

**Fond du Lac Employee  
Retirement Plan**

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# Introduction

The Fond du Lac Employee Retirement Plan ("Plan") was established effective as of January 1, 1982 to provide you with greater financial security. The Plan is known as a defined contribution 401(k) profit sharing plan. It has been established to help you provide for your future financial security through a combination of personal savings, current tax savings and contributions made by your Employer.

This Plan offers you an easy way to save for your retirement using pre-tax and after-tax contributions which are directly deducted from your paycheck. The amount you save on a pre-tax basis, along with the earnings, are not taxed until you withdraw them from the Plan. Roth deferrals and, in most cases, earnings on them, will not be subject to federal income taxes when distributed to you. However, for a distribution of earnings to qualify for federal tax-free treatment, such a distribution must be a "qualified distribution" from your Roth deferral account. See the question "**What is a 'qualified distribution' from a Roth deferral account?**" in the "**Taxes on Distributions**" section of this Summary Plan Description ("SPD"). Except as otherwise discussed in this SPD, the same provisions that currently apply to pre-tax salary deferral contributions generally will apply to Roth deferrals.

This Summary Plan Description -- or SPD -- will explain how the Plan works. It describes your benefits and rights under the Plan, as it was amended and restated, effective as of January 1, 2021.

This SPD is only a summary of your benefits and rights under the Plan. It is important that you understand that it cannot cover all of the details of the Plan or how the rules of the Plan apply to every person, in every situation. You can find the specific rules of the Plan in the Plan document, which you may request from your Plan Administrator.

Every effort has been made to accurately describe the Plan. If you find a difference between the information in this SPD and the information in the Plan document, your benefits will be determined based on the information found in the Plan document.

If in reading this SPD or the Plan document you find you have questions concerning your benefits under the Plan, please contact your Plan Administrator or Transamerica Retirement Solutions, LLC.

# Important Information About the Plan

**Plan Sponsor:** Fond du Lac Reservation Business Committee ("Employer")  
1720 Big Lake Road  
Cloquet, MN 55720  
218-878-7539  
EIN: 41-0965719

**Plan Name:** Fond du Lac Employee Retirement Plan

**Plan Number:** 001

**Plan Effective Date:** The Plan was originally effective as of January 1, 1982.  
This SPD describes the Plan as amended and restated  
effective as of January 1, 2021.

**Plan Year:** January 1st - December 31st

**Plan Administrator:** Fond du Lac Reservation Business Committee  
1720 Big Lake Road  
Cloquet, MN 55720  
218-878-7539

**Plan Trustee(s):** State Street Bank and Trust Company  
1 Lincoln Street  
Boston, MA 02111

**Agent for Service  
of Legal Process\*:** Fond du Lac Reservation Business Committee  
1720 Big Lake Road  
Cloquet, MN 55720

\*Service of legal process may be made upon the Plan Trustee, if applicable, or the Plan Administrator.

**Plan Funding:** All assets of the Plan are held in trust. The trust fund established by the Plan Trustee(s) will be the funding medium used for the accumulation of assets from which benefits will be distributed.

**Plan Recordkeeper:** Transamerica Retirement Solutions, LLC ("Transamerica")  
440 Mamaroneck Avenue  
Harrison, NY 10528

**Participating  
Employer(s):**

Fond du Lac Management  
1720 Big Lake Road  
Cloquet, MN 55720  
EIN: 41-1561549

# Joining the Plan

## **May I join the Plan?**

Provided you are not an excluded employee, you may join the Plan once you satisfy the Plan's eligibility condition(s) described below.

You may not join the Plan if you are an excluded employee. You are an excluded employee if you are a leased employee, an employee of a controlled group or affiliated service group employer that does not adopt the Plan, an independent contractor, or an employee who is a resident of Puerto Rico.

For purposes of matching contributions (Match #2) and nonelective contributions (Nonelective #1), you are also an excluded employee if you are an employee who is not a non-highly compensated employee who receives treaty pay.

## **What happens if I become an excluded employee?**

If you become an excluded employee, you will no longer be allowed to make or receive additional contributions under the Plan. You will, however, still have the ability to manage your account and keep certain rights and benefits.

## **When can I become a participant in the Plan?**

For purposes of salary deferral contributions and Roth deferral contributions, you may become a participant as soon as administratively feasible following your completion of 90 days of service and your 18<sup>th</sup> birthday.

For purposes of matching contributions, nonelective contributions and safe harbor nonelective contributions, you may become a participant as soon as administratively feasible following your completion of the required service described below and your 18th birthday.

To complete the required service, you must have worked 1,000 hours of service during the eligibility period. The eligibility period is the 12-month period beginning on your date of hire. Subsequent eligibility periods are 12-month periods from the anniversary of your date of hire.

Only those hours for which you are paid or for which you are entitled to be paid (for example: vacations, holidays and sick days) can be counted to reach the required 1,000 hours of service. However, if you go on a qualified military service leave, such period of leave will be counted when determining hours of service.

If you are a rehired employee, or you are returning from a qualified military service leave, and you were previously a participant in the Plan, you may join the Plan on your rehire date.

If you are a rehired employee, and you were not previously a participant in the Plan, your Plan Administrator will determine the date you may enter the Plan.

## **How do I become a participant in the Plan?**

When you become eligible to participate in the Plan, Transamerica will mail you enrollment material. This material will explain the enrollment procedures. You may join the Plan by visiting the participant website or by calling Transamerica at 800-755-5801.

If you are newly eligible to participate in the Plan, then, unless you elect otherwise, you will automatically be enrolled as soon as administratively practicable after meeting the eligibility requirements of the Plan, and a percentage of your salary will be automatically deducted each pay period as a pre-tax salary deferral contribution to the Plan and invested in the Default Alternative (see the section Managing Your Account for the Default Alternative).

Your Plan has elected 2% of your salary as the Plan's default automatic deferral percentage, with an annual 1% contribution increase until the Plan's maximum automatic deferral percentage of 10% is reached.

This annual increase will generally occur as soon as administratively practicable on or after the first day of the Plan Year.

Your pre-tax contribution level will stay the same for 12 months before each annual increase.

If you are currently automatically enrolled in the Plan, these provisions also apply to you.

A notice will be provided describing how to opt-out or make a different election at least 30 days and no more than 90 days prior to the date you will be automatically enrolled (adjusted by the Plan's automatic administrative wait period, if any), and at the beginning of each Plan Year.

Please note that if you opt out on or after that date, you will no longer be considered subject to the automatic enrollment provision.

However, your opt-out election will expire each year and you will be automatically enrolled in the Plan again, unless you make another election.

## **Can I opt out of the automatic salary deferral enrollment feature of the Plan?**

You have the right at any time to elect not to make any salary deferral contributions to the Plan, or to elect to have such contributions made at a different percentage from the Plan's default automatic deferral percentage. (See the question "**How often may I change the percentage of my salary deferral contributions and catch-up contributions?**" for how to make an affirmative election).

If you are automatically enrolled in the Plan, you may, within 90 days after your first automatic contribution is deducted from your salary, elect to have the Plan distribute to you all of your automatic contributions and the earnings on those contributions.

**If I am married, may I designate someone other than my spouse as the beneficiary of my account?**

Yes, but you must first submit the written consent of your spouse witnessed by either a notary public or Plan representative.

## Contributions to the Plan

**What are the tax advantages of being in the Plan?**

Saving through the Plan provides you with tax advantages. You pay no current income taxes on contributions and on the earnings in your account while the money is in the Plan. Money in the Plan is not subject to federal taxation until it is actually distributed to you.

