B&W PANTEX RETIREMENT PLAN FOR BARGAINING UNIT MEMBERS OF THE PANTEX GUARDS UNION

Amended and Restated
Generally Effective January 1, 2010

TABLE OF CONTENTS

SECTION 1 DEFINITIONS AND ELIGIBILITY 3

SECTION 2 RETIREMENT DATE 11

2.01 NORMAL RETIREMENT AGE. 11
2.02 NORMAL RETIREMENT DATE. 11
2.03 EARLY RETIREMENT DATE. 11
2.04 LATE RETIREMENT DATE. 11

SECTION 3 RETIREMENT BENEFITS 13

3.01 ELIGIBILITY FOR RETIREMENT BENEFITS 13
3.02 SMALL BENEFIT PAYMENTS 13
3.03 NORMAL FORM 15
3.04 MEMBER CONTRIBUTIONS. 15
3.05 WITHDRAWAL OF BENEFIT ATTRIBUTABLE TO MEMBER CONTRIBUTIONS BY AN ACTIVE MEMBER 15
3.06 PLAN INTEREST RATE 16
3.07 MEMBER ACCUMULATION. 17
3.08 AMOUNT OF BENEFIT AT NORMAL RETIREMENT 17
3.09 AMOUNT OF BENEFIT AT LATE RETIREMENT 21
3.10 ADDITIONAL AMOUNT OF BENEFIT ACCRUED AFTER LATE RETIREMENT DATE. 22
3.11 MINIMUM AMOUNT BENEFIT AT LATE RETIREMENT 22
3.12 AMOUNT OF BENEFIT AT EARLY RETIREMENT. 22
3.13 AMOUNT OF BENEFIT AT RETIREMENT FOR TERMINATED MEMBER 23
3.14 ADDITIONAL RETIREMENT BENEFIT. 23
3.15 TIME AND DURATION OF PAYMENT. 23
3.16 MAXIMUM BENEFIT 24
3.17 DISABILITY PAYMENTS. 34
3.18 FORM OF BENEFIT. 36

SECTION 4 BENEFIT PAYMENT OPTIONS 39

4.01 GENERAL ELECTION REQUIREMENTS. 39
4.02 SOCIAL SECURITY ADJUSTMENT OPTION. 39
4.03 JOINT RETIREMENT BENEFIT OPTION. 40
4.04 CERTAIN AND CONTINUOUS RETIREMENT BENEFIT OPTION 40
4.05 SPECIAL OPTIONS. 41
4.06 MINIMUM REQUIRED DISTRIBUTIONS 42
4.07 DIRECT ROLLOVERS. 47

SECTION 5 TERMINATION OF SERVICE--TEMPORARY ABSENCE 50

5.01 NON-FORFEITABLE BENEFITS 50
5.02 ACCRUED BENEFIT. 50
5.03 BENEFIT ATTRIBUTABLE TO MEMBER CONTRIBUTIONS 50
5.04 BENEFIT ATTRIBUTABLE TO EMPLOYER CONTRIBUTIONS. 51
5.05 VESTED PERCENTAGE. 51
5.06 DISPOSITION OF BENEFIT ATTRIBUTABLE TO MEMBER CONTRIBUTIONS. 51
5.07 RESTORATION OF BENEFITS UPON RETURN TO SERVICE OF FORMER ACTIVE MEMBER. 53
5.08 DISPOSITION OF FORFEITURES. 54
5.09 TEMPORARY ABSENCE. 54

SECTION 6 DEATH OF MEMBERS **55**
6.01 EFFECT OF DEATH AND SINGLE SUM DEATH BENEFIT. 55
6.02 DEATH BENEFIT UNDER SPECIAL RETIREMENT BENEFIT PAYMENT OPTION. 55
6.03 SPOUSE'S COVERAGE. 56
6.04 DEATH BENEFITS – MINIMUM REQUIRED DISTRIBUTIONS. 58
6.05 BENEFICIARIES. 58

SECTION 7 AMENDMENT OF PLAN **60**
7.01 AMENDMENT OF PLAN. 60

SECTION 8 TERMINATION OF PLAN **62**
8.01 TERMINATION OF PLAN. 62

SECTION 9 GENERAL PROVISIONS **64**
9.01 ADMINISTRATION OF PLAN. 64
9.02 NOTICES. 64
9.03 RESTRICTIONS AS TO PAYEES. 64
9.04 RESTRICTIONS IMPOSED BY INTERNAL REVENUE SERVICE. 65
9.05 FUNDING AND PAYMENTS OF BENEFITS. 66
9.06 MERGER, CONSOLIDATION, OR TRANSFER. 67
9.07 B&W PANTEX INVESTMENT COMMITTEE. 67
9.08 PROCEDURES FOR PRESENTING AND REVIEWING CLAIMS. 67
9.09 DISABILITY CLAIMS PROCEDURES. 69

