

# **Summary Plan Description**

Prepared for

**AMWTP Employee Investment Plan**

As In Effect, June 1, 2016

## **INTRODUCTION**

Fluor Idaho, LLC (the “Employer”) maintains the AMWTP Employee Investment Plan (the “Plan”) for the benefit of its eligible employees. The Plan is designed to help you meet your financial needs during your retirement years.

The Plan was initially established effective May 1, 2005 by Bechtel BWXT Idaho, LLC (“BBWI”). Effective October 1, 2011, Idaho Treatment Group, LLC assumed all the rights and obligations of the Plan as the successor contractor to BBWI. Effective June 1, 2016 Fluor Idaho, LLC assumed all the rights and obligation of the Plan as the successor contractor to Idaho Treatment Group, LLC.

This booklet, called the “Summary Plan Description” (or “SPD”) has been written to explain the Plan and its benefits to you. The booklet describes who is covered by the Plan, what benefits are provided by the Plan, the procedures of the Plan, and certain rights that employees covered by the Plan have under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). This Summary Plan Description describes the terms and provisions of the Plan in effect as of October 1, 2016.

This booklet replaces any prior Summary Plan Descriptions and summaries of material modifications you may have received with respect to the Plan. Please read this booklet carefully and keep it in a safe place with your other important documents. This booklet is intended to describe the Plan in easily understandable language, but it is only a summary of the Plan. There may be instances in which the description in this booklet may have over simplified a part of the Plan for the sake of clarity. If any part of the description of the Plan in this booklet inadvertently states anything different from the formal legal documents governing the Plan, the formal legal documents will be considered correct and will control.

If at any time you have specific questions about the Plan as it applies to you, please bring them to the attention of the Plan Administrator whose address and telephone number appears in Section Eight of this SPD. You may also examine the Plan Document itself at a reasonable time by making arrangements with the Plan Administrator.

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## **SECTION ONE: DEFINITIONS**

The following definitions are used in the text of this SPD. These words and phrases are capitalized throughout the SPD for ease of reference.

**Catch-up Contributions** - means additional Elective Deferrals (Pre-Tax Deferrals and/or Roth Deferrals) not to exceed the applicable dollar limit for a given year, made under the Plan by Participants who attain age 50 before the close of the calendar year. See Section Three for additional information.

**Compensation** - means the earnings paid to you by the Employer which are reportable in box 1 of your IRS Form W-2, including any Elective Deferral contributions you make under the Plan, any cafeteria plan contributions, any differential wage payments, and payments designated by the Employer as “workforce incentive payments”, but excluding non-cash compensation, severance payments, and bonuses. For purposes of Profit Sharing Contributions, bonuses for non-Highly Compensated Employees will be taken into account.

**Disability or Disabled** - means that a Participant has become entitled to receive long-term disability benefits under the Employer’s long-term disability program. If a Participant is not covered by the Employer’s long-term disability benefits program, the Participant will be deemed to be Disabled if an individual appointed or approved by the Plan Administrator certifies in writing that such Participant would have qualified for long-term disability benefits under the Employer’s program had he or she been covered by such program.

**Elective Deferrals** - means the dollars you contribute to the Plan through before-tax payroll deductions (“Pre-Tax Deferrals”) and through after-tax Roth payroll deductions (“Roth Deferrals”).

**Employee** - means any individual who is reflected on the books and records of the Employer as a common law employee.

**Enhanced Profit Sharing Contribution** – means the contribution made to Former INL Employee Retirement Plan Participants that is based on credited service, age and Compensation.

**Employer** - means Fluor Idaho, LLC or a successor contractor, which sponsors this Plan.

**Former INL Employee Retirement Plan Participant** – means an Employee whose accrued benefit under the INL Employee Retirement Plan was frozen on or after June 30, 2009 due to limitations of Internal Revenue Code Section 401(a)(26) and, as a consequence, such Employee is no longer an active Participant accruing benefits in the INL Employee Retirement Plan.

**Individual Account** - means the contribution account established and maintained for you which is made up of all contributions made by you or on your behalf.

**Matching Contribution** - means a contribution made by the Employer to the Plan on your behalf based upon your Pre-Tax Deferrals, Roth Deferrals (including Catch-Up Contributions), and/or Non-Deductible Employee Contributions.

**Non-Deductible Employee Contributions** - means any contribution which you make to the Plan on an after-tax basis, other than a Roth Deferral.

**Normal Retirement Age** – means age 65.

**Participant** - means an Employee who has met the eligibility requirements, has entered the Plan, and has become eligible to make or receive a contribution to his or her Individual Account. Any references throughout this document to “you” shall mean any Participant.

**Plan** - means the AMWTP Employee Investment Plan.

**Plan Administrator** - The Plan Administrator is responsible for administering the Plan and has the final discretionary authority to interpret the Plan. The Fluor Idaho Employee Benefits Committee, which is a committee made up of members appointed by the Board of Managers of the Employer, is the Plan Administrator of the Plan. To ensure efficient and sound operation and administration of the Plan, the Fluor Idaho Employee Benefits Committee has the discretionary authority to appoint other persons as may be necessary to act on its behalf or assist in performing these responsibilities, including the day-to-day administration of the Plan.

**Plan Year** - means the 12-month period beginning on each October 1 and ending on the following September 30.

**Pre-Tax Deferrals** - means the dollars you contribute to the Plan through before-tax payroll deductions.

**Profit Sharing Contributions** – means a discretionary contribution made by the Employer to the Plan on your behalf based upon your Compensation.

**Roth Deferrals** – mean the dollars you contribute to the Plan through after-tax payroll deductions that are subject to the same restrictions as Pre-Tax Deferrals, but the earnings on which are not taxable when distributed if certain tax law requirements are met.

## **SECTION TWO: ELIGIBILITY AND PARTICIPATION**

### **ELIGIBLE CLASSES OF EMPLOYEES**

#### Pre-Tax Deferrals, Roth Deferrals, Non-Deductible Employee Contributions, Matching Contributions and Profit Sharing Contributions

If you are an “eligible Employee” (described in the following section of this booklet entitled “Eligibility”), you will generally be allowed to make Pre-Tax Deferrals, Roth Deferrals and Non-Deductible Employee Contributions and to receive Matching Contributions upon completion of the enrollment process. In addition, if you are not a Former INL Employee Retirement Plan Participant, you will generally be allowed to share in Profit Sharing Contributions once you have entered the Plan.

#### Enhanced Profit Sharing Contributions

If you are determined by the Plan Administrator to be a “Former INL Employee Retirement Plan Participant,” you will be eligible to receive an Enhanced Profit Sharing Contribution.

### **ELIGIBILITY**

Subject to certain exclusions, all Employees of the Employer are eligible to participate in the Plan. To be considered an eligible Employee, you must be included on the Employer’s payroll records as an employee; provided, however, (i) individuals classified by the Employer as “interns”; (ii) leased employees and those who provide services under a similar arrangement as non-employees, regardless of their period of service ; (iii) employees covered by a collective-bargaining agreement that does not provide for participation in the Plan; and (iv) Employees who are participating in the Idaho National Laboratory (INL) Employee Investment Plan, are not eligible for participation in the Plan.

Once you begin participating in the Plan, you will remain eligible to participate in the Plan until you retire, become disabled, die, have a severance from service with the Employer, or cease to be an eligible Employee.

#### Pre-Tax Deferrals, Roth Deferrals and Non-Deductible Employee Contributions

Each eligible Employee may enter the Plan and begin making Pre-Tax Deferrals, Roth Deferrals and Non-Deductible Employee Contributions as soon as administratively possible upon hire. This is generally the first pay date after the first day of employment. New hires will receive profit sharing contributions beginning immediately upon hire (new hires do not have access to elect to make deferrals until after their first paycheck).

#### Matching Contributions

Once the Employee has elected to begin making Pre-Tax Deferrals, Roth Deferrals and/or Non-Deductible Employee Contribution the Company will begin making Employer Matching Contributions to the Plan. You must contribute Pre-Tax Deferrals, Roth Deferrals and/or Non-Deductible Employee Contributions to be eligible for a Matching Contribution.