**NOTE:** You will not pay income taxes on any Roth deferral contributions you withdraw from the Plan since these contributions were taxed before being contributed to the Plan. However, the earnings in your Roth deferral account may qualify for federal tax-free treatment if such a distribution is a "qualified distribution" from your Roth deferral account. See the question "**What is a 'qualified distribution' from a Roth deferral account?**" in the "**Taxes on Distributions**" section of this SPD.

**May I elect to make contributions to the Plan?**

Yes, you may contribute to the Plan and designate your contributions as pre-tax salary deferral contributions, Roth deferral contributions or a combination of both.

**Salary deferral contributions** are pre-tax contributions.

Your salary deferral contributions go directly into the Plan instead of your paycheck. Since these contributions do not show up as income on your W-2 form, the amount you contribute will not be subject to federal or, in most cases, state income taxes, until paid to you. However, you do pay Social Security (FICA) and certain other employment taxes on your contributions.

For example: If your salary is \$20,000 per year and you elect to make contributions to the Plan totaling \$1,000 during the Plan Year, you only pay income taxes on \$19,000.

**Roth deferral contributions:** You may irrevocably designate all or any part of your salary deferral contributions to the Plan as Roth deferrals.

Roth deferrals are similar to the pre-tax salary deferral contributions that are contributed on behalf of a participant to the Plan; however, Roth deferrals are "after-tax" deferrals that (1) you designate irrevocably as Roth deferrals at the time they are deferred, (2) your Employer treats as includable in your income at the time you would have received the amount in cash (had you not made the deferral election), and (3) are accounted for separately from all other amounts under the Plan. If you elect to make Roth deferrals, the deferrals will be made with money that you have already paid federal income taxes on (and, in some cases, state and

local income taxes). Roth deferrals and, in most cases, earnings on them, will not be subject to federal income taxes when distributed to you. However, for a distribution of earnings to qualify for federal tax-free treatment, such a distribution must be a "qualified distribution" from your Roth deferral account. See the question "**What is a 'qualified distribution' from a Roth deferral account?**" in the "**Taxes on Distributions**" section of this SPD.

For example: If your salary is \$20,000 per year and you elect to make Roth deferrals to the Plan totaling \$1,000 during the year, you will pay income taxes on \$20,000.

The decision whether to take advantage of the Roth deferral option is complicated and you should consider your financial and tax situation. Before electing how you would like to allocate your salary deferrals between pre-tax salary deferral contributions and Roth deferrals, we recommend that you consult with your tax or legal advisor.

### **How much of my salary may I contribute to the Plan?**

You may contribute up to 75% of your salary, subject to the maximum amount permitted by law (see the question "**Are there any other limits to the amount of salary deferral contributions that I can make?**" for the applicable limit). To do this, you must elect to have a portion of your salary contributed to the Plan through payroll withholding. To make your salary deferral election, please visit the participant website or call Transamerica at 800-755-5801. Your salary deferral election will become effective no later than 30 days after you have completed the election and will remain in effect until you amend it.

In addition, the Auto-Increase service provided under the Plan allows you to have your retirement savings contribution rate increased automatically each year by a set amount, at any point in the year you choose. To make your Auto-Increase election, please visit the participant website. Once elected, your contribution rate will be automatically increased each year by the amount you select, subject to the contribution limits above. You may turn the Auto-Increase service off at any time.

### **Are there any other limits to the amount of salary deferral contributions that I can make?**

The total dollar amount that you can contribute as salary deferral contributions to 401(k) plans is limited by law. Your total salary deferral contributions to all 401(k) plans (and 403(b) accounts) during a calendar year generally cannot exceed this maximum dollar amount. For the 2021 calendar year, your salary deferral contributions cannot exceed \$19,500. After calendar year 2021, the salary deferral limit may increase for cost-of-living increases. If you only participate in this Plan during the year, your Employer automatically limits your salary deferral contributions to the maximum dollar limit. However, if you participated in another employer's 401(k) plan (or 403(b) account) as well as this Plan during the year, your total salary deferral contributions to both plans together may not exceed the maximum dollar limit.

Adverse tax consequences may apply if your total salary deferral contributions to all 401(k) plans (and 403(b) accounts) exceed the maximum annual dollar limit. If you participated in more than one 401(k) plan (or 403(b) account) during a year, and you contributed more

than the maximum dollar limit during such year, you may request that any excess salary deferral contributions made to this Plan, with earnings, be distributed to you by April 15<sup>th</sup> of the following year. Your request should be made no later than March 1<sup>st</sup> of the following year. If you think this limitation may apply to you, contact your Plan Administrator.

The maximum amount that certain "highly compensated employees" can contribute in a Plan Year may be further limited in order for the Plan to comply with IRS nondiscrimination rules. (For the definition of "highly compensated employee", see "**Who is a highly compensated employee?**" at the end of this section).

You may be allowed to make additional catch-up salary deferral contributions beginning in the calendar year in which you become age 50 or in any calendar year after 2001 if you are already age 50 or older. For the 2021 calendar year, your catch-up contributions cannot exceed \$6,500. After calendar year 2021, the catch-up contribution limit may increase for cost-of-living increases. You may make such catch-up contributions, if you have already contributed salary deferral contributions up to the maximum limit permitted by law, or you have reached other plan or IRS limits for that year. To make catch-up salary deferral contributions, you must elect to have a portion of your salary contributed to the Plan through payroll withholding. Please visit the participant website or call Transamerica at 800-755-5801 in order to make your initial catch-up salary deferral contribution election. Unless you amend it, the election will remain in effect for each succeeding year.

**Is there a limit on how much of my salary I can contribute as a Roth deferral?**

Yes. The total of your combined pre-tax salary deferral contributions and Roth deferrals may not exceed the maximum dollar limitation allowable under the law. In 2021, the maximum dollar limitation is \$19,500.

If you are age 50 or older at any time during 2021, your 2021 limit is increased to \$26,000.

**How often may I change the percentage of my salary deferral contributions and catch-up contributions?**

You may change the percentage of your pre-tax or Roth salary deferral contributions, as well as catch-up contributions, at any time by visiting the participant website or by calling Transamerica at 800-755-5801. Changes will be effective as of the next payroll period or as soon as administratively possible thereafter.

**May I stop making salary deferral contributions and catch-up contributions to the Plan?**

Yes, you may stop making pre-tax or Roth salary deferral contributions, as well as catch-up contributions, at any time by visiting the participant website or by calling Transamerica at 800-755-5801. Your change will be effective as of the next payroll period or as soon as administratively possible thereafter. If you decide to start making salary deferral contributions and/or catch-up contributions again at a later date, you may begin making them by visiting the participant website or by calling Transamerica. Contributions will be deducted as of the next payroll period or as soon as administratively possible thereafter.

## **Does my Employer make contributions to the Plan?**

Your Employer may make contributions to the Plan as follows:

**Safe Harbor Non-Elective Contributions.** Your Employer will make a safe harbor nonelective contribution equal to 3% of your salary.

**Matching Contributions (Match #1).** Your Employer may make a matching contribution on a payroll basis equal to 100% of your pre-tax or Roth salary deferral contributions up to a maximum of 2%.

Your Employer will only match catch-up contributions if you were unable to receive the maximum matching contribution under the Plan formula because of a Plan or IRS limit on salary deferral contributions.

**NOTE:** At the end of the Plan Year, if you changed or stopped your pre-tax or Roth salary deferral contributions during the Plan Year, or you contributed the maximum amount permitted by law, your Employer may need to make additional matching contributions ("true-up contributions") to ensure that you have received the full matching contribution. To receive true-up contributions you are not required to be employed on the last day of the Plan Year. A true-up contribution is treated the same as a matching contribution for all other purposes under the Plan.

