

401(k) PROFIT SHARING PLAN  
SUMMARY PLAN DESCRIPTION

2520040183957

GENERAL INFORMATION

Plan Name: Marc Lipkin, DMD, P.C. 401k Profit Sharing Plan

Type of Plan: 401k Profit Sharing Plan

Plan Number: 001

Plan Year: January 1 to December 31

Plan Anniversary: December 31

NAME AND ADDRESS OF COMPANY/PLAN SPONSOR:

Marc Lipkin, DMD  
601 East Broad Street - Suite 200  
Souderton, PA 18964

COMPANY'S FEDERAL I.D. NUMBER: 23-1733149

NAME AND BUSINESS ADDRESS OF PLAN ADMINISTRATOR:

See Company

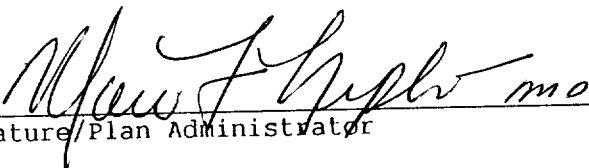
PLAN ADMINISTRATION: Trust

NAME AND BUSINESS ADDRESS OF TRUSTEE:

Marc Lipkin, DMD  
See Company

Agent For Service of Legal Process:

Marc Lipkin, DMD

  
\_\_\_\_\_  
Signature/Plan Administrator

\_\_\_\_\_  
Date 3/8/96

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

TO THE PLAN PARTICIPANT

This announcement (called a "Summary Plan Description") in the form of questions and answers is a brief description of the Marc Lipkin, DMD. PC 401k Profit Sharing Plan

It is not meant to interpret, extend or change the plan in any way. The provisions of the plan shall govern in the event of any discrepancy between this announcement and the Plan. The provisions of your Plan may only be determined accurately by reading the actual Plan document.

A copy of your Plan is on file at the Company's office and may be read by you, your beneficiaries, or your legal representatives at any reasonable time. If you have any questions regarding either your Plan or this Summary Plan Description, you should ask your Plan's Administrator. In the event of any discrepancy between this Summary Plan Description and the actual provisions of the Plan, the Plan shall govern.

1. When did the Plan go into effect?

The Plan's initial effective date is 1/4/71. This Plan was drafted to comply with the Employee Retirement Income Security Act of 1974 (ERISA).

2. Has the Plan been drafted to comply with other laws?

Yes. The Plan has been drafted to conform to the following laws:

- a. Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA)
- b. Deficit Reduction Act of 1984 (DEFRA)
- c. Retirement Equity Act of 1984 (REA)
- d. Tax Reform Act of 1986 (TRA '86)
- e. Omnibus Budget Reconciliation Acts of 1986, 1987, 1988 and 1989 (OBRA '86 etc...)

The effective date of this amendment and restatement is 1/1/96

3. What is the purpose of this Plan?

This Plan:

- a. Enables you to share in the profits of your Company;
- b. Rewards you for your long and loyal service by providing you with retirement benefits based on Company contributions and earnings on those contributions, and
- c. Allows you to reduce your compensation on a pre-tax basis and accumulate tax-deferred earnings.

PARTICIPATION IN THE PLAN

1. Am I eligible to participate in the Plan?

Yes, if you:

- a. Have attained age 21
- b. Have completed 1 year of service
- c. Are not an employee whose employment is subject to a collective bargaining agreement,
- d. Are a fulltime employee working at least 1000 hours per company fiscal year. then you will be eligible to participate in the Plan.

2. When will I participate in the Plan?

You will be eligible for Plan participation on the January 1 coincident with or next following your meeting the requirements of Question 1 above.

CONTRIBUTIONS

1. How much will the Company contribute to the Plan's trust fund?

Each year, the Company will contribute to your Plan the Following amounts:

- a. The total amount of the salary reduction you elected to defer. (See Question 2).
- b. A matching contribution equal to 100 % of the amount of the salary reduction you elected to defer (currently up to 5.0 % of your Compensation).

The matching contribution will be allocated as follows:

Suppose Employee A has compensation of \$25,000 and makes a salary deferral of 5% of his compensation (\$1,250). He will be entitled to a matching contribution of \$1,250 (100% of \$1,250).

