

**UNITED STEELWORKERS LOCAL 286**  
**SEVERANCE/401(k) PLAN**  
**SUMMARY PLAN DESCRIPTION**

**April 1, 2017**

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**UNITED STEELWORKERS  
LOCAL 286  
SEVERANCE/401(k) PLAN**

**SUMMARY PLAN DESCRIPTION**

**I  
INTRODUCTION TO YOUR PLAN**

The Employee Retirement Income Security Act of 1974 requires that certain information be furnished to each Participant (or eligible Participant) and beneficiary in an employee benefit plan. This is your Summary Plan Description.

This booklet summarizes the benefits, rights and obligations you have under the United Steelworkers Local 286 Severance/401(k) Plan. We hope you will find this information helpful and will discuss it with your family. If you have any questions after reading this booklet or if you would like to discuss the details further, write or call the Fund Office. They will be glad to help you.

This booklet represents a summary of the most important provisions of the Plan. This summary, of course, cannot adequately present all of the details of the Plan. Nothing in this summary is meant to interpret, extend or change in any way the rules and regulations expressed in the Plan's governing documents. Accordingly, your rights can only be determined by the provisions of the Plan's governing documents. If any information included in this Summary Plan Description is in conflict with any provision in the Plan's Agreement and Declaration of Trust or Severance/ 401(k) Plan Document, the provisions of the Agreement and Declaration of Trust or Severance/ 401(k) Plan Document shall be controlling.

Only the entire Board of Trustees is authorized to interpret the Plan's governing documents. No Employer or Union, nor any representative of any Employer or Union, in such capacity, is authorized to interpret the Plan's governing documents, nor can any such person act as an agent of the Board of Trustees. The Trustees interpretations of the governing documents are final and binding on all concerned.

This booklet summarizes the provisions of the Plan in effect as of April 1, 2017. The Plan may be amended in the future by the Trustees, and these amendments may be effective retroactively to a date prior to April 1, 2017. Notice of amendments to the Plan will be distributed to your Union and to your Employer for posting on appropriate bulletin boards. If you have any questions about amendments to the Plan made by the Board of Trustees after the publication of this booklet, write to the Fund Office.

## II GENERAL INFORMATION ABOUT YOUR PLAN

There is certain general information which you may need to know about your Plan. This information has been summarized for you in this Section.

### 1. General Plan Information

United Steelworkers Local 286 Severance/401(k) Plan is the name of your Plan. The Plan is a multiemployer defined contribution profit sharing plan.

The provisions of the original Severance Plan became effective on September 5, 1974. The Plan was restated as of January 1, 2014, and has been amended from time to time.

Your Plan and Trust will be governed by the laws of the Commonwealth of Pennsylvania to the extent not governed by federal law.

The Plan Year for this Plan commences on January 1 and ends on December 31, and consists of an entire calendar year for the purposes of accounting and all reports to the United States Department of Labor and other governmental regulatory agencies.

Relevant provisions of Collective Bargaining Agreements or Participant Agreements, including the names of the parties and the expiration dates, may be obtained by writing to the Fund Office, or reviewed during business hours (9:00 a.m. to 4:00 p.m.) at the Fund Office:

410-24 N. Eighth Street  
Philadelphia, PA 19123

A complete list of the Employers and the Union sponsoring the Plan may be obtained by writing to the Fund Office, or may be examined at the Fund Office during business hours (9:00 a.m. to 4:00 p.m.)

The Collective Bargaining Agreements are between United Steelworkers Local Union 10-286 and the Employers that have entered into labor contracts with the Union.

### 2. Plan Identification Numbers

The Plan's Identification Number is 23-2059315.

The Trustees have assigned Plan Number 002 to your Plan.

3. Office Manager

The officer manager is Carlo Simone, III. His address is:

United Steelworkers Local 286 Severance/ 401(k) Fund  
410-24 N. Eighth Street  
Philadelphia, PA 19123  
(215) 829-9212

4. Plan Administrator Information

The Plan is administered by the Board of Trustees at the following address:

United Steelworkers Local 286 Severance/ 401(k) Fund  
410-24 N. Eighth Street  
Philadelphia, PA 19123  
(215) 829-9212

The Board of Trustees keeps the records for the Plan and is responsible for the day to day administration and operation of the Plan. The Board of Trustees has exclusive discretionary authority to construe the terms of the Plan and make determinations on questions which may affect your eligibility for benefits. The Board of Trustees may designate other parties to perform certain administrative duties for the Plan. Your Board of Trustees will also answer any questions you may have about your Plan. The Board of Trustees may designate other parties to perform certain administrative duties. The Board of Trustees has delegated day to day administration and operation of the Plan to the Office Manager.

5. Plan Trustee Information

The name of your Plan's Trustees are:

**Union Trustees**

Carlo Simone, III  
United Steelworkers Local Union 286  
410-24 N. Eighth Street  
Philadelphia, PA 19123

Jimmie T. Nolan  
United Steelworkers Local Union 286  
410-24 N. Eighth Street  
Philadelphia, PA 19123

Mario Tatom  
United Steelworkers Local Union 286  
410-24 N. Eighth Street  
Philadelphia, PA 19123

**Employer Trustees**

Michael Ferman  
Newman & Company  
6101 Tacony Street  
Philadelphia, PA 19135

Kenneth J. Gordon  
PCI Pharma Services  
3001 Red Lion Road  
Philadelphia, PA 19114

Andrew Pierson  
Mid-Atlantic Packaging, Inc.  
436 Stump Road  
Montgomery, PA 18936



Your Plan's Trustees have the right and responsibility to hold and invest Plan assets derived from Employer contributions and Employee Elective Deferral Contributions for the benefit of you and other Plan Participants. The investment of all Plan assets derived from Employer contributions and Employee Elective Deferral Contributions effective January 1, 2017 will be done on a self-directed basis (see Article VII "Participant Directed Investment Program" below). The trust fund established by the Plan's Trustees will be the funding medium used for the accumulation of assets from which benefits will be distributed.

