

N.Y.
BACKSTRETCH
EMPLOYEES
PENSION PLAN

Español al Inverso



Aqueduct

BELMONT
 PARK


SARATOGA

January 1, 2014

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INTRODUCTION

The Committees of Trainers and Trustees are pleased to present you with this booklet which describes the highlights of the N.Y. Backstretch Employees Pension Plan (the “Pension Plan”) established for New York backstretch and Pension Plan employees. To make this information as clear as possible, this booklet was written in simple, straight-forward language. However, this booklet is not a substitute for the official Plan document. If there is a conflict between what is stated in this booklet and in the Plan document, the terms of the Plan document govern.

This booklet (which is also referred to as the “summary plan description” or “SPD”) describes the Pension Plan in effect as of January 1, 2014. If you stopped working (terminated employment covered by the Pension Plan) before January 1, 2014 your rights, if any, are determined by the Pension Plan as in effect at the time of your termination.

We urge you to read this booklet to familiarize yourself with the benefits to which you may be entitled. If you have any questions, please contact the Plan Administrator at (516) 488-4220.

HIGHLIGHTS OF THE PENSION PLAN

This booklet describes the provisions of the Pension Plan in effect as of January 1, 2014 unless otherwise noted.

- You are eligible to participate if you are an assistant trainer, foreman/woman, pony boy/girl, exercise rider, hot walker, groom, or watchman working for a thoroughbred horse trainer or owner assigned stable space at Aqueduct, Belmont or Saratoga, or if you are an employee of the N.Y. Backstretch Employees Pension Trust.
- Your pension is based on the length of your service.
- Your pension becomes “vested” (yours) after five Years of Service (10 Years of Service if you last worked in covered employment before 1989).
- Your pension normally becomes payable upon retirement at Normal Retirement Age, but you may be able to begin receiving your pension earlier, depending on the length of your service, for early retirement at age 62 or if you become disabled.

ELIGIBILITY AND MEMBERSHIP

Each backstretch worker who is (1) in the employ of a thoroughbred horse trainer or owner assigned stable space at a New York Racing Association (“NYRA”) racetrack (Aqueduct, Belmont or Saratoga); and (2) classified in covered employment as an assistant trainer, foreman/woman, pony boy/girl, exercise rider, hot walker, groom, or watchman is eligible under the Pension Plan.

- You are classified in the job category reported to the Plan by the NYRA employee ID office and for which you are badged.
- You must be badged by NYRA yearly. Employees of the N.Y. Backstretch Employees Pension Trust clas-

sified as either: (1) the Plan Administrator; or (2) an office staff employee are also eligible under the Pension Plan.

If your employment is within an eligible class described above, you become a member of the Pension Plan as of the first day of the month that either falls on or immediately follows the date you complete a Year of Service (described below), provided you are then at least 21 years old.

IMPORTANT SERVICE DEFINITIONS

Year of Service/Credited Year of Service Defined

Years of Service are used to determine your eligibility to participate in the Pension Plan, vesting and eligibility for early retirement or a disability pension.

- You are deemed to have completed a Year of Service for eligibility to participate if your wages exceed a certain dollar amount in the 12-month period following your date of hire, or in any Plan (calendar) Year beginning after your date of hire.

- You are deemed to have completed a Year of Service for other purposes (vesting and eligibility for early retirement or a disability pension) if your wages exceed a certain dollar amount in any Plan (calendar) Year beginning with your date of hire.

Credited Years of Service are used to calculate your pension benefit and to determine eligibility for a disability pension.

- You are deemed to have completed a Credited Year of Service if your wages exceed a certain dollar amount in any Plan (calendar) Year beginning with your date of hire.

- Service prior to age 16 is not included in determining Credited Years of Service.

- If you have earned at least one (1) Credited Year of Service in “covered employment” (i.e., as an assistant trainer, foreman/woman, pony boy/girl, exercise rider, hot walker, groom, or watchman), and you submit proof to the Plan Administrator that while in covered employment you were badged or licensed as a jockey, you may receive additional Credited Years of Service for the time you only had a jockey badge or license.