If Employee A's salary deferral exceeds 5% the match will be calculated based on a salary deferral of only 5% of his compensation.

- c. A discretionary contribution amount determined each year by the Company.

For Plan Years beginning January 1, 1990 and after, you will share in the matching and discretionary contributions for the Plan Year if you are

actively employed on the last day of the Plan Year or complete more than 500 Hours of Service prior to terminating employment during the Plan Year. For the Plan Year beginning January 1, 1989 you must complete a year of service in order to share in the matching and discretionary contributions (see Termination of Employment Benefits). In determining your eligibility to share in matching and discretionary contributions for the Plan Year, there are special rules which apply for the Plan Year in which your employment terminates due to your retirement, Disability or death. In such cases, you will be eligible to share in the matching and discretionary contributions made by the Company for the Plan Year without regard to whether you satisfied the requirements explained above.

2. May I make salary reduction contributions to the Plan?

As a participant, you may elect to defer up to 5.0 % of your compensation each year instead of receiving that amount in cash. However, your total deferrals in any taxable year may not exceed a dollar limit which is set by law. The limit for the 1991 calendar year is \$8,475. This limit will be increased in future years for cost of living changes.

The amount you elect to defer will be deducted from your pay in accordance with a procedure established by your Employer and Administrator. The procedure will require that you enter into a written salary reduction agreement after you satisfy the Plan's eligibility requirements. You will be permitted to modify your election during the Plan Year. However, changes to a salary reduction election are only permitted twice each year, prior to the first day of Plan Year (January 1) and the first day of any month of the Plan Year. You are also permitted to revoke your election any time during the Plan Year.

The amount you elect to defer, and any earnings on that amount, will not be subject to federal income tax until it is actually distributed to you. The money deferred will be subject to Social Security taxes at all times.

You should also be aware that the annual dollar limit is an aggregate limit which applies to all deferrals you may make under this Plan or other cash or deferred arrangements (including tax-sheltered 403(b) annuity contracts, simplified employee pensions or other 401(K) plans in which you may be participating). Generally, if your total deferrals under all cash or deferred arrangements for a calendar year exceed the annual dollar limit, the excess must be included in your income for the year. For this reason, it is desirable to request in writing that these excess deferrals be returned to you. If you fail to request such a return, you may be taxed a second time when the excess deferral is ultimately distributed from the Plan.

You must decide which plan or arrangement you would like to have return the excess. If you decide that the excess should be distributed from this

Plan, you should communicate this in writing to the Administrator no later than the March 1st following the close of the calendar year in which such excess deferrals were made. The Administrator may then return the excess deferral and any earnings to you by April 15th.

In addition, if you are a highly compensated employee (generally owners, officers or individuals receiving wages in excess of certain amounts established by law), a distribution from your deferred account of certain excess contributions may be required to comply with the Law.

You will always be 100% vested in the account balance due to the amount you deferred. This means that you will always be entitled to the account balances. This money will be affected by any investment gains or losses. If the Trustee invested this money and there was a gain, the balance in your account would increase. Of course, if there was a loss, the balance in your account would decrease. Your interest in this account cannot be forfeited for any reason.

Distributions from your deferred account are not permitted before age 59.5 EXCEPT as described in Question 1 under Distribution of Benefits.

3. How will my share of Company contributions be allocated?

The Company will allocate the amount you elect to defer to an account maintained by the Trustee on your behalf.

If you are eligible, the Company will also allocate the matching contribution made to the Plan on your behalf. (See Question 1 above).

The Company may also make a discretionary contribution which will be "allocated" or divided among participants eligible to share in the contribution for the Plan Year. Your share of the discretionary contribution will depend upon how much compensation you received during the Plan Year and the compensation received by other eligible participants.

Compensation will include your salary reduction contributions to a cafeteria plan and/or this Plan.

Your compensation will be recognized for benefit purposes from your date of entry into the Plan.

OR

For the first year of your participation in the Plan, your compensation will be recognized for benefit purposes for the entire Plan Year.