6. Service of Legal Process

Your Plan's agent for service of legal process is either:

Warren J. Borish, Esq.  
Spear Wilderman, P.C.  
230 S. Broad Street, 14th Floor  
Philadelphia, PA 19102  
(215) 732-0101

Marc Abbott, Esq.  
Littler Mendelson, P.C.  
290 Broadhollow Road, Ste. 305  
Melville, NY 11747  
(631) 247-4702

Service of legal process may also be made upon a Plan Trustee.

7. Investment Consultant

The firm of Graystone Consulting, Morgan Stanley functions as investment consultant for the Fund. This firm oversees and recommends investment managers for the Fund.

Graystone Consulting, Morgan Stanley  
1350 Broadcasting Road, Suite 100  
Wyomissing, PA 19610  
(610) 478-4514

8. Investment Administrator

Transamerica, an investment administrator, is responsible for providing administrative services for all Participant investment accounts established as of May 1, 2000 and thereafter, as well as of April 1, 2017 for accounts that previously did not have a self-directed option.

Transamerica  
One Investors Way  
Norwood MA 02062  
(877) 864-6644

### **III PARTICIPATION IN YOUR PLAN**

You will become a Participant under the Plan on your Entry Date, which is the date on which Contributions are first due on your behalf in accordance with the terms of your collective bargaining or participation agreement.

### **IV TRUST FUND**

All money that is contributed to the Plan is held in a trust fund. The Trustees are responsible for the safekeeping of the trust fund. The trust fund established by the Trustees is the funding medium used for the accumulation of assets from which benefits are distributed.

### **V EMPLOYER CONTRIBUTIONS AND EMPLOYEE CONTRIBUTIONS**

#### **1. Employer Contributions**

If you are an active Participant, your Employer will contribute to the Fund in accordance with the provisions of your applicable collective bargaining or participation agreement.

#### **2. Employee 401(k) Contributions (Elective Deferral Contributions)**

You may make before-tax contributions to the Plan through payroll deductions. These contributions are called Elective Deferral Contributions and will be maintained in your Account.

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. This money will, however, be subject to Social Security, state, and local taxes at the time it would be received as wages.

To begin making Employee 401(k) Contributions, you must complete and sign an enrollment form that you will receive from Transamerica or your employer. You should return this form to the payroll or bookkeeping office of your employer who will in turn send a copy of the completed enrollment form to the Fund Office to keep on file. You may change your election with respect to future contributions by filing a new investment designation form with your Employer.

Under the terms of the Plan, you may elect to defer a portion of your compensation by a specific percentage or dollar amount in increments of \$5, subject to federal law limits. For example, you may defer \$5, \$10, or \$20 per weekly payroll; however, your total deferrals in any taxable year may not exceed a dollar limit which is set by law.

Salary deferral elections can be made or changed once a year at the end of each Plan Year (December 31st). You may stop salary deferrals at anytime with 30 days' written notice to your Employer. If you do so, you may not resume salary deferrals until the following Plan Year, unless permitted by the Plan Administrator.

The following example illustrates how Elective Deferral Contributions work:

Assume your annual compensation is \$30,000. You wish to make Elective Deferral Contributions to the Plan and sign an investment designation form authorizing Elective Deferral Contributions in the amount of \$30 per weekly payroll. As a result, your Employer will pay you \$28,440 as annual gross taxable income, and forward to the Trustees your \$1,560 Voluntary Contribution (\$30 x 52 weekly payrolls) for deposit into your Account.

### 3. Employer Matching Contributions

The Employer shall contribute to the Trust Fund each Plan Year such amount, i.e. the Employer Matching Contribution, as is required under either the Employer's collective bargaining agreement with the Union or its Participation Agreement with the Fund.

## VI DETERMINATION OF ACCOUNT BALANCE

Prior to April 1, 2017, your Participant's Account consisted of two parts. The first part Balance Transfer Account (previously known as the Individual Account) was the Employer contributions made to the Fund on your behalf for work performed prior to May 1, 2000. The balance in this account was reported to you on an annual statement by the Fund; however, the Fund's Valuation Date was quarterly. The second part (Controlled Account) consists of Employer Contributions and Elective Deferral Contributions made for work performed May 1, 2000 and thereafter. The balance in this account will be reported to you on a separate quarterly statement.

### 1. For Contributions Received For Work Performed Prior to May 1, 2000

For contributions received for work performed prior to May 1, 2000, the Investment was directed by the Trustees.

As of April 1, 2017, you have the option to direct the investment of your Balance Transfer Account. The account will be valued on a daily basis.

2. For Contributions Received For Work Performed May 1, 2000 and Thereafter

Contributions and Elective Deferral Contributions due for work performed May 1, 2000 and thereafter as well as Rollover Accounts have been valued on a daily bases.

3. Plan Expenses

Effective April 1, 2017, each account will be charged annually \$25 plus 1.35% of the market value of assets in the account as of the Valuation date. This amount will be automatically deducted on a pro rata basis and reported on your quarterly investment statement. Participants who have accounts for contributions received for work performed prior to May 1, 2000 and for work performed May 1, 2000 and thereafter will only incur one \$25 charge. For examples of how Plan expense impacts varying account balances, see page 26.

In addition, the Plan incurs annual general administrative fees for ongoing Plan administrative recordkeeping services, (e.g., \$35.00 per participant account (accrued monthly). These fees may be paid, in whole or in part, from revenue that Transamerica Retirement Solutions or its affiliates receive based upon Plan's investment options. On a quarterly basis, if this revenue is not adequate to cover the fees, the Plan Administrator will decide if the shortfall will be deducted on a pro rata basis across some or all investment options held in your account or as a fixed dollar amount from your account, unless paid from other sources.

Please note the expense formula is subject to change in the future.

