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June 3, 1997

Pension and Welfare Benefit Program, SPD  
U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, DC 20216

RE: Summary Plan Description

Besroi Roofing & Siding Co., Inc.  
EIN # 16-1271066  
Plan # : 001

Dear Sirs:

Enclosed is a Summary Plan Description distributed to participants of Besroi Roofing & Siding Co., Inc.'s 401(k) Profit Sharing Plan and Trust.

Please acknowledge receipt of this SPD by stamping the enclosed copy of this letter and returning it to our office in the enclosed self-addressed envelope.

Thank you for your prompt attention to this request.

Sincerely,

401(k) Department  
Enclosure

2520190031543

17-6348

# General Information Sheet

## Summary Plan Description / Qualified Retirement Plans

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This  General Information Sheet  highlights the specific plan features for the Sponsoring Employer's plan. As a participant, you should use this sheet in conjunction with the  Summary Plan Description for Qualified Retirement Plan  which is attached. If you did not receive the Summary Plan Description, please contact the sponsoring employer for a copy.

### Plan Information

**Sponsoring Employer:** **Besroi Roofing & Siding Co., Inc.** **17-6348**  
**EIN:** 16-1271066  
**Address:** 711 Emerson St.  
**City, State Zip:** Rochester, NY 14613

**Plan Administrator:** Sponsoring Employer  
**Trustees:** Brian Kaminski  
**Address:** 711 Emerson St.  
**City, State Zip:** Rochester, NY 14613

**Plan Number:** 001  
**Type of Plan:** Standardized 401(k) Profit Sharing Plan

### Section 1: Definitions

**Plan Year:** Plan Year begins each January 1 and ends each December 31.

### Section 2: Administration of the Plan

**Plan Effective Date:** January 1, 1997  
**Salary Deferral Start Date:** April, 15, 1997  
**Entry Date:** The first day of the first and seventh plan year month (Jan. 1 and July 1).

### Section 3: Eligibility and Participation

**Eligible Employees:** Generally, all employees, including employees who own part of the business, will be eligible to participate in the Plan. However, the Plan excludes those employees included in a collective bargaining agreement and those employees who are non-resident aliens from participation in the Plan.

**Age and Service Requirements:** You must be 21 years of age and have completed 1,000 hours of service which is credited on your hire anniversary date.

### Section 4: Contributions to the Plan

**Employer Matching Contributions:** The Employer shall make a contribution in an amount equal to:  
**(401(k) Plans Only)** 0% of your contribution percent not to exceed 0%.

### Section 5: Distribution of Benefits and Vesting

**Plan** Benefits may be withdrawn if any of the following occur:

**Withdrawals/Distributions:**

Normal retirement age, which is defined as age 65; Disability; You terminate employment; Your employer terminates this plan; Death.  
Employee contributions to a 401(k) profit sharing plan may be withdrawn when the employee reaches the age of age 59 1/2.

**Restrictions and Penalties Applied to Distributions:**

If a distribution from the plan is received prior to the age of 59 1/2, a 20% withholding will apply to the distribution.

In addition, if you terminate your employment with the Sponsoring Employer prior to the age of 59 1/2, and you receive a distribution, you will have to pay an additional 10% penalty tax.

**How Benefits are Paid to You:**

If your vested balance is less than \$3,500, your benefits will be paid in a single lump sum payment within 90 days after the end of the Plan Year in which you become eligible to receive them.

If your vested balance is more than \$3,500, your benefits will not be paid until you submit a written request to the Plan Administrator for payment. Your benefit may be left in the plan. Payment will be made no later than 90 days after the close of the Plan Year in which the written request is received. You must begin taking required minimum distributions at age 70 1/2.

**Minimum Distribution Requirement:**

You will receive a 100% distribution from the Plan by April 1 of the year following the calendar year in which you:

- A. turn 70 1/2 years old and are 5% owner or
- B. turn 70 1/2 and retire.

**Are In-Service or Hardship Withdrawals Allowed?**

No.

**Vesting Schedule:**

You are always 100% vested in your contributions to the plan. You shall become vested in the employers matching contribution based on the vesting schedule described below.

Years of Employment Service	Vested Percentage
1	0%
2	20%
3	40%
4	60%
5	80%
6	100%

In addition, an employee is automatically 100% vested in the employer matching contributions under the following circumstances:

- The participant reaches normal retirement age which is defined as age 65;
- The participant incurs a disability;
- The participant dies;
- Upon the complete or partial termination of the profit sharing plan.
-

## **Section 6: Claims Procedure**

Refer to Section 6 of the Summary Plan Description for a review of the claims procedure.

## **Section 7: Miscellaneous Participant Directed Investments:**

The employee is responsible for directing the investments of all assets in his or her individual account.

## **Loans (General guidelines only):**

Loans are permitted to all plan participants (except sole proprietors, 10% partners, and 5% shareholders,) with a vested balance of at least \$2,000. Loan fees and interest due shall be paid by the participant. The maximum repayment period is 4 1/2 years. The minimum loan amount is \$1,000. A participant may have only one loan outstanding at any given time. The minimum loan fee is \$150\* and shall be charged at the time that the loan is issued. Interest rates are determined at the time that the loan is requested to be processed. (\*If the loan is for the purchase of a primary residence, the maximum repayment period is 10 years and the loan fee shall be \$300.)

