

**SUMMARY PLAN DESCRIPTION**

**for the**

**Amalgamated Transit Union  
National 401(k) Pension Plan**

February 1, 2005

## SUMMARY PLAN DESCRIPTION

**(1) General.** The legal name, address, and federal employer identification number of the Pension Plan are:

Board of Trustees of the  
Amalgamated Transit Union  
National 401(k) Pension Plan  
5025 Wisconsin Avenue, N.W.  
Washington, D.C. 20016  
FEIN: 52-2059290.

The Board of Trustees, working with your ATU local union and your employer, have adopted a retirement plan ("Plan") to supplement your income upon retirement. If after reading this summary you have any questions, please ask the Plan Administrator. We emphasize this Summary Plan Description is a highlight of the more important provisions of the Plan. If there is a conflict between a statement in this Summary Plan Description and the Plan, the terms of the Plan control.

**(2) Identification of Plan.** The Plan is known as the:

Amalgamated Transit Union National 401(k) Pension Plan.

The Board of Trustees has assigned 001 as the Plan identification number. The fiscal year and the plan year are a calendar year.

**(3) Type of Plan.** The Plan is commonly known as a defined contribution Section 401(k) "profit sharing" plan. An employer does not have to have a profit to have this type of plan.

A Section 401(k) plan, generally, provides participants with an opportunity to make pre-tax salary deferrals to a pension plan. If your employer agrees in collective bargaining with your ATU local union, your employer can also contribute to the Section 401(k) plan on your behalf. There are two possible types of employer contributions: Employer Matching Savings Contributions - the employer matches some or all of whatever amount you choose to contribute and Mandatory Employer Contributions - the employer agrees in the labor agreement to make a certain contribution for all eligible participants. All contributions received go into your individual account(s).

**(4) Administrative Duties.** The Plan Administrator is responsible for providing you and other participants with information regarding your rights and benefits under the Plan. A copy of the Plan is available from the Plan Administrator. The Plan Administrator also has the primary authority for filing the various reports, forms, and returns with the Department of Labor and the Internal Revenue Service. The Plan's Third Party Administrator is the Quorum Consulting Group, 1-800-440-1548.

**(5) *The Trustees of the Fund are:***

Warren George  
Amalgamated Transit Union  
5025 Wisconsin Avenue, NW  
Washington, DC 20016-4139

Thomas Hock  
907 E. Legendary Run  
Cincinnati, OH 45245

Oscar Owens  
Amalgamated Transit Union  
5025 Wisconsin Avenue, NW  
Washington, DC 20016-4139

The Trustees have the sole authority to, for example, select the investment funds available to you, interpret Plan provisions, resolve disputes, and to make all decisions necessary to operate the Plan and Fund. Any decision of the Trustees is final and binding. The Trustees may delegate certain duties to the Custodian or to administrative employees. No person or company, however, other than the Board of Trustees may act as an agent of the Trustees unless the Trustees give their written authority.

**(6) *Agent for Legal Process.*** The name and address of the person designated as agent for service of legal process is:

Robert Molofsky  
General Counsel  
Amalgamated Transit Union  
5025 Wisconsin Avenue, N.W.  
Washington, D.C. 20016

Legal process may also be served on a Trustee of the Plan.

**(7) *Custodian.*** The Custodian appointed by the Board of Trustees is:

Morgan Stanley  
1775 Eye Street, NW  
Suite 200  
Washington, DC 20004  
1-866-316-8446

The Custodian will hold all amounts contributed to your accounts in the Amalgamated Transit Union National 401(k) Pension Fund. You will contact Morgan Stanley to make investment decisions such as how much to allocate to each type of investment fund. Upon direction of the Board of Trustees, the Custodian will make all distribution and benefit payments from the Trust Fund to participants and beneficiaries. The Custodian or its agent will maintain certain Trust Fund records on a plan year basis.

**(8) *Eligibility to Participate.*** You are eligible to participate no later than the first payroll period after the first day of the sixth month after employment. You must also complete all of the paperwork and

forms required by the Board of Trustees. Once eligible, you can begin salary deferral the first payroll period following 30 days after you complete the required paperwork. Employer contributions, if any, to your individual account will begin in accordance with the labor agreement.