The Plan Administrator can provide you with further information on how to obtain the value of your accounts through services offered by the Plan's investment services provider, Transamerica.

## **VII PARTICIPANT DIRECTED INVESTMENT PROGRAM**

The Participant Investment Program enables you, the participant of the Plan, to direct the investment of all monies credited to your individual account for contributions received for work performed May 1, 2000 and thereafter as well as of April 1, 2017 for work performed prior to May 1, 2000.

You will be able to direct the investment of your interest in the Plan. The Trustees have established participant direction procedures setting forth investment choices available to you, the frequency with which you can change your investment choices and instructions on how you can obtain other important information on directed investments available from the Plan Administrator. You need to follow these procedures when you direct investments. You should review the information in these procedures carefully before you give investment directions.

The Plan is intended to comply with Section 404(c) of ERISA (the Employee Retirement Income Security Act). If the Plan complies with this Section, then the fiduciaries of the Plan, including the Trustees, will be relieved of any legal liability for any losses which are the direct and necessary result of the investment directions that you give. Procedures must be followed in giving investment directions. If you fail to follow these procedures, then your investment directions may not be followed.

You are not required to direct your investments. If you choose not to direct your investments, then the Trustees are responsible for investing your account in a prudent manner and will invest your account in a conservative age-based life-cycle fund as described below.

The investment provider to the Fund, offers funds which are age-based, life-cycle investments designed to provide you with a one-step approach to account diversification. By choosing a single age-based life-cycle fund based on the year you plan to start withdrawing assets, typically at retirement, you can pursue maximum returns while seeking to maintain a level of risk appropriate to your investment time horizon. All of the age-based life-cycle funds are diversified across an array of funds that invest in different styles and include a mix of stocks, bonds, and capital preservation investments. Your portfolio will automatically be rebalanced for you on a periodic basis, and your exposure to risk will generally be reduced as you get closer to retirement. Also, when you invest in an age-based life-cycle fund, there is generally no need to change your investment selections in the future, unless your time horizon for withdrawing from your account changes. If you do not direct your own investments and the Plan does not have your date of birth, then your account balance will be invested in the most conservative age-based life-cycle fund.

When you direct investments, or you invest in the Plan's default investment, your accounts are segregated for purposes of determining the earnings or losses on these investments. Your account does not share in the investment performance of other participants who have directed their own investments.

You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur. There are no guarantees of performance. The Trustees will not provide investment advice or guarantee the performance of any investment you choose, or any investment made through the program.

The Trustees have arranged with the Plan's investment provider to offer a broad range of investment options available to you, including different levels of investment risk and varying objectives. In addition, lifestyle funds are available. The lifestyle investment program's basic goal is to help you make your asset allocation decision easier. The set portfolios match a distinct risk strategy from conservative to aggressive. You may receive additional information on each of the options by contacting Transamerica, the Plan's investment administrator for your account. Your investment accounts are valued each business day.

## VIII CONTRIBUTION LIMITATIONS

Federal tax laws and plan documents govern the amount of Elective Deferral Contributions which you may make. Specifically, federal law places two annual limits on the amount you may defer into a 401(k) plan – an individual limit and plan average limit.

### Individual Limit

Federal law limits the amount you can put into the Plan during each of your tax years (generally, a calendar year). The limit is \$18,000 for 2017. This limit applies to all 401(k) Elective Deferral Contributions you make during your tax year to any 401(k) plan(s). The limit may be increased after 2017 for cost of living changes. 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. However, the amount you defer is counted as compensation for Social Security taxes.

If you are projected to attain age 50 before the end of a calendar year, then effective as of January 1, 2017 you may elect to defer additional amounts (called "catch-up contributions") to the plan as of the January 1st of that year. The additional amounts may be deferred regardless of any other limitations on the amount that you may defer to the plan. The maximum "catch-up contribution" that you can make in 2017 is \$6,000. After 2017, the maximum may increase for cost-of-living adjustments. Any "catch-up contributions" that you make will not be taken into account in determining any Employer matching contribution made to the Plan.

You should also be aware that each separately stated annual dollar limit (the annual deferral limit and the "catch-up contribution" limit) is a separate aggregate limit that applies to all such similar salary reduction amounts and "catch-up contributions" you may make under this Plan and any 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 an annual dollar limit is exceeded, then the excess must be included in your income for the year. For this reason, it is desirable to request in writing that any such excess salary reduction amounts and "catch-up contributions" be returned to you. If you fail to request such a return, you may be taxed a second time when the excess amount is ultimately distributed from the Plan.

You must decide which plan or arrangement you would like to return the excess. If you decide that the excess should be distributed from this Plan, you must 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. However, if the entire dollar limit is exceeded in this Plan or any other plan we maintain, then you will be deemed to have notified the Plan Administrator of the excess. The Plan Administrator will then return the excess deferral and any earnings to you by April 15th.

The Plan Administrator will allocate the amount you elect to defer to an account maintained on your behalf. You will always be 100% vested in this account. This means that you will always be entitled to all amounts that you defer. This money will, however, be affected by any investment gains or losses. If there is an investment gain, then the balance in your account will increase. If there is an investment loss, then the balance in your account will decrease.

### Average Limits

Tax law defines a group of Employees known as highly compensated employees. Highly compensated employees making 401(k) Elective Deferral Contributions are limited in the percent of their compensation which they defer based on the average percent of compensation deferred by the non-highly compensated group of employees during the Plan Year. If these limits apply to you, the Plan Administrator can give you additional information about them.

### Annual Additions Limitation

Generally, the law imposes a maximum limit on the amount of contributions you may receive under the Plan. This limit applies to all employer contributions made on your behalf and all contributions you make to the Plan during the Plan Year, excluding earnings. For 2017, this total cannot exceed the lesser of \$54,000 or 100% of your annual compensation. The dollar limit may be adjusted in the future for cost-of-living increases.

## **IX VESTING**

The "vested percentage" of your account refers to the amount that is fully available to you under the payout provisions of the Plan. Under the Plan, you are at all times 100% vested in all of your participant accounts.