In no event will matching contributions exceed 4%.

**Matching Contributions (Match #2).** Your Employer may make a matching contribution on a payroll basis for all eligible employees who elect to make pre-tax or Roth salary deferral contributions to the Plan. The amount of the matching contribution, if any, will be determined each Plan Year and announced to all eligible participants.

Your Employer will only match catch-up contributions if you were unable to receive the maximum matching contribution under the Plan formula because of a Plan or IRS limit on salary deferral contributions.

**NOTE:** At the end of the Plan Year, if you changed or stopped your pre-tax or Roth salary deferral contributions during the Plan Year, or you contributed the maximum amount permitted by law, your Employer may need to make additional matching contributions ("true-up contributions") to ensure that you have received the full matching contribution. To receive true-up contributions you are not required to be employed on the last day of the Plan Year. A true-up contribution is treated the same as a matching contribution for all other purposes under the Plan.

In no event will matching contributions exceed 4%.

**Nonelective Contributions.** Your Employer may choose to make a nonelective contribution. The amount credited to your account will be based off of the following groups:

**Group 1:** consists of Eligible employees who are not Highly Compensated Employees within the meaning of Code Section 414(q) and who received exempt income described in Code Section 7873 Treaty Pay in an amount equal to 5% of their total gross pay for the Plan Year.

**Group 2:** consists of Eligible employees who are not Highly Compensated Employees within the meaning of Code Section 414(q) and who received exempt income described in Code Section 7873 Treaty Pay in an amount equal to 15% of their total gross pay for the Plan Year.

**Group 3:** consists of Eligible employees who are not Highly Compensated Employees within the meaning of Code Section 414(q) and who received exempt income described in Code Section 7873 Treaty Pay in an amount equal to 20% of their total gross pay for the Plan Year.

**Group 4:** consists of Eligible employees who are not Highly Compensated Employees within the meaning of Code Section 414(q) and who received exempt income described in Code Section 7873 Treaty Pay in an amount equal to 50% of their total gross pay for the Plan Year.

**Group 5:** consists of Eligible employees who are not Highly Compensated Employees within the meaning of Code Section 414(q) and who received exempt income described in Code Section 7873 Treaty Pay in an amount equal to 60% of their total gross pay for the Plan Year.

### **Are Roth deferrals eligible for an Employer matching contribution?**

Yes. Roth deferrals are eligible for an Employer matching contribution in the same manner as pre-tax salary deferral contributions, but they do not increase the amount or rate of the maximum Employer matching contribution that can be made to the Plan.

### **What happens if I go on a qualified military service leave?**

Generally, when you go on a qualified military service leave, you are no longer able to make pre-tax or Roth salary deferral contributions or catch-up contributions until you return to work. However, when you return to work, you will be given an opportunity to make up the contributions that you could have made while you were on such leave. You will have a period of three times the period of military service to make up these contributions, not to exceed five years.

When determining the contributions to be restored to your account, your Employer will use the salary you would have received during the period of your leave, based on your rate of pay, or if not reasonably certain, your average salary during the 12-month period preceding your leave.

### **May I make a rollover contribution to the Plan?**

Yes, unless you are an excluded employee. If you were a participant in another plan (for example, a qualified plan, governmental 457(b) plan or 403(b) account from a previous employer), you may elect that a direct rollover or a participant rollover contribution be made into this Plan from the other plan. You generally have 60 days from the date of a distribution to contribute that amount to this Plan as a participant rollover contribution. If you elect a direct rollover, that amount will be contributed directly to this Plan, provided the direct rollover is from a qualified Roth contribution program, or a 403(b) account or another qualified plan. You may also roll over amounts that were previously contributed to a traditional Individual Retirement Account ("IRA"). To make a rollover contribution, you must provide Transamerica with a certification from your former employer, plan administrator or IRA provider stating that the distribution you received from their plan or traditional IRA qualifies as a rollover contribution. Please call Transamerica at 800-755-5801 if you want to make a rollover contribution.

### **May I make a rollover contribution prior to meeting the Plan's eligibility requirements?**

Yes, as long as you are not an excluded employee.

### **What does it mean for a plan to become top heavy?**

A plan is considered "top heavy" when more than 60% of the plan's assets have been allocated to key employees (e.g., certain owners, officers and other employees of the company as of a specific date). Your Plan Administrator will notify you if the Plan becomes top heavy.

### **What happens if the Plan becomes top heavy?**

If the Plan becomes top heavy and you are not a key employee of the company, your Employer will be required to make a top heavy minimum contribution ("minimum contribution") to your account if one has not already been made. The contribution your Employer must make to your account will equal the lesser of:

- 3% of your salary; or
- the same percentage as the largest allocation to a key employee.

### **What is the most that may be contributed to the Plan on my behalf?**

The Internal Revenue Service (IRS) places a maximum limit on the amount of money (the "Annual Contributions") that may be contributed to your account each Plan Year. For your Plan, this limit applies to:

- your own contributions to the Plan (excluding catch-up contributions)
- your Employer's contributions to the Plan

For the 2021 Plan Year, the maximum Annual Contributions to your account cannot exceed the lesser of \$58,000 or 100% of your total salary. Total salary for this purpose includes any salary deferral contributions to 401(k) plans, Section 125 cafeteria plans, Section 132(f)(4) plans, governmental 457(b) plans, 403(b) accounts, simplified employee pension plans or simple retirement accounts.

**NOTE:** In general, for purposes of applying these limits (which may be adjusted in future years), contributions to all qualified defined contribution plans maintained by your Employer are counted.

If you are a "highly compensated employee", the IRS also places an annual limit on the amount of salary deferral contributions, Roth deferrals and matching contributions which may be made to your account. Contributions may be limited to an amount that enables the Plan to meet certain nondiscrimination tests that may be applicable to the plan.

In addition, in order to pass these tests, if applicable, your Employer may return or forfeit excess contributions to highly compensated employees. As an alternative your Employer may choose to make a 100% vested contribution to any or all of the members of the non-highly compensated group who have met the eligibility requirements for your Plan. Your Employer will notify you if your contributions exceed these limits and if they will need to be adjusted or refunded.

### **Who is a highly compensated employee?**

A highly compensated employee is one who:

- owns more than 5% of the Employer's company in the current or prior year; or
- receives salary from the Employer of over \$130,000 (2021 Plan Year limit) in the prior year.

**NOTE:** The IRS may adjust the salary limit stated above in future years based on the cost-of-living index.

### **Is my total salary used to calculate contributions?**

For the 2021 Plan Year, the IRS allows salary up to \$290,000 to be used when calculating contributions. This limit may be adjusted in future years based on the cost-of-living index.

Your salary used to calculate contributions will be your total salary (up to the maximum salary as described above) actually paid during the Plan Year, generally including any salary deferral contributions made to any salary deferral plan(s) of the Employer (e.g., to this 401(k) Plan or a Section 125 cafeteria plan), and excluding the following from your salary:

- reimbursements or other expense allowances, fringe benefits (cash or noncash), moving expenses, deferred compensation, and welfare benefits
- treaty pay

The amount of your salary used to calculate any minimum contributions or maximum contribution amounts that may be contributed on your behalf is your total annual salary (again, up to the maximum salary as described above).

For your first year of participation in the Plan, your salary will be recognized as of the date you enter the Plan.