## **Section 8: ERISA Rights**

Refer to Section 8 of the Summary Plan Description for your rights and protections under the Employee Retirement Income Security Act (ERISA).

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**Summary Plan Description**  
**Qualified**  
**Retirement Plans**

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## INTRODUCTION

Your employer has adopted a type of employee benefit plan designed to help you meet your financial needs during your retirement years. To become a Participant in the Plan, you must meet the Plan's eligibility requirements. Once you become a Participant, the Plan Administrator will maintain an Individual Account for you. Your account will be adjusted to reflect contributions, gains, losses, etc. The percentage of your account to which you will be entitled when you terminate employment depends on the Plan's vesting schedule. These features are explained further in the following pages.

The actual Plan is a complex legal document that has been written in the manner required by the Internal Revenue Service (IRS) and is referred to as the *Basic Plan Document*. This document is called a Summary Plan Description (or SPD) and explains and summarizes the important features of the *Basic Plan Document*. The SPD consists of this SPD Booklet along with the General Information Sheet. The General Information Sheet contains information unique to the Plan which your employer has adopted. Refer to the top of the General Information Sheet to determine whether your Plan is a profit sharing, money purchase or 401(k) profit sharing plan. If your Plan is a profit sharing or money purchase plan, your employer will make all contributions to the Plan. If your Plan is a 401(k) profit sharing plan, you may elect to reduce your annual taxable income by deferring a portion of your Compensation into the Plan as Employee 401(k) Contributions. As you read the SPD Booklet, you will need to refer to the General Information Sheet to understand how your Plan works. You should consult the *Basic Plan Document* for technical and detailed Plan provisions. The legal operation of the Plan is controlled by the *Basic Plan Document* and not this SPD.

If at any time you have specific questions about the Plan as it applies to you, please bring them to the attention of the Plan Administrator whose address and telephone number appear on the General Information Sheet. You also may examine the *Basic Plan Document* itself at a reasonable time by making arrangements with the Plan Administrator.

## Section One: Definitions

The following definitions are used in the text of this SPD. These words and phrases are capitalized throughout the SPD for ease of reference. Depending upon your Plan, some may not apply.

**Compensation:** means the earnings paid to you by your Employer during the Plan Year. Compensation will mean all of each Participant's W-2 earnings. For any Self-Employed Individual covered under the Plan, Compensation will mean Earned Income.

**Employee :** means any person employed by the Employer.

**Employee 401(k) Contributions:** means the dollars you put into the Plan through before-tax payroll deductions.

**Employer:** means the sole-proprietorship, partnership, or corporation maintaining this Plan.

**Employer Contribution:** means the amount contributed to the Plan on your behalf by your Employer.

**General Information Sheet:** means the completed form outlining the provisions of the Plan selected by your Employer. You should have received a copy of the General Information Sheet along with this SPD Booklet.

**Individual Account:** means the contribution account established and maintained for you which is made up of all contributions made by you or on your behalf.

**Matching Contribution:** means a contribution made by your Employer to the 401(k) Plan on your behalf based upon your Employee 401(k) Contributions made to the Plan.

**Nondeductible Employee Contributions:** means any contribution which you make to the Plan on an after-tax basis. These contributions may only be made to 401(k) plans.

**Participant:** means an Employee who has met the eligibility requirements, has entered the Plan, and has become eligible to make or receive a contribution to his or her Individual Account.

**Payroll Deduction Form -** means the agreement you signed to authorize your Employer to deduct your Employee 401(k) Contributions from your Compensation and put them into the 401(k) plan.

**Plan -** means the specific retirement Plan your Employer has set up. The Plan is governed by a legal document containing various technical and detailed provisions. The Plan Administrator has a copy of the Plan document.

**Plan Administrator -** means the Employer unless otherwise designated in the General Information Sheet. The Plan Administrator is responsible for directly administering the Plan.

**Plan Loan Disclosure -** means the completed form outlining the loan program, if any, available under your Plan. If your Plan offers a loan program, you should have received a copy of the Loan Disclosure along with this SPD Booklet.

**Plan Year -** means the 12 consecutive month period upon which the Plan is maintained. Refer to the General Information Sheet.

## Section Two: Funding And Administration Of The Plan

### Part 1 **What are the sources of Plan contributions?**

This depends upon the type of Plan your Employer has adopted. If the General Information Sheet indicates that this is a profit sharing or money purchase plan, all contributions will be Employer Contributions made by your Employer.

If the General Information Sheet indicates that this is a 401(k) profit sharing plan, you are allowed to make before-tax contributions to the Plan called Employee 401(k) Contributions through a payroll deduction. In addition, your Employer may also make various contributions to the Plan on your behalf. These may include the following:

- **Matching Contributions.** These contributions match a percentage of your Employee 401(k) Contributions made to the Plan.
- **Employer Contributions.** These contributions are discretionary with your Employer. Your entitlement to an Employer Contribution is not dependent upon making Employee 401(k) Contributions.
- **Qualified Nonelective Contributions and Qualified Matching Contributions.** These contributions may be made by your Employer to satisfy special nondiscrimination rules which apply to the Plan. These contributions are fully vested when made and are subject to the same restrictions on withdrawal applicable to Employee 401(k) Contributions.
- **Nondeductible Employee Contributions.** Some 401(k) plans allow Participants to make after-tax contributions to the Plan which accrue earnings on a tax-deferred basis. These contributions are called Nondeductible (after-tax) Employee Contributions.