## **X BENEFITS UNDER YOUR PLAN**

### **1. Distributable Benefit**

Upon the happening of any event calling for the payment of a benefit from this Plan, the amount to be paid, subject to the specific provisions of the following section, shall be the amount of your participant's accounts. This is the amount of your Employer contributions received for work performed prior to May 1, 2000, plus the value of your Employer contributions and Elective Deferral Contributions made for work performed after May 1, 2000, valued on the date mutual funds in which all such contributions are invested are liquidated for payment to you. The total of these items shall be your distributable benefit.

## 2. Distribution of Benefits Upon Normal Retirement

Your Normal Retirement Age is the date on which you attain age 65. If you terminate employment at your Normal Retirement Age, you will be entitled to 100% of your participant account. Upon filing an application for benefits with the Plan Administrator, your benefits will be distributed to you as soon as administratively practicable following your Normal Retirement Age, but not before 90 days.

If you are married at retirement, the Fund shall purchase with your Distributable Benefit from a life insurance carrier, a Qualified Joint and Survivor Annuity. If you are unmarried, your Distributable Benefit will be paid in the form of a life annuity purchased from a life insurance carrier unless you elect otherwise.

All participant accounts of married Participants shall be paid in the form of a Qualified Joint and Survivor Annuity benefit unless you have filed with the Trustees, in writing, a timely rejection of that form of annuity payment, which must include written consent of your spouse.

If such rejection is made, or if the Participant is not legally married and has satisfied the requirements of this section and the Board of Trustees, the Participant may choose to receive his Distributable Benefit in one lump sum.

A Qualified Joint and Survivor Annuity is an annuity payable to you for life, with a provision that if your spouse survives you, your spouse will receive an annuity payable for the rest of her life equal to 50% of the amount you were receiving. Your payment under a qualified joint and survivor annuity is less than under a life annuity to account for the survivor benefit payable to your spouse. In addition, the Plan offers an annuity that is payable to you for life with a provision that if you spouse survives you, you spouse will receive an annuity payable for the rest of her life equal to 75% of the amount you were receiving. Your payment under this joint and survivor annuity is less than under a life annuity to account for the survivor benefit payable to your spouse.

Please note that the amount of any annuity payment is determined by the balance of your accounts used to purchase the annuity contract and your age.

You should take special care that you and your spouse realize the consequences of your optional choice and the rejection of the Joint and Survivor Annuity. So, if you or your spouse have any questions or concerns, be sure to get them answered before you both sign the election/waiver form.

Please see Section XV, Exhibit of Benefit Options for illustrations of your benefit options.

## 3. Distribution of Benefits Upon Deferred Retirement

If you continue in active employment beyond your Normal Retirement Age, you will continue to participate in the Plan and retire instead on your Deferred Retirement.



Your Deferred Retirement is the date you choose to retire after having reached your Normal Retirement Age. On your Deferred Retirement, you will be entitled to 100% of your participant account. Upon filing an application for benefits with the Plan Administrator, distribution of your benefits will occur as soon as administratively practicable following your Deferred Retirement, but not before 90 days.

#### 4. Distribution of Benefits Upon Death Prior to Retirement

(a) In the event that you die before becoming a pensioner and you have no eligible spouse, your beneficiary will be entitled to 100% of your account balance upon your death.

(b) If you are married at the time of your death, your spouse will receive the full value of your Distributable Benefit in the form of a lifetime annuity benefit purchased from a commercial insurance carrier. Your spouse may elect to have such annuity distributed within a reasonable period after your death. The size of the monthly payments will depend on the value of your accounts at the time of your death. The Distributable Benefit may be distributed in the form of a lump sum, provided your spouse rejects in writing the lifetime annuity and consents in writing to the lump sum payment.

You may elect in writing, on a form to be furnished to you by the Plan Administrator, a beneficiary other than your spouse. If you wish to designate a beneficiary other than your spouse, your spouse must irrevocably consent to waive any right to the benefit. Your spouse's consent must be in writing, be witnessed by a notary or a Plan Representative and acknowledge the specific nonspouse beneficiary. Additionally, the election must state that either no other nonspouse beneficiary may be named without spousal consent or that the spouse expressly permits designations by the Participant without any further consent.

Generally, 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. The Plan Administrator must provide you with a detailed explanation of the survivor annuity. This explanation must be given to you during the period of time beginning on the first day of the Plan Year in which you reach age 32 and ending on the first day of the Plan Year in which you reach age 35.

It is, therefore, important that you inform the Plan Administrator when you reach age 32 so that you may receive this information.

Under a special rule, you and your spouse may waive the preretirement survivor annuity form of payment any time before you reach age 35. However, any waiver will become invalid at the beginning of the Plan Year in which you reach age 35, and you and your spouse will be required to make another waiver.

Since 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.

#### 5. Distribution of Benefits Upon Termination of Employment

When you have Permanently Separated from employment with your Employer or any contributing Employer (current or past) to the Plan, you will be entitled to the amount of your Distributable Benefit. All of your rights and liabilities of the Plan to you shall cease upon the payment of the Distributable Benefit.

If the present value of your benefit is less than \$1,001 and you are entitled to an immediate distribution, the Trustees may distribute your benefit in a lump sum prior to your annuity starting date without your consent.

Please note that no distributions may be made to you until you have permanently separated from service with your Employer or any current or past contributing Employer to the Plan for a period of not less than ninety (90) days. Simply separating from the Union and continuing employment in a managerial position within your organization or any contributing employer is not enough to satisfy this requirement. **Complete separation from any type of service with your Employer (current or past contributing) for a period of at least ninety (90) days is required.**

The value of the amount available for distribution at such time will vary depending upon your date of termination and when funds are liquidated for payment to you. The following example illustrates this:

Example: Suppose you terminated employment on September 1, 2017. You would be able to receive a distribution as of December 1, 2017 consisting of the value of your Distributable Benefit on or about December 15, 2017. The policy of the Fund is to remit payment the 15<sup>th</sup> day of the month following the completion of the above 90 day period.