For the purposes of your Plan, compensation is defined as your total salary and wages paid during a calendar year.

For the Plan Years starting in 1989, the Plan, by law, cannot recognize compensation in excess of \$200,000. This amount will be adjusted for cost of living increases. It will also be applied to certain highly compensated employees and their family members as if they were a single participant. If you or a member of your family may be affected by this rule, ask your Administrator for further details.

Your share of the Company's discretionary contribution is determined by the following fraction:

$$\text{Company's Contributions} \times \frac{\text{Your Compensation}}{\text{Total Compensation of All Participants Eligible to Share}}$$

For Example:

Suppose the Company's discretionary contribution for the Plan Year is \$20,000. Employee A's compensation for the Plan Year is \$25,000. The total compensation of all participants eligible to share, including Employee A, is \$250,000. Employee A's share will be:

$$\$20,000 \times \frac{\$ 25,000}{\$250,000} \text{ or } \$2,000$$

4. How are forfeitures allocated?

Forfeitures are created when participants terminate employment before becoming entitled to their full benefits under the Plan. These forfeited amounts will be used to reduce the Company's contributions to the Plan.

5. Can Life Insurance be purchased within the Plan?

At the option of the Plan Administrator, life insurance may be purchased on your behalf with a portion of the contribution.

If you elect to have a life insurance policy purchased on your behalf with a portion of the contribution made to your account, your account will be reduced by the amount of the premiums and increased by any policy dividends and cash value increases.

#### INVESTMENT BY TRUSTEE

1. What happens to the money that is deposited by the Company in the Plan each year?

This money will be invested by the Trustee for the Plan based on your instructions. The Plan Trustee is:

Marc Lipkin, Trustee

It is the obligation of the Trustee to invest, reinvest and manage all funds deposited with him so that it may earn interest for you and the other participating employees of the Plan. The Trustee is obligated to manage this fund in a prudent fashion in accordance with the provisions of the Trust Agreement and the rules and regulations of the Internal Revenue Service. Investments may be made in instruments that have risks of market value changes.

2. How does the Trustee determine my share of the fund growth?

Each year, the trustee allocates the gains/losses of the fund to the accounts of the Participants. The extent of your share will depend on your account balance in proportion to the total account balances of all Participants and/or the actual performance of the funds you selected.

3. Will I get a statement of my account balance?

You will receive a statement showing your account balance at least once a year. Some annuities report to you quarterly. Some mutual funds will report monthly.

4. Will the Plan accept transfers from other qualified plans?

At the discretion of the Administrator, you may be permitted to deposit into your Plan distributions you have received from other plans. Such a deposit is called a "rollover" and may result in tax savings to you. You should consult qualified counsel to determine if a rollover is in your best interest.

Your rollover will be placed in a separate account called a "participant's rollover account." The Administrator may establish rules for investment.

You will always be 100% vested in your "rollover account." This means that you will always be entitled to the market value of your rollover contributions. Rollover contributions will be affected by any investment gains or losses. If the Trustee invested this money and there was a gain, the balance in your account would increase. Of course, if there were a loss from an investment, the balance in your account would decrease.

5. May I direct the investment of my account balance?

The Administrator may establish rules for investment of your account balance. If the Administrator approves, you may direct the Trustee as to the investment of your account balance.

## DISTRIBUTION OF BENEFITS

### 1. When can I get the money held in my account?

The plan is designed to provide you with economic security at the time you need it most. Monies will be available and will be paid out under the following circumstances:

- a. Retirement at or beyond Normal Retirement Age
- b. Death before Retirement
- c. Disability
- d. Termination of employment
- e. Termination of the Plan
- f. Hardship distributions

Each of these is discussed in the following questions.

### 2. How will my account balance be paid?

There are various methods by which benefits may be distributed to you from your Plan. The method depends on your marital status, as well as the elections you and your spouse make. All methods of distribution, however, have equivalent values. The rules under this section apply to all distributions you will receive from the Plan, whether by reason of retirement, termination, or any other event which may result in a distribution of benefits.