### Part 2 **Who is responsible for the daily operations of the Plan?**

Your Employer is responsible for the day-to-day administration and management of the Plan unless the General Information Sheet indicates otherwise. To insure efficient and sound operation and management of the Plan, your Employer has the discretionary authority to appoint other persons as may be necessary to act on its behalf or assist in performing these responsibilities.

## Section Three: Eligibility And Participation

### Part 1 **What are the eligibility requirements of the Plan?**

#### **Employees Eligible to Participate**

Generally, all Employees, including Employees who own part of the business, will be eligible to participate in the Plan. However, the Plan excludes those employees included in a collective bargaining agreement and those employees who are non-resident aliens from participation in your Plan.

#### **Age and Service Requirements**

To be eligible to participate in the Plan, you must be 21 years of age. You must also complete 1,000 hours of service which is credited on your date of hire anniversary date. Under some circumstances, you may be given credit for years of service with predecessor employers.

#### **Replacement Plan**

If this is an amendment and restatement of a prior Plan in which you were a Participant, you will automatically be eligible to participate.

**Part 2** After I meet the eligibility requirements, when do I actually become a Participant in the Plan?

During each Plan Year there are at least two entry dates upon which you can begin participation. The Plan entry dates for your Plan are January 1 and July 1. After you have met the eligibility requirements, you will enter the Plan and thus become a Participant on the next entry date.

For example: You are hired on February 1, 1994. You are 25 years of age. As of July 31, 1993 you have worked 1,000 hours. The 1,000 hours will be credited to you on February 1, 1995. You may enroll in the plan on July 1, 1995.

**Part 3** Once I am a Plan Participant, what must I do to continue to participate in the Plan?

You will continue to participate in the Plan as long as you do not incur a break in service. A break in service is a consecutive 12 month period during which you fail to work more than the minimum number of hours of service which are 500 hours. However, no break in service will occur if the reason you did not work more than the required number of hours was because of certain absences due to birth, pregnancy or adoption of children, military service or other service during a national emergency during which your re-employment under a federal or state law is protected and you do, in fact, return to your employment within the time required by law.

**Part 4** How are hours of service counted?

Hours of service are counted on the basis of actual number of hours you work or for which you are entitled to Compensation. The minimum number of hours of service you must accrue in a Plan Year to be credited with a year of service are 1,000 hours.

An hour of service is each hour for which you are paid to do work. Also, you earn hours of service for any time you are paid but do not work (vacations, holidays, sickness, jury duty, or military duty). (Refer to Section 1.20 of the *Basic Plan Document*.)

## **Section Four: Contributions To The Plan**

**Part 1** Contributions to Profit Sharing and Money Purchase Plans (Refer to Section 4, Part 2 for 401(k) Plans.)

**A.** How will the Employer Contribution be determined?

Each year your Employer may contribute a specified percentage based on your Compensation to the Plan. If this is a profit sharing plan (refer to the General Information Sheet), your company's management will determine the amount to contribute to the Plan each year. This contribution can range from 0% to 12% of a participant's payroll each year. If this is a money purchase plan, your Employer will contribute the percentage of Compensation specified on the General Information Sheet.

**B.** What must I do to share in the Employer Contribution?

To share in the Employer Contribution, you must be a Participant in the Plan. Some plans require that you work a minimum number of hours to share in the Employer Contribution. If this is required under your Plan, refer to Section Three, Part 4 of this Summary Plan Description.

Some plans may require that you still be working for the Employer on the last day of the Plan Year to share in the Employer Contribution. Refer to the General Information Sheet to determine if this requirement applies in your Plan. (Note, however, that even if your Plan has this last day requirement, it will not apply if the reason you are not working on the last day is because you reached normal retirement age, became disabled or died.)

If the Plan is top-heavy and an Employer Contribution is made, you may be eligible to receive a portion of the contribution even if you fail to work at least the required number of hours of service as long as you are a Participant and you are employed on the last day of the Plan Year.

- C. **What portion of the Employer Contribution will be allocated to my account?**  
How the Employer Contribution is allocated to your Individual Account depends upon whether your Plan is integrated with Social Security. Refer to the General Information Sheet to see if your Plan is integrated.

**Non-integrated Plans**

If this Plan is not integrated and a contribution is made, you will receive a pro rata portion of the contribution equal to the ratio of your Compensation to the Compensation of all Participants.

**EXAMPLE:** Assume you are one of 10 Participants in the Plan and your Compensation is \$10,000. Assume further the Compensation of all Participants when added together equals \$100,000. The ratio of your Compensation (\$10,000) to that of all Participants (\$100,000) is 1/10. Therefore, 1/10 of the contribution made by your Employer to the Plan will be allocated to your account.