For periods prior to January 1, 2014 you were not eligible to be credited with a Year of Service for a calendar year if you were hired after September 23rd of that year. You are also not eligible to be credited with a Credited Year of Service for a calendar year under Method One described below in “Methods for Determining Service” if you are hired after September 23rd of that year.

Methods for Determining Service

There are two methods to determine your service:

- Method One

The following wages equate to a Year of Service and Credited Year of Service for a backstretch employee for periods beginning in 2001 or later (contact the Plan Administrator for periods prior to 2001):

<u>Year of Service/ Credited Year of Service</u>	<u>Classification</u>
\$9,000	Asst. Trainer
\$7,875	Foreman/woman
\$4,900	Pony Boy/Girl
\$6,750	Exercise Rider
\$3,000	Hot Walker
\$5,250	Groom
\$6,000	Watchman

The following wages equate to a Year of Service and Credited Year of Service for a Pension Trust employee for periods beginning in 2013 or later (contact the Plan Administrator for periods prior to 2013):

**Year of Service/
Credited Year of Service**

Classification

\$43,800

Plan Administrator

\$19,200

Office Manager

\$12,600

Clerical

- Method Two

Alternatively, effective for periods beginning on and after January 1, 2014, you are deemed to have completed a Year of Service and/or Credited Year of Service even if your wages don't exceed the dollar threshold set forth under Method One above for your job classification if your wages divided by the Federal or New York state minimum hourly wage in effect (whichever is higher) is equal to or greater than 870.

For example, assume the minimum wage is \$9.00 per hour for 2014. If you are an Asst. Trainer and make at least \$7,830 (\$7,830 divided by \$9.00 equals 870) for 2014 you would be credited with a Year of Service for 2014 even if you make less than the \$9,000 threshold for an Asst. Trainer indicated on the chart for Method One on the preceding page.

Note: if the minimum hourly wage increases during the year, it will not be given effect for Plan purposes until the following applicable period.

Your wages will be independently verified with Social Security, from your W-2 and 1099 Forms and your tax returns, and your job classification will be established based on the classification reported by the NYRA ID office and for which you are badged. Employees are required to provide a W-2 or 1099 Form for any claims of Years of Service or Credited Years of Service.

Break in Service Defined

If you have a "Break in Service" and are rehired, your prior Years of Service and Credited Years of Service may

be restored depending on the circumstances. You will be considered to have a Break in Service if your wages don't exceed a certain dollar amount in the 12-month period following your date of hire, or in any Plan (calendar) Year beginning after your date of hire.

- **Vested:** If you were vested before a Break in Service and are reemployed, you do not lose your prior Years of Service or Credited Years of Service.

- **Nonvested:** If you were not vested before a Break in Service and are reemployed, your prior Years of Service and Credited Years of Service will be restored if:

you are subsequently reemployed in work covered by the Plan, and following your reemployment, complete a Year of Service in the 12-month period following your return or in a Plan (calendar) Year following your date of rehire, and

you had less than six consecutive one-year Breaks in Service (five consecutive one-year Breaks in Service for periods prior to January 1, 2014) or, if greater than six (five) consecutive years, your prior service was greater than your number of consecutive one-year Breaks in Service.

If your prior service is not restored, you are considered a new employee for purposes of the Pension Plan upon reemployment.