### Profit Sharing Contributions

With an Employee's first paycheck, the Employee is eligible for the Employer's Profit Sharing Contributions to the Plan. You do not need to contribute to the Plan to receive the Profit Sharing Contribution.

### Enhanced Profit Sharing Contributions

If you are determined by the Plan Administrator to be a Former INL Employee Retirement Plan Participant, you are immediately eligible for the Employer's Enhanced Profit Sharing Contributions to the Plan. The Enhanced Profit Sharing Contribution ceases upon the earlier of your termination of employment with the Employer or the end of the payroll period in which you attain 65 years of age.

### **HOW SERVICE IS COUNTED**

You will receive credit for the time period beginning with your first day of employment (or reemployment) and ending on the date of a severance from service.

A Former INL Retirement Plan Participant's service shall be equal to the sum of service credited under the INL Employee Retirement Plan and additional credited service performed upon commencement of participation in the Plan.

### **WHEN YOU MAY PARTICIPATE IN THE PLAN**

After you have met the eligibility requirements, you will become a Participant in the Plan on the applicable entry dates. The entry dates with respect to each type of contribution permitted under the Plan are described below.

### Pre-Tax Deferrals, Roth Deferrals, Non-Deductible Employee Contributions, Matching Contributions, and Profit Sharing Contributions

The entry date with regard to Pre-Tax Deferrals, Roth Deferrals, Non-Deductible Employee Contribution, Matching Contributions, and Profit Sharing Contributions is as soon as administratively feasible following your hire date.

You will continue to participate in the Plan as long as you do not incur a break in service. A break in service is a period of at least 12 consecutive months during which you do not perform services for the Employer. However, no break in service will occur if the reason you did not work was because of certain absences due to birth, pregnancy or adoption of children, military service or other service during a national emergency during which your re-employment under a federal or state law is protected and you do, in fact, return to work within the time required by law.

Enhanced Profit Sharing Contributions

A Former INL Employee Retirement Plan Participant shall be eligible to participate the day after such Participant's benefit is frozen in the INL Employee Retirement Plan.

## **SECTION THREE: PLAN FUNDING AND ADMINISTRATION**

### **PLAN CONTRIBUTION SOURCES, ALLOCATIONS AND LIMITATIONS**

#### Salary Deferrals

You may make Pre-Tax Deferrals, Roth Deferrals and Non-Deductible Employee Contributions (*i.e.*, after-tax contributions) to the Plan through payroll deduction. These elections are collectively referred to as “Salary Deferrals.”

To begin making Salary Deferrals, you should contact Vanguard Participant Services at 1-800-523-1188 or online at [www.vanguard.com](http://www.vanguard.com). For example, assume your weekly Compensation is \$1,000. You wish to make a Pre-Tax Deferral to the Plan authorizing a deferral amount of 5% of your weekly Compensation. As a result, the Employer will pay you \$950 as gross taxable income (if you elect to make a Non-Deductible Employee Contribution or a Roth Deferral, you will be paid \$950 and be deemed to have \$1,000 of gross taxable income) and will deposit your 5% contribution (*i.e.*, \$50) into the Plan for you.

#### Limits on Elective Deferrals

Federal tax laws and Plan documents govern the amount of Elective Deferrals (Pre-Tax and Roth Deferrals) that you may make. Specifically, federal law places two annual limits on the amount you may defer into a 401(k) plan—an individual limit and a limit on the percentage of pay a “highly compensated employee” may contribute based on the average contribution rate of the non-highly compensated employees.

##### *Individual Limit*

Federal tax law limits the amount you can put into the Plan during each calendar year. The limit is \$18,500 in 2018. This amount is indexed periodically for changes in the cost-of-living index. This limit applies to all Elective Deferrals (Pre-Tax and Roth Deferrals) you make during the calendar year to any deferral plans maintained by the Employer and any other employer.

If you defer more than the calendar year limit, you must submit a request to the Employer in writing for the return of the excess to you no later than March 1 of the year following the calendar year in which the excess contribution occurs. If the excess amount also involved contributions to another plan, you may elect how much of the excess to take out of each plan. If you meet the tax law limit for Pre-tax or Roth deferrals, including Catch-up Contributions, you will automatically be suspended from such deferrals and automatically converted to Non-deductible Employee Contributions (After-tax Contributions). This suspension will be lifted on the first calendar day of the next year and your Elective Deferral (Pre-Tax and Roth) will resume.

The excess amount and any earnings you may have received on the excess must be taken out of the Plan by April 15 of the year following the calendar year the money went into the Plan. The excess amounts will be reported on Form 1099-R and will be taxable income for the year in which you put the excess into the Plan. Earnings on the excess amount will be taxable in the year distributed.

### Plan Specific Limitations

Upon entering the Plan, your Compensation will be reduced each pay period by the percent you specify. The Plan permits you to defer a percentage of your Compensation from 1% to 50%, subject to the annual contribution limit mentioned above, in increments of 1%. This limit applies to your aggregate Elective Deferrals (Pre-Tax and Roth Deferrals) and Non-Deductible Employee Contributions.

To increase or decrease the amount of your Pre-Tax Deferrals, Roth Deferrals and/or Non-Deductible Employee Contributions or to discontinue making such contributions, you should contact Vanguard Participant Services at 1-800-523-1188 or online at [www.vanguard.com](http://www.vanguard.com).

Employees may make contribution changes at any time. Elected contribution changes will be processed as soon as administratively feasible.

### Catch-up Contributions

If you are age 50 or older at any time during the calendar year, you may make Elective Deferrals (Pre-Tax and/or Roth Deferrals) in excess of the Elective Deferral Limits explained above. Such excess Elective Deferrals are called “Catch-up Contributions.”

### Limits on Catch-up Contributions

Federal tax law limits the amount you can put into the Plan during each calendar year as Catch-Up Contributions. The limit is \$6,000 in 2018 (\$6,000 in addition to the Individual Limit). This amount is indexed periodically for changes in the cost-of-living index. This limit applies to all Elective Deferrals (Pre-Tax and Roth Deferrals) you make during the calendar year to any deferral plans maintained by the Employer and any other employer.

### Non-Deductible Employee Contributions

You may make after-tax contributions to the Plan through payroll deduction. Such contributions are called Non-Deductible Employee Contributions. A Non-Deductible Employee Contribution is not the same as a Roth Deferral and requires a separate election. Earnings on Roth Deferrals are not taxed when distributed if tax law requirements are satisfied, whereas earnings on Non-Deductible Employee Contributions are taxable when distributed.

To begin making Non-Deductible Employee Contributions, you should contact Vanguard Participant Services at 1-800-523-1188 or online at [www.vanguard.com](http://www.vanguard.com).

You are 100% vested in your Non-Deductible Employee Contributions and may withdraw them at any time by contacting Vanguard.

### Matching Contributions

Matching Contributions are Employer Contributions that are contributed to the Plan on your behalf based on your Salary Deferrals and Catch-up Contributions.

As of each payroll period during which you are making Salary Deferral contributions to the Plan, the Employer may make a Matching Contribution to the Plan on your behalf. Such Matching Contribution will be an amount equal to 100% of your Salary Deferral contributions for such payroll period which are not in excess of 5% of your Compensation for such payroll period (or such other Matching Contribution formula adopted by the Employer). Matching Contributions are contributed to your Plan account balance on a payroll-by-payroll basis and you should consider this fact if you want to maximize the Matching Contributions you can receive under the Plan. Thus, for every \$1 you contribute to the Plan as a Salary Deferral Contribution (up to 5% of your Compensation for such payroll period), the Employer will contribute \$1 as a Matching Contribution to your account in the Plan. For example:

Assume your weekly paycheck from the Employer is \$1,000, and you are making Salary Deferral contributions of 5% of your Compensation. As of each payroll period, the Employer will deduct and contribute \$50 (5% of \$1,000) to the Plan on your behalf. In addition, the Employer will make a Matching Contribution on your behalf equal to 100% of your Salary Deferral contributions (which do not exceed 5% of your Compensation for the payroll period). Therefore, the Employer will make a Matching Contribution of \$50 to the Plan on your behalf for such payroll period. At the end of the year, you have accumulated \$2,600 (\$50 x 52 pay periods) in Salary Deferral contributions and \$2,600 (100% of Salary Deferral contributions not in excess of 5% of Compensation) in Matching Contributions, for a total contribution of \$5,200.