**Integrated Plans**

If this Plan is integrated, the contribution your Employer makes will consist of two parts - a base contribution and an excess contribution. The base contribution will be a percentage of your Compensation up to the integration level. The excess contribution will be a percentage of your Compensation above the integration level. The integration level is the taxable wage base for the year unless otherwise specified in the General Information Sheet.

- D. **What is meant by my Compensation?**  
In general, the amount of your Compensation taken into account under the Plan is all earnings reported to you on Form W-2 unless the General Information Sheet indicates otherwise. In the event your Compensation exceeds \$200,000 per year, only the first \$200,000 will be counted as Compensation under the Plan. This \$200,000 cap will be adjusted annually by the Internal Revenue Service for increases in the cost-of-living. (The 1995 compensation limit is \$150,000.)
- E. **Where does the contribution made on my behalf go?**  
The Employer makes the contribution to a trust fund where all dollars are held for the benefit of the Participants. The Employer must establish and maintain an Individual Account for each Participant. The Individual Account is used to track each Participants share in the total fund.

**Part 2 Contributions to 401(k) Profit Sharing Plans**

If your Plan is a 401(k) profit sharing plan, several types of contributions may be available. Refer to the General Information Sheet to determine the kinds of contributions available under your Plan.

- A. **Employee 401(k) Contributions**  
You may contribute as little as 1% of your compensation and as much as 12% of your compensation to the 401(k) Plan.
- i. **How do I make Employee 401(k) Contributions?**  
If you wish to put money into the Plan through Employee 401(k) Contributions, your Employer will give you a form to complete and sign. This form is called an *Enrollment / Change Form*.

**EXAMPLE:** Your Compensation is \$15,000. For Plan Year 1995, you wish to make an Employee 401(k) Contribution to the Plan and sign a Payroll Deduction Form authorizing an Employee 401(k) Contribution of 5% of your Compensation. As a result, your Employer will pay you \$14,250 as gross taxable income and will deposit your 5% Employee 401(k) Contribution (i.e., \$750) into the Plan for you.

You may *increase or decrease* the percentage of your pay which you are contributing to the Plan on a semi-annual basis which shall coincide with the Plan Entry Dates of January 1 and July 1. If you want to change the percentage of your Employee 401(k) Contribution, you

must sign a new *Enrollment / Change Form* and return it to your Plan Administrator at least 30 days before the change will take effect.

ii. **How much may I defer each Plan Year?**

The Internal Revenue Code limits the maximum amount you can put into the Plan during each of your tax years. Most persons pay income tax on a calendar year basis. For 1995, the limit is \$9,240. This amount is indexed annually for changes in the cost-of-living index. This limit applies to all Employee 401(k) Contributions you make during your tax year and to all 401(k) plans maintained by your present or former employers.

iii. **May I stop making Employee 401(k) Contributions?**

Yes, you may stop making Employee 401(k) Contributions by signing the *Enrollment / Change Form* which your Employer will provide. The change may be processed each January 1 or July 1. Once you stop putting money into the Plan, you must wait until the start of the next Plan Year if you want to resume deferring your salary.

iv. **What if I defer more than the maximum amount allowed?**

If you put too much money into the Plan through Employee 401(k) Contributions, the excess amount and any earnings you may have received on the excess must be taken out of the Plan by April 15 of the year following the year the money went into the Plan. Any contributions in excess of the Internal Revenue Code limits will appear on your Form W-2 as taxable income for the year in which you put the excess into the Plan. If the excess is not removed from the Plan by April 15, you will have to pay additional income tax.

**EXAMPLE:** You made an excess contribution of \$100 in 1995 and you had earnings of \$10 on your excess. You removed your \$100 excess and the \$10 earnings by April 15, 1996. The excess will be reported on your 1995 Form W-2 and you will pay income tax on that amount.

You must sign a form to claim a return of any excess amounts which you put into the Plan. Your Employer will furnish the form to you and you must return it to your Employer by February 1 following the end of the Plan Year in which the excess contribution was earned.

v. **May highly compensated Participants contribute the maximum amount?**

Highly compensated employees making Employee 401(k) Contributions may be subject to additional limitations on Employee 401(k) Contribution amounts contributed to the Plan for each Plan Year. The Internal Revenue Code and tax rules define highly compensated Employee for these purposes. If these limits apply to you, your Plan Administrator will give you additional information about them.

vi. **Can I direct the investment of my Employee 401(k) Contributions?**

Yes. You can invest your account balances between several investment funds. The Employer decides which investment funds will be made available to you. You will be responsible for any expenses and losses resulting from your choice of investments.

**B. Employer Matching Contributions**

The General Information Sheet provides specific information about Matching Contributions unique to your Plan.

i. **What must I do to share in an Employer Matching Contribution?**

You will qualify to receive Matching Contributions if you put Employee 401(k) Contributions in the Plan. You will only be entitled to receive an Employer Matching Contribution for the years in which you make Employee 401(k) Contributions. The amount of your Matching Contribution will be based upon the formula described in the General Information Sheet.