**(9) *Employer's Contribution of Salary Deferral: 401(k) Arrangement.*** This Plan includes a "401(k) arrangement," under which you may choose to have the employer contribute a portion of your wages or "compensation" to the Plan. The contributions the employer makes at your request are elective "salary deferrals" or "salary reductions." Your salary deferrals go into a separate account called the Pre-Tax Savings Contributions Account. Contributions to the individual account may be deducted by the employer but not remitted to the Plan for up to a reasonable period of time. The Plan is given a reasonable period to process for investment the contributions received on your behalf.

The Board of Trustees and the employer will give you a salary reduction form which will explain your salary reduction options. The employer will withhold from your paycheck the amount you have agreed to have the employer contribute as a salary deferral.

Your salary reduction agreement remains in effect until you revoke the agreement. You may revoke your salary reduction agreement as of the first full payroll period following 10 days after your request. If you revoke your salary reduction agreement, you may later re-participate by filing a new agreement. You may increase or decrease your salary reduction percentage as of the first full payroll period following 10 days after receipt of a new salary reduction election. Your salary reduction contributions may not exceed 100% of your compensation for the plan year. Your salary reduction contribution must be at least \$10 per payroll period or 1% of your compensation, whichever is greater.

**(10) *Limitations on Pre-Tax Contributions.*** For any calendar year, your salary deferrals may not be more than a specific dollar amount determined by the Internal Revenue Service. For 2005, this limit is \$14,000. Any participant eligible to make elective deferrals under the Plan and who has attained age 50 before the close of the Plan year is eligible to make a catch up contribution, which is \$4,000 for 2005. These limitations shall be increased for inflation each year by the maximum amount allowed by law. If your elective deferrals for a particular calendar year exceed the dollar limitation in effect for that calendar year, the Plan will refund the excess amount, plus any earnings (or loss) allocated to that excess amount. If you participate in another "401(k) arrangement" or in similar arrangements under which you elect to have an employer contribute on your behalf, your total elective deferrals may not exceed the dollar limitation in effect for that calendar year.

The Form W-2 you receive from each employer for the calendar year will report the amount of your elective deferrals for that calendar year under that employer's plan. If your total exceeds the dollar limitation in effect for that calendar year, you must decide which plan you wish to designate as the plan with the excess amount. If you designate this Plan as holding the excess amount for a calendar year, you must notify the Board of Trustees of that designation by March 1 of the following calendar year. The Trustees then will distribute the excess amount to you, plus earnings (or loss) allocated to that excess amount. If your employer under an ATU contract has two 401(k) plans, the above rules also apply except that this Plan automatically distributes the excess to you. Please consult your tax advisor if you have any questions about how this limitation may affect you.

**(11) Compensation.** The Plan defines "compensation" as the total compensation paid for services rendered to the employer, including wages, salary, overtime, and bonuses.

The Plan generally includes an employee's compensation only for the part of the plan year in which he actually is a participant.

The law limits the amount of "additions" (**including** your deferral and employer contributions but not including investment earnings) which the Plan may allocate to your account under the Plan. Your "additions" may never exceed 100% of your compensation for a particular plan year, but may be less if 100% of your compensation exceeds a dollar amount announced by the Internal Revenue Service each year. The Plan may need to reduce this limitation if you participate (or have participated) in any other plans maintained by the employer. Plan allocations are subject to this IRS limitation.

**(12) Employee Contributions.** The only source of contributions under the Plan are the "salary deferrals" made by the employer at your election under the 401(k) arrangement and the employer contributions, if any, required by the collective bargaining agreement. The Plan does not permit you to make extra employee contributions to the Trust Fund. "Salary deferrals" are not "employee contributions" for purposes of the Plan.

**(13) Rollovers.** If you are eligible for a rollover distribution from a qualified plan or individual retirement account and wish to "roll over" the distribution to this Plan, you may do so. Morgan Stanley or the Plan Administrator will provide you with the necessary forms. Any amount "rolled over" will be placed in your Rollover Account, which will be invested at your direction in the same way as your other accounts.