The Non-Deductible Employee Contributions and Matching Contributions attributable to highly compensated employees are limited based on the average Non-Deductible Employee Contributions and Matching Contributions (as a percent of Compensation) received by the non-highly compensated group of employees during the prior Plan Year. If these limits apply to you, the Plan Administrator can give you additional information about them. The amount of the excess attributable to Non-Deductible Employee Contributions (plus earnings through the end of the prior Plan Year) will be refunded to you and excess Matching Contributions may be forfeited, unless the Employer in its discretion makes a special contribution on behalf of non-highly compensated employees to pass nondiscrimination tests.

#### Profit Sharing Contributions

Profit Sharing Contributions are discretionary Employer Contributions that are contributed to the Plan based on your Compensation. The Employer will notify you of the amount of any discretionary Profit Sharing Contributions made on your behalf. You are not required to make Elective Deferrals in order to share in the Profit Sharing Contribution, if any. Accordingly, you do not need to take any action to enroll in the Plan for purposes of receiving the Profit Sharing Contribution. A Participant is not eligible for a Profit Sharing Contribution while eligible for an Enhanced Profit Sharing Contribution.

#### Enhanced Profit Sharing Contributions

Subject to the governmental limits of the Plan, the Employer will contribute an amount determined by multiplying a Former INL Employee Retirement Plan Participant's Compensation by a percentage that corresponds to the sum of such Participant's age and credited service as each is determined in whole years on the last day of the preceding Plan Year.

The Enhanced Profit Sharing Contribution will be based on Compensation the Former INL Employee Retirement Plan Participant receives on and after the date he or she enters the Plan as a Participant. If a Former INL Employee Retirement Plan Participant enters this Plan then terminates employment and is later rehired, he or she shall no longer be eligible to receive an allocation of the Enhanced Profit Sharing Contribution for services performed and Compensation paid to him or her after the date of rehire. Enhanced Profit Sharing Contributions are also not made after a Former INL Employee Retirement Plan Participant reaches age 65, in which case such Participant then becomes eligible for a Profit Sharing Contribution.

### Nondiscrimination Testing

Special nondiscrimination tests apply to Elective Deferrals (Pre-Tax and Roth Deferrals), Matching Contributions and Non-Deductible Employee Contributions and may limit such amounts allocable to highly compensated employees. To the extent that a highly compensated employee's contributions exceed these limits, the excess (plus earnings, if any for the Plan Year of the excess contribution) may be required to be distributed to certain highly compensated employees. The Plan Administrator will advise you if you are affected by the nondiscrimination tests.

### Rollover and Transfer Contributions

If you are an eligible Employee, the Plan allows you to make rollover and transfer contributions to the Plan. You are 100% vested in your rollover contributions at all times and may withdraw them from the Plan at any time by contacting Vanguard. Rollovers and transfer contributions are permitted from a qualified plan described in Section 401(a) or 403(a) of the Internal Revenue Code (Code) including Non-Deductible Employee Contributions, Roth Deferrals, and the portion of an individual retirement account or annuity described in Section 408(a) or 408(b) of the Code that is eligible to be rolled over and would otherwise be includible in gross income. Contact Vanguard to obtain the AMWTP Employee Investment Plan Rollover Form and instructions to complete the process. Any Roth deferrals allowed to be rolled-over to the Plan will be accounted for separately.

### Annual Additions Limitation

In spite of the contribution/allocation formulas described earlier, federal law limits the total annual amount of employer and employee contributions that may be allocated to your account to the lesser of \$55,000 for 2018 or 100% of your Compensation. Remember that the Plan limits your own contributions to 50% of your Compensation, subject to the annual limit on Elective Deferrals (Pre-tax and Roth deferrals). The annual addition limit is adjusted periodically for changes in the cost-of-living index.

### Benefits Under USERRA

The Plan is operated in compliance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). Under the provisions of USERRA, if you return to work from a qualified military leave, you may be permitted to "make up" Elective Deferrals (Pre-Tax and/or Roth Deferrals), Catch-up Contributions, and Non-Deductible Employee Contributions, which you could have otherwise made

during the period of qualified military service. If you make up your missed contributions, you will also be entitled to receive any Matching Contributions.

Upon returning from qualified military service within the specified time frame, as outlined under USERRA, your period of military service counts for all purposes under this Plan. You will not be treated as having had a break in service under the Plan.

In addition, you are eligible to receive Profit Sharing Contributions you would have received had you not been serving in qualified military service. For purposes of determining Profit Sharing Contributions, you will be deemed to earn Compensation at the same rate you were earning prior to your commencement of qualified military service.

Employees covered under USERRA include: all members of the “uniformed services” who serve voluntarily or involuntarily, including those in the reserves, as well as any other individuals designated by the President. The uniformed services include the Army, Navy, Marine Corps, Air Force, Coast Guard, and Public Health commissioned corps.

## **COMPENSATION**

The definition of compensation for Plan purposes may vary for many reasons. Federal tax law may require the use of one definition of compensation for nondiscrimination testing, but permit employers to choose the definition of compensation that will be used for other purposes. Regardless of the various definitions of compensation which may be required or allowed, in the event your Compensation for the Plan Year beginning October 1, 2018 exceeds \$275,000, only the first \$275,000 will be counted as Compensation under the Plan. This \$275,000 cap is adjusted periodically for changes in the cost-of-living index.

### Compensation for Employee and Employer Contribution Purposes

For purposes of calculating the amount of your Elective Deferrals (Pre-Tax and/or Roth Deferrals), Non-Deductible Employee Contributions, Matching Contributions and your share of any Profit Sharing Contributions (and Enhanced Profit Sharing Contributions if you are eligible for such contributions), the Employer has elected to use Compensation that is paid and reportable to you in Box 1 of IRS Form W-2, adjusted as described below.

Bonuses (other than “workforce incentive payments”), severance and non-cash compensation are excluded from Compensation, but bonuses are included for calculation of Profit Sharing Contributions for Participants who are not “highly compensated employees” of the Employer as determined under tax laws. Your Compensation will include salary reduction contributions you make to any Employer-sponsored 401(k) plan or cafeteria plan.

## **SELF DIRECTION OF INVESTMENTS**

The Plan Administrator will establish uniform and nondiscriminatory policies describing how and when you may provide investment directions for the amounts in your Individual Account using online and telephone services provided through Vanguard. You will be responsible for any expenses and losses resulting from your choice of investments.

All contributions to the Plan on your behalf will be credited to your Individual Account established in your name. Plan contributions are held in trust by the Trustee for the exclusive benefit of Participants and their beneficiaries. As a Participant, you are permitted to direct the investment of your Individual Account under the Plan and/or future contributions to such accounts, in 1% increments, among the Investment Funds which are offered through the Plan. The Plan Administrator has selected the Investment Funds which are available under the Plan. The funds available to you through the Plan may change from time to time. You will be notified of any fund changes. The fact that a certain Investment Fund is available under the Plan is not a recommendation for investment in that Investment Fund, nor is the performance of any investment option guaranteed by the Employer, the Plan Administrator or any other person.

Information on the Investment Funds in which you may invest, and a description of the holdings of each Investment Fund, may be obtained by calling **Vanguard® Participant Services** or the **24-hour Vanguard VOICE® Network** by dialing **1-800-523-1188** or by logging onto the Vanguard website at [www.vanguard.com](http://www.vanguard.com).