**EXAMPLE:** Your annual Compensation is \$15,000. For Plan Year 1995, you agree to make an Employee 401(k) Contribution of 10% of your Compensation. Under the terms of the Plan, assume your Employer has selected a Matching Contribution formula that will match your Employee 401(k) Contributions on the basis of 50% for each percent you contribute not

to exceed 6%. Your Employee 401(k) Contribution for 1995 will be \$1,500 and the Employer Matching Contribution will be \$450 (6% x 50% x \$15,000) for a total contribution for Plan Year 1995 of \$1,950.

- ii. **Are highly compensated Participants eligible to receive Matching Contributions?**  
Yes. However, additional limitations may exist on the Employer Matching Contribution amounts. The Internal Revenue Code and tax rules define highly compensated Employee for these purposes. If these limits apply to you, your Plan Administrator can provide additional information about them.

**C. Employer Contributions**

Your Plan may provide for Employer Contributions. If so, the General Information Sheet provides specific information about these contributions unique to your Plan.

- i. **How will the Employer Contribution be determined?**  
Your Employer will decide each Plan Year whether to make a contribution and, if so, the amount. This contribution will be paid into the Plan prior to the date your Employers federal income tax return is due (including extensions).

- ii. **What must I do to share in the Employer Contribution?**  
Unless the General Information Sheet provides otherwise, you will qualify to share in this contribution if you were a Participant and completed a year of service during the Plan Year. (If your Plan is a standardized Plan as indicated on the General Information Sheet, the requirement that you complete one year of service does not apply. Rather, if you are a Participant, you will qualify to share in the Employer Contribution unless you are not working for the Employer on the last day of the Plan Year because you terminated employment and had 500 or fewer hours of service during the Plan Year.)

If the Plan is top-heavy and an Employer Contribution is made, you may be eligible to receive a portion of the contribution even if you fail to work at least the required number of hours of service as long as you are a Participant and you were employed on the last day of the Plan Year.

- iii. **What part of the Employer Contribution will be allocated to my account?**  
How the Employer Contribution is allocated to your Individual Account depends upon whether your Plan is integrated with Social Security. Refer to the General Information Sheet to determine if your Plan is integrated.

**Non-integrated Plans**

If your Plan is not integrated and an Employer Contribution is made, you will receive a pro rata portion of the contribution equal to the ratio of your Compensation to the Compensation of all Participants.

**EXAMPLE:** Assume you are one of 10 Participants in the Plan and your Compensation is \$10,000. Assume further the Compensation of all Participants when added together equals \$100,000. The ratio of your Compensation (\$10,000) to that of all Participants (\$100,000) is 1/10. Therefore, 1/10 of the contribution made by your Employer to the Plan will be allocated to your account.

**Integrated Plans**

If this Plan is integrated, the contribution your Employer makes will consist of two parts a base contribution and an excess contribution. The base contribution will be a percentage of your Compensation up to the integration level. The excess contribution will be a percentage of your Compensation above the integration level. The integration level is the taxable wage base for the year unless otherwise specified in the General Information Sheet.

**D. Nondeductible Employee Contributions**

Your Plan does not allow Nondeductible Employee Contributions.

### Part 3 Limitations on Contributions and Allocations

A. **Do any limits apply to the amount which may be allocated to my Individual Account for any Plan Year?**

Yes. The amount which may be allocated to your Individual Account for any Plan Year is subject to Internal Revenue Code provisions limiting your allocation amount to the lesser of \$30,000 or 25% of your compensation paid to you by your Employer for a Plan Year.

## **Section Five: Distribution Of Benefits And Vesting**

### Part 1 **When may I withdraw money from the Plan?**

Certain events must occur before you can withdraw money from the Plan. Benefits may be withdrawn if any of the following occur.

- A. You reach normal retirement age - Normal retirement age under the Plan is 65.
- B. You become disabled - Generally, you are disabled when you cannot work because of a physical or mental condition which is expected to last at least one year or result in your death.
- C. You terminate your employment with the Employer.
- D. Upon your death, your beneficiaries will receive benefits from the Plan.
- E. Your Employer terminates the Plan.
- F. If your Plan is a 401(k) profit sharing plan, there are several other circumstances under which you may withdraw Employee 401(k) Contributions.

In addition to the events described above, you will be eligible to withdraw Employee 401(k) Contributions upon reaching age 59 1/2 .

Secondly, your Plan may also allow you to take Employee 401(k) Contributions out of the Plan if you have a severe financial hardship. Under your Plan, the only financial needs which are considered to meet this requirement are: deductible medical expenses for you or your immediate family, purchase of your principal residence, payment of tuition for the next quarter or semester for you or your immediate family, or to prevent eviction from your home or foreclosure upon your principal residence. A hardship distribution cannot exceed the amount of your immediate and heavy financial need and you must have obtained all distributions and all nontaxable loans from all Plans maintained by your Employer prior to qualifying for a hardship distribution. **Hardship distributions are subject to a 10% penalty tax if received before you reach age 59 1/2.** Contact the Plan Administrator for more information concerning financial hardship loans.

### Part 2 **May I take a payout from the Plan under any other circumstances?**

Refer to your General Information Sheet to determine if in-service withdrawals are permitted under your Plan. If so, under certain circumstances, you may take a payout of all or a portion of your vested benefits. The amount which you may withdraw will depend upon the length of time which you have participated in the Plan and the reason for the withdrawal. See your Plan Administrator for further information on in-service withdrawals.