If you have separated from service in this Plan or the Trust Fund is required to distribute your accounts, you may choose to have the distribution made as an eligible rollover distribution. Upon your request, a notice explaining the distribution rules will be sent to you. There are administrative fees charged based on the type of distribution. The fees are explained in the Notice.

**(14) Vesting in Contributions.** You are 100% vested at all times in your Pre-Tax Savings Account, your Mandatory Employer Contribution Account, your Matching Savings Contribution Account, and your Rollover Account.

**(15) Participant Direction of Investment.** The Plan requires every Participant to direct the investment of his accounts under the Plan. The Board of Trustees will provide you a form which explains your investment direction options. The Custodian will invest your account balance under the Plan in accordance with your direction. Because you direct the investment of your account balance under the Plan, the federal law known as ERISA relieves the Board of Trustees from liability for any loss resulting from your direction of investment.

The investment funds presently available are:

- (a) Principle Fixed Income Option – a guaranteed income fund;
- (b) Morgan Stanley Dean Witter U.S. Government Securities Trust (USGAX) – a broad based fixed income fund;

- (c) Davis New York Venture Fund (NYVTX) – a large cap value equity fund;
- (d) Oppenheimer Quest International Value Fund (QIVAX) – an international equity fund;
- (e) Van Kampen Equity and Income Fund (ACEIX) – a balanced equity fund;
- (f) Morgan Stanley Dean Witter S&P 500 Index Fund (SPIAX) – a S&P 500 fund;
- (g) American Funds Growth Fund of America (AGTHX) – a large cap growth fund;
- (h) Fidelity Advisor Intermediate Bond Fund (FDIAX) – a core fixed income fund;
- (i) AIM Mid Cap Core Equity Fund (GTAGX) – a mid cap growth and value equity fund;
- (j) JP Morgan Mid Cap Value – a mid cap value equity fund;
- (k) Columbia Acorn Fund (LACAX) – a small cap growth fund;
- (l) Van Kampen Global Franchise Fund (VGFAX) – a global equity fund;
- (m) Fidelity Advisor Freedom 2040 (FTFFX) – an age based pre-mixed portfolio intended for participants who are expected to retire around 2040;
- (n) Fidelity Advisor Freedom 2030 (FTFEX) – an age based pre-mixed portfolio intended for participants who are expected to retire around 2030;
- (o) Fidelity Advisor Freedom 2020 (FDTFX) – an age based pre-mixed portfolio intended for participants who are expected to retire around 2020; and
- (p) Fidelity Advisor Freedom 2010 (FCFTX) – an age based pre-mixed portfolio intended for participants who are expected to retire around 2010.

If you do not choose a fund or if for any reason contributions cannot be put into an investment fund, the Trustees have designated the guaranteed income fund, Principle Fixed Income Option, as the default fund.

Other investment funds may be made available by the Trustees in the exercise of their discretion.

**(16) Valuation of Accounts.** If you request a distribution or if the Trustees are required to make a distribution, your distribution amount -- your account balance -- will be determined as of a Valuation Date. There will be at least 4 Valuation Dates each year -- the last business day of each calendar quarter. The Trustees have the exclusive authority to set the Valuation Dates which will be used. The Trustees may set additional Valuation Dates as needed. Requests for distributions must be received in the proper form and with all information necessary 30 days before the Valuation Date.

After the distribution is approved, the next Valuation Date will be used to determine your distribution. The Plan provides that actual distribution of your account may take a reasonable amount of time. You will not receive any adjustment to your account balance for investment earnings (or losses) after the Valuation Date used.

**(17) *Payment of Benefits After Termination of Employment or Disability.*** After you terminate employment with the employer or become disabled, the time when the Plan will commence distribution to you depends on whether your vested account balance exceeds \$5,000.

If your vested account balance does not exceed \$5,000, the Plan must distribute that portion to you, in a lump sum, on any Valuation Date after you terminate employment with the employer, or as soon as administratively practicable following that date. If you already have attained normal retirement age when you terminate employment, the Plan must make this distribution no later than the 60th day following the close of the plan year in which your employment terminates, even if the normal distribution date would occur later.