#### Information About the Investment Options Available In the Plan

When you are eligible to participate in the Plan, you will be provided with comprehensive information about the investment options available in the Plan, including an explanation of their investment objectives and policies, risk and return characteristics, past and current investment performance, operating expenses, and the type and diversification of assets comprising the portfolio of each fund. If you have any questions or require more detailed information concerning any investment option, you should call **Vanguard® Participant Services** or the **24-hour Vanguard VOICE® Network** by dialing **1-800-523-1188**. You may also logon to the Vanguard website at [www.vanguard.com](http://www.vanguard.com).

**Vanguard Participant Services** provides registered associates to answer investment-related questions from 8:30 a.m. to 9:00 p.m., Monday through Friday, Eastern time. These associates can help you understand available investment options and basic retirement investment planning concepts. Additionally, the associates are able to execute transactions such as fund exchanges, and contribution allocation changes.

If you prefer the flexibility and convenience of an automated network, the **Vanguard VOICE® Network** is available 24 hours a day, 7 days a week to accommodate and confirm your transactions. (You must use a touch-tone telephone and the personal identification number provided to you upon enrollment to access the **VOICE® Network**.) During normal business hours you may transfer directly to a **Vanguard Participant Services** associate should you wish to discuss Plan or investment-related questions.

Additionally, Vanguard's website at [www.vanguard.com](http://www.vanguard.com) allows you to make fund selections and changes, and to tap into a variety of investment information from retirement plan guidance to specific fund information to tax-planning tips. Please see the attached document for a summary explanation of Personal Online Advisor, Vanguard Managed Account Program, Vanguard Financial Planning for over 55, and Investor Questionnaire.

If you do not designate how you want your Account invested, it will be invested automatically into a "qualified default investment arrangement" which is one of the Vanguard Target Retirement Funds, taking into account your current age and assuming that you expect to retire on your normal retirement age (age 65).

## How To Change Investment Directions

The general rule is that you may change your investment directions with respect to your future Plan contributions or existing Individual Account balances at any time, subject to trading restrictions or fees assessed for a particular fund. You may obtain additional information regarding your investment opportunities (including each fund's investment objectives, risk and return characteristics, type and diversification of assets held by the fund, and the designated investment manager of the fund) by calling Vanguard, or accessing the Vanguard website. Additional information provided upon request (as long as it is relevant and available) includes:

- A description of any transaction fees that may affect your account.
- The annual operating expenses of each investment fund (for example, investment management fees, administrative fees, transaction costs) which reduce the rate of return to Participants and beneficiaries, and the percentage of the net assets of the investment fund that such expenses represent.
- Copies of prospectuses (or short-term summary prospectuses) for mutual funds or similar documents for funds that are not mutual funds, as well as any financial statements or other reports to the extent provided to the Plan Administrator.
- A list of the assets comprising the portfolio of each investment option which is part of the Plan's assets, the value of each such asset (or the proportion of the investment options which it comprises) and, with respect to any such asset which is a fixed rate investment contract issued by a bank, savings and loan association or insurance company, the name and issuer of the contract, the term of the contract and the rate of return on the contract.
- Information concerning the value of shares or units in each investment fund, as well as the past and current investment performance of each investment fund.

The Investment Funds available under the Plan may be changed or modified from time to time by the Plan Administrator. You will be notified in the event of any such changes. If you wish to make a change in investment directions, the Plan Administrator has arranged for Vanguard to assist you in making those directions and changes. You may:

- Access Vanguard's website at [www.vanguard.com](http://www.vanguard.com);
- Call the **24-hour Vanguard VOICE® Network**, using a touch-tone telephone and the PIN provided to you by dialing **1-800-523-1188**; or
- Call **Vanguard Participant Services**, by dialing **1-800-523-1188** (8:30 a.m. to 9:00 p.m. Eastern time Monday through Friday).

The transfer of existing balances will be made the same day if you call or initiate the transaction before 4:00 p.m. Eastern time. A confirmation of your change will be sent to you by Vanguard.

### Keeping Track of Individual Accounts Under the Plan.

Unless you elect to receive statements and information by U.S. postal service mail, Vanguard sends electronic notices. If you do not register on Vanguard's website, Vanguard sends information by U.S. postal service mail.

Statements showing the total amounts credited to your Individual Account under the Plan are provided as of the end of each calendar quarter. These statements will reflect all Plan activities including contributions, earnings, investment exchanges, fees, and distributions occurring within your Individual Account during the most recent calendar quarter. As mentioned previously, you may also call **Vanguard Participant Services** to discuss Plan or investment-related questions or access Vanguard's website at [www.vanguard.com](http://www.vanguard.com).

### Responsibility of Investment Losses

The Plan is intended to comply with Section 404(c) of ERISA (the Employee Retirement Income Security Act of 1974). This means that the fiduciaries of the Plan, including the Employer, the Plan Administrator and the Trustee, will be relieved of any legal liability for any losses which are the result of the investment directions that you give with respect to your Individual Account. Because your Plan allows and encourages you to direct your investments and to have access to all pertinent information concerning your investments, the fiduciaries of the Plan will be relieved of liability for the results of your investment decisions, as provided under Section 404(c) of ERISA.

When you direct investments, your Individual Account is segregated for purposes of determining the gains, earnings or losses on your investments. Your account does not share in the investment performance for other Participants who have directed their own investments.

You should remember that the amount of your benefits under the Plan will depend in part upon your choice of investments. Gains as well as losses can occur. There are no guarantees of performance, and neither the Employer, the Plan Administrator, the Trustee, nor any of their representatives provides investment advice or insures or otherwise guarantees the value or performance of any investment you choose.

### Fees Associated With the Plan

The Plan Administrator may charge Participants the cost of administering the Plan or the cost of particular transactions (such as loans, withdrawals or processing of qualified domestic relations orders) by deductions from Individual Accounts. Investment fees and expenses may also be charged by the investment fund as described in separate investment information. Administration fees include external and internal expenses such as trustee fees; fees paid to administrative services providers, such as auditors and attorneys; certain insurance costs; and the cost of labor for employees who provide services to the Plan. The payment for the administrative expenses may be deducted from Participant account balances.

## **SECTION FOUR: DISTRIBUTION OF BENEFITS AND VESTING**

### **BENEFIT ELIGIBILITY**

Certain events must occur before you may withdraw money from the Plan. Benefits may be withdrawn upon:

- termination of employment
- sustaining a Disability
- death
- attaining age 59½ (except you may not withdraw Matching Contributions, Enhanced Profit Sharing Contributions and Profit Sharing Contributions while still employed by the Employer)
- attaining Normal Retirement Age
- incurring a financial hardship (except you may not withdraw Matching Contributions, Enhanced Profit Sharing Contributions and Profit Sharing Contributions on account of hardship)
- termination of the Plan

*In-Service Withdrawals* – While you remain employed by the Employer, you may withdraw any of your Non-Deductible Employee Contributions, rollover (including any Roth rollover contributions) and transfer contributions, all as adjusted for earnings, at any time.

*Hardship Withdrawals* – In the event you incur a financial hardship (as described below), you may request a withdrawal of all or a portion of your Pre-Tax Deferrals and/or Roth Deferrals (excluding earnings), including Catch-Up Contributions, by making a written application on a form prescribed by the Plan Administrator.

Generally, the only financial needs that are considered to meet the financial hardship requirements are the following items: deductible medical expenses for you or your immediate family, purchase of your principal residence, payment of tuition and related educational expenses for the next 12-months of post-secondary education for you or your immediate family, prevent eviction from your home or foreclosure upon your principal residence, payments for burial or funeral expenses for an employee's deceased parent, spouse, children, or dependents, or expenses for the repair of damage to the employee's principal residence due to a natural disaster. A hardship withdrawal cannot exceed the amount of your immediate and heavy financial need and you must have obtained all distributions from all Plans maintained by the Employer (or any affiliated company) prior to qualifying for a hardship distribution. This means that you cannot receive a hardship distribution without first obtaining a loan from the Plan and withdrawing your rollover and transfer contributions (including Roth rollover contributions), if any, including earnings on such amounts, as well your Non-Deductible Employee Contributions, with earnings. Investment earnings may not be withdrawn on account of hardship. The maximum amount you may receive is limited to the amount necessary to meet your financial need, including taxes and penalties. Hardship withdrawals are subject to a 10% penalty tax if received before you reach age 59½.