If you are married on the date your benefits are to begin, you will automatically receive a 50% joint and survivor annuity, unless you elect otherwise. This means that if you die and are survived by a spouse, your spouse will receive a monthly benefit for the remainder of his life equal to 50% of the benefit you were receiving at the time of your death. You may elect a 75% or 100% joint and survivor annuity instead of the standard 50% joint and survivor annuity. It should be noted that a joint and survivor annuity may provide a lower monthly benefit than other forms of payment. You should consult qualified tax counsel before making such an election.

If you are not married on the date your benefits are to begin, you will automatically receive a life annuity, which means you will receive payments for as long as you live.

You may, however, elect to waive these forms of payment, subject to the following rules.

When you are about to receive any distribution, the Administrator will explain the joint and survivor annuity or the life annuity to you in greater detail. You will be given the option of waiving the joint and survivor annuity or the life annuity form of payment during the 90 day period before the annuity is to begin. IF YOU ARE MARRIED, YOUR SPOUSE MUST IRREVOCABLY CONSENT IN WRITING TO THE WAIVER IN THE PRESENCE OF A NOTARY OR A PLAN REPRESENTATIVE. You may revoke any waiver. The Administrator will provide you with forms to make these elections. Since your spouse participates in these elections, you must immediately inform the Administrator of any change in your marital status.

If you and your spouse elect not to take a joint and survivor annuity or if you are not married when your benefits are scheduled to begin, and have elected not to take a life annuity, you may elect to receive your benefits in one of the payment options listed below:

- a. a single lump-sum payment in cash;
- b. the purchase of a different form of annuity;
- c. installments over a period of not more than your assumed life expectancy (or your and your beneficiary's assumed life expectancies) determined at the time of distribution. For this purpose, your life expectancy and the life expectancy of a designated beneficiary who is your spouse will be recalculated each year.

Regardless of the form of payment you receive, its value to you will be the same value as each alternative form of payment.

GENERALLY, WHENEVER A DISTRIBUTION IS TO BE MADE TO YOU ON OR BEFORE AN ANNIVERSARY DATE, IT MAY BE POSTPONED BY THE PLAN FOR A PERIOD OF UP TO 180 DAYS, FOR ADMINISTRATIVE CONVENIENCE. HOWEVER, UNLESS YOU ELECT IN WRITING TO DEFER THE RECEIPT OF BENEFITS, DISTRIBUTION MUST OCCUR NO LATER THAN THE 60TH DAY AFTER THE CLOSE OF THE PLAN YEAR IN WHICH THE LATEST OF THE FOLLOWING EVENTS OCCURS:

- a. The date on which you reach the age of 65 (Normal Retirement Age);
- b. the 5th anniversary of the year in which you became a participant in the Plan;
- c. the date you terminated employment with the Company.

Regardless of whether you elect to delay the receipt of benefits, there are other rules which generally require minimum payments to begin not later than the April 1st following the year in which you reach age 70-1/2. You should see the Administrator if you feel you may be affected by this rule.

3. May I get a distribution before retirement?

No.

4. May I get a hardship distribution from the Plan?

Yes

The Administrator MAY direct the Trustee to distribute up to 100% of your account attributable to your share of the Company contribution excluding any Company contributions which were made to satisfy 401(k) nondiscrimination tests.

Distribution may only be made from a fully vested account balance.

Withdrawal will be authorized only if the distributions is to be used for one of the following purposes:

- a. The payment of medical expenses (described in Section 213(d) of the Internal Revenue Code) incurred by you or your dependent;
- b. The purchase (excluding mortgage payments) of your principal residence;
- c. The payment of tuition for the next semester or quarter of post-secondary education for yourself, your spouse or dependent;
- d. The need to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence.

A hardship distribution will only be made if you do not have other resources available to you to satisfy the need.

If you wish to receive a hardship distribution from the Plan in a single payment from your account, you (and your spouse, if you are married) must first waive the annuity form of payment. (See the Section in this Article entitled "Benefit Payment Options" for a further explanation of how benefits are paid from the Plan.)

## RETIREMENT BENEFITS

1. What is my Normal Retirement Age?

The later of your 65th birthday or 5th year of plan participation at your Normal Retirement Age, you will be entitled to 100% of your account balance. Payment of your benefits will begin as soon as practicable following your Normal Retirement Date (the first day of the month coinciding with or next following your Normal Retirement Age.)