SECTION 10 TOP-HEAVY DEFINITIONS **73**
10.01 DETERMINATION DATE. 73
10.02 DETERMINATION PERIOD. 73
10.03 KEY EMPLOYEE. 73
10.04 PERMISSIVE AGGREGATION GROUP. 74
10.05 PRESENT VALUE. 74
10.06 REQUIRED AGGREGATION GROUP. 74
10.07 TOP-HEAVY PLAN OR TOP-HEAVY GROUP. 74
10.08 TOP-HEAVY RATIO. 74
10.09 VALUATION DATE. 75
10.10 COMPENSATION. 75

SECTION 11 TOP-HEAVY PROVISIONS **77**
11.01 EFFECT ON PLAN. 77
11.02 MINIMUM ACCRUED BENEFIT. 77
11.03 NON-FORFEITABILITY OF MINIMUM ACCRUED BENEFIT. 78
11.04 MINIMUM VESTING SCHEDULE. 78
11.05 APPLICATION OF VESTING SCHEDULE. 79
11.06 COMPENSATION LIMIT. 79
11.07 ADJUSTMENT TO THE MAXIMUM BENEFIT. 79

SECTION 12 PROHIBITION AGAINST ALIENATION **80**
12.01 DEFINITIONS. 80
12.02 GENERAL PROHIBITION AGAINST ALIENATION. 80
12.03 EXCEPTIONS TO PROHIBITION AGAINST ALIENATION. 80
12.04 RECEIPT OF DOMESTIC RELATIONS ORDER. 81

12.05 ESTABLISHMENT OF ESCROW ACCOUNT AS A RESULT OF DOMESTIC RELATIONS ORDER. 81
12.06 REVIEW PROCEDURES. 82
12.07 STATUS OF ALTERNATE PAYEE. 82

Tables-following Section 12

B&W PANTEX RETIREMENT PLAN FOR BARGAINING UNIT MEMBERS OF THE PANTEX GUARDS UNION
(herein called the Plan)

Babcock & Wilcox Technical Services Pantex, LLC, known as B&W Pantex (herein called the Employer)

The original effective date of the Plan is June 1, 1955.

The Plan was revised and restated effective June 1, 1976, June 1, 1985, June 1, 1986, June 1, 1989 and February 1, 2001.

The Plan is hereby further revised and restated effective as of January 1, 2010 (the "Effective Date"), unless another effective date is specifically provided for in a specific provision.

As of June 1, 1986, B&W Pantex Retirement Plan for Bargaining Unit Members of the Pantex Guards Union of the Pantex Plant of Mason & Hanger Corporation is a continuation of The Retirement Plan for Bargaining Unit Employees of The Pantex Plant of Mason & Hanger - Silas Mason Co., Inc., which provided coverage for this group of employees immediately before June 1, 1986. Prior to November 1, 1996, the name of the Plan was the Mason & Hanger - Silas Mason Co., Inc. B&W Pantex Retirement Plan for Bargaining Unit Members of the Pantex Guards Union Of The Pantex Plant. As of the Effective Date, the Plan is sponsored by Babcock & Wilcox Technical Services Pantex, LLC, known as B&W Pantex (formerly known as BWXT Pantex, LLC) and the name of the Plan is B&W Pantex Retirement Plan for Bargaining Unit Members of the Pantex Guards Union.

Plan Year: For Plan Years beginning on or after January 1, 2008, each 12 month period beginning on January 1 and ending on the following December 31 (the calendar year). For Plan Years beginning before January 1, 2008, the Plan Year was the 12 month period beginning on June 1. There was a short Plan Year from June 1, 2007 to December 31, 2007.

The Plan Administrator is Babcock & Wilcox Technical Services Pantex, LLC, known as B&W Pantex.

This Plan has been established and shall be maintained for the exclusive benefit of Members and their beneficiaries. Each employer who adopts this Plan intends to make the Contributions to the Plan in excess of Member Contributions to provide the benefits outlined in the Plan for his employees. Benefits shall be funded in accordance with the requirements of the Employee Retirement Income Security Act of 1974 as amended from time to time (herein called ERISA).