Methods for Determining Breaks in Service

There are two methods to determine whether you have had a Break in Service:

- **Method One**

If you are a backstretch employee and do not earn more than the following wage you will be considered to have had a Break in Service for periods beginning in 2001 or later (contact the Plan Administrator for periods prior to 2001):

Break in Service**Classification**

\$4,500	Asst. Trainer
\$3,937	Foreman/woman
\$2,450	Pony Boy/Girl
\$3,375	Exercise Rider
\$1,500	Hot Walker
\$2,625	Groom
\$3,000	Watchman

If you are a Pension Trust employee and do not earn more than the following wage you will be considered to have had a Break in Service for periods beginning in 2013 or later (contact the Plan Administrator for periods prior to 2013):

Break in Service**Classification**

\$21,900	Plan Administrator
\$9,600	Office Manager
\$6,300	Clerical

- Method Two

Alternatively, effective for periods beginning on and after January 1, 2014, you are deemed to have a Break in Service if your wages don't exceed the dollar threshold set forth under Method One above for your job classification and if your wages divided by the Federal or New York state minimum hourly wage in effect (whichever is higher) equals 435 or less.

For example, assume the minimum wage is \$9.00 per hour for 2014. If you are an Asst. Trainer you would be considered to have had a Break in Service for 2014 if you earn \$3,915 or less (\$3,915 divided by \$9.00 equals 435) instead of \$4,500 or less as indicated on the chart for Method One on the preceding page.

Note: if the minimum hourly wage increases during the year, it will not be given effect for Plan purposes until the following applicable period.

Note, the above rules are only intended to determine whether your prior service is restored if you terminate and are then rehired in covered employment. You do not earn a partial Credited Year of Service for merely not having a Break in Service; you must complete a full Credited Year of Service.

CALCULATING YOUR PENSION

Normal Retirement Pension

If you retire on your Normal Retirement Date, your monthly retirement income will be determined by multiplying your Credited Years of Service by the monthly benefit level in effect as of your Normal Retirement Date (assuming you did not have a prior Break in Service). For example, if you retire after January 1, 2001 (and did not have a prior Break in Service), the monthly benefit level is \$36.00 for each Credited Year of Service. So if you were to retire with 10 Credited Years of Service your monthly pension benefit will be \$360.00.

- Your Normal Retirement Date is the first day of the month after or coincident with your attaining Normal Retirement Age.
- Your Normal Retirement Age is the later of age 65 or, effective on or after January 1, 1989, your completion of five (5) Years of Credited Service (but in no event later than the fifth (5th) anniversary of your commencement of Plan participation).

The following sets forth the various monthly benefit levels in effect over the current and prior time periods since 1980 (contact the Plan Administrator for prior years):

Effective Dates

Amount

As of January 1, 1980, to and including December 31, 1980	\$11.00
As of January 1, 1981, to and including December 31, 1981	\$12.00
As of January 1, 1982, to and including December 31, 1982	\$13.00
As of January 1, 1983, to and including December 31, 1983	\$14.00
As of January 1, 1984, to and including December 31, 1984	\$15.00
As of January 1, 1985, to and including December 31, 1986	\$17.00
As of January 1, 1987, to and including December 31, 1990	\$18.00

Effective Dates

Amount

As of January 1, 1991, to and including December 31, 1993	\$19.00
As of January 1, 1994, to and including December 31, 1995	\$20.00
As of January 1, 1996, to and including December 31, 1996	\$22.00
As of January 1, 1997, to and including December 31, 1997	\$25.00
As of January 1, 1998, to and including December 31, 1999	\$28.00
As of January 1, 2000, to and including December 31, 2000	\$33.00
As of January 1, 2001	\$36.00

If the benefit level increases following your normal retirement (or postponed retirement; see below), you will be eligible for the higher benefit level if you were badged in the calendar year of your retirement and received wages in such year.

Postponed Retirement Pension

If your employment continues beyond your Normal Retirement Age, you may postpone starting your pension until you actually retire. In that case, your postponed benefit will be the greater of your earned (accrued) benefit at your postponed retirement date, or your benefit at your Normal Retirement Date increased by $\frac{8}{12}$ of 1% for each month payment of your pension was postponed.

Alternatively you can continue to work beyond your Normal Retirement Age and elect to start collecting your retirement benefit. In that case, you will accrue additional benefits for Credited Years of Service earned after Normal Retirement Age, but any additional benefit accruals will be offset by the actuarial value of the benefits you already received under the Pension Plan.

