

## SECTION I. THE SUPPLEMENTAL PENSION PLAN

### A. GENERALLY

The Supplemental Pension Plan is a profit sharing plan with a 401(k) feature. It is an individual account plan in which contributions made on your behalf are put in individual accounts for your benefit. From time to time the collective bargaining agreements between Local 101 and Contributing Employers require those employers to contribute to the Supplemental Pension Plan. (On the date this Booklet was written, pursuant to membership vote, no such Employer contributions are required; however, that could change.) These Employer contributions are the profit sharing portion of the Supplemental Pension Plan. The Plan also has a 401(k) feature that permits you to direct that your Employer withhold part of your wages, on a pre-tax basis, and forward those withholdings to the Supplemental Pension Plan. These withholdings constitute the 401(k) portion of the Supplemental Pension Plan.

### B. PARTICIPATION AND CONTRIBUTIONS

#### 1. Profit Sharing Portion of Supplemental Pension Plan

You become a Participant in the Profit Sharing portion of the Plan on the first day you work in Covered Employment. (See definition in Section II of Booklet.) Your collective bargaining agreement sets out any required Employer contributions.

#### 2. 401(k) Portion of Plan

##### a. Generally

You become a Participant in the 401(k) portion of the Plan by completing and returning to the Fund Office an authorization form requesting that your Employer defer a portion of your wages to the Plan.

If you decide to participate in the 401(k) portion of the Plan when first eligible, your Employer will be required to withhold and forward your contributions to the Supplemental Plan on the first day of the first payroll period that follows the Employer's receipt of a copy of your executed authorization form.

If you do not begin participating when you are first eligible, you may begin participation on the first day of any calendar quarter (January 1, April 1, July 1, or October 1), provided you execute an authorization form which is received by your Employer on or before the 15<sup>th</sup> day of the month immediately preceding the start of that calendar quarter.

If you change Employers, your new Employer will continue withholding and forwarding your elective deferrals.

Participation in the 401(k) portion of the Plan is strictly voluntary.

##### b. Amount of Voluntary Contributions

You may elect to defer between \$1.00 and \$7.00, in \$1.00 increments, for each hour you work in Covered Employment to the 401(k) portion of the Supplemental Pension Plan. You may change your deferral amount on the first day of any calendar quarter. If you work overtime or other premium hours, your deferrals will be increased by the same percentage as your wages. For example, if you are paid time and one-half, your 401(k) elective contribution will also increase by one-half for that hour.

##### c. Maximum Contributions

For the year 2008, the maximum amount you may, by law, contribute to the 401(k) portion of the Supplemental Plan is \$15,500. If you are 50 or more years

old, the maximum amount you may contribute in 2008 is \$20,500. These maximums change from year to year.

The Supplemental Plan's Administrative Manager monitors your contributions during the year to make sure you do not exceed the maximum and will notify you if you are getting close so that you may terminate or reduce your contributions. If you do contribute more than the maximum during the year, the surplus will be returned to you.

There are also legal rules that may require the return of part of your contributions for a year if you are highly compensated (in 2008, you are highly compensated if you earned \$105,000 in 2007) and the Plan is found to favor highly compensated participants during that year. If such a circumstance occurs, you will be notified by the Administrative Manager.

**C. TERMINATION OF PARTICIPATION**

**1. Profit Sharing**

When you no longer work in Covered Employment and have a One-Year Break in Service (see Section II D of Booklet), you are no longer an Active Participant in the profit sharing portion of the Plan. You will become an Active Participant again when you return to Covered Employment and earn at least 870 Credited Hours of Service in a Plan Year. However, if you leave Covered Employment before you are vested (see subsection D of this Section VI of this Booklet) and have a Permanent Break in Service (see Section II E of Booklet), you are no longer a Participant in the Plan and your contributions and service prior to the Permanent Break will not be counted for any reason.