### **What happens if I defer too much money or the Plan must return a portion of my Roth deferrals because of certain testing rules?**

If you are required to receive money back from the Plan because you either deferred too much (see the question "**Is there a limit on how much of my salary I can contribute as a Roth deferral?**"), or because the Plan failed the special testing rules that apply to pre-tax salary deferral contributions and Roth deferrals, you will receive a return of excess contributions first from your pre-tax salary deferral contributions and then from Roth deferrals. If Roth deferrals are returned to you, they will not be included in your income if they are timely distributed. However, any earnings on returned Roth deferrals will be included in your income in the year that the deferrals are distributed to you.

## **Managing Your Account**

### **Who decides how the money in my account is invested?**

You do. When you become eligible to participate in the Plan you may select from a variety of professionally managed investment funds. You will receive enrollment material that will include the following information for each fund:

- a description of the investment objectives;
- the risk and return characteristics;
- the type and diversification of the assets; and
- the investment manager.

To help you make your selection, investment education material will be made available to you through your Plan Administrator. You may also visit the participant website for more information or contact Transamerica at 800-755-5801 for investment information to help you make investment decisions. Transamerica is equipped to handle your calls and questions in over 140 languages through Language Line® service. It also provides services for those who are hearing-impaired. All calls are recorded for your protection.

Once you decide how you would like your contributions invested, you will need to either call Transamerica at 800-755-5801 or visit the participant website.

**NOTE:** If you have not made your investment elections, all contributions made on your behalf will be invested in one of the Vanguard Target Retirement Funds, based on the year in which you attain age 65. This is known as the "Default Alternative." Your Employer has chosen to qualify the Default Alternative as a Qualified Default Investment Alternative ("QDIA") established in accordance with the legal requirements under Section 404(c)(5) of

ERISA and regulations thereunder. This means that the Plan fiduciary would not be liable for any investment losses that result, notwithstanding that you did not affirmatively elect to invest in the Default Alternative. This relief from liability applies whether or not the Plan is intended to be an ERISA 404(c) plan. You have the right to direct any assets invested in the Default Alternative to other investment options available under the Plan, without financial penalty.

Your Plan is intended to be a 404(c) plan as described in Section 404(c) of the Employee Retirement Income Security Act of 1974 ("ERISA"). This provision provides special rules for plans that permit participants to have control over their accounts (like yours). Because you choose your own investments, you are responsible for any investment gains or losses that result from your investment decisions. The Plan's fiduciaries (the Plan Administrator, etc.) are not liable if the value of your account declines because of investment losses based on your investment decisions.

### **Is there any other information available?**

Certain additional information is available to you directly from your Plan Administrator upon request. The information for each investment fund includes:

- a description of the annual operating expenses;
- the most recent copies of financial statements, prospectuses (if applicable), reports and other information;
- a listing of assets comprising the portfolio of each designated investment fund holding "plan assets", its value, and information related to fixed-rate investment contracts (rate of return and maturity date); and
- a performance history and information regarding the value of shares or units in the investment fund and in your account.

### **How do I change the way my future contributions will be invested?**

You may change the way your contributions are invested by visiting the participant website or by calling Transamerica at 800-755-5801. Changes received by Transamerica before the close of regular trading on the New York Stock Exchange, normally 4:00 p.m. Eastern Time, will be effective the same day. You may change the way your contributions are invested at any time. Please note that your choices must be in whole percentages. Confirmation of any changes you make will be sent to you within five business days.

### **May I transfer money among the different investment funds?**

Yes, you may transfer money among the various investment funds by visiting the participant website or by calling Transamerica at 800-755-5801. Transfers received before the close of regular trading on the New York Stock Exchange, normally 4:00 pm Eastern Time, will be effective the same day. You may transfer money among the various investment funds at any time. Confirmation of your transfer will be sent to you within five business days.

**NOTE:** Some investment funds may impose trading restrictions and/or redemption fees as a result of frequent trading activity. If a prospectus is issued for any investment fund in which you invest, please read it carefully to determine if the fund imposes any trading restrictions or redemption fees.

## Ownership of Your Account (Vesting)

### What does vesting mean?

Vesting means ownership of your account. The portion of your account that is yours is called your vested account.

You are always 100% vested in (i.e., have full ownership of) your account.

### What if a Qualified Domestic Relations Order ("QDRO") is issued against my account?

Generally, your vested account may not be sold, used as collateral for a loan outside the Plan, given away, or otherwise transferred. In addition, with certain limited exceptions (e.g., an IRS levy), your creditors may not interfere with your account in any way. An exception to this general rule, however, is a QDRO. A QDRO is a decree or order issued by a court that makes you pay child support or alimony, or otherwise allocates a portion of your account to your spouse, former spouse, child or other dependent. If a QDRO is received by Transamerica, all or a portion of your benefits may be used to satisfy such order. Transamerica will determine if the decree or order issued by the court meets the requirements of a QDRO. Participants and beneficiaries can obtain a description of the procedures for QDRO determinations at no charge from Transamerica, and should do so before having their legal counsel draft any domestic relations order.

A fee of \$250 per QDRO will apply (applicable when your account is divided).

## Withdrawals

### May I make a withdrawal while I am employed?

Yes, you may make a withdrawal as follows:

#### Contributions available for withdrawal at any time

You may withdraw all or a portion of your account balance at any time from the following source(s).

- rollover contributions

**NOTE:** If you are under age 59½ when you make your withdrawal, a 10% penalty tax in addition to income taxes may apply. The plan allows for penalty-free withdrawals for military reservists called into active duty who receive a qualified reservist distribution.

### **Age 59½ or Older**

When you reach age 59½, you may withdraw all or a portion of your account balance from the following source(s):

- salary deferral contributions
- Roth deferral contributions
- catch-up contributions
- prior construction salary deferral contributions

**NOTE:** The conditions for the withdrawal of Roth deferrals while you are still employed are the same as those that apply to in-service withdrawals of pre-tax salary deferral contributions.

When you reach age 70½, you may withdraw all or a portion of your account balance from your Employer contributions.

### **Hardship**

Your Plan allows you to make hardship withdrawals. A "hardship withdrawal" is a withdrawal made for an "immediate and heavy financial need," such as:

- unreimbursed medical expenses for you, a dependent, a properly designated primary beneficiary of your account under the Plan or a non-custodial child;
- purchase of your principal residence, excluding mortgage payments. Funds cannot be withdrawn to purchase a vacation home;
- post-secondary education (e.g., college), tuition and related educational fees and room and board expenses for the next 12 months for you, your spouse, your child, a properly designated primary beneficiary of your account under the Plan or your dependent;
- amounts necessary to prevent foreclosure or eviction from your principal residence (e.g., unpaid rent or mortgage payments);
- unreimbursed burial or funeral expenses for your deceased parent, spouse, child, a properly designated primary beneficiary of your account under the Plan or dependent;
- unreimbursed expenses for the repair of damage to your principal residence that qualifies for the casualty loss deduction under Code Section 165 (without regard to whether the loss exceeds 10% of adjusted gross income); or
- amounts for other expenses which the IRS may later define as a hardship withdrawal.

The amount of the hardship withdrawal cannot exceed the exact amount needed to cover your financial need, plus any income taxes or penalties reasonably anticipated to result from the hardship withdrawal. In addition, in order to receive approval for a hardship withdrawal, it must be determined by Transamerica that your need for the withdrawal cannot reasonably be relieved by:

- stopping of salary deferral contributions under any Plan; or
- other distributions from plans maintained by the Employer or any other employer.