Early Retirement Pension

As of January 1, 1998, you may retire at age 62 if you have completed at least 10 Years of Service, and stop working in covered employment at a NYRA racetrack for the year. Your early retirement pension is calculated in the same manner as the normal retirement pension, but your monthly benefit will be reduced to reflect the

longer period that you will be collecting your benefit (1/180 for each month your commencement date precedes your Normal Retirement Date). If you take early retirement and return to work in covered employment, benefit payments will stop until you retire from covered employment once again. However, you may work at a NYRA track in a non-covered category of employment and still receive your early retirement pension. You must inform the Plan Administrator if you return to covered employment.

Disability Pension

In the event you become disabled while an employee and are in receipt of disability benefits under Social Security, you will be eligible for a disability pension under the Pension Plan provided you have completed at least three (3) consecutive Credited Years of Service immediately prior to becoming disabled, and have a total of at least five (5) Years of Service. (In addition, prior to 2010, to be eligible for a disability pension, you must have completed at least 30 days of full time employment at a NYRA track during the Plan (calendar) Year prior to becoming disabled.)

- You will be required to provide proof of Social Security disability benefits.
- You may be required at any time up to your Normal Retirement Date to furnish proof of your continuing disability and receipt of disability benefits under the Social Security Act.
- Effective for periods on and after January 1, 2014, you may not retain your NYRA badge if you wish to receive a disability pension.

The disability pension is calculated in the same manner as the normal retirement pension and is payable without reduction for early commencement prior to your Normal Retirement Date. Your disability pension will be payable in the form of a single life annuity up to your

Normal Retirement Date as long as you remain disabled. Thereafter, payments will be made to you in the normal form unless waived, with spousal consent if you are married (see below Normal Forms in the Payment Forms section). If you are eligible, the disability pension will include retroactive payments back to the first day of the month after your Social Security disability entitlement date.

If you have less than 10 Credited Years of Service, your disability pension will be calculated as though you actually had 10 Credited Years of Service. In addition, if the benefit level increases during the period you are receiving a disability pension, you will be eligible for the higher benefit level if you were badged in the calendar year of your disability and received wages in such year.

Terminated Vested Pension

You are vested when you have completed five (5) Years of Service (10 Years of Service if you did not work in covered employment after 1988). Vesting means that even if you are no longer employed in an eligible class of employees, you have a right to the benefits you earned (accrued) to the date you left employment based on the monthly benefit level in effect on the date of your termination (see earlier Normal Retirement Pension section).

If you terminate employment with a Break in Service and are then reemployed in covered employment, your pension will be based on the benefit level that was in effect on your initial termination date. However, if you complete at least an additional five (5) Credited Years of Service following your reemployment (without a further Break in Service), your pension will be calculated based on the benefit level in effect on the date of your subsequent termination.

- Your pension may be calculated at more than one benefit level if you are reemployed and don't complete

an additional five (5) Credited Years of Service following your reemployment (without a further Break in Service). For example, if you had two separate periods of service (and you don't meet the five (5) year rule), your pension benefit will be the sum of: (a) your Credited Years of Service for the first period of your service multiplied by the benefit level in effect as of your initial termination; plus (b) your Credited Years of Service for the second period of your service multiplied by the benefit level in effect as of your subsequent termination.

If you are vested and terminate employment prior to retirement, you are considered a "terminated vested participant." As a terminated vested participant, your pension will normally begin to be paid to you at your Normal Retirement Date. However if you have at least 10 Years of Service when you terminate employment, you may elect to receive a reduced pension at any time after you have attained age 62 (see Early Retirement Pension for the amount of the reduction).

If you terminate employment, and are not vested, you will forfeit any benefits you had accrued after six (6) consecutive one-year Breaks in Service (five (5) consecutive one-year Breaks in Service for periods prior to January 1, 2014).