If your vested account balance exceeds \$5,000, the Plan will commence distribution to you at the time you elect to commence distribution. The Plan permits you to elect distribution as soon as administratively possible following your termination of employment with the employer.

If you receive a distribution from the Plan before you attain age 59½, the law currently imposes a 10% penalty on the amount of the distribution you receive and you must include the distribution in your gross income, unless you qualify for an exception from this penalty. You should consult a tax advisor regarding this 10% penalty and the income tax issues. This summary makes references to your normal retirement age. Normal retirement age under this Plan is 59½.

A "DISTRIBUTION DATE" UNDER THE PLAN DOES NOT MEAN YOU WILL ACTUALLY RECEIVE THE DISTRIBUTION ON THE DISTRIBUTION DATE YOU ELECT. THE PLAN PROVIDES THE TRUSTEES WITH AN ADMINISTRATIVELY REASONABLE TIME FOLLOWING A PARTICULAR DISTRIBUTION DATE TO MAKE ACTUAL DISTRIBUTION TO A PARTICIPANT.

At least 60 days prior to your earliest possible distribution date, at your request, the Plan will provide you a notice explaining your right to elect distribution from the Plan and the forms necessary to make your election. If you do not make a distribution election, the Plan will commence distribution to you on the 60th day following the close of the plan year in which the latest of two events occurs: (1) your attainment of age 59½; or (2) your termination of employment with the employer. To determine whether your vested account balance exceeds \$5,000, the Plan normally looks to the last Valuation Date of your accounts prior to the scheduled distribution date.

**(18) *Mandatory Distribution.*** You must start the distribution of your vested account balance no later than April 1 of the calendar year following the calendar year in which you attain age 70½, unless you are still working for the employer. This mandatory distribution date overrides any other distribution date described in this summary. If this Plan terminates before you receive complete distribution of your vested benefits, the Plan may make a distribution to you before you otherwise would elect distribution. Upon Plan termination, if your vested account balance exceeds \$5,000, you will receive an explanation of your distribution rights.

**(19) Forms of Benefit Payment.** All distributions are lump sum distributions. Spousal consent is required for any distribution.

**(20) Disability Benefits.** If you are "disabled", the Plan will pay your vested account balance to you in a lump sum even if you have not reached age 59½ or terminated employment. Disability under the Plan means the showing on the basis of medical evidence satisfactory to the Board of Trustees that you are unable, and in all likelihood will continue to be permanently unable, to perform the duties of the job held at the time of such disability on a job with comparable responsibility. In lieu of such medical evidence, the Board of Trustees shall accept a copy of a letter from the Social Security Administration that the Participant is entitled to receive disability income benefits under Social Security.

**(21) Payment of Benefits upon Death.** If you die prior to receiving all of your benefits under the Plan, the Plan will pay the balance of your account to your beneficiary.

The Board of Trustees will provide you with an appropriate form for naming a beneficiary. If you are married, your spouse is automatically your beneficiary. Your spouse must consent to the designation of any non-spouse beneficiary. If your vested account balance payable to your designated beneficiary does not exceed \$5,000, the Plan will pay the benefit, in a lump sum, to your designated beneficiary as soon as administratively practicable after your death. If your vested account balance payable to your beneficiary exceeds \$5,000, the Plan must pay the benefit to your designated beneficiary no later than one year after your death. A beneficiary must contact the Plan Administrator to request a distribution.

**(22) Disqualification of Participant Status - Loss or Denial of Benefits.** There are no specific Plan provisions which disqualify you as a participant or which cause you to lose plan benefits. However, if your Plan benefits become payable after termination of employment and the Board of Trustees is unable to locate you at your last address of record, you may forfeit your benefits under the Plan. Therefore, it is very important that you keep the employer or the Board of Trustees informed about your mailing address even after you have terminated employment. Finally, if the Board of Trustees terminates the Plan, which it has the right to do, you could receive benefits under the Plan based on your account balance accumulated to the date of the termination of the Plan. Termination of the Plan could occur before you attain normal retirement age. If the Board of Trustees terminates the Plan, your account will remain 100% vested.