**2. 401(k)**

Your self-contributions terminate when you leave Covered Employment.

**D. SERVICE, VESTING AND FORFEITURES**

**1. Service for Profit Sharing**

**a. Hours of Service**

Hours of Service are counted in order to determine whether you are vested in your account balance. Hours of Service include:

- (1) Each hour for which you are paid or entitled to payment for the performance of duties for a Contributing Employer in Covered Employment;
- (2) Each hour for which you are entitled to an award of back pay from a Contributing Employer;
- (3) Each hour for which you are entitled to payment for non-working time such as vacation, holidays, sickness or disability;
- (4) Each hour recognized as the result of your transferring contributions from another plan to this Plan pursuant a Reciprocal Agreement. Generally, dollar amounts transferred to this Plan are divided by the current hourly contribution rate set out in the collective bargaining agreement, and you receive credit for the resulting number of hours. For example, if the reciprocating plan sends this Plan \$1000 for you and this Plan's contribution rate is, at the time, \$5.00 per hour, you will receive credit for 200 hours; and

(5) Each hour you work for a Contributing Employer in Continuous Non-Covered Employment. (See definition in Section II.)

b. Credit for Service in the Uniformed Services

Pursuant to federal law, your service in the military or other uniformed services of the United States will, under certain circumstances, be included in your Hours of Service for vesting purposes for purposes of determining your account balance in the Profit Sharing portion of the Plan for benefit accrual purposes. Currently, the law generally provides that if you leave Covered Employment to enter such active service in the uniformed services of the United States, the period of your military service, up to five years (with some exceptions), shall be counted for all purposes if you return to Covered Employment within the time limits and in the manner required by law. Thus, if you exercise your legal rights to reemployment after your period of military service, your military service will be counted.

Further, if you return to Covered Employment within the time limits established by law, you will also be permitted to make up the 401(k) contributions you would have made had you not been in active duty in the uniformed services.

If you are entitled to credit for military service, the Plan will calculate the average monthly hours you worked in the 36 months before your military service and will credit you with that monthly average hours and contributions to the Profit Sharing portion of the Plan for each month of military service. If you had been in Covered Employment for fewer than 36 months before your military service, your monthly average for the period of your Covered Employment will be used.

c. Year of Service

You earn a Year of Service when you complete 870 Hours of Service during a Plan Year.

d. Vesting

Your contributions to the 401(k) portion of the Plan are always 100% vested, and non-forfeitable.

With respect to any required Employer Contributions, you attain a non-forfeitable right to those contributions, or vest, in any of the following ways:

- You have 5000 Hours of Service within five consecutive Plan Years;
- You have five Years of Service; or
- You reach the later of age 65 or the fifth anniversary of your participation in the Plan while still an Active Participant;
- You become Totally and Permanently Disabled while an Active Participant in the Plan (a Total and Permanent Disability is a physical or mental disability which will prevent you from ever performing Covered Employment); or
- You die before suffering a Permanent Break in Service.

e. Forfeiture – Profit Sharing Only

Your 401(k) account is always 100% vested and non-forfeitable. However, you will forfeit your profit sharing account if you have a Permanent Break in Service (see definition at Section II F of this Booklet).

## **E. ROLLOVER CONTRIBUTIONS**

The Supplemental Pension Plan permits you to rollover amounts you have accrued under other Taft-Hartley defined contribution plans. The Plan will accept such rollovers only directly from the trustees of another qualified defined contribution plan. Rollover contributions will be accounted for separately.

## **F. ACCOUNTS**

### **1. Generally**

The contributions made on your behalf are kept in individual accounts for you. Your profit sharing, 401(k), and rollover contributions are each kept in separate accounts for you.