Transamerica will determine whether you qualify for a hardship withdrawal using uniform and nondiscriminatory standards. If Transamerica determines that you qualify for a hardship withdrawal, you may withdraw the following contributions and earnings (if applicable):

- salary deferral contributions
- Roth deferral contributions
- prior construction salary deferral contributions

### **How do I apply for a withdrawal?**

You can apply for an in-service withdrawal by calling Transamerica at 800-755-5801 and requesting a withdrawal form. Transamerica will process your withdrawal request within five business days (or as soon as administratively possible) after it receives your properly completed request.

You can apply for a hardship withdrawal by calling Transamerica at 800-755-5801 and requesting a withdrawal form. Transamerica will process your withdrawal request within five business days (or as soon as administratively possible) after it receives your properly completed request.

### **If I make a withdrawal, may I repay it?**

No, amounts withdrawn from the Plan may not be repaid.

### **Are processing fees applicable to withdrawals?**

Transaction Processing Fees (deducted from your account)

- Withdrawal Transactions
  - Full Distribution
  - Hardship Withdrawal
  - In-service Distribution
  - Contract Exchange (if applicable)
- \$25 per transaction\*

**\*NOTE:** These fees are waived when distributions are made due to death or disability; from a beneficiary's account; as a direct rollover to a Transamerica IRA; to purchase an annuity through Transamerica; or as a Required Minimum Distribution. The fee is also waived on unscheduled withdrawals if you are a former participant until the final distribution from your account.

### **What are the tax effects of making a withdrawal?**

If you make a withdrawal from the Plan, you generally will have to pay income taxes on the money you withdraw. Unless you are withdrawing money to make a direct rollover contribution to another qualified plan, governmental 457(b) plan, 403(b) account, or traditional IRA, your withdrawal is generally subject to the mandatory 20% federal income tax withholding.

Since hardship withdrawals are not eligible to be rolled over to another plan, they are subject to optional 10% federal income tax withholding. Also, if you are under age 59½ when you make your withdrawal, an additional 10% penalty tax may apply (unless you are a military reservist called into active duty and you receive a qualified reservist distribution).

**NOTE:** You will not pay income taxes on any Roth deferral you withdraw from the Plan since these contributions were taxed before being contributed to the Plan. However, the earnings in your Roth deferral account may qualify for federal tax-free treatment if such a distribution is a "qualified distribution" from your Roth deferral account. See the question "**What is a 'qualified distribution' from a Roth deferral account?**" in the "**Taxes on Distributions**" section of this SPD.

## **Loans**

### **How do I apply for a loan?**

If you are a participant, you may model and initiate a loan by visiting the participant website or by calling Transamerica at 800-755-5801.

#### **Personal Loans.**

You may take a personal loan for any reason.

#### **Home Loans.**

If you are applying for a loan for your principal residence with a loan period greater than five years, you will receive a home loan kit, which will explain the loan application process and includes a home loan application for your completion. You must submit the completed application and the appropriate documentation within 30 days for review and approval, or your request will automatically be cancelled.

Once approved, your loan will be processed. You will be notified if your loan request is denied.

### **What are the conditions for the loan?**

- You may not borrow less than \$1,000.
- You must pay a loan set-up charge of \$75 per loan. This charge will be deducted from your account when your loan request is processed.
- A fee of \$6.25 per quarter will be deducted from your account (not charged in the quarter the loan is issued or paid off).
- A loan may be made from all contributions that are part of your vested account balance.
- You may only have 1 loan(s) outstanding at a time.
- You must repay your loan within 5 years, unless you are on authorized leave for military service for a period which extends the maturity date of the loan beyond five years.

If you are using the loan to purchase your principal residence, the repayment period may be set for a loan term that will extend up to 10 years.

### **What is the maximum loan amount I may borrow?**

The maximum amount you may borrow is determined by your vested account balance. You may borrow up to the lesser of 50% of your vested account balance or \$50,000. However, if you had an outstanding loan(s) in the previous 12 months (Note: this includes active outstanding loans, defaulted loans and defaulted loans that are deemed distributions. See the question "**Can a loan be defaulted?**" for the definition of "deemed distribution"), the amount of your highest outstanding loan balance(s) will be deducted from the maximum amount you are allowed to borrow. For example, if you are applying for a loan of \$50,000 this year and you had an outstanding active or defaulted loan whose highest outstanding loan balance in the last 12 months was \$12,000, you would, assuming your vested account balance was sufficient, only be allowed to borrow up to \$38,000.

### **Can I take a loan from my Roth deferral account?**

Yes. Your Roth deferral account is taken into consideration for purposes of calculating the maximum amount that you may borrow. The conditions for loans from a Roth deferral account are the same as those that apply to loans from a pre-tax salary deferral contributions account.

### **How is the interest rate determined for my loan?**

The interest rate is based on the Prime Rate plus 1%. Any changes in the Prime Rate will be reflected on the following business day.

In accordance with the Servicemembers Civil Relief Act (the "SCRA"), the interest rate on your loan(s) issued before your military service leave begins cannot exceed 6% during the period that you are on military leave provided you submit a written notice of your call to

military service and a copy of your military orders and any order extending your military service to your Employer within 180 days after you terminate service or are released from military service [see the question "**What happens to my loan if I am on a leave of absence?**"].

In accordance with the SCRA, you have the right to waive the reduction in loan interest during your period of military service leave by providing a written waiver which specifies the loan(s) to which the waiver applies. The waiver may be submitted at any time during or after your military service period and must be agreed to by the Plan Administrator. Please contact your Plan Administrator for additional information on this option.

### **How do I make loan repayments?**

Participants will be provided with coupons to submit with their loan repayments by the prescribed due dates. Participants will make payment by submitting a money order, certified check or bank check to Transamerica.

If you are no longer employed by your Employer, and you still have money in your account, you may continue to make loan payments to Transamerica via the coupon method.

Each loan repayment will be equal to the interest payable on the portion of the loan that is still outstanding (known as the loan principal) and an installment of the loan principal. Your loan repayments will be deposited to your account according to your current investment elections in the Plan.

A loan repayment may not be treated as a new or current contribution to the Plan.

### **What happens to my loan if I am on a leave of absence?**

If you go out on an authorized (non-military) leave of absence, your loan repayments, which would otherwise be due during your leave, may be suspended for up to 12 months ("maximum suspension period"). Your loan repayments will be suspended if you go on authorized (non-military) leave of absence provided that (a) you go on leave without pay from your Employer, or (b) your rate of pay (after applicable employment tax withholdings) is insufficient to cover loan repayments. You will be permitted to prepay your loan(s) in full at any time.

Your loan will be reamortized over the remaining term of your loan at the earlier of your return to work or the end of the maximum suspension period. The suspension will not cause the loan to be treated as a taxable distribution, as long as (a) at the end of your authorized leave of absence (not to exceed the maximum suspension period), you resume making your loan repayments in substantially level payments (note that these repayments may not be less than the original loan repayment amounts); (b) you make such repayments at a frequency which is not less than the frequency required under the terms of the loan; and (c) the loan is fully repaid by the last date permitted under the Internal Revenue Code (i.e., 5 years from the date of the loan, unless your loan is a home loan with a longer maturity date).

If you go out on a military service leave, your loan repayments which are due during your military service leave will be suspended and the loan maturity date will be extended for the length of your military service leave. Your loan will be reamortized to the extended maturity date at the end of your military leave period. You will be permitted to prepay your loan(s) in full at any time.