PAYMENT FORMS

Normal Forms

Life Annuity: If you are unmarried at the time you retire (or lawfully married for less than 12 months), you will receive payment of your pension in the form of a monthly benefit for the rest of your life, unless you elect one of the optional methods described below. Payments will stop when you die. This is called a Life Annuity.

Qualified Joint and 50% Survivor Annuity: If you are lawfully married for at least 12-months when you retire, you will receive a reduced monthly income for as

long as you live, unless you elect, with your spouse's consent, one of the optional methods described below. After you die, your wife or husband, if he or she survives you, will automatically receive 50 percent of the amount you received for the remainder of his or her life. This is called a Qualified Joint and 50% Survivor Annuity. Your own monthly benefit will be reduced to provide for the fact that payment is anticipated to be made over two lives (yours and your spouse's). The amount of the reduction depends on your age and the age of your spouse at your commencement date.

Optional Methods

The Life Annuity and the Qualified Joint and 50% Survivor Annuity methods are the usual way of paying out benefits. If you wish, you can select one of the other forms of payment listed below. To do so, you must make a written election on the forms provided by the Plan Administrator during the 180-day election period prior to the commencement of your retirement benefits. If you are married, your spouse will have to give his or her notarized consent in writing to waive the Qualified Joint and 50% Survivor Annuity, and to elect a different benefit form (unless you are electing the Joint and 75% Survivor Annuity) or to designate a beneficiary other than your spouse.

Joint and 75% Survivor Annuity: If you are married when you retire, this option pays you a reduced benefit for life, and after you die, your spouse, if he or she survives you, will receive 75% of the amount you received for the remainder of his or her life. Your own benefit is reduced to provide for payments anticipated to be made over two lives. The amount of the reduction depends on your age and the age of your spouse at your commencement date. Because 75% of your benefit is payable to your spouse after you die, the reduction in your benefit under the Joint and 75% Survivor Annuity is greater than under the Qualified Joint and 50% Survivor Annuity.

10 Year Certain Annuity: This option pays you a reduced benefit for life, but guarantees at least a 10-year payment term. For example, if you elect the 10-year guarantee and die at the end of four (4) years, the benefits would continue to your designated beneficiary for six (6) more years. If you elect to receive payments under this method, your benefit will be reduced to cover the cost of the guarantee.

Contingent Annuity: Under this option you will receive a reduced monthly income for as long as you live. After you die your designated beneficiary will automatically receive 50% of the amount you received for the remainder of his or her life. Your own monthly benefit will be reduced to provide for the fact that two lives are involved. The amount of the reduction depends on your age and the age of your designated beneficiary at your commencement date.

You may not change your beneficiary or form of payment after benefits commence even if your spouse or other beneficiary dies before you or you become divorced.

PRE-RETIREMENT SPOUSE'S DEATH BENEFIT

Active Vested Employee: If you die after you are vested while working in covered employment, and you have been married for at least 12-months, your spouse will receive a spouse's death benefit for his/her lifetime commencing as of the first day of the month after your death. This death benefit is based upon:

- one-half of your vested pension benefit earned to the day of your death
- your age at your date of death
- your spouse's age

Terminated Vested Employee: If you are no longer a covered employee, and you die after you are vested and

before receiving any retirement benefit, and you have been married for at least 12-months, your spouse will receive the spouse's death benefit payable for his/her lifetime commencing at the date you could have retired with a Normal or Early Retirement pension if you had lived.

In the event the spouse's death benefit payable to your surviving spouse has a value of \$5,000 or less, the death benefit shall be payable in a lump sum payment as soon as administratively feasible following your death.