In connection with the funding of this Plan, on the original effective date, the Plan Administrator entered into a group annuity contract with Aetna Life Insurance Company (herein called Aetna), which contract may provide for separate account facilities thereunder. On June 1, 1985, the method of funding Plan benefits under the contract was changed from the deferred annuity to the immediate participation guarantee basis. Any amounts contributed to the group annuity contract shall be allocated under the contract as determined by the Plan Administrator, unless a Named Fiduciary is identified by the Plan Administrator as having authority to make such determinations. The Plan Administrator or such other Named Fiduciary who is delegated with the authority to invest assets of the Plan may invest Plan assets in any other funding vehicles that such Named Fiduciary shall determine as appropriate, consistent with the Plan's funding policy and such Named Fiduciary's fiduciary duties under ERISA.

There shall be one or more Named Fiduciaries of the Plan at all times during continuation of this Plan. The Employer shall identify the Named Fiduciaries and allocate fiduciary responsibilities among them. The Named Fiduciaries shall, jointly or severally, as determined by the Employer, have authority to control and manage the operation and administration of the Plan, including review of the decision on claim denials which are appealed in accordance with the procedures set forth in the Plan. The Plan Administrator and the Named Fiduciaries shall act as such for all Employers which adopt this Plan. The Employer, Plan Administrator and Named Fiduciaries may each appoint agents to act for them. The Named Fiduciaries may employ one or more persons to render advice or services with regard to any responsibility such fiduciaries have under the Plan. In the absence of a contrary designation by the Employer, the Named Fiduciary shall be the Plan Administrator.

Section 1 DEFINITIONS AND ELIGIBILITY

1.01 Service Definitions.

The following service definitions apply beginning on June 1, 1976. Service credited before the anniversary of an employee's employment commencement date which occurred during the Plan Year beginning on June 1, 1976, will be determined under the terms of the Plan as constituted prior to June 1, 1976, and will not be affected by these definitions.

(a) "Service" means employment as an employee of the Employer. Service will be credited for employment with other members of an affiliated service group under Section 414(m), a controlled group of corporations under Section 414(b) or a group of trades or businesses under common control under Section 414(c) of the Code of which the adopting Employer is a member, and any other entity required to be aggregated with the Employer pursuant to Section 414(o) of the Internal Revenue Code of 1986, as amended (hereafter, the "Internal Revenue Code" or the "Code") and regulations thereunder. Service will also be credited for any individual considered an employee for purposes of this Plan under Section 414(n) or Section 414(o) of the Code and the regulations thereunder.

To the extent required by Section 414(a) of the Code and any regulations that may be issued thereunder, Service with any predecessor employer will also be included for purposes of vesting and eligibility to participate in the Plan, if the Employer maintains the plan of a predecessor employer. In addition, solely for purposes of determining eligibility for participation, vesting and eligibility for Early Retirement (and not for purposes of determining Years of Credited Service), "Service" shall include a Member's prior service for BWXT Technologies, Inc., Honeywell International, Inc., Bechtel National, Inc., or any of their affiliates, which was credited under a qualified pension plan of any of such entities for purposes of determining eligibility for participation, vesting and eligibility for early retirement thereunder.

Effective as of the first day of the Plan Year beginning in 1984, an employee includes leased Employees who:

(a-1) provided services pursuant to an agreement between the Employer or related persons and a leasing organization;

(a-2) perform services for the Employer or related persons on a substantially full-time basis for a period of at least one (1) year; and

(a-3) perform such services under the primary direction or control of the Employer or related persons.

Notwithstanding the foregoing, the term Employee shall not apply to any leased Employee of the Employer if (1) leased Employees do not constitute more than 20% of the Employer's non-highly compensated workforce (as defined by reference to Section 414(q) of the Internal Revenue Code) and (2) the leased Employee is covered by a money purchase pension plan maintained by the leasing organization which provides (i) a nonintegrated employer contribution rate for each Member of at least 10 percent of compensation (ii) full and immediate vesting and (iii) immediate participation for all employees of the leasing organization (except as described in Section 414(n) of the Internal Revenue Code).

(b) A "Year of Service" is a twelve-month Computation Period in which the employee completes 1,000 hours of Service. In addition, "Year of Service" shall include a Member's prior service for BWXT Technologies, Inc., Honeywell International, Inc., Bechtel National, Inc., or any of their affiliates, which was credited under a qualified pension plan of any of such entities for purposes of determining eligibility for participation, vesting and eligibility for early retirement thereunder. Notwithstanding anything contained herein to the contrary, the Years of Service of an employee on leave due to Military Service shall be determined in accordance with Section 414(u) of the Internal Revenue Code.

(c) The "Computation Period" for the purposes of meeting the eligibility requirements and vesting is a twelve-month period ending immediately before an anniversary of the employee's employment commencement date, which shall be the date the employee is credited with his first hour of Service.