2. May I continue to work after I reach the age of 65?

Yes, but you may not withdraw any part of your share in the fund until you leave the Company's employment. You will receive distributions from the Plan following your late retirement date, or, if earlier, the April 1st following your attainment of age 70 1/2. As long as you work, you continue to participate in contributions and earnings.

3. May I retire before "Normal Retirement Age?"

No.

## DEATH BENEFITS

1. What happens if I die before Normal Retirement?

In the event of your death prior to retirement, the full value of your account balance will be paid to your beneficiary.

If your designated beneficiary is a person (rather than your estate or most trusts) then minimum distributions of your death benefit must generally begin within one year of your death and must be paid over a period not extending beyond your beneficiary's life expectancy. If your spouse is the beneficiary, the start of payments may be delayed until the year in which you would have attained age 70.5. Generally, if your beneficiary is not a person, then your entire death benefit must be paid within five years after your death.

If you are married at the time of your death, your spouse will be the beneficiary of the death benefit, unless you otherwise elect in writing on a form to be furnished to you by the Administrator. BUT, if you wish to designate a beneficiary other than your spouse, your spouse must irrevocably consent to waive any rights to the death benefit. Your spouse's consent must be in writing and witnessed by a notary or Plan representative and acknowledge the Specific Nonspouse Beneficiary.

Provided no valid waiver is in effect, the death benefit payable to your spouse shall be in the form of a survivor annuity, that is, periodic payments over the life of your spouse. The size of the monthly payments will depend on the value of your account at the time of your death. The Administrator may, however, distribute the benefit in an alternative method, such as a single lump sum or in installments, provided your spouse consents in writing to such alternative form.

The period during which you and your spouse may waive this survivor annuity begins as of the first day of the Plan Year in which you reach age 35 and ends when you die. Furthermore, the Administrator must provide you with a detailed explanation of the survivor annuity during the period beginning on the first day of the Plan Year in which you will attain age 32 and ending at the time the actual election period begins (the first day of the Plan Year in which you turn age 35).

Therefore, it is important that you inform the Administrator when you turn age 32 so that you can receive this information.

However if:

- a. Your spouse has validly waived any right to the death benefit in the manner prescribed above, or
- b. Your spouse cannot be located, or
- c. You are not married at the time of your death,

then your death benefit will be paid to the beneficiary of your own choosing in installments or as a single lump sum. You may designate such beneficiary on a form to be supplied to you by the Administrator.

Because your spouse participates in these elections and has certain rights in the death benefit, you should immediately report any change in your marital status to the Plan Administrator.

2. How do I choose my beneficiary?

The Administrator will give you a beneficiary designation form when you are eligible to enter the Plan. If you are married, your spouse must consent to the designation of the beneficiary if the beneficiary is NOT the spouse.

3. May I change my beneficiary at any time?

Yes. Provided that:

- a. You make the change on the form supplied by the Administrator.
- b. You (if you are married) get your spouse's consent.

#### DISABILITY BENEFITS

1. What happens if I become Disabled before retirement?

Under your Plan, Disability means the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The Disability of a Participant will be determined by a licensed physician chosen by the Administrator. However, if the condition constitutes total disability under the federal Social Security Acts, the Administrator may rely upon such determination that you are Disabled for the purposes of this Plan. The determination will be applied uniformly to all Participants.

If you are Disabled under the terms of the Plan, regardless of your years of participation, you will be entitled to 100% of your account balance.

Your Disability benefits will be paid under the same conditions and in the same form as your retirement benefits would have been paid on or before the Anniversary Date coinciding with or next following the Disability.

#### TERMINATION OF EMPLOYMENT BENEFITS

1. What happens if I am discharged or resign my employment?

If you leave the employ of the Company before your death, Disability or retirement, you will be entitled to receive only the vested portion of your account. The distribution will be made as soon as possible after you terminate Service. Your vesting is calculated on the basis of the following schedule.