If your request for a hardship withdrawal is approved, you will be suspended from making Elective Deferrals (Pre-Tax and Roth Deferrals), Non-Deductible Employee Contributions and Catch-up

Contributions (and receiving related Matching Contributions) to the Plan or any other plan maintained by the Employer (or any affiliated company) for six months following receipt of the withdrawal.

It is vital to update the Plan Administrator of any change in your mailing address. Contact information for the Plan Administrator can be found in Section Eight.

## **DISTRIBUTION OF BENEFITS**

### Form and Timing of Benefit Payments

Generally, you may elect to be paid under the Plan in one of the following forms:

- (1) A lump sum distribution in cash (this is the required form of distribution for Accounts of \$5,000 or less);
- (2) Periodic installment payments (either monthly or annually) for a period that does not extend beyond your life, the lives of you and your beneficiary, or your life expectancy or the joint and last survivor expectancy of you and your beneficiary.

If you elect to receive your distribution in a single sum payment, the distribution is an “eligible rollover distribution” and may be taken in two ways. You may have all or any portion of your eligible rollover distribution either (1) paid in a direct rollover to an individual retirement account or another employer plan, or (2) paid to you. If you choose to have your Plan benefits paid to you, you will receive only 80% of the payment, because the Plan is required to withhold 20% of the payment and send it to the IRS as federal income tax withholding to be credited against your federal taxes.

The Plan Administrator will give you more information about your options around the time that you request your payout from the Plan. That information will, among other things, define an eligible rollover distribution.

If you terminate employment and your vested Individual Account (*i.e.*, the amount of money in the Plan you are entitled to) is more than \$5,000, your Individual Account can remain in the Plan until you submit a request to Vanguard for payment. You can call Vanguard’s Participant Services at 1-800-523-1188 or logon to [www.vanguard.com](http://www.vanguard.com) to request payment. However, you must begin taking required minimum distributions by April 1 of the calendar year following the calendar year in which you attain age 70½, or by April 1 of the calendar year following the calendar year in which you retire, if later. Special rules apply to Participants who are 5% or more owners of an employer. The Plan Administrator will provide you with more information.

If you terminate employment and your vested Individual Account (*i.e.*, the amount of money in the Plan you are entitled to) is less than or equal to \$5,000, a single sum payment will automatically be made as soon as practicable following your termination of employment. You may elect to either have the payment made directly to you or to have it rolled over into a traditional or Roth IRA or another employer’s plan that accepts rollovers. Note, however, that a rollover of Non-Deductible Employee Contributions and/or Roth Deferrals may be made only to certain qualified plans or IRAs. If you do not elect a rollover within the timeframe provided and your vested account balance is \$1,000 or less, then your vested account

balance will be automatically distributed to you. As required by the IRS, federal taxes will be withheld at the 20% rate. Any required state tax withholding will also be taken.

If you do not elect a rollover within the timeframe provided and your vested account balance is over \$1,000 (but not over \$5,000) and you have not yet attained age 65, your distribution will be automatically rolled over into a Vanguard Rollover IRA in your name. Information regarding the Vanguard Rollover IRA account, how to access your funds, the amount of any administrative fees and your ability to change your investment will be mailed to you after your Vanguard Rollover IRA has been established.

## **DETERMINING YOUR VESTED AMOUNT**

### Amount of Benefit

You are fully vested in all types of contributions in your Individual Account. These contributions may include: Pre-Tax Deferrals, Roth Deferrals, Qualified Nonelective Contributions, Qualified Matching Contributions, Non-Deductible Employee Contributions, Rollover Contributions, Catch-up Contributions, Matching Contributions, Profit Sharing Contributions, and Enhanced Profit Sharing Contributions.

### Vesting Schedule for Top-Heavy Plans

A top-heavy plan is one in which more than 60% of the value of the plan assets is credited to the accounts of certain officers, shareholders and highly paid Participants. These individuals are called key employees.

Under federal tax law, certain provisions of the Plan will take effect if the Plan becomes "Top Heavy." In the unlikely event they would ever apply, certain steps would have to be taken to keep this Plan qualified. These steps may include acceleration of vesting (if not otherwise fully vested) and application of special minimum benefits for non-key employees (since we have immediate vesting is this statement applicable? I believe safe harbor rules protect us from this?). You will be notified if your benefits are affected.

### Plan Loans

If you are an active employee of the Employer, you may borrow amounts for any reason from your Individual Account under the Plan attributable to your Pre-Tax Deferrals, Roth Deferrals, Non-Deductible Employee Contributions, Catch-Up Contributions, Rollover Contributions and Roth rollover contributions, all as adjusted for earnings. Employer Contributions made to the Plan on your behalf are not available for loans.

Generally, the maximum amount that you may borrow from the Plan is limited to the lesser of 50% of your vested account balance or \$50,000 (reduced by your highest outstanding loan balance on any prior Plan loan during the preceding 12-month period). Even though Employer Contributions are not available for loans, the limitations on Plan loans take your entire vested account balance into consideration. The minimum loan amount is \$1,000. You may not have more than one loan outstanding at any time. Loan payments must be made over a period not to exceed five years from the date of such loan.

Even though your loan term may be for up to 60 months (five years), repayment of the entire outstanding loan balance is required in two cases. If you terminate employment and take a distribution, the loan will

become immediately due and payable. Also, if the Plan were terminated, the loan would then be immediately due regardless of the remaining term of the loan. A Plan termination could occur, for example, if the Employer's contract with the Department of Energy was terminated and there was no successor contractor appointed to continue the Plan. It is important to note that, if the loan becomes due and payable, but is not repaid in full, you will be subject to tax on any amount which is treated as a distribution. In addition, if you are not at least age 59-1/2, such "distribution" will also be subject to a 10% early distribution excise tax. You may want to consider these factors when determining the repayment period of any loan.

The amount you borrow will be taken pro rata from the investment funds in which the loan-eligible accounts are invested. You repay the loan in substantially equal installments through after-tax payroll deductions. The interest rate in effect at the time your loan is made will be fixed throughout the period of repayment. Loan principal and interest payments will be credited to the sources used to fund the loan and invested according to your current investment elections. A loan is secured by up to 50% of your account under the Plan.

**Applying for a Loan.** You may apply for a loan by contacting Vanguard Participant Services at 1-800-523-1188 or by accessing your account via Vanguard's website at [www.vanguard.com](http://www.vanguard.com). Vanguard will calculate how much you can borrow and the amount of your monthly payments. Once your loan is approved, a check for the loan proceeds, minus the one-time loan initiation administrative fee, will be mailed to you at your home address. The loan will be treated as a segregated investment of your Account and payments of principal and interest on the loan will be credited directly to your Account. Loan initiation charges (currently \$40 when applying online or through VOICE<sup>®</sup> or \$90 when applying by phone with personal assistance from a Vanguard associate) will be deducted from the amount of the loan.

**Interest Rate.** The rate of interest will be determined by the Plan Administrator at the time the loan is made in accordance with regulations or guidance issued by the U.S. Department of Labor. Once loan proceeds are paid to you, you will be obligated to pay interest on your declining loan balance at the applicable interest rate. The interest rate will remain the same throughout the period of repayment. You may contact Vanguard for the current interest rate charged by the Plan for new loans.

**Repaying Your Loan.** Loan repayments will be made in equal installments through automatic after-tax payroll deductions. However, you may make a partial principal payment at any time, including when you are on a leave of absence and payments have been suspended. If you are an employee of the Employer but you are on a leave of absence without pay, or at a rate of pay insufficient to make scheduled loan repayments, you may continue to make payments directly to Vanguard pursuant to procedures established by the Plan Administrator (or alternatively, suspend payments as discussed below). If you terminate employment, you may continue paying on an existing loan pursuant to procedures established by the Plan Administrator as long as you have not taken a distribution from the Plan (see Loan Continuation Election Following Employment Termination below). Otherwise, your loan is due at the time you take a Plan distribution.