(d) A "One-Year Break in Service" occurs whenever an employee does not complete 501 hours of Service during a Computation Period. Notwithstanding anything contained in this Plan to the contrary, effective December 12, 1994, an employee who is on leave due to Military Service will not incur a One-Year Break in Service during or as a result of such leave of absence to the extent required by Section 414(u) of the Internal Revenue Code and an employee who is on leave pursuant to the Family and Medical Leave Act of 1993 shall not be deemed to have incurred a One-Year Break in Service during or as a result of such leave of absence.

(e) With the exception of Years of Service described below, all Years of Service with the Employer, or with any other company for which Service must be counted under item (a) above, shall be aggregated for eligibility and vesting purposes.

(e-1) Any Year of Service excluded as of May 31, 1985, in accordance with the Plan as constituted immediately before such date, shall be excluded for all purposes thereafter, including any future application of this rule.

(e-2) If a One-Year Break in Service (or a series of consecutive One-Year Breaks in Service) begins before an employee has vested in any percentage of his Benefit Attributable to Employer Contributions, prior Years of Service shall be excluded from such aggregation if the number of consecutive One-Year Breaks in Service equals or exceeds the greater of:

(i) five; or

(ii) the number of prior Years of Service aggregated before such Break in Service.

Once excluded, a Year of Service shall be excluded for all purposes thereafter, including any future application of this rule.

(e-3) Effective January 1, 1987, any Year of Service throughout which the employee elected not to make required contributions shall be excluded for purposes of vesting. The preceding sentence shall not apply for any employee who is credited with one (1) Hour of Service on or after June 1, 1994.

(e-4) Notwithstanding any provision of this Plan to the contrary, an employee who accepted employment with the Employer on or after March 18, 2002 or experienced a termination of employment with the Employer on or after March 18, 2002 and did not complete a Year of Service before December 31, 2002 shall not be credited with a Year of Service for purposes of determining eligibility to participate in this Plan.

(f) The following definitions shall apply solely for purposes of determining benefit accruals under the Plan effective for Plan Years commencing on and after June 1, 1994.

(f-1) "Year of Credited Service" shall mean, subject to following provisions of this subsection, a One Year Period of Service during which an Employee is an Active Member in the Eligible Class.

Notwithstanding any provision of this Plan to the contrary:

(i) No Member shall be credited with a Year of Credited Service for Service prior to June 1, 1994; and

(ii) No Member shall be credited with a Year of Credited Service for Service after December 31, 2002 if such Member declines participation or continued participation in this Plan in accordance with procedures prescribed by the Plan Administrator and becomes eligible for an Enhanced Match under the B&W Pantex 401(k) Plan for Bargaining Employees or the B&W Pantex 401(k) Plan for Non-Bargaining Employees.

Except as otherwise provide above, if a Member begins a Period of Severance after June 1, 1994, such Member shall be credited with a partial Year of Credited Service for the One Year Period of Service during which such Period of Severance begins as follows. A Member shall receive one twelfth (1/12) of a credit for each completed month of Service during the One Year Period of Service in which the Period of Severance begins. If a Period of Severance begins other than on the first day of the month, such Member shall also be credited with 1/365th of a credit for each completed day of Service completed by the Member during the month in which such Period of Severance begins.

(f-2) "One Year Periods of Service" shall mean, for purpose of determining Years of Credited Service, a twelve consecutive month period of Service during which such Employee does not incur a Period of Severance. The twelve consecutive month period shall begin on the later of June 1, 1994 or the date an Employee becomes an Active Member in the Plan as determined in Section 1.05 entitled "Eligibility Requirements" and anniversaries of such. A Period of Service ends on the date a Period of Severance begins. Solely for the purposes of determining eligibility for Early Retirement (and not for purposes of determining Years of Credited Service), "Period of Service" shall include a Member's prior service for BWXT Technologies, Inc., Honeywell Itnernational, Inc., Bechtel National, Inc. or any of their affiliates, which was credited under a qualified pension plan of any of such entities for purposes of eligibilty for early retirement thereunder.

(f-3) "Period of Severance" means the period beginning on the date an Employee quits, is discharged, retires or dies. In all other circumstances, the Period of Severance shall begin 12 months after the date the Employee is no longer in Service. If an Employee returns to Service within 12 months after the commencement of a Period of Severance, then such absence from Service shall be disregarded for purposes of determining Years of Credited Service.