GENERAL PLAN INFORMATION

The information contained in this booklet makes up the summary plan description required under the Employee Retirement Income Security Act of 1974 ("ERISA"):

1. Name of Plan

N.Y. Backstretch Employees Pension Plan

2. Plan Sponsor and Employer Identification Number

N.Y. Backstretch Employees Pension Trust
P.O. Box 030304
Elmont, NY 11003-0304
EIN: 11-2236389

3. Plan Identification Number — Type of Plan

001 — Defined Benefit

4. Source of Contributions

The Pension Plan is funded by employer contributions equal to 1% of the NYRA purses. There are no employee contributions.

5. Plan Administrator

Ms. Carletta Pizzorno
Administrator
N.Y. Backstretch Employees Pension Trust
P.O. Box 030304
Elmont, NY 11003-0304
Telephone: (516) 488-4220
Fax: (516) 488-4221
Email: administrator@nybackstretchpension.com

6. Named Fiduciaries

Plan Administrator (see above)
Board of Trustees (see below)
Trainers Committee (see below)

7. Board of Trustees

(Same address as above.)
Jack Brothers
Kenneth DeMarinis
Stephen DiMauro
David Donk
Marc Keller
Patrick J. Kelly
Donald R. Larkin
William Parsons, Jr.
Peter G. Schiff

8. Trainers Committee

(Same address as above.)
B.G. Dunham
James Ferraro
John Hertler
Mark Hennig
Michael Miceli
Keith O'Brien
Joseph Orseno
Robert Ribauda

9. Funding Entity

N.Y. Backstretch Employees Pension Trust
P.O. Box 030304
Elmont, NY 11003-0304

10. Legal Service

Process can be served by directing such legal service to the Plan Administrator.

11. Plan Year

Each Plan Year is a calendar year ending on each December 31st.

Anti-Alienation Clause

Pension Plan benefits are intended only for you and for your spouse or beneficiary. Except as otherwise provided by law, no benefit under the Pension Plan is subject in any manner to voluntary or involuntary alienation, anticipation, sale, transfer, assignment, pledge or encumbrance. No benefit is subject to seizure, attachment or other legal process for your debts or other obligations or those of your beneficiary.

The Pension Plan will, in accordance with applicable law, honor qualified domestic relations orders relating to provisions for child support, alimony payments or marital property rights. The Pension Plan's procedures with respect to these orders may be obtained without charge from the Plan Administrator.

Additionally, the Board of Trustees has the right to recover any overpayments to any person, plus interest and costs.

Discretionary Authority

With the exception of the review of pension claim appeals, the Plan Administrator shall have the exclusive right, power, and authority in his/her sole and absolute discretion to administer, apply and interpret the Pension Plan and decide all matters in connection with the operation or administration of the Pension Plan.

Amendment and/or Termination of the Pension Plan

The Board of Trustees reserves the right at any time to amend the Pension Plan. While it is expected and intended that the Pension Plan will continue indefinitely, the Board of Trustees and the Trainers Committee jointly have the right to terminate the Pension Plan and its trust. Upon termination your earned (accrued) benefit becomes non-forfeitable to the extent the Pension Plan is funded.

CLAIMS AND APPEALS PROCEDURES

Claim for Benefits

If you are retiring, be sure to contact the Plan Administrator at least 60 days before your retirement date. If you are terminating employment, the Plan Administrator will tell you what vested benefits and options, if any, you might have.

All claims for benefits must be presented to the Plan Administrator. The office of the Plan Administrator will supply any necessary information and forms.

The Plan Administrator will review the claim and render its decision within 90 days, unless special circumstances require an extension of time. If special circumstances require an extension of time to process a claim, you will be notified in writing prior to the end of the 90-day period. This notice will indicate the special circumstances requiring the extension and the date by which you can expect a decision, which shall be no more than 180 days from the date the claim was filed.

You will be provided with a written or electronic notification of the decision on your claim. If your claim is denied, the notice of this denial will contain the following information:

- the specific reason or reasons for the denial;
- specific reference to those Pension Plan provisions on which the denial is based;
- a description of any additional information or material necessary for you to perfect your claim and an explanation of why this material or information is necessary; and
- an explanation of the Pension Plan's claim review procedure and the time limits applicable to this procedure including a statement of your right to bring a civil action under Section 502(a) of ERISA if your claim is denied following appeal.