**Suspension of Repayments During Leave.** You can request loan repayments be suspended while you are on an authorized unpaid leave of absence, or if the pay you receive while on leave is less than the loan repayment amount. The suspension cannot be longer than 12 months (or the period of your leave of absence, if less than 12 months). Interest on the outstanding balance of the loan will continue to accrue

during any suspension. The term of the loan will not be extended as a result of your leave of absence. Accordingly, upon your return to work following the leave of absence, your loan will be reamortized, resulting in a higher monthly loan repayment amount.

If your loan term expires prior to your return to work, you must repay your total outstanding balance on the final payment date on your original loan schedule. You should contact Vanguard to receive your payoff amount and to arrange the repayment.

***Military Service.*** Loan repayments are suspended if your employment is interrupted during a period of “qualified military service.” In addition, the interest rate applicable to your loan during a period of qualified military service will not be more than the maximum rate permitted under federal law. When you return to employment following your qualified military service, you may reamortize your loan and/or extend the period of repayment up to the maximum loan period (which is 60 months from the original date of the loan).

***Loan Default.*** If your loan becomes delinquent, it will be treated as in default. If the default is not cured by the last day of the calendar quarter following the calendar quarter in which the missed payment was originally due, the default will constitute a deemed distribution. If your loan is treated as a deemed distribution, it will be reported as taxable income to you and the outstanding balance, plus interest, will become due and payable at such time as you are entitled to a distribution from the Plan. You may also be subject to an excise tax and other adverse tax consequences.

***Loan Continuation Election Following Employment Termination.*** If you terminate employment with an outstanding loan balance, you can avoid a default of your loan by continuing to make loan repayments directly to Vanguard in accordance with procedures established by the Plan Administrator. You should contact Vanguard if you wish to continue to repay your loan following termination of employment. However, as mentioned above, you can only continue to make loan repayments after your employment terminates if you do not take a distribution from the Plan.

***Hardship Distributions.*** A hardship distribution from the Plan cannot exceed the amount of your immediate and heavy financial need, and you must have obtained all distributions from all Plans maintained by the Employer prior to qualifying for a hardship distribution. For this purpose, loans are treated as available distributions such that no hardship distributions will be made if you qualify for a Plan loan.

## **RESTRICTIONS OR PENALTIES ON DISTRIBUTIONS**

If you receive a distribution before reaching age 59½, you must pay an additional 10% penalty tax on dollars included in income. There are, however, exceptions to the 10% early distribution penalty, such as distributions due to your Disability or death. Your tax advisor can assist you in determining if one of the exceptions applies to your distribution.

## **PAYOUTS TO YOUR BENEFICIARIES**

Your beneficiary will receive the total value of your Individual Account when you die. To designate your beneficiary, please logon to your account at [www.vanguard.com](http://www.vanguard.com). If you are married, your spouse must

automatically be your beneficiary. To choose another beneficiary, you must sign a beneficiary designation form listing a nonspouse beneficiary, and your spouse must give written consent to this in the presence of a notary public. In the event of a divorce automatic revocation of spousal beneficiary designation will occur. A new beneficiary designation must be completed.

## **SECTION FIVE: CLAIMS PROCEDURE**

### **WHAT TO DO TO RECEIVE BENEFITS**

You must file a written request with the Plan Administrator to start receiving benefits when you become eligible for them. When you die, your Beneficiary must file a written request with the Plan Administrator to receive a distribution. If you do not receive a benefit to which you believe you are entitled, you should file a claim with the Plan Administrator.

### **HOW TO FILE A CLAIM**

You may claim a benefit to which you think you are entitled by filing a written request with the Plan Administrator. The claim must set forth the reasons you believe you are eligible to receive benefits and authorize the Plan Administrator to conduct such examinations and take such steps as may be necessary to evaluate the claim.

### **WHAT TO DO IF YOUR CLAIM IS DENIED**

Except as described below, if your claim is denied, the Plan Administrator will provide you or your Beneficiary with a written notice of the denial within 90-days of the date your claim was filed. The 90-day time period may be extended by the Plan for up to an additional 90-days, if the Plan Administrator determines that an extension is necessary due to matters beyond the control of the Plan. The Plan Administrator will notify you, before the end of the initial 90-day period, of any reason for the extension and the date by which a decision regarding your claim is expected.

If you request a distribution from the Plan as a result of a Disability and you are not covered by the long-term disability plan of the Employer or not otherwise entitled to a withdrawal under the Plan, the Plan Administrator will make a determination of whether you have sustained a Disability. You will be notified of the Plan Administrator's determination as to your Disability within a reasonable amount of time, but not later than 45-days after the Plan receives your claim. The 45-day time period may be extended by the Plan for up to an additional 30-days, if the Plan Administrator determines that an extension is necessary due to matters beyond the control of the Plan. The Plan Administrator will notify you, before the end of the 45-day period, of any reason for the extension and the date by which the Plan expects to make a decision regarding your claim. If, before the end of the 30-day extension, the Plan Administrator determines that, due to matters beyond the control of the Plan, a decision regarding your claim cannot be made within the 30-day extension, the period for making the decision may be extended for an additional 30-days, provided that the Plan Administrator notifies you, prior to the end of the first 30-day extension, of the circumstances requiring the additional extension and the date as of which the Plan expects to make a decision. The notice will specifically explain the standards on which the approval of your claim will be based, the unresolved issues that prevent a decision on your claim, and the additional information needed to resolve those issues. You will have at least 45-days within which to provide the specified information.

The period of time within which approval or denial of your claim is required to be made generally begins at the time your claim is filed. If the period of time is extended because you fail to submit information necessary to decide your claim, the period for approving or denying your claim will not include the period

of time between the date on which the notification of the extension is sent to you and the date on which you provide the additional information.

The Plan Administrator will provide you with written or electronic notification if your claim is denied. The notification will provide the following:

1. The specific reason or reasons for the denial;
2. Reference to the specific section of the Plan on which the denial is based;
3. A description of any additional information that you must provide before the claim may continue to be processed and an explanation of why such information is necessary;
4. A description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act (ERISA) following a claim denial on review; and
5. In the case of a determination by the Plan Administrator that you are not "Disabled":
  - (i) If a Plan Administrator used an internal rule or guideline in denying your claim, either the specific rule or guideline, or a statement that the rule or guideline was relied upon in denying your claim and that a copy will be provided free of charge to you upon request.
  - (ii) If the claim denial is based on a medical necessity, experimental treatment or similar situation, either an explanation of the scientific or clinical basis for the denial, applying the terms of the Plan to your medical circumstances, or a statement that an explanation will be provided free of charge upon request.

## **HOW TO APPEAL A DENIED CLAIM**

You or your Beneficiary will have 60-days from receipt of the notice of claim denial in which to appeal the Plan Administrator's decision. You may request that the review be in the nature of a hearing and an attorney may represent you.

However, if the decision involves determining whether you have sustained a Disability under the Plan, you will have at least 180-days following receipt of notification of a claim denial within which to appeal the Plan Administrator's decision.

You may submit written comments, documents, records, and other information relating to your claim. In addition, you will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information pertaining to your claim.

Your appeal will take into account all comments, documents, records, and other information submitted by you relating to the claim, even if the information was not included originally.

In the case of a claim that does not involve a Disability, you will be notified of the outcome of your appeal within 60-days after receipt of your request for the appeal, unless the Plan Administrator determines that special circumstances require an extension of time for processing the claim. In such an event, prior to the end of the initial 60-day period, the Plan Administrator will provide you with written notice of the extension, including the reasons for the extension and the date by which the Plan expects to render its decision. The extension period shall not exceed a period of 60-days from the end of the initial 60-day period.

The Plan Administrator's (or Disability Claims Administrator, if applicable) decision on appeal shall be final and binding on all parties. A Participant or other claimant may file a lawsuit challenging the final decision on appeal, but not more than twelve months from the date of such final decision. You must exhaust all administrative remedies, including appeals, before filing a lawsuit. The Plan Administrator has the sole discretion to decide all issues of fact or law. Any decision by the Plan Administrator that does not constitute an abuse of discretion must be upheld by a court of law.