(g) "Military Service" means, for reemployment occurring on and after October 13, 1996, a period of interruption of employment of an employee caused by service in the uniformed services (as defined in Chapter 43 of Title 38, United States Code) by any individual if such individual is entitled to reemployment rights under such Chapter with respect to such service, but only if the individual is reemployed under such Chapter. If, for any reason other than his death, the employee shall not have returned to employment prior to the expiration of, and in compliance with, the terms and conditions of such reemployment rights, his absence shall be deemed not to have been Military Service and he shall be deemed to have terminated employment by reason of a quit on the last day he was an employee prior to his service in the uniformed services. As used in this Section, the term "employment" means employment as an employee, but excluding employment solely by reason of Military Service. Notwithstanding any provision of this Plan to the contrary, effective December 12, 1994, Accrued Benefits, Service, and Years of Credited Service with respect to Military Service will be provided in accordance with Section 414(u) of the Internal Revenue Code.

1.02 Hour of Service.

(a) An "Hour of Service" is:

(a-1) each hour for which an employee is paid or entitled to payment for the performance of duties during the applicable Computation Period; and

(a-2) each hour for which an employee is paid, or entitled to payment by the Employer on account of a period of time during which no duties are Performed due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence (including maternity or paternity leave) during the applicable Computation Period; and

(a-3) each hour for which back pay, irrespective of mitigation of damages, has been awarded or agreed to by the Employer. Such hours will be credited to the Computation Period to which the award or agreement pertains, not to include any hours previously credited; and

(a-4) solely for the purpose of determining if a One-Year Break in Service has occurred, each hour described in item (b) below.

The definition of hours of Service for reasons other than the performance of duties and the crediting of hours of Service to applicable Computation Periods shall be determined in accordance with the Department of Labor Regulation 2530.200b-2 (b) and (c).

(b) An "Hour of Service" shall be credited, as provided in item (a-4) above, with regard to maternity or paternity leave, subject to the following:

(b-1) only hours occurring on or after June 1, 1985, due to the following absences shall be considered:

(i) the employee's pregnancy; or

(ii) the birth of the employee's child; or

(iii) the placement of a child with the employee in connection with the adoption of the child (but not the placement of a child in a foster home); or

(iv) caring for an employee's child immediately following the child's birth or placement for adoption.

(b-2) Hours of Service for maternity or paternity leave, other than hours credited under item (a-2) above, shall only be credited to employees who are in Service at the time the leave commences. If the Plan Administrator is unable to determine hours attributable to the reasons stated in item (b-1) above, he shall use eight (8) hours for each regular workday the employee is on leave. Such hours of Service will only be credited for the Computation Period in which the leave commences if the employee would otherwise incur a Break in Service for that Computation Period. If such hours of Service are not necessary to prevent a Break in Service during such Computation Period, the hours shall be credited in the subsequent Computation Period. No hours of Service shall be credited under this item (b) unless the employee provides the Plan Administrator with a statement from the doctor, or other suitable documentation which the Plan Administrator may reasonably require, confirming the reason and necessity for the leave, within a reasonable period established by the Plan Administrator.

(b-3) no more than 501 hours of Service will be credited for any period covered by this item (b), including any hours of Service credited under item (a-2) which are attributable to such maternity or paternity leave.

(c) Solely for purposes of determining whether an employee has incurred a One-Year Break in Service, each hour that an employee would have been paid (not in excess of 8 hours for any single workday) during a period while the employee is on an unpaid leave of absence that is required to be provided by the Employer pursuant to the Family Medical Leave Act of 1993, but only to the extent such hours are required to be credited pursuant to regulations issued under authority of the Family Medical Leave Act of 1993.

1.03 Members.

(a) There are the following classes of Members:

(a-1) An Active Member is a Member under the Plan who is in Service and who has not reached his Normal Retirement Date.

(a-2) A Terminated Member is a former Active Member who is not in Service, who is entitled to nonforfeitable benefits under the Plan, and who has not become a Retired Member. A Terminated Member's rights and benefits under the Plan are restricted to the rights and benefits provided under the Plan on the date he

terminated Service in the Eligible Class, unless the Plan specifically states otherwise.

(a-3) A Late Retired Member is a Member who remains in Service, for the period beginning on his Normal Retirement Date and ending on his Late Retirement Date.

(a-4) A Retired Member is a Member who has retired or otherwise commenced receiving benefits under the Plan.

(b) A person loses his status as a Member when he dies, when all of his retirement benefit credit has been cancelled or, effective December 31, 2002, if he declines participation or continued participation in this Plan in accordance with procedures prescribed by the Plan Administrator and becomes eligible for an Enhanced Match under the B&W Pantex 401(k) Plan for Bargaining Employees or the B&W Pantex 401(k) Plan for Non-Bargaining Employees.

(c) To the extent required by a Qualified Domestic Relations Order that meets the requirements of 414(p), determined without regard to this item (c), an alternate payee shall be treated as a Member.