The suspension will not cause the loan to be treated as a taxable distribution, as long as (a) when your military service leave ends, you resume making your loan repayments in substantially level payments (note that these repayments may not be less than the original loan repayment amounts); (b) you make such repayments at a frequency which is not less than the frequency required under the terms of the loan; and (c) the loan is fully repaid (including interest that accrues during the military service leave) by the end of the period equal to the original loan period plus the military service leave.

### **Can a loan be defaulted?**

Yes, your entire loan will be in default if:

- you do not make a loan repayment by the end of the calendar quarter following the quarter in which the repayment was due (Note: If you do not make loan repayments due to an authorized military service leave or due to authorized (non-military) leave of absence, your loan will not be in default during the authorized maximum suspension period);
- you do not resume loan repayments when your authorized leave of absence ends (non-military or military) (Note: Your Plan Administrator will establish a reasonable time period when loan repayments must begin, which will not be less than 15 days from the date your leave of absence ends no later than the timeframe described above);
- there is still an outstanding balance on the loan's maturity date;
- you revoke (i.e., stop) your payroll deduction or it becomes invalid while you are still an active employee;
- you die;
- a lien is made against the loan collateral (in this case, your loan balance); or
- you terminate employment with your Employer, AND
  - you fail to continue to make repayments as described above.

If you default on your loan and you are still employed, but are not eligible to take an in-service withdrawal, your loan is considered a deemed distribution ("deemed loan"). A deemed loan is considered an outstanding loan and will continue to accrue interest for purposes of calculating the maximum amount you may borrow in the future. You may repay a deemed loan by money order, certified check or bank check.

### **What happens if my loan is defaulted?**

If your loan is defaulted or it is a deemed loan, you will have to pay income taxes on the amount that is defaulted or deemed distributed. In addition, if you are under age 59½ when the loan defaults, an additional 10% penalty tax may apply.

The 10% penalty tax is waived for military reservists called into active duty who receive a qualified reservist distribution.

If your loan includes monies from a Roth deferral account and is defaulted or it is treated as a deemed distribution, the portion of the distribution attributable to the Roth deferral account will not be treated as a "qualified distribution" even if it occurs after you attain age 59½ and satisfy the five taxable year period of participation in your Roth deferral account. You will have to pay income taxes on the earnings amount that is defaulted or deemed distributed. In addition, if you are under age 59½ when the loan defaults, an additional 10% IRS penalty tax may apply (unless you are a military reservist called into active duty) and you receive a qualified reservist distribution.

### **What happens if the Plan is frozen while I have an outstanding loan?**

If the Plan is frozen, you may continue to repay your loan. If you do not continue to repay the loan, the outstanding loan balance will be in default and reported to the IRS as a distribution from the Plan. This means that you will have to pay income taxes on the balance.

If you have any questions about the loan program, please contact your Plan Administrator, visit the participant website or call Transamerica at 800-755-5801.

### **What happens if the Plan terminates while I have an outstanding loan?**

If the Plan terminates, your loan must be repaid. If you do not repay the loan, the outstanding loan balance will be in default and reported to the IRS as a distribution from the Plan. This means that you will have to pay income taxes on the balance.

If you have any questions about the loan program, please contact your Plan Administrator, visit the participant website or call Transamerica at 800-755-5801.

## **Benefits**

### **When may I retire under the Plan?**

Your normal retirement date is the later of your 65th birthday or your completion of 5 years of Plan participation.

### **When will I begin to receive benefits from the Plan?**

If you terminate service, you have the option to receive the total vested value of your account at any time. Based on the minimum distribution requirements, the Plan is required by law to distribute your benefits no later than April 1<sup>st</sup> of the calendar year following the year in which you reach age 70½.

However, if you are still working for your Employer at the time you reach age 70½ (and you are not a 5% owner of your Employer), you may:

- delay payment of your benefits until April 1<sup>st</sup> of the calendar year following the year you retire; or
- delay the rest of your benefit payments until April 1<sup>st</sup> of the calendar year following the year you retire, if you had already begun to receive payment of your benefits.

### **If I terminate employment with my Employer for any reason, do I need to take my money immediately?**

It depends.

Generally, if your vested account balance is over \$5,000, you may leave your money in the Plan, unless otherwise required by the Plan's minimum distribution requirements.

A special rule applies (known as a "mandatory distribution") if your vested account balance is over \$1,000 but not more than \$5,000, and you have not attained the later of age 62 or the normal retirement age under the Plan. In such case, if you do not make a timely distribution or direct rollover election, your entire vested account balance, including any prior rollover contributions, will automatically be rolled over to a traditional IRA. (In computing your vested account balance for purposes of any automatic rollover to an IRA, any loan default amount is not included.) Generally, if your vested account balance is \$1,000 or less, and you do not make a timely distribution or direct rollover election, your vested account balance will be paid directly to you by check as a mandatory distribution (subject to required 20% federal withholding and any applicable state withholding).

For additional information, please see or call your Plan Administrator at the address and phone number listed in the section of the Summary Plan Description titled "**Important Information about the Plan.**"

### **How will my account be paid to me?**

Your account will be paid to you in one lump sum payment.

### **May I elect a different payment option?**

Yes, other payment options are available. The other payment options available to you are:

## **Installment Payments**

You may also elect to receive payments on a monthly, quarterly, semi-annual (twice a year) or annual basis. If you die before receiving all of the payments, the balance in your account will be paid to your beneficiary in one lump sum payment. Your beneficiary may elect another form of benefit.

## **Partial Cash Payments**

You may elect to receive partial cash payments. This means that you may receive part of your account balance while leaving the remainder of your account in the Plan. The minimum amount you may elect to receive is \$5,000. You may receive partial cash payments from your account at any time, and as often as you like. If you die before receiving all of your account, the balance in your account will be paid to your beneficiary in one lump sum payment.

### **What happens if I become disabled?**

If you become disabled, your disability retirement date will be the first day of the month following the date that you become disabled. Your account will be paid to you in one lump sum payment. You may, however, choose any other payment option listed above.

You will be considered disabled if you furnish proof of the existence of a disability in the form and manner consistent with the requirements of the Social Security Administration to receive benefits. In other words, if you are not able to work in any substantially gainful activity because of any physical or mental impairment(s) that can be shown medically and those impairments are expected to result in death or to last for a continuous period of more than 12 months, you may be considered disabled under the Social Security Administration's guidelines. Furnishing a letter from the Social Security Administration stating that you are entitled to disability benefits would be sufficient proof of your disability.

### **Does the Plan provide for death benefits?**

Yes. If you die before your benefits begin under the Plan, your account will be paid to your beneficiary.

### **Who will be the beneficiary of my death benefits?**

If you are married, you may not designate a beneficiary other than your spouse without your spouse's written consent. A notary public or Plan representative must witness your spouse's signature on the consent form.

You have the right to designate your beneficiary or beneficiaries at any time. If you fail to designate a beneficiary, if your beneficiary designation is not valid or if your beneficiary fails to survive you, then your benefits will be paid in the following order to: (1) your spouse; and (2) your estate.

You can designate your beneficiary by completing a beneficiary form that is in your enrollment kit. You may also visit the participant website or call Transamerica at 800-755-5801 to make or change a beneficiary designation.

**IMPORTANT NOTE:** If you have designated your spouse as your beneficiary and you then get legally divorced, your designation of your spouse will be considered **not** valid unless you complete a new beneficiary form after the divorce redesignating your former spouse as beneficiary.

#### **May a nonspouse beneficiary roll over a death benefit?**

Yes, a nonspouse designated beneficiary of a deceased participant may request a direct rollover to an "inherited IRA". An inherited IRA means that the title of the IRA account must identify it as an IRA with respect to a deceased individual and also identify the deceased individual and the beneficiary. The rules for determining the required minimum distributions under the Plan with respect to a nonspouse beneficiary also apply under the inherited IRA.