### Part 3 **How will my benefits be paid to me?**

- A. Payments from the Plan that are eligible rollover distributions can be taken in two ways. You may have all or any portion of your eligible rollover distribution either (1) paid in a direct rollover to an IRA or another employer plan or (2) paid to you. If you choose to have your Plan benefits paid to you, you will receive only 80% of the payment, because the Plan Administrator is

required to withhold 20% of the payment and send it to the IRS as income tax withholding to be credited against your taxes.

Your Plan Administrator will give you more information about your options around the time you request your payout from the Plan. That information will, among other things, define what an eligible rollover distribution is.

- B. If your vested Individual Account (i.e., the amount of money in the Plan you are entitled to) is no more than \$3,500, your benefits will be paid, either directly to you or as a direct rollover to an IRA or another plan, in a single lump sum payment.
- C. If your Plan is a profit sharing or 401(k) profit sharing plan subject to the Retirement Equity Act (REA) safe harbor provisions, payouts of your benefits under the Plan will be made in a form other than an annuity. Refer to the General Information Sheet to determine if your Plan is subject to the REA safe harbor provisions.
- D. If your Plan is not subject to the REA safe harbor provisions and your vested Individual Account balance is more than \$3,500, your payouts will be in the form of an annuity, unless the annuity option is waived. An annuity will provide you with a series of periodic payments, usually monthly. The annuity must be purchased from an insurance company. The size of the payments you receive from the annuity will depend upon many factors including the value of your vested Individual Account balance.
  - i. If you are married, the annuity will provide monthly payments for as long as you or your spouse live. This type of annuity is called a joint and survivor annuity. If you die before your spouse, the monthly payments to your spouse will be a percentage of the payments you had been receiving before your death. Refer to the General Information Sheet to determine the survivor annuity percentage.
  - ii. If you are not married, the type of annuity you will receive will provide you with monthly payments for as long as you live.
  - iii. If you do not want an annuity payout, you may choose other types of payments. To waive the annuity option, you must fill out and sign a waiver form. If you are married, your spouse must consent to and sign the waiver form in the presence of a Notary Public. You and your spouse may sign the waiver form any time within 90 days of the start of your payments.

**EXAMPLE:** Bill wants to start receiving money on March 31, 1991. He and his spouse can sign the waiver form any time from January 1 through March 31, 1991. Bill can now take his money in another form, such as a single lump sum payment.

- E. Contributions made to the Plan by you or on your behalf may be used to purchase units in various investment funds. The value of these funds can change daily. Because the value of your units can change daily, the value shown on your statement(s) may be different than the actual amount you receive for a payout.

**Part 4** **Once I become eligible to receive benefits, when will they be distributed to me?**

If the value of your Individual Account is no more than \$3,500, the Plan Administrator may direct that your benefits be paid within 90 days after the end of the Plan Year in which you become eligible to receive them.

If the value of your Individual Account is more than \$3,500, your benefits will not be paid until you submit a written request to the Plan Administrator for payment. The Plan Administrator can provide you with the proper request forms. Once you have returned the completed request to the Plan Administrator, payment will be made no later than 90 days after the close of the Plan Year in which the Plan Administrator received your request.

**Part 5** Even if I am eligible to receive benefits, must I have my benefit distributed from the Plan?  
If the value of your Individual Account exceeds \$3,500, your benefit will not be distributed until you request payment from the Plan Administrator. Your benefit could be left in the Plan. However, you must begin taking required minimum distributions at age 70 1/2, as explained in the next section.

**Part 6** What are required minimum distributions?  
The tax laws and regulations require you to start taking minimum distributions from the Plan by April 1 of the year after the year in which you turn 70 1/2 years of age. Minimum distributions must continue every year thereafter and must be taken by December 31. In general, the amount of the annual minimum distribution is determined by dividing the balance in your Individual Account by your life expectancy or the joint life expectancy of you and your Plan beneficiary.

**Part 7** When I request my benefits, will I receive the full value of my account(s) established under the Plan?  
It depends upon the reason you are receiving the distribution and your vested percentage in your contributions.

Your distribution will be the full value of your Individual Account (that is, you will be 100% vested) if you reach normal retirement age, become disabled or if your Employer terminates the Plan. Also, your beneficiaries will be entitled to the full value of your Individual Account at your death.

However, if you terminate employment and thus become eligible for a distribution from the Plan, your distribution will be only the vested amount in your Individual Account.

**Part 8** How is my vested amount determined?

A. If your Plan is a profit sharing or money purchase plan, your vested amount is determined by multiplying a percentage from a vesting schedule by the total value of your Individual Account. The vesting schedule determines how rapidly your Individual Account balance becomes nonforfeitable based on years of service.

**EXAMPLE:** Assume you have \$10,000 in your Individual Account and you terminate employment when you are 40% vested. Your vested amount would be \$4,000 (.40 x \$10,000)

B. If your Plan is a 401(k) profit sharing plan, the vested amount of your Individual Account will depend upon the types of contributions made to your account.