#### 6. Distribution of Benefits Upon Death After Retirement

There are no death benefits payable from the Plan after retirement unless you and your spouse rejected the lump sum option and elected a qualified joint and survivor annuity. In that event, the benefit would be dependent upon the type of annuity selected as well as the balance in your account used to purchase the annuity contract.

#### 7. Benefit Payment Options

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 joint and survivor annuity, unless you elect otherwise with spousal consent. If you are not married on the date your benefits are to begin, your accumulated share will be paid to you in the form of a life annuity purchased from an insurance carrier.

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

When you are about to receive any distribution, the Plan 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 of a qualified joint and survivor annuity in the presence of a notary or a Plan Representative.** The Plan Administrator will provide you with forms to make these elections. Since your spouse participates in these elections, you must immediately inform the Plan 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 qualified joint and survivor annuity, you may elect the form of a single lump sum payment.

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

Benefit payments will commence under the plan as soon as practicable. However, unless you elect in writing to defer the receipt of benefits, no distribution may begin later than the 60th day following the close of the Plan Year in which you become entitled to receive a benefit.

Regardless of whether you elect to delay the receipt of benefits, there are other rules which generally require minimum payments to begin no later than the April 1st following the year in which you reach age 70½ or retire whichever is later. An active Participant who attains 70½ may elect not to commence distribution of his account. You should see the Plan Administrator if you feel you may be affected by this rule.

#### 8. Beneficiary Designation

You must file a written Beneficiary designation form with the Plan Administrator upon becoming eligible to participate in the Plan. This form will remain in effect until revoked by you through the filing of a new form with the Plan Administrator. If you are married, your designated Beneficiary will automatically be your spouse regardless of any other Beneficiary designation, unless your spouse consents otherwise.

If you are unmarried and fail to designate a Beneficiary in the same manner provided above, or if the Beneficiary designated dies before you or before complete distribution of your benefits, your benefits shall be paid to your estate.

## 9. In-Service Distribution

At your election and assuming you have attained age 70½, and have not severed employment, the Plan shall direct the distribution of up to the entire vested amount then credited to the Accounts maintained on your behalf. In the event that the Plan Administrator makes such a distribution, you shall continue to be eligible to participate in the Plan on the same basis as any other Participant. Any distribution made pursuant to this Section shall be made in a manner consistent with regulations including all notice and consent requirements.

## 10. Advance Distribution for Hardship

A hardship distribution is only available from the account established for work performed May 1, 2000 and thereafter.

The hardship distribution is limited to the lesser of:

- (1) 50% of the above account as of the last valuation date excluding earnings on any Elective Deferral Contributions made by you, or
- (2) The amount necessary to satisfy your immediate and heavy financial needs. Note the 50% limit is determined as of the initial distribution and cannot increase in future plan years.

For example, assume the 50% limit was \$1,000 in year 2017. If you withdraw the full \$1,000, the limit has been met and no future withdrawals are permitted, regardless of the future value of the account. On the other hand, if you only withdrew \$500, you would be eligible for an additional \$500 future withdrawal (limited by the market value of the account).

A financial hardship distribution from your pre-tax employee contribution account may not include earnings credited to the account. You may increase your distribution request to include amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution.

The total hardship distribution including any taxes withheld cannot exceed 50% of the eligible limit.

Your immediate need for the distribution must be due to of the following circumstances:

- ☐ To pay for medical care for myself, my spouse or my dependents (copy of medical bill indicating date of care and amount along with documentation showing portion not covered by insurance).
- ☐ To purchase my principal residence, excluding mortgage payments (signed copy of purchase and sale agreement.)
- ☐ To pay tuition and related educational fees for the next 12 months of post-secondary education for myself, my spouse or my dependents (copy of tuition bill).

- ☐ To prevent eviction from my principal residence or foreclosure on the mortgage on my principal residence (copy of eviction or foreclosure notice indicating amount past due).
- ☐ To pay burial or funeral expenses for my deceased parent, spouse, child or dependent. (copy of the death certificate and mortuary bill).
- ☐ To pay an educational loan incurred for the payment of tuition and related educational fees of post-secondary education for a dependent incurred prior to August 1, 2010 (copy of the loan agreement).

By requesting a financial hardship distribution, you will have to certify that your financial need cannot reasonably be relieved:

- (1) through reimbursement or compensation by insurance other otherwise,
- (2) by liquidation of your assets,
- (3) by cessation of your contributions to the Plan or
- (4) by other distributions or non-taxable loans from any plans in which you participate or by borrowing from commercial sources on reasonable commercial terms, in an amount sufficient to satisfy the need.

As a condition of your distribution, you agree:

- (1) the amount requested may not be in excess of your immediate financial need, including amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution,
- (2) You have obtained all distributions and non-taxable loans currently available under all of your employer's plans, and
- (3) You will be ineligible to make any employee contributions to this Plan or any other plan maintained by your employer for 6 months (other than health or welfare plans), as required by the federal government (except when paying an educational loan incurred for the payment of tuition and related educational fees of post-secondary education for a dependent incurred prior to August 1, 2010).

If you are under age 59½ and are receiving a financial hardship distribution from your account, 10% federal income tax will be withheld from your distribution unless you elect not to have withholding apply. **If you elect not to have taxes withheld, you are still liable for payment of federal income tax on the taxable portion of your distribution.** You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient.

Your hardship distribution may be subject to a state income tax. You may wish to consult with a professional tax advisor before taking a distribution from the Plan.

The Plan will require that your spouse acknowledge that a payment of benefits will be made in the form of a hardship distribution and agree to the distribution.

Furthermore, you will have to certify that you understand that the hardship distribution will reduce the current and also future value of the account for which you may be entitled to in the future.