## **Taxes on Distributions**

#### **What are the tax effects of taking my taxable money?**

If you withdraw money from the Plan and you do not directly roll it over into another qualified plan, governmental 457(b) plan, 403(b) account or eligible IRA, you generally will have to pay income taxes on the money. The amount you withdraw is generally subject to a mandatory 20% federal income tax. **NOTE:** Since hardship withdrawals are not eligible to be rolled over to another plan, they are subject to an optional 10% federal income tax withholding. In addition, if you are under age 59½ when you make the withdrawal, an additional 10% IRS penalty tax may apply (unless you are a military reservist called into active duty and you receive a qualified reservist distribution).

**NOTE:** You will not pay income taxes on any Roth deferral you withdraw from the Plan since these contributions were taxed before being contributed to the Plan. However, the earnings in your Roth deferral account may qualify for federal tax-free treatment if such a distribution is a "qualified distribution" from your Roth deferral account. See the question "**What is a 'qualified distribution' from a Roth deferral account?**" in the "**Taxes on Distributions**" section of this SPD.

#### **Is there a way to reduce or defer the taxes due on the taxable portion of my distribution?**

Yes, there are ways to either reduce or defer the income taxes due on your distribution. For example:

(1) If you receive a taxable distribution from the Plan, you generally have 60 days from the date of the distribution to roll over all or a portion of that amount to an eligible IRA, another employer's qualified plan, a governmental 457(b) plan or to a 403(b) account. If you roll over your account in any of these ways, you generally will not pay taxes on the money. You

will however, have to pay taxes when you begin to withdraw money from a traditional IRA or new employer's plan.

Under certain circumstances, all or a portion of your distribution may not qualify as a rollover contribution to a traditional IRA or another employer's qualified plan, governmental 457(b) plan or 403(b) account. In addition, most distributions will be subject to a mandatory 20% federal income tax. This tax will reduce the actual amount you receive in your distribution. For this reason, if you wish to roll over all or a portion of your distribution, you may want to take advantage of the direct rollover option described in (2) below.

(2) If you roll over your distribution directly to an eligible IRA or another employer's qualified plan, governmental 457(b) plan or 403(b) account, no taxes will be taken out. Taxes will be payable, however, when you begin to receive payments.

Like the rollover (described in (1) above), all or a portion of your distribution may not qualify for a direct rollover to an eligible IRA, other qualified plan, governmental 457(b) plan, or 403(b) account.

(3) If you qualify, you may also elect favorable income tax treatment, such as "10-year forward averaging" or "capital gains" method of taxation.

You will receive additional information regarding the special tax rules, rollover distributions and direct rollovers when you request a distribution.

### **Are there any special rules regarding direct rollovers of Roth deferrals?**

Yes, there are some special rules that apply to direct rollovers of Roth deferrals. A direct rollover of a distribution from a Roth deferral account under this Plan can only be made to a Roth deferral account under another Roth plan that accepts rollovers from a Roth deferral account or to a Roth IRA. However, eligible rollover distributions from your Roth deferral account are taken into consideration when determining whether the total amount of your account balances under the Plan exceed \$5,000 for purposes of mandatory distributions from the Plan and the treatment of those distributions. (See the "**Benefits**" section of this SPD for the full explanation of "eligible rollover distributions" and for information regarding mandatory distributions and the automatic rollover provisions of this Plan.)

If you were a participant in another Roth plan and you receive a distribution from that plan which includes monies in a Roth deferral account, you may be able to roll over those amounts to this Plan through a direct rollover (see the section "**Contribution to the Plan**" in this SPD to verify that direct rollovers are accepted by this Plan). All Roth deferral account amounts will be accounted for separately from any other contribution accounts you have under this Plan. The Roth plan that you wish to transfer your Roth deferral account from over to this Plan must first report to this Plan the amount of your Roth deferrals, as well as associated earnings, and the first year of the five taxable year period applicable to that Roth deferral account. When counting the five consecutive tax years of Plan participation in this Plan (as the recipient Plan), year one is calculated as starting on the first day of the first taxable year in which you make a Roth deferral to any designated Roth deferral account

established for you under the transferor plan or the recipient plan, whichever Roth contribution date is earlier.

### **What is a "qualified distribution" from a Roth deferral account?**

A distribution from a Roth deferral account in the Plan is considered a "qualified distribution" if certain conditions are met. First, such distribution is made on or after the date on which you attain age 59½, or is made to your beneficiary (or to your estate) on or after your death, or is distributed to you due to your becoming disabled (as defined in this SPD). Second, such distribution must be paid from a Roth deferral account after a five-taxable year period of participation in order for the distribution to be qualified. When counting the five taxable years, year number one is calculated as starting on the first day of the first taxable year in which you make a Roth deferral to the Plan. Note: If you roll over (by means of a direct rollover) Roth deferrals from another Roth plan to this Plan, your five-taxable-year period of participation under this Plan is the earlier of the two participation periods applicable to both plans.

If a distribution is a qualified distribution, neither your contributions nor the earnings will be includible in your gross income.

## **General Benefit Claim Procedures**

### **How do I apply for benefits?**

You ("you" includes your beneficiary throughout this section) may apply for benefits by submitting a request as previously described. Your request for benefits must be made at least 30 days before you want to receive your distribution. Your application for benefits is also known as your "claim for benefits".

### **What if my claim is denied?**

If your claim for benefits is wholly or partially denied, you will receive written notice of this decision no later than 90 days after the date you submitted your claim. This written notice will explain:

- why your claim was denied;
- the Plan provisions which led to your claim being denied;
- the additional information, if any, needed to process your request for benefits; and
- the Plan's review procedures and applicable time limits, including a statement of your right to bring a civil action in accordance with Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

### **How may I appeal a claim denial?**

If your claim for benefits is denied, you may appeal the decision. However, you must do so within 60 days of receiving the denial notice from your Plan Administrator. You and your representative (such as your attorney) are entitled to review any of the appropriate documents involved in the denial of your claim. All comments must be submitted in writing.

A final decision on your appeal will be made in writing no later than 60 days after receipt of the appeal. The Plan Administrator may request an extension of time to review your appeal, if there are special circumstances (e.g., a need to hold a hearing concerning the appeal). Such an extension will not be longer than 120 days counting from the date your appeal was received.

## **Disability Benefit Claim Procedures**

Notwithstanding anything in the Plan or Summary Plan Description to the contrary, the following procedures apply when processing disability benefit claims filed on or after April 1, 2018 and apply only if the Plan Administrator has discretion in determining if you satisfy the Plan's definition of disability.

### **How do I apply for disability benefits?**

You may apply for disability benefits by submitting a request as previously described. Your application for disability benefits is also known as your "claim for disability benefits". Claims and appeals will be decided in a manner designed to ensure independence and impartiality of the persons involved in making the benefit determination.

### **When will I receive notice regarding the decision with respect to my claim for disability benefits?**

Generally, your claim for disability benefits will be reviewed to determine if you are eligible for the benefit and you will be informed of the decision within 45 days following the receipt of your claim for disability benefits. If the Plan Administrator determines that an extension of time for processing your claim for benefits is necessary, the initial 45-day period may be extended for up to 30 days if necessary due to circumstances beyond the Plan Administrator's control, and then for an additional 30 days if necessary. You must receive any notice of such extension before the end of the initial 45-day period, and the notice must explain the special circumstances that require the extension and the date by which the Plan Administrator expects to make the decision. The notice must also explain the standards on which the entitlement to disability benefits is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues. You will then have at least 45 days to provide this information, and the time period within which the Plan Administrator must make the disability benefits determination will be counted from the date that the Plan Administrator provides you with notice of the need for additional material or information until the date that you respond to the Plan Administrator's request.