As noted, all Employee 401(k) Contributions are 100% vested at all times. Some plans provide for immediate vesting of Employer Matching Contributions. Refer to the General Information Sheet. If your Employer Matching Contribution is subject to a vesting schedule, your vested benefit is determined by multiplying a percentage from a vesting schedule by the total amount of the Matching Contributions which have been contributed on your behalf.

For Employer Contributions, your vested amount is determined by multiplying a percentage from a vesting schedule by the total value of the Employer Contributions contributed on your behalf. The vesting schedule for your Matching Contributions and Employer Contributions determines how fast your money becomes nonforfeitable based upon your years of service.

**EXAMPLE:** You have received \$5,000 in Employer Matching Contributions and you are 50% vested. The vested amount which you will receive is \$2,500 and the remaining \$2,500 will be forfeited.

**Part 9** Which vesting schedule will be used to determine my vested benefit?  
You will become vested according to the vesting schedule(s) selected on the General Information Sheet. If your Plan is a 401(k) profit sharing plan, different vesting schedules may apply to Employer Matching Contributions and Employer Contributions.

### Vesting Schedule for Top-Heavy Plans

A top-heavy plan is one in which more than 60% of the value of the plan assets is credited to the accounts of certain officers, shareholders and highly paid Participants. These individuals are called key employees. The following vesting schedule will be used for periods during which the Plan is top-heavy:

Years of Service	Vested Percentage
1	0%
2	20%
3	40%
4	60%
5	80%
6	100%

However, this top-heavy vesting schedule will not apply if the vesting schedule selected by your Employer provides for faster vesting. For example, if the Employer has selected the 100% vesting schedule (under which all Participants are 100% vested at all times) and the Plan becomes top-heavy, that vesting schedule selected by your Employer will remain in effect because it provides for more rapid vesting.

**Part 10** What years of service are counted for vesting purposes?

All of your years of service with your Employer are counted for the purpose of determining your vested percentage unless otherwise provided on the General Information Sheet. Your plan may also credit years of service with predecessor Employers. Refer to the General Information Sheet.

**Part 11** If I am not 100% vested and I receive a distribution, what happens to the dollars I leave in the Plan?

Dollars left in the Plan after a Participant receives a distribution of vested benefits are called forfeitures. In profit sharing plans, forfeitures are allocated to the Individual Accounts of the Participants remaining in the Plan. In money purchase plans, forfeitures are generally used to reduce future Employer Contributions. Forfeitures are allocated after the Participant who received a distribution of a vested benefit incurs a break in service.

**Part 12** What happens if I return to work after receiving a distribution of my vested benefit?

A former Participant who returns to work for the Employer before incurring 5 consecutive one year breaks in service may recapture the forfeited benefit. Generally, your forfeited benefit will be restored immediately by your Employer if you have not incurred 5 consecutive one year breaks in service, irrespective of whether you pay back to the Plan the distribution which you received.

**Part 13** Do any restrictions or penalties apply on distributions?

Yes. Any person who receives a distribution before reaching age 59 1/2 must pay an additional 10% penalty tax on dollars included in income. There are exceptions to the 10% early distribution penalty. Your tax advisor can assist you in determining if one of the exceptions applies to your distribution.

**Part 14** What happens to my benefits if I die?

A. Your beneficiary will receive the value of your Individual Account when you die. If you are married, your spouse will automatically be your beneficiary. To choose another beneficiary, you must sign a written form listing a non-spouse beneficiary. Your spouse must give written consent to this in the presence of a Notary Public.

**NOTE:** Contact your Plan Administrator if you wish to choose a non-spouse beneficiary.

B. If the value of your Individual Account is no more than \$3,500, your beneficiary will receive a lump sum payment of the entire amount.

- C. If your Plan is a profit sharing or 401(k) profit sharing plan and is subject to the Retirement Equity Act (REA) safe harbor provisions and the value of your Individual Account is greater than \$3,500, your beneficiary will receive a payout(s) in a form other than an annuity.
- D. If the value of your Individual Account is greater than \$3,500 and your Plan is not subject to the Retirement Equity Act (REA) safe harbor provisions, your beneficiary will get the money in periodic payments from an insurance company unless special forms are signed. These periodic payments will usually be made on a monthly basis for as long as your beneficiary lives.

If you want to give your beneficiary a choice as to how he or she wants to receive the money, you must sign a special form. This form must also be signed by your spouse in the presence of a Notary Public. If you are under age 35 when you sign this form, you must sign a new form once you reach age 35.

**EXAMPLE:** Clarence, age 38, signs the waiver form. Mildred, his wife, signs the waiver form in the presence of a Notary Public. Clarence dies two years later. Mildred now has a choice of payments. She can, for example, take all the money in a single lump sum and put it into her IRA.

**NOTE:** Contact your Plan Administrator if you wish to preserve the option of taking pay-outs in a form other than an annuity.

- Part 15** Are there any circumstances under which I may lose, be denied, or have anticipated benefits reduced under the Plan?  
 Loss, denial or reduction of anticipated benefits may occur if you terminate employment before becoming fully vested, or if all or a portion of your benefit is set aside for an alternate payee under a qualified domestic relations order (QDRO). You may also lose your benefit if you cannot be located when a benefit becomes payable to you.