1.04 Eligible Class.

Except as otherwise provided in this Section 1.04, a person is in the Eligible Class if he:

(a) is not a leased employee as defined in Section 414 of the Internal Revenue Code;

(b) is in the regular employment of the Employer at the Pantex Plant;

(c) is not performing services for the Employer for a specific project of limited duration;

(d) is a member of the Pantex Security Force, Local No. 38 of the Pantex Plant collective bargaining unit;

(e) is not an exempt supervisory employee or a non-bargaining unit employee;

(f) accepted employment with the Employer before March 18, 2002;

(g) has not experienced a termination of employment with the Employer on or after March 18, 2002 and did not complete a Year of Service before December 31, 2002; and

(h) notwithstanding any provision in this Section 1.04 to the contrary, no employee who is a (i) member of the West Texas Building Trades Council Union, (ii) cooperative education student or (iii) intern shall be in the Eligible Class.

Notwithstanding the foregoing subparagraphs (a) through (e) and (h) of this Section 1.04, but subject to subparagraphs (f) and (g) and the paragraph at the end of this Section 1.04:

(A) an employee who on June 1, 1969 was an exempt supervisory employee or a non-exempt non-bargaining unit employee, and who on such date was covered under this Plan, shall continue to be in the Eligible Class until such time on or

after June 1, 1969 he elects to cease his contributions under this Plan and become a Member in any other defined benefit pension plan of the Employer.

(B) an employee who, subsequent to his coverage under this plan, becomes after June 1, 1969, an exempt supervisory employee or a non-exempt non-bargaining employee shall remain in the Eligible Class until such time as he is eligible to become a Member in any other defined benefit pension plan of the Employer.

(C) any non-bargaining employee shall be in the Eligible Class effective after October 31, 1991 if he is:

(C-1) employed as a Security Force Employee at the Employer's Pantex Plant;

(C-2) required to meet the physical fitness and other requirements of the Employer's Security Force; and

(C-3) required to carry a firearm in the regular course of their employment with the Employer.

Any person classified by the Employer as an independent contractor or consultant regardless of whether he is subsequently reclassified for such period, retroactively or otherwise, by any court, regulatory body or taxing authority shall be excluded from the Eligible Class.

1.05 Eligibility Requirements.

(a) An employee who is a Member of this Plan before December 31, 2002 will remain a Member thereafter, subject to the terms of this Plan.

(b) Each other employee who accepted employment prior to March 18, 2002 will become an Active Member on the first pay period coinciding with or next following the date he meets each of the following requirements:

(b-1) he is in the Eligible Class;

(b-2) he has completed one Year of Service;

(b-3) for Plan Years prior to January 1, 2002, he is at least age twenty-one (21);

(b-4) he is not an active member in any other defined benefit pension plan of Employer.

(c) An employee who, on and after June 1, 1976, terminates employment with the Employer and subsequently returns to Service in the Eligible Class on or before March 18, 2002 will become a Member as of the date he returns if he meets one of the following conditions:

(c-1) he is vested in any percentage of Benefits Attributable to Employer Contributions, as defined in Section 5; or

(c-2) he has less than five (5) consecutive One-Year Breaks in Service and he has met the age and service requirements; or

(c-3) his Years of Service for eligibility purposes before he terminated employment exceed the number of consecutive One-Year Breaks in Service commencing on the date he terminated employment and he has met the age and service requirements.

Provided, any Year of Service which would have been excluded if the employee had returned to Service prior to June 1, 1985, in accordance with the Plan as constituted immediately before such date, shall be excluded for all purposes thereafter, including any future application of this item (c).

Section 2 RETIREMENT DATE

2.01 Normal Retirement Age.

The Normal Retirement Age of a Member is age sixty-five (65) or, if later, the age of the Member on the date he begins to participate in the Plan.

2.02 Normal Retirement Date.

The Normal Retirement Date of a Member shall be the first day of the month coinciding with or next following the date he attains Normal Retirement Age. A Member will become a Retired Member on his Normal Retirement Date unless he duly elects an Early Retirement Date or becomes a Late Retired Member.

2.03 Early Retirement Date.

An Active or Terminated Member may elect to become a Retired Member on an Early Retirement Date according to item (a) or item (b) below, whichever is applicable:

(a) for an employee who becomes a Member of this Plan on or after June 1, 1986, a date which is the first day of a month and precedes his Normal Retirement Date by not more than ten years, provided he has completed at least ten years of Service, as defined for vesting purposes; or

(b) for an employee who became a Member of this Plan prior to June 1, 1986, a date which is the first day of the month and precedes his Normal Retirement Date by not more than ten years.