## **What if my disability claim is denied?**

If your claim for disability benefits is wholly or partially denied, you will receive written notice of this decision no later than 45 days after the date you submitted your claim. This written notice will explain:

- why your claim was denied;
- the Plan provisions which led to your claim being denied;
- the additional information if any, needed to process your request for benefits; and
- the Plan's review procedures and applicable time limits, including a statement of your right to bring a civil action in accordance with Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

In the case of an adverse benefit decision –

- (i) An explanation of the decision, including an explanation of the basis for disagreeing with or not following:
  - (A) The views presented by the claimant to the plan of health care professionals treating the claimant and vocational professionals who evaluated the claimant;
  - (B) The views of medical or vocational experts whose advice was obtained on behalf of the plan in connection with a claimant's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and
  - (C) A disability determination regarding the claimant presented by the claimant to the plan made by the Social Security Administration;
- (ii) If the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the plan to the claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request; and
- (iii) Either the specific internal rules, guidelines, protocols, standards or other similar criteria of the plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the plan do not exist.

The notice must be provided in a culturally and linguistically appropriate manner.

## **How may I appeal a disability claim denial?**

Generally, you will have 180 days after receiving this notice to file an appeal of the claim denial with the Plan Administrator. This request must be in writing.

After the Plan Administrator receives your appeal, you will be provided with an opportunity to submit written comments, documents, records and other information relating to your claim. You may also have access to and free copies of all documents, records and other information relating to your claim. The person of your choice may represent you throughout the process. The Plan Administrator's review will take into account all comments and information that you submit, without regard to whether such information was submitted or considered in the initial benefit determination.

The Plan cannot deny disability benefits on appeal based on new or additional evidence that was not included when the disability benefit was denied at the claims stage, without giving you notice and a fair opportunity to respond. Your claim on appeal will be reviewed without deference to the initial adverse decision by an appropriate fiduciary of the Plan who is neither the individual who made the initial decision regarding your claim nor a subordinate of such individual. In addition, if the initial adverse benefits determination was based in whole or in part on a medical judgment (including a determination with regard to whether a particular treatment, drug, or other item is experimental, investigational, or not medically necessary or appropriate), the fiduciary reviewing your claim on appeal will consult with a healthcare professional with appropriate training and experience in the field of medicine involving the medical judgment. Finally, the fiduciary reviewing your claim on appeal must identify the medical or vocational experts who were used in making the initial decision regarding your benefits, and the fiduciary reviewing your claim on appeal may not rely on such experts or their subordinates in making a decision on appeal.

The Plan Administrator will generally respond to a request for a review within 45 days (or 90 days under special circumstances). The Plan Administrator or fiduciary reviewing your claim will then either reverse the earlier decision and pay your claim, or deny your appeal. If your claim is once again denied, the notice must include the following:

- specific reasons why the claim was denied;
- specific references to any Plan provisions on which the denial was based;
- a statement that you are entitled to receive, upon request and free of charge, reasonable access to copies of all documents, records or other information relevant to your benefits claim;
- a statement describing any voluntary appeal procedures offered by the Plan and your right to obtain information about these voluntary appeal procedures; and
- a statement of your right to bring a civil action under section 502(a) of ERISA.

In the case of an adverse benefit decision –

- (i) An explanation of the decision, including an explanation of the basis for disagreeing with or not following:
  - (A) The views presented by the claimant to the plan of health care professionals treating the claimant and vocational professionals who evaluated the claimant;
  - (B) The views of medical or vocational experts whose advice was obtained on behalf of the plan in connection with a claimant's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and
  - (C) A disability determination regarding the claimant presented by the claimant to the plan made by the Social Security Administration;
- (ii) If the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the plan to the claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request; and
- (iii) Either the specific internal rules, guidelines, protocols, standards or other similar criteria of the plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the plan do not exist.

## **Legal Rights**

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). ERISA provides that all Plan participants are entitled to:

### **Receive Information About Your Plan and Benefits**

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites and union halls, all documents governing the Plan, including any insurance contracts and collective bargaining agreements, if applicable, 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.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including any insurance contracts and collective bargaining agreements, if applicable, and copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The Plan Administrator may charge a reasonable amount 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 retirement benefits from your Plan at normal retirement age and if so, what your benefits would be at normal retirement age if you stop working now. If you do not have a right to retirement benefits, the statement will tell you how many more years you have to work to get a right to your retirement benefits. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

### **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 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 retirement benefit or exercising your rights under ERISA.

### **Enforce Your Rights**

If your claim for a retirement 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. 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 that 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, you may file suit in a 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 the court costs and legal fees. If you are successful, the court may order the person you sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees (for example, if the court finds your claim is frivolous).

### **Assistance With Your Questions**

If you have any questions about your Plan, you should contact your 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, D.C. 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.

## **Additional Information**

### **Who handles the administration of the Plan?**

The Plan is administered by your Employer. As Plan Administrator, your Employer is generally responsible for Plan operations and has sole discretion to interpret Plan provisions. Note that Transamerica has agreed to assume certain fiduciary responsibilities of the Plan Administrator in accordance with certain agreed upon administrative procedures between Transamerica and your Employer.

Transamerica performs some, but not all, of the recordkeeping services for your Plan. Transamerica performs these functions at the direction of the Plan Administrator in accordance with the provisions of the Plan and the Plan funding documents. Transamerica:

- receives the Plan contributions;
- credits your account for those contributions; and
- pays benefits to you and/or your beneficiaries.

### **Who pays the costs of administering the Plan?**

The costs of administering your Plan may be shared between you and your Employer. In addition, some of the costs of administering your Plan may be paid from Plan assets. Note that any Plan administrative fees that are actually deducted from your contributions or your account will be disclosed on your quarterly Plan benefit statement. Any Plan administrative fees are in addition to any expenses of the underlying investment options available under the Plan.

In addition, a plan service credit may be added to your account. If applicable, this will lower the effective annual expense ratios of the investment fund(s) for which a plan service credit applies. Any plan service credit will be disclosed on your quarterly Plan benefit statement.

### **Can my Employer amend and/or terminate the Plan?**

Your Employer may choose to amend and/or terminate the Plan at any time. If your Employer terminates the Plan (or a partial plan termination occurs), you will automatically become 100% vested in your account. This means that you would have full ownership of the money in your account. If your Employer decides to amend the Plan, your vested benefit in the account cannot be reduced.

Upon full termination of the Plan, the Employer will direct the distribution of the assets to participants in a manner that is consistent with the provisions of the Plan. Distributions will be made in cash and if permitted by the Plan. Except as permitted by Internal Revenue Service regulations, the termination of the Plan shall not result in any reduction of protected benefits.

### **Is this Plan insured?**

No, this Plan is not insured. The assets of the Plan are held entirely separate from the assets of your Employer. All assets of the Plan are dedicated to the exclusive benefit of the Plan's participants. ERISA established a special federal agency, the Pension Benefit Guaranty Corporation (PBGC), to protect employees' benefits in certain pension plans when there is not enough money to cover benefits if a plan should terminate. By definition, benefits under this Plan are always equal to the value of the investments in the Plan. Thus, there is no need for insurance, nor is coverage available, for plans of this type.