The hardship distribution may only be made if no Domestic Relations Order has been qualified by a duly authorized plan representative.

#### 11. Tax Treatment of Distributions From Your Plan

Generally, you must include any Plan distribution in your taxable income for the year in which you receive the distribution. You may, however, 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 Individual Retirement Account (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). Under certain circumstances, all or a portion of a distribution may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, the direct transfer option described in paragraph (b) below would be the better choice.

(b) You may request that a direct transfer of all or a portion of your distribution amount be made to either an Individual Retirement Account (IRA) or Annuity or another qualified employer plan willing to accept the transfer. A direct transfer will result in no tax being due until you withdraw funds from the IRA or other qualified employer plan. Like the rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct transfer. If you elect to actually receive the distribution rather than request a direct transfer, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes. If you decide to directly transfer all or a portion of your distribution amount, 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 this waiver requirement.)

If you receive a distribution from the Plan before you reach age 59½ and you do not roll over the distribution, the taxable portion of your distribution is subject to a 10% penalty tax in addition to any federal income taxes unless an exception applies. See IRS Form 5329 for more information on the 10% penalty.

Whenever you receive a distribution, the Plan Administrator will deliver to you a more detailed explanation of these options. However, the rules which determine whether you qualify

for favorable tax treatment are very complex. You should consult with qualified tax counsel before making a choice.

## 12. Domestic Relations Order

As a general rule, your interest in your account, including your “vested interest,” may not be alienated. This means that your interest may not be sold, used as collateral for a loan, given away or otherwise transferred. In addition, your creditors may not attach, garnish or otherwise interfere with your account.

There is an exception, however, to this general rule. The Plan Administrator may be required by law to recognize obligations you incur as a result of court ordered child support, alimony payments or property division as part of a divorce settlement. The Plan Administrator must honor a “qualified domestic relations order.” A “qualified domestic relations order” 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 a qualified domestic relations order is received by the Plan Administrator, all or a portion of your benefits may be used to satisfy the obligation.

The Plan Administrator will determine the validity of any domestic relations order received. The Plan has adopted procedures for determining whether a domestic relations order is qualified and for making payments under those orders.

The Fund Office will provide you with a copy of the procedures, without charge, upon written request.

## 13. Military Service

If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Fund. If you may be affected by this law, ask your Plan Administrator for further details.

## 14. Pension Benefit Guaranty Corporation

Benefits provided by your Plan are **not** insured by the Pension Benefit Guaranty Corporation (PBGC) under Title IV of the Employee Retirement Income Security Act of 1974 because the insurance provisions under ERISA are not applicable to your Plan.

## **XI ROLLOVER CONTRIBUTIONS**

Under certain circumstances, you may roll over a distribution you received from another qualified plan into this Plan.

You can make a rollover in either of these ways:

- (1) Traditional rollover – you contribute money paid directly to you within 60 days of receiving it from the other plan.
- (2) Direct rollover – the money is transferred between the plans.

In addition to your ability to roll over a distribution from a qualified plan, if you received an eligible distribution in the past from a qualified plan and rolled it over to a traditional IRA, and you have made no contributions to the IRA since then (called a “conduit IRA”), you may now be able to roll it over again into this Plan.

Any amounts that you roll over into this Plan are recorded in an individual account called your “rollover account”. You are always 100% vested in your rollover account.

Your rollover account will be maintained as a separate account. You are permitted to direct the investment of your rollover account in the same manner as with Elective Deferral Contributions and Employer contributions made after May 1, 2000, with expenses computed in the same manner.

The rules governing rollovers are complex. If you are interested in making a rollover, contact the Plan Administrator for more information.

## **XII APPLICATION AND CLAIMS APPEAL PROCEDURE**

### **1. Application for Benefits**

A Participant or any other person entitled to benefits from the Plan (a “Claimant”) may apply for such benefits by completing and filing a claim with the Plan Administrator. Any such claim shall be in writing and shall include all information and evidence that the Plan Administrator deems necessary to properly evaluate the merit of and to make any necessary determination on a claim for benefits. The Plan Administrator may request any additional information necessary to evaluate the claim.

### **2. Timing of Notice of Denied Claim**

The Plan Administrator shall notify the Claimant of any adverse benefit determination within a reasonable period of time, but not later than 90 days after receipt of the claim. This period may be extended one time by the Plan for up to 90 days, provided that the Plan Administrator both determines that such an extension is necessary due to matters beyond the



control of the Plan and notifies the Claimant, prior to the expiration of the initial review period, of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision.

### 3. Content of Notice of Denied Claim

If a claim is wholly or partially denied, the Plan Administrator shall provide the Claimant with a written notice identifying (1) the reason or reasons for such denial, (2) the pertinent Plan provisions on which the denial is based, (3) any material or information needed to grant the claim and an explanation of why the additional information is necessary, and (4) an explanation of the steps that the Claimant must take if he wishes to appeal the denial including a statement that the Claimant may bring a civil action under ERISA.

### 4. Appeals of Denied Claim

If a Claimant wishes to appeal the denial of a claim, he shall file a written appeal with the Plan Administrator on or before the 60<sup>th</sup> day after he receives the Plan Administrator's written notice that the claim has been wholly or partially denied. The written appeal shall identify both the grounds and specific Plan provisions upon which the appeal is based. The Claimant shall be provided, upon request and free of charge, documents and other information relevant to his claim. A written appeal may also include any comments, statements or documents that the Claimant may desire to provide. The Plan Administrator shall consider the merits of the Claimant's written presentations, the merits of any facts or evidence in support of the denial of benefits, and such facts and circumstances as the Plan Administrator may deem relevant. The Claimant shall lose the right to appeal if the appeal is not timely made. The Plan Administrator shall ordinarily rule on an appeal within 60 days. However, if special circumstances require an extension and the Plan Administrator furnishes the Claimant with a written extension notice during the initial period, the Plan Administrator may take up to 120 days to rule on an appeal.