Appeal of Denial of Claim for Benefits

If your claim has been denied, you or your representative, may appeal to the Chairman of the Board of Trustees for a review of the denial by making a written request within 60 days of receipt of the notice of denial. Any such request may include any written comments, documents, records and other information relating to the claim and may include a request for relevant documents to be provided free of charge.

The Chairman of the Board of Trustees will generally render a final decision within 60 days after receipt of a timely filed appeal request. If special circumstances require an extension of the time for determining your appeal, the Chairman of the Board of Trustees, will notify you of the extension before the end of the initial 60-day period and then render his or her decision as soon as possible, but not later than 120 days after receipt of your appeal request. The notice shall state the special circumstances requiring the extension and the date a decision can be expected. However, if the period of time is extended due to your failure to submit information necessary to decide your claim for benefits, the period for making the determination on appeal shall be tolled from the date on which the notification of the extension is sent to you until the date you respond to the request for additional information.

If your appeal is denied, the written or electronic notice of this denial will contain the following information:

- the specific reason or reasons for the denial;
- specific reference to those Pension Plan provisions on which the denial is based;
- a statement that you can receive upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim; and

- a statement of your right to bring a civil action under Section 502(a) of ERISA if your claim is denied following appeal.

If you fail to timely file a request for appeal according to the procedures outlined above, you shall have no rights of review and shall have no right to bring action in any court, and the denial of the claim shall become final and binding for all purposes. Furthermore, you may not bring any court action seeking review of an appeal denial later than one year after you have exhausted all your claim and appeal rights set forth above.

PBGC INSURANCE AND ERISA RIGHTS

Pension Benefit Guaranty Corporation Insurance

If the Pension Plan terminates, benefits under the Pension Plan are insured by the Pension Benefit Guaranty Corporation (PBGC). Generally, the PBGC guarantees most vested normal retirement benefits and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under covered plans, and the amount of benefit protection is subject to certain limitations.

The PBGC guarantees vested benefits at the level in effect on the date of plan termination. However, if benefits have increased within the five years before plan termination, the whole amount of the benefit increase may not be guaranteed. In addition, there is a ceiling on the amount of monthly benefit that PBGC guarantees, which is adjusted periodically.

For more information on the PBGC insurance protection and its limitation, ask the Plan Administrator or the PBGC. Inquiries to the PBGC should be addressed to the Technical Assistance Division, PBGC, 1200 K Street, NW, Suite 930, Washington, D.C. 20005-4026. The PBGC Office of Communications may also be reached by calling (202) 326-4000 (not a toll free number). TTY/TDD users may call toll free 1-800-877-8339 and ask to be connected to (202) 326-4000. Further information may be obtained at www.pbgc.gov.

Statement of ERISA Rights

As a participant in this Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (“ERISA”). ERISA provides that all Pension Plan participants shall be entitled to:

- Examine, without charge, at the Plan Administrator’s office all documents governing the Pension Plan, including any applicable insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the Pension 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 Pension Plan, including any applicable insurance contracts, and copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Pension Plan’s annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age and if so, what your benefits would be at Normal Retirement Age if you stop working under the Pension Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Pension Plan must provide the statement free of charge.

In addition to creating rights for Pension Plan participants, ERISA imposes duties upon the people who are re-

sponsible for the operation of the Pension Plan. The people who operate your Pension Plan, called “fiduciaries” of the Pension Plan, have a duty to do so prudently and in the interest of you and other Pension Plan participants and beneficiaries. No one, including your employer, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a pension benefit is denied or ignored, in whole or in part, you have the 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 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 Pension Plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that Pension Plan fiduciaries misuse the Pension Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about your Pension Plan, you should contact the Plan Administrator. If you have

any questions about this statement or about your rights under ERISA, you should contact the nearest 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.