<u>Years of Service</u>	<u>Vested Portion</u>
2	20%
3	40%
4	60%
5	80%
6	100%

Regardless of this vesting schedule, you are always 100% vested in the value of your salary reduction account.

You will be credited with a Year of Service for each Plan Year during which you work at least 1,000 Hours of Service for the Company.

For vesting purposes, Years of Service prior to age 18 will be excluded.

Your vested percentage will not be less than it would have been prior to this amendment and restatement.

You will be credited with an Hour of Service for:

- a. Each hour for which you are directly or indirectly compensated or entitled to compensation by the Company for the performance of duties during the Plan Year;
- b. Each hour for which you are directly or indirectly compensated or entitled to compensation by the Company for reasons other than performance of duties (such as vacation, holidays, sickness, disability, lay-off, military duty or leave of absence) during the Plan Year;
- c. Each hour back pay is awarded or agreed to by the Company without regard to mitigation of damages.

If your vested account balance is \$3,500 or less, the Plan Administrator may, without your consent, pay that sum to you upon a Break-in-Service.

2. What is a "Break-in-Service"?

A Break-in-Service is a Plan Year during which you have not completed more than 500 Hours of Service with the Company. A Break-in-Service does not occur for the year in which you enter the Plan or leave the Plan for reasons of death, Disability, retirement, for authorized leaves of absence, or (beginning with the 1985 Plan Year) for certain maternity or paternity leaves of absence.

For Plan Years beginning after December 31, 1984, the Administrator will be required to credit you with Hours of Service for a maternity or paternity leave of absence. Generally, these are leaves taken on account of pregnancy, birth or adoption of your child. However, no more than 501 Hours of Service must be credited for this purpose and these Hours of Service shall be credited solely to avoid your incurring a Break-in-Service. The Administrator may require you to furnish him with proof that a leave of absence qualifies as a maternity or paternity leave.

3. What happens if I leave the Company without a vested interest in my Company Contributions?

You will lose credit for your pre-Break-in-Service Years of Service when your consecutive Breaks-in-Service equals or exceeds 5 years.

4. What happens to the "unvested" portion of the account balances?

"Unvested" account balances are forfeited upon a Break-in-Service and are used to reduce employer contributions to the plan.

5. Can my forfeited account balance be restored if I return to the Company?

If:

- a. You have been paid your vested account balance, and
- b. You return before incurring five consecutive Breaks-in-Service, and
- c. You repay the amount already distributed to you,

Then:

- a. The forfeited portion of your account balance will be restored, and
- b. Pre- and post-break Years of Service will be used for vesting purposes for your restored account balance, your repaid account balance and any future contributions.

#### LOANS

May I borrow from the Plan?

No.

#### AMENDMENT AND TERMINATION

1. May the Company amend the Plan?

The Company has the right to amend your Plan at any time. In no event, however, will any amendment:

- a. authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of participants or their beneficiaries;  
or
- b. cause any reduction in the amount credited to your account.

2. Can the Company terminate the Plan and get back any of the money deposited with the Trustees?

The Company has the right at any time to terminate the Plan. Upon such termination, all amounts credited to your account will become 100% vested and contributions made for you will stop.

3. Does the Company have to get "termination insurance" from the government for this Plan?

Because this Plan does not let the Company get any assets back, the law does not require that this Plan be insured by the Pension Benefit Guaranty Corporation (PBGC).

#### QUALIFIED DOMESTIC RELATIONS ORDERS

Can creditors attach my Plan account balance?

Generally, your interests in your account may not be alienated, that is sold, used as collateral for a loan, given away or otherwise transferred. Also, your creditors may not attach, garnish or otherwise interfere with your accounts.

However, the Trustee may be required by law to recognize obligations you incur as a result of court ordered child support or alimony. The Trustee must honor a "qualified domestic relations order", which is defined as a decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, child or other dependent. If such an order is received by the Administrator, all or a portion of your benefits may be used to satisfy the obligation. The Administrator shall determine the validity of any domestic relations order he receives.

#### TOP-HEAVY PROVISIONS

What does it mean when the Plan becomes top-heavy?