**(23) No Right to Employment.** The fact that the Board of Trustees has established this Plan and that your employer has agreed to contribute does not confer any right to future employment with the employer.

**(24) Divorce Decrees; No Assignment.** You may not assign or transfer your interest in the Plan to another person or use your Plan interest as collateral for a loan from a commercial lender. This Plan does have to honor a Qualified Domestic Relations Order ("QDRO") which may establish certain rights of a separated spouse or an ex-spouse. A copy of the Plan's QDRO rules is available upon request.

**(25) Claims Procedure.** If you disagree with the Board of Trustees' determination with respect to any decision the Board of Trustees may make regarding your interest in the Plan, the Plan contains the appeal procedure you must follow. In brief, if the Board of Trustees denies your claim, the Plan Administrator will give you written notice of the specific reasons for the denial. The notice will refer you to the pertinent provisions of the Plan supporting the Board of Trustees' decision. If you disagree with the Board of Trustees, you, or a duly authorized representative, must appeal the adverse determination in writing to the Board of Trustees within 90 days after the receipt of the notice of denial of benefits. If you fail to appeal a denial within the 90 day period, the Board of Trustees' determination will be final and binding.

If you appeal to the Board of Trustees, you, or your duly authorized representative, must submit the issues and comments you feel are pertinent to permit the Board of Trustees to re-examine all facts and make a final determination with respect to the denial. The Board of Trustees, in most cases, will make a decision within 60 days of a request on appeal unless special circumstances would make the rendering of a decision within the 60-day period unfeasible. In any event, the Board of Trustees must render a decision within 120 days after its receipt of a request for review. The same procedures apply if, after your death, your beneficiary makes a claim for benefits under the Plan.

**(26) Financial Hardship Withdrawals.** A participant may, under very specific circumstances, apply for a hardship withdrawal prior to being eligible for a distribution. The withdrawal is from the participant's Pre-Tax Savings Account only, and the participant must stop salary deferral for a period of six (6) months. The Board of Trustees has the authority to evaluate each application and the Trustees' decision is final and binding. The withdrawal must be for one of the following reasons:

- (a) Unreimbursed medical expenses, incurred by the participant, the participant's spouse or any dependents of the participant;
- (b) Purchase (excluding mortgage payments) of a principal residence for the participant;
- (c) Payment of tuition for the next semester or quarter of post-secondary education for the participant, his or her spouse, children or dependents;
- (d) The need to prevent the eviction of the participant from his principal residence or foreclosure on the mortgage of the participant's principal residence; and
- (e) Such other events as announced by the Internal Revenue Service and approved by the Trustees.

The amount of financial hardship withdrawal is limited to the needed amount plus any optional tax liability amount or the total of your employee contributions (minus any gains or losses), whichever is less. Spousal consent is required. A tax penalty of 10% may also be assessed on the withdrawn amount. Consult your tax advisor for more details. The participant must exhaust all other sources of money, i.e., loans from pension plans and from commercial sources. A participant is limited to one hardship withdrawal every two years. There is a \$20.00 distribution fee. Please ask the Plan Administrator for more details.

**(27) Loans.** A participant may request a loan using an application form provided by the Third Party

Administrator. Any loans granted shall be made pursuant to a participant loan program which will be provided to you with your application forms. Your ability to obtain a participant loan depends on several factors. The Trustee will determine whether you satisfy these factors. The following is a description of the loan limitations:

- (a) The Trustee will not approve any loan to a participant in an amount that exceeds 50% of his or her account balance, and the maximum dollar amount may not exceed \$50,000.00;
- (b) No loan in an amount less than \$1,000 will be granted to any participant;
- (c) No loan will be granted to any participant who has a loan currently outstanding from the Plan;
- (d) No loan will be granted to any participant who has previously been granted a loan and has failed to repay the loan in full causing the loan to be defaulted;
- (e) You will be charged a reasonable rate of interest for any loan received from the Plan;
- (f) If approved, your loan will provide a level amortization schedule with payments to be paid in conjunction with your employer's payroll cycles;
- (g) The term of any loan may not exceed 5 years, but if the loan is for the purchase of your principal residence, the Trustee may permit a longer repayment period;
- (h) All loans made pursuant to this program will be considered a directed investment from the account(s) of the participant maintained under the Plan, and, as such, all payments of principal and interest made by the participant will be credited only to the account(s) of such participant;
- (i) There is a \$100 service charge for processing your loan application and a \$30.00 per year service charge for the administration of the loan payments for the duration of the loan, which will be withdrawn from your account upon liquidation for your loan;
- (j) All loan payments must be repaid through direct, after tax payroll deductions, and, in the event a participant separates from service, the former participant is responsible for remitting timely loan payments directly to the participant's Plan account; and
- (k) If you fail to make payments when they are due under the terms of the loan, you will be considered "in default." The Trustee will consider your loan to be in default if any scheduled loan payment is not made by the end of the calendar quarter following the calendar quarter in which the missed payment was due. At that time the loan would be considered a distribution from the Plan and will result in taxable income to you.

**(28) Administrative and Investment Fee Expenses.** There is a recordkeeping fee of \$30.00 per participant, per year, billed quarterly from your investment account. There is a distribution fee of \$20.00

The investment funds you choose to invest in are no-load funds. However, each investment fund charges investors a management fee for operating the fund. The fee paid to Morgan Stanley for its services as Custodian is included in the fee charged by the investment fund, except Morgan Stanley will not charge a Custodian fee for amounts invested in investment funds for which Morgan Stanley is the investment manager. The investment fund's fees are therefore higher than the fees that may be charged to other investors in those investment funds who are not Plan participants. The range of total management fees charged by the investment funds currently range from .58% to 1.59% of assets. Please see the Prospectuses and Notice given to you explaining these fees.

These fees are assessed on the assets under management for each individual account so the investment return to you, the participant, is reduced by these fees.

The ATU has agreed to pay for certain initial administrative, legal, and auditor fees. The Trustees have the authority, however, and expect in the future to assess administrative and other professional fees and expenses against the total assets in the Fund. When such an assessment is made, each participant's account will be reduced pro-rata to pay for these expenses. Because some Plan expenses will be paid in a particular month or year and will benefit all participants in the Plan even participants who enroll after the expense is paid, the Trustees may allocate these expenses to participant's accounts over a longer period of time.

**(29) *Participant's Rights under ERISA.*** 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 are entitled to:

- (a) Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites and union halls, all Plan documents, including insurance contracts and collective bargaining agreements, and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports (Form 5500 Series) and Plan descriptions.
- (b) Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies.
- (c) Receive a summary of the Plan's summary annual report. ERISA requires the Plan Administrator to furnish each participant with a copy of this summary annual report.
- (d) Obtain a statement telling you that you have a right to receive a retirement benefit at the normal retirement age under the Plan and what your benefit could be at normal retirement age if you stop working under the Plan now. You must request this statement in writing. The law does not require the Plan Administrator to give this statement more than once a year. The Plan must provide the statement free of charge.

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

retirement benefit or from exercising your rights under ERISA. If your claim for a retirement benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan review and reconsider your claim.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive the materials 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. 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 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 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 area office of the U.S. Labor-Management Services Administration, Department of Labor. The Washington, DC office of the Department of Labor is at:

200 Constitution Avenue, NW  
Washington, DC 20210

**(30) Federal Income Taxation of Benefits Paid.** Existing federal income tax laws do not require you to report as income the contributions to your account. However, when the Plan later distributes your account balance to you, such as upon your retirement, you must report as income the Plan distributions you receive. The federal tax laws may permit you to report a Plan distribution under a special averaging provision. Also, it may be possible for you to defer federal income taxation of a distribution by making a "rollover" contribution to your own rollover individual retirement account.

Mandatory income tax withholding rules apply to some distributions you do not rollover directly to an individual retirement account or to another plan. At the time you receive a distribution, you also will receive a notice discussing withholding requirement and the options available to you. WE EMPHASIZE YOU SHOULD CONSULT YOUR OWN TAX ADVISER WITH RESPECT TO THE PROPER METHOD OF REPORTING ANY DISTRIBUTION YOU RECEIVE FROM THE PLAN.