## Section Six: Claims Procedure

- Part 1** Do I or my beneficiary have to do anything to start receiving benefits when I retire or die?  
 Yes. You or your beneficiary must file a written request with the Plan Administrator.
- Part 2** What should be done if I or my beneficiary think a benefit should be paid and none is paid?  
 A claim should be filed with the Plan Administrator.
- Part 3** How can a claim be filed?  
 You may claim a benefit to which you think you are entitled by filing a written request with the Plan Administrator. The claim must set forth the reasons you believe you are eligible to receive benefits and authorize the Plan Administrator to conduct such examinations and take such steps as may be necessary to evaluate the claim.
- Part 4** What if my claim is turned down?  
 If your claim is turned down, the Plan Administrator will provide you or your beneficiary with a written notice of the denial within 60 days of the date your claim was filed. This notice will give you the specific reasons for the denial, the specific provisions of the Plan upon which the denial is based, and an explanation of the procedures for appeal.
- Part 5** Can the decision of the Plan Administrator be appealed?  
 Yes. You or your beneficiary will have 60 days from receipt of the notice of denial in which to make written application for review by the Plan Administrator. You may request that the review be in the nature of a hearing. You may be represented by an attorney if you so desire. The Plan Administrator will issue a written decision on this review within 60 days after receipt of the application for review.

## Section Seven: Miscellaneous

**Part 1 Can I direct the investment of the assets in my Individual Account?**

Refer to the General Information Sheet to determine if your Plan allows self-direction of contributions. If this Plan permits self-direction, the Plan Administrator will establish the rules and procedures which will apply. You will be responsible for any expenses or losses incurred through your choice of investments.

**Part 2 May I borrow money from the Plan?**

Refer to the General Information Sheet to determine if the Plan permits loans to Participants. If so, under certain circumstances you are eligible to borrow a portion of your vested Individual Account. If loans are available under your Plan, refer to the Loan Disclosure which you received with this SPD Booklet for more information about your loan program.

**Part 3 What happens if I quit my job and incur a break in service and then return? When do I participate again?**

The answer to these questions depends upon whether you had a vested interest in contributions (other than your Employee 401(k) Contribution or Nondeductible Employee Contributions in 401(k) profit sharing plans) at the time you quit and incurred a break in service.

***If you had a vested interest***

1. You will participate again upon your return to employment.
2. Your vesting years of service accumulated prior to the time you quit and incurred a break in service will be counted in figuring your vested interest.

***If you did not have a vested interest***

1. Any eligibility years of service occurring before the break in service will be taken into account and you will begin to participate again upon your return to service unless the number of consecutive one year breaks in service equals or exceeds the greater of 5 years, or the aggregate number of eligibility years of service preceding the breaks in service. If your period of consecutive breaks in service exceeds your period of prior service, you will be treated as a new employee and will participate again when you satisfy the Plans eligibility requirements.
2. Any vesting years of service occurring before the break in service will be taken into account in computing your vested interest under the Plan unless the number of consecutive one year breaks in service equals or exceeds the greater of 5 years, or the aggregate number of vesting years of service preceding the breaks in service. For example, if you work for two years, quit without being vested, and then return to employment after a break of two years or more, the Plan will give you vesting credit for the initial two year period.

**Part 4 What happens if the Plan is terminated?**

The Employer expects to continue the Plan indefinitely. However, in the unlikely event the Employer must terminate the Plan, you will become 100% vested in the aggregate value of your Individual Account regardless of whether your vesting years of service are sufficient to make you 100% vested under the vesting schedule(s).

If the Plan terminates, benefits are not insured by the Pension Benefit Guaranty Corporation (PBGC). Under the law, PBGC insurance does not cover the type of plans called defined contribution plans. This Plan is a defined contribution plan and, therefore, is not covered.

## Section Eight: Rights Under ERISA

As a Participant in this Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants shall be entitled to do the following:

1. **Examine, without charge**, at the Plan Administrators office and at other specified locations, such as work sites and union halls, all Plan documents, including insurance contracts, collective bargaining agreements and copies of all documents filed by the Plan Administrator with the US Department of Labor, such as detailed annual reports and Plan descriptions.
2. **Obtain copies of all Plan documents** and other Plan information upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies.
3. **Receive a summary of the Plans annual financial report.** The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
4. **Obtain, once a year, a statement of the total pension benefits accrued and the nonforfeitable (vested) pension benefits (if any) or the earliest date on which benefits will become nonforfeitable (vested).** The Plan may require a written request for this statement, but it must provide the statement free of charge.

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

If your claim for a benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan Administrator review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan Administrator 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 \$100 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied, or ignored, in whole or in part, you may file suit in a state or federal court. If it should happen that Plan fiduciaries misuse the Plans money, or if you are discriminated against for asserting your rights, you may seek assistance from the US 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 the costs and fees. If you lose, the court may order you to pay these costs and fees. For example, if the court finds your claim is frivolous, expenses may be assessed against you.

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, you should contact the nearest area office of the US Labor-Management Services Administration, Department of Labor.

Further, if this Plan is maintained by more than one employer, you can obtain a complete list of all such employers by making a written request to the Plan Administrator.