### 5. Denial of Appeal

If an appeal is wholly or partially denied, the Plan Administrator shall provide the Claimant with a notice identifying (1) the reason or reasons for such denial, (2) the pertinent Plan provisions on which the denial is based, (3) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits, and (4) a statement describing the Claimant's rights to bring an action under section 502(a) of ERISA. The determination rendered by the Plan Administrator shall be binding upon all parties.

### **XIII GENERAL PROVISIONS**

#### **1. Information Required**

Every Participant, Pensioner or Beneficiary shall furnish, at the request of the Trustees, any information or proof required for the administration of the Plan or for the determination of any matter that the Trustees may have before them.

#### **2. Finality of Trustees' Decision**

The Trustees shall have the sole and absolute discretion to interpret the provisions of the Plan and to determine eligibility for benefits. Benefits under this Plan will be paid only if the Trustees, in their discretion, determine that the applicant is entitled to them. The decisions of the Trustees shall be final to determine any fact at issue and the burden of proof and binding on all parties including Employees, Employers, Participants, and Beneficiaries. The Trustees shall prescribe such rules and procedures for the administration of the Plan as they deem necessary.

#### **3. Merger, Consolidation or Transfer**

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

#### **4. Social Security Benefits**

The benefits you receive under the Plan are not affected by any Social Security benefits to which you are entitled. Your severance benefits under the Plan are completely independent of any Social Security benefit which you are eligible to receive.

#### **5. In-Service Withdrawals**

You are not allowed to have any withdrawals for any reason from the Plan while you are working for a contributing employer or an employer that has previously been a contributing employer to the Fund; except for Hardship or age 70½ withdrawals.

## XIV AMENDMENT AND TERMINATION OF YOUR PLAN

### 1. Amendment

The provisions of the Plan permit the Trustees to amend the Plan at any time by an instrument in writing executed by the Trustees.

### 2. Termination

The Trustees have the right to terminate the Plan at any time. Upon termination, all amounts credited to your participant account will continue to be 100% vested. A complete discontinuance of contributions by all Employers will constitute a termination.

In the event of termination or partial termination of the Plan, or in the event of complete discontinuance of Contributions, each Participant shall have nonforfeitable rights, and the assets then remaining, after providing for the expenses of the Plan and for the payment of any Distributable Benefit as approved, shall be distributed among the Participants.

## XV EXHIBIT OF BENEFIT OPTIONS

The following payments are based upon the purchase of an annuity from an insurance company rather than you receiving a lump sum payment upon your termination or retirement from the Plan. Please note these illustrations are based on annuity rates in effect as of February 15, 2017 and are subject to change.

### 1. Normal Retirement Date

Assume you are 65 and your spouse is age 63 and you elect to receive benefits immediately – your account balance is \$50,000`

Based on the above assumptions, the following estimated benefits are available:

Straight Life Annuity	\$ <u>255 per month</u>
Qualified Joint and 50% Survivor Annuity	\$ <u>235 per month</u>
Qualified Joint and 75% Survivor Annuity	\$ <u>225 per month</u>
Qualified Joint and 100% Survivor Annuity	\$ <u>215 per month</u>

Assuming you elected the Straight Life Annuity benefit, you would receive about \$255 per month for as long as you live and upon your death, all payments would cease. There would not be payment to your spouse. If you elect this option, your spouse would have to waive her right to receive a Qualified Joint and Survivor Annuity.

Assuming you elected the Qualified Joint and 50% Survivor benefit, you would receive about

\$235 per month for as long as you live and upon your death, your spouse would receive 50% of that amount or \$118 per month for the rest of her life.

If you elected the Qualified Joint and 75% Survivor benefit, you would receive about \$225 per month for as long as you live and upon your death, your spouse would receive 75% of that amount or \$169 per month for the rest of her life.

If you elected the Qualified Joint and 100% Survivor benefit, you would receive about \$215 per month for as long as you live and upon your death, your spouse would receive 100% of that amount or \$215 per month for the rest of her life.

## 2. Terminated Vested Benefit

Assume you are age 45 when you terminate employment with a contributing employer and your spouse is age 43 and you elect to receive benefits immediately. Your account balance is \$30,000.

Based on the above assumptions, the following estimated benefits are available:

Straight Life Annuity	<u>\$108 per month</u>
Qualified Joint and 50% Survivor Annuity	<u>\$104 per month</u>
Qualified Joint and 75% Survivor Annuity	<u>\$102 per month</u>
Qualified Joint and 100% Survivor Annuity	<u>\$100 per month</u>

Assuming you elected the Straight Life Annuity benefit, you would receive about \$108 per month for as long as you live and upon your death, all payments would cease. There would not be payment to your spouse. If you elect this option, your spouse would have to waive her right to receive a Qualified Joint and Survivor Annuity.

Assuming you elected the Qualified Joint and 50% Survivor benefit, you would receive about \$108 per month for as long as you live and upon your death, your spouse would receive 50% of that amount or \$54 per month for the rest of her life.

Assuming you elected the Qualified Joint and 75% Survivor benefit, you would receive about \$102 per month for as long as you live and upon your death, your spouse would receive 75% of that amount or \$77 per month for the rest of her life.

Assuming you elected the Qualified Joint and 100% Survivor benefit, you would receive about \$100 per month for as long as you live and upon your death, your spouse would receive 100% of that amount or \$100 per month for the rest of her life.

### 3. Deferred Vested Benefit

Assume you are age 45 when you terminate employment with a contributing employer and your spouse is age 43 and you elect to defer the receipt of monthly benefits to age 65 rather than electing an immediate lump sum payment. Your account balance is \$30,000.