2.04 Late Retirement Date.

The Late Retirement Date of a Late Retired Member shall be the first day of the month coinciding with or next following the earlier of:

(a) his retirement from Service; or

(b) April 1 following the calendar year during which the Member reaches the later of age seventy and one-half (70 ½) or the date on which his vested percentage exceeds 0%, subject to the following exceptions:

(b-1) with respect to a Member who reached age seventy and one-half (70 ½) before January 1, 1988, the April 1 following his retirement from Service;

(b-2) a Member whom reached age 70 ½ on or before January 1, 1988 and who is not a five percent (5%) owner may, before his actual retirement and pursuant to rules established by the Employer, elect to cease distributions (during continued employment) which have commenced, or elect whether to receive (during continued employment) distributions which have not commenced, provided that no such election shall be effective before January 1, 1997;

(b-3) a Member who made a distribution selection prior to 1984 under the traditional rules of the Tax Equity and Fiscal Responsibility Act of 1982 may continue to rely on the option selected.

(b-4) notwithstanding anything in this subsection to the contrary, except as otherwise provided in item (b-3) of subsection 2.04, a five percent (5%) owner will have a Late Retirement Date no later than the first day of the Plan Year beginning on or after 1984 during which he reaches age seventy and one-half (70 ½).

After a Member reaches his Late Retirement Date, which is his Payment Starting Date, as defined in Section 4, the Member will be eligible to continue to accrue an additional amount of benefit, in accordance with the provisions of Section 3 of the Plan. Nothing in this subsection 2.04 is intended to limit a Member's right to continued employment after his Late Retirement Date.

Section 3 RETIREMENT BENEFITS

3.01 Eligibility for Retirement Benefits.

An Active Member will become eligible for a retirement benefit on the date he becomes a Retired Member, and his rights to such retirement benefit shall be nonforfeitable on the date he becomes a Retired Member.

Other persons may become eligible for a retirement benefit as determined by the Plan Administrator in accordance with the provisions of the Plan.

3.02 Small Benefit Payments.

(a) Lump sum payment of small benefits.

If, upon the occurrence of any of the events described below in this Section, the amount of retirement benefit payable is less than $125 per month ($75 prior to September 1, 1997 and $20 prior to October 1, 1986), a lump sum payment of the Member's entire non-forfeitable benefit will be made in lieu of benefit payments, provided that, for distributions commencing on or after March 28, 2005, if the present value of such benefit determined in accordance with the provisions of this Section 3.02 is in excess of $1,000 a lump sum payment will be made only with the consent of the Member or other payee. If the Member is married, the spouse must also consent to any lump sum payment for which the Member's consent is required, unless the Plan Administrator is satisfied that such consent cannot practically be obtained because the spouse cannot be located or for such other reasons as may be permitted under regulations or rules published by the Secretary of the Treasury. The consent of the Member and the Member's spouse shall be obtained in writing during the ninety (90) day period ending on the Payment Starting Date and in accordance with the notice and other requirements described in Section 4.01 entitled 'General Election Requirements.' Such lump sum payment will be made on account of the occurrence of any of the following events:

(1) on the Member's Retirement Date;

(2) upon the death of an Active, Terminated or Late Retired Member;

(3) upon the Member's termination of Service. With respect to a Member who is not eligible to retire upon his termination of Service, the amount of such Member's retirement benefit payable for purposes of this Section shall be determined by reference to such Member's Accrued Benefit.

The present value of a non-forfeitable benefit or the lump sum payment will be the greater of the Actuarial Equivalence of (i) the Member's retirement benefit payable in the Normal Form at Normal Retirement Date (excluding all retirement type or other plan subsidies), or (ii) the Member's retirement benefit payable as an immediate annuity in the Normal Form at Early Retirement Date provided the Member is eligible for early retirement (or in the case of a deceased Member, would have been eligible if alive) on the date a distribution is made under this Section, taking into account any subsidy for early retirement (and no other subsidies).

(b) For purposes of calculation of Actuarial Equivalence as described in Section 3.02(a) and for purposes of the Plan's provisions relating to the calculation of the present value of a benefit payment that is subject to Section 417(e) of the Code, as well as any other Plan provision referring directly or indirectly to the "applicable interest rate" the interest rates and mortality tables are as follows:

(b-1) For distributions made on and after September 1, 1997 but before December 31, 2002:

Interest: The interest rate on thirty (30)-year Treasury securities as in effect for the second month preceding the month in which the distribution is made, as published by the Commissioner of Internal Revenue for that month in rulings, notices or other guidance.