Under a complicated set of rules and mathematical calculations set out in the Plan, as required by the Internal Revenue Code, the Plan may be a Top-Heavy Plan. Simply stated, a Top-Heavy Plan is one where more than 60% of the contributions or benefits have been allocated to "Key Employees". "Key Employees" are generally owners, officers, shareholders, or highly compensated individuals. The Plan Administrator each year is responsible for determining whether the Plan is a Top-Heavy Plan.

If the Plan becomes Top-Heavy in any year, then you may be entitled to certain minimum benefits, and special rules will apply. Among these Top-Heavy rules are the following:

- a. The Company may be required to allocate 3% of your covered compensation to your account maintained under the Plan.

- b. In lieu of the vesting schedule set out above, your nonforfeiture right to benefits or contributions derived from Company contributions made to the Plan shall be determined according to the following schedule:

<u>Vesting Schedule</u>	
<u>Years of Service</u>	<u>Percentage</u>
2	20%
3	40%
4	60%
5	80%
6	100%

- c. In determining benefits or contributions you are entitled to under the Plan, compensation shall be limited to \$200,000, indexed for inflation.
- d. If you are a Participant in more than one Plan maintained by the Company, you may not be entitled to minimum benefits under both Plans.

The Plan Administrator will advise you of your rights under the Top-Heavy Plan rules if the Plan becomes Top-Heavy.

#### TAXATION OF DISTRIBUTION

Are my distributions from this Plan taxed?

Whenever you receive a distribution from the Plan, it will normally be subject to income taxes. However, you may reduce, or defer entirely, the tax due on your distribution through use of one of the following methods:

- a. The rollover of all or a portion of the distribution to an IRA or another qualified employer plan. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, MUST be made within strict time frames (normally within 60 days after you receive your distribution). BUT, under certain circumstances all or a portion of a distribution may not qualify for this rollover treatment.
- b. Subjecting the distribution to favorable income tax treatment under the "ten-year forward averaging", "five-year forward averaging" or "capital gains" method of taxation.

Whenever you receive a distribution, the Administrator will deliver to you a more detailed explanation of these options. However, you should consult qualified tax counsel before making a choice.

## CLAIMS REVIEW PROCEDURE

### 1. May I make claims on the Fund?

In anticipation of retirement or at termination of employment for any other reason, a Participant or his Beneficiary should make a request for any Plan benefits to which he is entitled. The request may be made orally or in written form and should be made to the Administrator who will act on such request.

Such request shall be considered a claim and shall be subject to a full and fair review. If a claim is wholly or partially denied, the claim may be appealed in accordance with the claims review procedure below.

Claims for benefits under the Plan may be filed with the Administrator on forms supplied by the Company. Written notice of the disposition of a claim shall be furnished the claimant within 90 days after the application is filed. In the event the claim is denied, the reasons or the provisions of the Plan shall be cited and, where appropriate, an explanation as to how the claimant can perfect the Claim will be provided.

Any Employee, Former Employee, or Beneficiary of either, who has been denied a benefit shall be entitled, upon request to the Administrator, to appeal the denial of his claim. IF the claimant wishes further consideration of his position, he may obtain a form from the Administrator on which to request a hearing. Such form, together with a written statement of the claimant's position, shall be filed with the Administrator no later than 60 days after receipt of the written notification.

The Administrator shall schedule an opportunity for a full and fair hearing of the issue and decide on the appeal within 60 days after receipt of the written notification (unless there has been an extension of 60 days due to special circumstances, provided the delay and the special circumstances occasioning it are communicated to the claimant within the 60 day period). The Administrator's decision shall be communicated in writing to the claimant and shall advise the claimant if he has any right to appeal the decision.

## ERISA RIGHTS

### 1. What are my rights under this Plan?

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:

Examine, without charge, at the Plan Administrator's office and at other specified locations such as worksites and union halls, all Plan documents, including insurance contracts, collective bargaining agreements and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports and Plan Descriptions.

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.

Receive a summary of the Plan's annual financial report.

The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (which is specified in the Summary Plan Description) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once a year. The Plan 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 pension benefit is denied in whole or in part, you must receive a written explanation of the reason for 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 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 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 Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

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 U.S. Labor-Management Services Administration, Department of Labor.