year, or (ii) who has not been credited with at least one hour of service with any Employer maintaining the Plan at any time during the 1-year period (5-year period in determining whether the Plan is top-heavy for Plan years beginning before January 1, 2002) ending on the determination date will be disregarded. The calculation of the top-heavy ratio, and the extent to which distributions, rollovers, and transfers are taken into account will be made in accordance with Section 416 of the Code and the regulations thereunder. Deductible employee contributions will not be taken into account for purposes of computing the top-heavy ratio. When aggregating plans the value of account balances and accrued benefits will be calculated with reference to the determination dates that fall within the same calendar year.

The accrued benefit of a Participant other than a Key Employee shall be determined under (i) the method, if any, that uniformly applies for accrual purposes under all defined benefit plans maintained by the Employer, or (ii) if there is no such method, as if such benefit accrued not more rapidly than the slowest accrual rate permitted under the fractional rule of Section 411(b)(1)(C) of the Code.

d. Permissive Aggregation Group.

The required aggregation group of plans plus any other plan or plans of an Employer which, when considered as a group with the required aggregation group, would continue to satisfy the requirements of Section 401(a)(4) and 410 of the Code.

e. Required Aggregation Group.

- (1) Each qualified plan of an Employer in which at least one Key Employee participates or participated at any time during the plan year containing the determination date or any of the four preceding plan years (regardless of whether the plan has terminated), and
- (2) Any other qualified plan of the Employer which enables a plan described in (1) to meet the requirements of Section 401(a)(4) or 410 of the Code.

f. Determination Date.

For any Plan year subsequent to the first Plan year, the last day of the preceding Plan year. For the first Plan Year of the Plan, the last day of that year.

g. Valuation Date.

The last day of each Plan year.

Section 9.02 Minimum Benefits.

- a. Except as otherwise provided in c. and d. below, the Employer contributions and forfeitures allocated on behalf of any Participant who is not a Key Employee shall not be less than the lesser of three percent of such Participant's Compensation or in the case where the Employer has no defined benefit plan which designates this Plan to satisfy Section 401 of the Code, the largest percentage of Employer contributions and forfeitures, as a percentage of Key Employee's Compensation, as limited by Section 401(a)(17) of the Code, allocated on behalf of any Key Employee for that year. The minimum allocation is determined without regard to any Social Security contribution. This minimum allocation shall be made even though, under other Plan provisions, the Participant would not otherwise be entitled to receive an allocation, or would have received a lesser allocation for the year because of (i) the Participant's failure to complete 1,000 hours of service (or any equivalent provided in the Plan), or (ii) the Participant's failure to make mandatory employee contributions to the Plan, or (iii) Compensation less than a stated amount.
- b. For purposes of computing the minimum allocation, Compensation shall mean Compensation as defined in Section 1.11 as limited by Section 401(a)(17) of the Code, but shall mean Compensation earned as an Employer for the whole year.
- c. The provisions in a. above shall not apply to any Participant who was not employed by the Employer on the last day of the Plan year.
- d. The provision in a. above shall not apply to any Participant to the extent the Participant is covered under any other plan or plans of the Employer and the Employer has provided that the minimum allocation or benefit requirement applicable to top-heavy plans will be met in the other plan or plans.

Section 9.03 Minimum Vesting.

The Participants in this Plan are always 100% vested.

Dated this 13th day of January, 2015.

/s/ _____
Oscar De La Torre, Chairman

/s/ _____
Byron C. Loney, Co-Chairman