Based on the above assumptions, the following estimated benefits are available when you attain age 65 and assuming your spouse is age 63:

Straight Life Annuity	<u>\$280 per month</u>
Qualified Joint and 50% Survivor Annuity	<u>\$240 per month</u>
Qualified Joint and 75% Survivor Annuity	<u>\$228 per month</u>
Qualified Joint and 100% Survivor Annuity	<u>\$218 per month</u>

Assuming you elected the Straight Life Annuity benefit, you would receive about \$280 per month for as long as you live and upon your death, all payments would cease. There would not be payment to your spouse. If you elect this option, your spouse would have to waive her right to receive a Qualified Joint and Survivor Annuity.

Assuming you elected the Qualified Joint and 50% Survivor benefit, you would receive about \$240 per month for as long as you live and upon your death, your spouse would receive 50% of that amount or \$120 per month for the rest of her life.

Assuming you elected the Qualified Joint and 75% Survivor benefit, you would receive about \$228 per month for as long as you live and upon your death, your spouse would receive 75% of that amount or \$171 per month for the rest of her life.

Assuming you elected the Qualified Joint and 100% Survivor benefit, you would receive about \$218 per month for as long as you live and upon your death, your spouse would receive 100% of that amount or \$218 per month for the rest of her life.

### **IMPORTANT**

The above examples are for illustrative purposes only and may not reflect your being able to receive the same annuity benefits upon your termination or retirement. Your actual annuity payments will reflect your and your spouse's actual retirement, the amount of the lump sum payment; the interest rates used to determine your optional benefits and the overall financial strength of the annuity provider selected by the Trustees.

You may receive actual annuity options as of the date of termination of employment or retirement upon request to the Plan Administrator.

## XVI STATEMENT OF ERISA RIGHTS

As a participant in the 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:

### 1. Receive Information About Your Plan and Benefits

(a) Examine, without charge, at the Plan Administrator's office at other specified locations, such as work sites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

(b) Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

(c) 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 financial report.

(d) You have the right to obtain a quarterly statement reflecting the value of your Employer contributions and Elective Deferral Contributions made for work performed before and after May 1, 2000. Transamerica, the investment administrator, issues quarterly statements to participants who have the applicable account.

### 2. Prudent Actions by Plan Fiduciaries

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

### 3. Enforcing Your Rights

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

(b) Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the 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. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. You and your beneficiaries can obtain, without charge, a copy of the Qualified Domestic Relations Order ("QDRO") procedures from the Plan Administrator.

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. The court may order you to pay these costs and fees if you lose or if, for example, if it finds your claim is frivolous.

#### 4. Assistance with Your Questions

If you have any questions about your plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

**XVII  
PLAN EXPENSES EXHIBIT**

**Background:**

The following examples detail the plan expenses on varying account balances.

To further explain the allocation, a breakdown of the sample account of \$2,000 is detailed.

The Term “New Money” refers to employees and employer contributions received for work performed May 1, 2000 and thereafter. This is known as your Controlled Account. The term “Old Money” refers to employer contributions received for work performed prior to May 1, 2000. This is your Transfer Balance Account.

The term “Plan Expenses” refers to the expenses incurred in operating the Plan, such as accounting, consulting and legal expenses, but does not include the actual investment fees assessed by the mutual funds or investment companies.



UNITED STEELWORKERS LOCAL 286 SEVERANCE/401K PLAN: FEE EXAMPLES

	Account Balance-New Money Only			
	\$2,000	\$5,000	\$10,000	\$25,000
Annual Fees-New Fee structure	\$ 52.00	\$ 92.50	\$ 160.00	\$ 362.50
Annual Fees-Old Fee structure	\$ 156.00	\$ 156.00	\$ 156.00	\$ 156.00
Increase (Decrease) In Annual Fees	\$ (104.00)	\$ (63.50)	\$ 4.00	\$ 206.50

	Account Balance-Old Money Only			
	\$2,000	\$5,000	\$10,000	\$25,000
Annual Fees-New Fee structure	\$ 52.00	\$ 92.50	\$ 160.00	\$ 362.50
Annual Fees-Old Fee structure	\$ 53.40	\$ 96.00	\$ 167.00	\$ 380.00
Increase (Decrease) In Annual Fees	\$ (1.40)	\$ (3.50)	\$ (7.00)	\$ (17.50)

	Account Balance-Old Money and New Money (50/50 split)			
	\$2,000	\$5,000	\$10,000	\$25,000
Annual Fees-New Fee structure	\$ 52.00	\$ 92.50	\$ 160.00	\$ 362.50
Annual Fees-Old Fee structure	\$ 195.20	\$ 216.50	\$ 252.00	\$ 358.50
Increase (Decrease) In Annual Fees	\$ (143.20)	\$ (124.00)	\$ (92.00)	\$ 4.00

New Fee Structure:	
Per participant per year flat fee:	\$25 per year per participant
% of account balance charged:	1.35% of balance
Old Fee Structure:	
New Money per participant per year flat fee of \$156 per account	
Old Money per Participant per year flat fee of \$25 per account	
Old Money variable % fee based on actual expenses. 2015 expense fee was approximately 1.42%	

**UNITED STEEL WORKERS LOCAL 286  
SEVERANCE/401(K) PLAN**

**\$2,000 Account Balance – New Money Only**

1. Calculation of the \$52 Fee Structure

Basic Charge	\$25.00
Variable .0135 x \$2,000	<u>27.00</u>
TOTAL:	\$52.00

2. Calculation of \$156

12 months x \$13

**\$2,000 Account Balance – Old Money Only**

1. Calculation of the \$52 – See Above (New Money)
2. Calculation of \$53.40

Basic Charge	\$25.00
Variable .0142 x \$2,000	<u>28.40</u>
TOTAL:	\$53.40

**\$2,000 Account Balance -Old Money and New Money (50/50 split)**

1. Calculation of the \$52 – See Above (New Money)
2. Calculation of \$195.20

Basic Charge	\$25.00
.0142 x \$1,000	<u>14.20</u>
SEMI-TOTAL:	\$39.20
Annual Fee - 12 months x \$13	<u>156.00</u>
TOTAL:	\$195.20