### **2. Account Value**

As soon as practical after each Valuation Date (March 31, June 30, September 30, and December 31), the Trustees will determine the amount in each of your accounts. The amount in each account will be the total of the following:

- a. the amount in your account, if any, at the last Valuation Date; plus or minus
- b. the net investment gain or loss determined by the Trustees to be applicable to the individual accounts on a uniform basis; plus
- c. contributions received on your behalf since the last Valuation Date; plus
- d. for the profit sharing portion of the Plan only, any forfeitures; minus
- e. any distributions or investment fees charged directly to your accounts, and your pro-rata share of Plan expenses.

### **3. Investment of Individual Accounts**

You may invest the amounts in your individual accounts in one or a combination of investment funds chosen by the Trustees. You can elect to invest your entire account in one investment fund or you may divide your account balances among the investment funds in any proportions you choose. If you fail to designate the investment funds in which you want your accounts invested, your accounts will be invested in a default investment selected by the Trustees.

You may change your investment choices on the first day of any calendar quarter. You must complete the proper form and return it to the Fund Office of the Administrative Manager (see Section I G of this Booklet) at least 15 days prior to the beginning of the calendar quarter.

You have been and will continue to be provided with information about the investment options available. If you have any questions about the options, you should contact the Fund Office or the Administrative Manager (see Section I, G of this Booklet). Neither the Administrative Manager nor the Trustees may provide investment advice to you. You are solely responsible for your investment decisions.

The value of your accounts may decrease because of investment performance.

## **G. DISTRIBUTIONS**

### **1. When Distributions Are Available**

Distributions are available in the following circumstances:

- a. Upon your retirement from Covered Employment at any time after you reach age 55.
- b. If you become Totally and Permanently Disabled (unable due to physical or mental disability to ever work in Covered Employment) while an Active Participant;
- c. Upon your death; or
- d. With respect to the 401(k) portion of your benefit, when you terminate service in Covered Employment or Continuous Non-Covered Employment. You will be considered to have left Covered Employment and Continuous Non-Covered Employment (see definitions in Section II of this Booklet) when you have had no Hours of Service in Covered Employment or Continuous Non-Covered Employment for one full Plan Year.
- e. You must begin to receive your benefits no later than April 1 of the year following the year in which you reach age 70½, even if you are still in Covered Employment.
- f. With respect to the Supplemental Pension Plan, distribution is available to an alternate payee under a qualified domestic relations order (to the extent provided in the order) at the earlier of:
  - the participant's earliest retirement age under the Plan; or
  - the date that is 18 months after the later of the date the Order is qualified by the Plan or the date the Order is entered by the Court.

## 2. How Distributions Are Made

- a. Generally

You or your beneficiary will need to make a written application for a distribution. If you or your beneficiary qualifies, your account balances will be distributed based on the value at the most recent valuation, not to exceed the current value if the value has decreased since the last valuation. Benefits are paid in a lump sum. However, you or your beneficiary may delay receipt of any portions of your accounts that are subject to an investment company redemption fee until after the redemption fee has expired.

- b. Rollovers

Upon qualification for distribution you, your spouse, or beneficiary may elect to have your benefits rolled over into another eligible retirement plan. At the time you, your spouse or beneficiary applies for a distribution, you will be given complete information regarding rollovers. The Plan must withhold Federal income tax of 20% of the distribution if eligible amounts are not rolled over directly into another eligible retirement plan.

## 3. Designation of Beneficiary

If you are married at the time of your death, your spouse will be your beneficiary, unless your spouse has agreed in writing to your designation of someone else as your beneficiary. In that case, or if you are not married at the time of your death, your account balance will be paid to the individual(s) you have designated in writing as your beneficiary. The beneficiary designation must be received by the Fund Office in order to be effective. In the event no designated beneficiary survives you, your surviving spouse will be your beneficiary. If there is no surviving spouse or beneficiary, your estate shall be your beneficiary.

**4. No Loans or Assignments**

The Supplemental Plan does not permit loans. Further, it does not permit you to assign your benefits. The only exception is that the Plan will comply with a qualified domestic relations order. (See definition in Section II of this Booklet).