## **SPECIAL CLAIMS PROCEDURES FOR DISABILITY CLAIMS & APPEALS**

### **A. Filing of a Disability Claim or Appeal**

Notwithstanding any other provisions contained in the Plan or Summary Plan Description, these provisions will control over any other inconsistent provisions when a claim or appeal is based on a Disability.

### **FILING INITIAL DISABILITY CLAIM**

If you make a claim based on Disability, that claim should be in the form of a letter stating why you are Disabled, and should be accompanied, at a minimum, by a letter from your physician that indicates you are Disabled. You will be advised of the acceptance or rejection of your claim within 45 days after your claim is received, unless special circumstances require an extension of time for processing the claim. If the Administrative Committee requires an extension, written notice of the extension will be furnished to you prior to the end of the initial 45-day period. The extension will not exceed an additional period of 30 days. The extension notice from the Administrative Committee will state the circumstances requiring delay; and, the date the Administrative Committee expects to decide the review. With respect to the Disability extension, the notice will also set forth: (i) the standards of entitlement to a benefit; (ii) any unresolved issues; and (iii) information needed to resolve those issues. A second extension may be required if necessary due to circumstances beyond the control of the Administrative Committee.

A Disability claim must be filed within (1) one year of the time that you are aware, or with reasonable investigation should have been aware, of the Disability. Any claim filed after this time period will be denied based solely on timeliness. If additional information is required to process the claim, you must be given at least 45 days to supply the required information. The period that you are given to provide the requested information does not count against the time period for deciding a claim.

If your claim is denied, it must be denied in writing and the denial must state in detail the specific reasons for the denial, the specific Plan provisions upon which the denial is based, any additional

material or information which you may provide which would entitle you to the benefits you claim, and an explanation of why such material or information is necessary. These requirements are explained in more detail in the paragraphs entitled “Adverse Determination,” Paragraph B, and “New or Additional Evidence,” Paragraph C, below. The notice of denial must also explain the steps to be taken if you or your beneficiary wishes to submit a claim for review, i.e., an appeal of a denial.

### **REQUEST FOR REVIEW (I.E. APPEAL) OF DENIED DISABILITY CLAIM**

If you choose to submit a claim for review by the Administrative Committee, then within 180 days after the date your Disability claim is denied, you or your authorized representative must make a written request to the Administrative Committee for review. A claim will be reviewed by a different subgroup of the Administrative Committee than the subgroup that reviewed your initial claim. The reviewing Administrative Committee shall not be comprised of a subordinate of the person(s) who made the initial claim denial. The reviewing Administrative Committee shall give no deference to the initial denial. Your request for review of your denied claim should include a statement of the reasons your claim should be allowed.

You or your representative may examine any documents the Administrative Committee has in its files that are relevant to your claim, and you may also submit additional written comments to the Administrative Committee that support your claim. These rights and requirements are explained in more detail in the paragraphs entitled “Adverse Determination,” Paragraph B, below, and “New or Additional Evidence,” Paragraph C, below.

The Administrative Committee will advise you of its decision in writing within 45 days following receipt of your request for review, unless special circumstances require an extension of time for processing. If an extension is necessary, a 45-day extension will be granted if you are notified of such extension before the original deadline for the decision on review. The extension notice must explain the circumstances requiring delay; and, the date the Administrative Committee expects to decide the review. With respect to the Disability extension, the notice will also set forth: (i) the standards of entitlement to a benefit, (ii) any unresolved issues, and (iii) information needed to resolve those issues. If you are given additional time to produce information, such time period does not count against the time period for deciding the claim. If an extension is necessary, a decision will be made as soon as possible, but not later than 90 days after the Administrative Committee receives your request for review.

The decision on review will be in writing and will include specific reasons for the decision, as well as specific references to the Plan provisions upon which the decision is based. These rights and requirements are explained in more detail in the paragraphs entitled “Adverse Determination,” Paragraph B, below, and “New or Additional Evidence,” Paragraph C, below. The decision of the Administrative Committee will be final and will be subject to no further appeal or review.

### **IMPARTIAL TREATMENT**

The Plan must ensure that all claims and appeals are adjudicated in a manner designed to ensure the independence and impartiality of the persons involved in making the decision. Accordingly, decisions regarding hiring, compensation, termination, promotion, or other similar matters with respect to any

individual (such as a claims adjudicator or medical or vocational expert) must not be made based upon the likelihood that the individual will support the denial of benefits. On appeal, the Administrative Committee must consider all information submitted by you, regardless of whether it was part of the original claim.

**B. Adverse Determination of Disability**

Any adverse determination of a claim, either initially or on review, shall provide a discussion and an explanation of the following, as applicable:

- (i) The views presented by you to the Plan of the health care professionals treating you and vocational professionals who evaluated you;
- (ii) The views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and
- (iii) With regard to a Disability determination, a discussion of any determination made by the Social Security Administration.

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 your medical circumstances, or a statement that such explanation will be provided free of charge upon request.

A discussion of either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the adverse determination, or, alternatively, in the case of a Disability determination, a statement that such rules, guidelines, protocols, standards, or other similar criteria of the Plan do not exist.

A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits. Whether a document, record, or other information is relevant to a claim for benefits shall be determined by reference to the Department of Labor regulations, which are hereby incorporated by reference.

A statement that any period for filing a lawsuit will expire no later than one (1) year following the date of the final decision on review.

In case of an adverse benefit determination with respect to Disability benefits, the notification shall be provided in a culturally and linguistically appropriate manner if required by the procedures described in Paragraph D, below.

The term adverse determination means:

- (i) A denial, reduction, or termination of, or a failure to provide or make payment (in whole or in part) for, a benefit, including any such denial, reduction, termination, or failure to provide or make

payment that is based on a determination of a participant's or beneficiary's eligibility to participate in a Plan, and including, with respect to group health plans, a denial, reduction, or termination of, or a failure to provide or make payment (in whole or in part) for, a benefit resulting from the application of any utilization review, as well as a failure to cover an item or service for which benefits are otherwise provided because it is determined to be experimental or investigational or not medically necessary or appropriate; and

- (ii) In the case of a Plan providing Disability benefits, the term "adverse benefit determination" also means any rescission of disability coverage with respect to a participant or beneficiary (whether or not, in connection with the rescission, there is an adverse effect on any particular benefit at that time). For this purpose, the term "rescission" means a cancellation or discontinuance of coverage that has retroactive effect, except to the extent it is attributable to a failure to timely pay required premiums or contributions towards the cost of coverage.

**C. Requirements With Respect to New or Additional Evidence or New or Additional Rationale in a Review of a Disability Determination**

In a review of Disability benefits, the following rules govern new or additional evidence or a new or additional rationale relied upon by the Administrative Committee:

- (i) Before the Plan can issue an adverse benefit determination on review on a Disability benefit claim, the Administrative Committee shall provide you, free of charge, with any new or additional evidence considered, relied upon, or generated by the Plan, insurer, or other person making the benefit determination (or at the direction of the Plan, insurer or such other person) in connection with the claim; such evidence must be provided as soon as possible and sufficiently in advance of the date on which the notice of adverse benefit determination on review is required to be provided hereunder, to give you a reasonable opportunity to respond prior to that date; and
- (ii) Before the Plan can issue an adverse benefit determination on review on a Disability benefit claim based on a new or additional rationale, the Administrative Committee shall provide you, free of charge, with the rationale; the rationale must be provided as soon as possible and sufficiently in advance of the date on which the notice of adverse benefit determination on review is required to be provided hereunder, to give you a reasonable opportunity to respond prior to that date.

**D. Requirement for Culturally and Linguistically Appropriate Notice for Disability Determination With Respect to an Applicable Non-English Language**

Additional disclosures are required with respect to an "Applicable Non-English Language." With respect to an address in any United States county to which a notice regarding an adverse determination with respect to a Disability is sent, a non-English language is an "Applicable Non-English Language" requiring additional disclosure if 10% or more of the population residing in the county is literate only in the same non-English language, as determined by guidance based on American Community Survey data published by the United States Census Bureau. In such a case, the Plan Administrator must comply with the following additional requirements:

- (i) The Plan Administrator must provide oral language services (such as a telephone customer assistance hotline) that include answering questions in any applicable non-English language and providing assistance with filing claims and appeals in any applicable non-English language;
- (ii) The Plan Administrator must provide, upon request, a “notice” in any applicable non-English language; and
- (iii) The Plan Administrator must include in the English versions of all such notices a statement prominently displayed in any applicable non-English language clearly indicating how to access the language services provided by the Plan.

**E. Failure to Comply With Disability Claim Procedures**

If the Plan fails to strictly adhere to all the requirements of this section with respect to a claim, you are deemed to have exhausted the administrative remedies available under the Plan, except as provided below. Accordingly, you are entitled to pursue any available remedies under section 502(a) of the Act (i.e., bring suit in federal court) on the basis that the Plan has failed to provide a reasonable claims procedure that would yield a decision on the merits of the claim. If you choose to pursue remedies under section 502(a) of the Act under such circumstances, the claim or appeal is deemed denied on review without the exercise of discretion by an appropriate fiduciary.

Notwithstanding the foregoing, the administrative remedies available under a Plan with respect to claims for benefits will not be deemed exhausted based on de minimis violations that do not cause, and are not likely to cause, prejudice or harm to you so long as the Plan demonstrates that the violation was for good cause or due to matters beyond the control of the Plan and that the violation occurred in the context of an ongoing, good faith exchange of information between the Plan and you. This exception is not available if the violation is part of a pattern or practice of violations by the Plan. You may request a written explanation of the violation from the Plan, and the Plan must provide such explanation within two days, including a specific description of its bases, if any, for asserting that the violation should not cause the administrative remedies available under the Plan to be deemed exhausted. If a court rejects your request for immediate review on the basis that the Plan met the standards for the exception under this section, the claim shall be considered as re-filed on appeal upon the Plan’s receipt of the decision of the court. Within a reasonable time after the receipt of the decision, the Plan shall provide you with notice of the resubmission.

**F. Limitations on Disability Actions**

Under applicable law, you may file a lawsuit for Plan benefits only after you timely exhaust the administrative remedies under the Plan. Your administrative claim and appeal must have been timely filed. If your claim and appeal were timely filed, the lawsuit must be filed within one year following the decision on appeal.

## **SECTION SIX: MISCELLANEOUS**

### **PLAN TERMINATION**

The Employer expects to continue the Plan indefinitely. However, the Employer may terminate the Plan at any time by appropriate action of its managing body. Upon Plan termination, all affected Plan Participants are 100% vested in their account balances.

If the Plan terminates, benefits are not insured by the Pension Benefit Guaranty Corporation (PBGC). Under the law, PBGC insurance does not cover the type of plans called defined contribution plans. This Plan is a defined contribution plan and, therefore, is not covered.

### **INALIENABILITY OF BENEFITS (DOMESTIC RELATIONS ORDERS)**

Generally, your rights and benefits under the Plan may not be assigned, sold, transferred or pledged by you or reached by your creditors or other party except under a Qualified Domestic Relations Order (QDRO). A QDRO is a court order issued under state domestic relations law relating to divorce, legal separation, custody, or support proceedings. The QDRO recognizes the right of someone other than you to receive your Plan benefits. You will be notified if a QDRO relating to your benefits is received. Receipt of a QDRO will allow for an earlier than normal distribution to any persons other than the Participant listed in the order. You may request a copy of the QDRO procedures free of charge by calling Vanguard. Your account will be charged for any expenses for the administration and handling of a QDRO relating to your account.

## **SECTION SEVEN: RIGHTS UNDER ERISA**

### **THE RIGHTS AND PROTECTIONS TO WHICH A PLAN PARTICIPANT IS ENTITLED UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT**

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

#### Receive Information About Your Plan and Benefits

1. Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites and union halls, all Plan documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan Administrator with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
2. Obtain, upon request to the Plan Administrator, copies of documents governing the operations of the Plan, including collective bargaining agreements, the latest annual report (Form 5500 Series), and the current Summary Plan Description (SPD). The Plan Administrator may make a reasonable charge for the copies.
3. 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.
4. Obtain, once a year, a statement of your total vested account balance. The Plan may require a written request for this statement, but it must provide the statement free of charge.

#### Prudent Action by Plan Fiduciaries

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

#### Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you

may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order any party you have sued to pay the 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.

### Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or 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.

## **SECTION EIGHT: GENERAL INFORMATION**

### **Employer Information**

Name: Fluor Idaho, LLC  
Address: 1580 Sawtelle St. 83402  
Business Telephone: (208) 533-3830  
Identification Number: 45-2724914 Income Tax Year End: September 30  
Plan Number: 001

### **Agent for Service of Legal Process**

The Agent for Service of Legal Process is the person upon whom any legal papers can be served. Service of legal process may be made upon a Plan Trustee, the Employer or the Plan Administrator.

### **Plan Administrator**

Name: Fluor Idaho Benefits Committee  
Address: Fluor Idaho, LLC  
1580 Sawtelle St.  
Idaho Falls, ID 83402  
Business Telephone: (208) 557-0930

### **Trustee**

Name: Vanguard Fiduciary Trust Company  
Address: P.O. Box 2900  
Valley Forge, PA 19482 – 2900  
Business Telephone: (800) 523-1188

### **Plan Recordkeeper**

The Employer has a contract with The Vanguard Group to assist with the operation of the Plan.

Forms may be returned to:

Name: The Vanguard Group  
Address: P.O. Box 1101  
Valley Forge, PA 19482 – 1101  
Street Address: 400 Devon Park Drive  
Wayne, PA 19087  
Business Telephone: (800) 523-1188

## ATTACHMENT

### Investor Questionnaire

The Investor Questionnaire helps the Participant determine an asset allocation based on their answers to 11 quick questions. Complete the Investor Questionnaire and use the score to find the mix of available investment options that might be right for you. To access the questionnaire online, go to [www.vanguard.com/investor](http://www.vanguard.com/investor).

### Vanguard Financial Planning Services (VFP +55)

The Vanguard Financial Planning Service offers the opportunity to discuss financial questions with a Certified Financial Planner™ professional from Vanguard or receive a personalized investment strategy developed by a salaried professional planner. If you are age 55 or older, the service is free. If you are younger than age 55, there may be a cost for a Vanguard Financial Plan.

If you are age 55 or older, call a CFP professional today at **800-310-8952**. To receive advice, you must be a registered user of [www.vanguard.com](http://www.vanguard.com) and have online access to sign a consent form. You will also need your plan number (**093968**).

If you are younger than age 55, and would like more information on a Vanguard Financial Plan, log on to your account at [www.vanguard.com/retirementplans](http://www.vanguard.com/retirementplans) and select the “**Will you have enough to retire**” link at the right side of the page.

### Personal Online Advisor

For Participants who prefer to manage their own retirement plan account, but want expert help, online advice is available at their fingertips. Through Personal Online Advisor, powered by Financial Engines, Participants receive custom recommendations on contributions, asset allocation, and investments. An in-depth analysis of a Participant's entire investment portfolio, including multiple sources of retirement income such as pensions and Social Security, provides Participants with a holistic view of their retirement future. This service can be accessed through the Participant's online account with Vanguard.

### Vanguard Managed Account Program

The Vanguard Managed Account Program, powered by Financial Engines, provides ongoing professional management for your investments in the plan. The service will select your funds, invest your money, and periodically make changes to your asset mix to suit your goals. The service can also consider money you have saved outside of your retirement plan when developing your personalized investment strategy. You will have the opportunity to preview your proposed strategy before any initial changes are made to your account, and you will receive a quarterly portfolio report. With the Managed Account Program, you will receive objective and personalized investment management from an independent advisor. The annual fee for the program is based on a percentage of your assets, depending on your balance.