Mortality: The mortality table based on the prevailing commissioners' standard table (described in Section 807(d)(5)(A)) used to determine reserves for group annuity contracts issued as of the date on which a determination under this Section is being made, as published by the Commissioner of Internal Revenue, for that date, in rulings, notices or other guidance.

(b-2) For distributions made on or after December 31, 2002 but before January 1, 2008:

Interest: The interest rate on thirty (30)-year Treasury securities as in effect for the second month preceding the month in which the distribution is made, as published by the Commissioner of Internal Revenue for that month in rulings, notices or other guidance.

Mortality: The 1994 Group Annuity Reserving (GAR) Table, projected to 2002, based upon a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, or such successor table as shall be prescribed from time to time by the Secretary of the Treasury under Section 417(e)(3)(A)(ii)(I) of the Code.

Effective for distributions commencing on or after December 31, 2002, notwithstanding any Plan provision to the contrary, the applicable mortality table used for purposes of satisfying the requirements of Section 417(e) of the Code as set forth in this Plan is the table prescribed in Revenue Ruling 2001-62, or such successor table as shall be prescribed from time to time by the Secretary of the Treasury under Section 417(e)(3)(A)(ii)(I) of the Code.

(b-3) Except as provided by the PBGC or IRS, for distributions made on or after January 1, 2008:

Interest: The applicable interest rate described by Code Section 417(e) after its amendment by Pension Protection Act of 2006. Specifically, the applicable interest rate shall be the adjusted first, second, and third segment rates applied under the rules similar to the rules of Code Section 430(h)(2)(C) for the second

calendar month (lookback month) before the calendar month in which the annuity starting date occurs (stability period). For this purpose, the first, second, and third segment rates are the first, second, and third segment rates which would be determined under Code Section 430(h)(2)(C) if:

(i) Code Section 430(h)(2)(D) were applied by substituting the average yields for the month described in the preceding paragraph for the average yields for the 24-month period described in such section, and

(ii) Code Section 430(h)(2)(G)(i)(II) were applied by substituting "Section 417(e)(3)(A)(ii)(II) for "Section 412(b)(5)(B)(ii)(II)," and

(iii) The applicable percentage under Code Section 430(h)(2)(G) is treated as being 20% in 2008, 40% in 2009, 60% in 2010, and 80% in 2011.

Mortality: The applicable annual mortality table within the meaning of Code Section 417(e)(3)(B), as initially described in Revenue Ruling 2007-67.

(b-4) For distributions made prior to September 1, 1997, Actuarial Equivalence and present value shall be determined in accordance with the Prior Plan as constituted on the date of such distribution.

3.03 Normal Form.

"Normal Form" means a form of benefit providing monthly benefit payments to the Member for life as of the date the Member becomes a Retired Member with a single sum death benefit to be paid to a beneficiary in accordance with Section 6 if the total of all benefit payments made or due to the Retired Member does not equal or exceed his Member Accumulation, unless his Member Accumulation has been refunded in accordance with the subsection entitled "Withdrawal of Member Accumulation by an Active Member". If the Member Accumulation has been withdrawn, "Normal Form" means a form of benefit providing monthly benefit payments to the Member for life as of the date the Member becomes a Retired Member.

3.04 Member Contributions.

Notwithstanding any provision in this paragraph to the contrary, on and after June 1, 1994, Member Contributions are no longer required or permitted. Any Member Contributions made prior to June 1, 1994 will continue to be administered in accordance with the Plan.

3.05 Withdrawal of Benefit Attributable to Member Contributions by an Active Member.

An Active Member who became an Active Member before April 25, 1964 may elect to withdraw from the Plan the greater of his Member Accumulation or the present value of his Benefit Attributable to Member Contributions. The present value of such benefit shall be determined using the method described in subsection 3.02 entitled "Small Benefit Payments." The Member's Benefit Attributable to Member Contributions, as defined in Section 5, will be canceled. The

Member, prior to termination or retirement, may repay to the Plan the amount of the withdrawal plus interest from the first day of the month following the date on which the Member received such distribution to the date of repayment, at the Plan Interest Rate in effect for the Plan Year in which such repayment is made. Upon such repayment, the canceled Benefit Attributable to Member Contributions will be restored.

A Member's Benefit Attributable to Employer Contributions, as defined in Section 5, will remain unaffected by such a withdrawal. If the Active Member should later become a Terminated Member, the treatment of his Benefit Attributable to Employer Contributions will be determined in accordance with Section 5.

An Active Member who elects to withdraw his Benefit Attributable to Employee Contributions from the Plan will not lose his status as an Active Member solely because of such withdrawal, but no Member Contributions may be made and no benefit will be credited to the Member under the Plan for a period of one (1) year, or if later, the date the Member then resumes his Member Contributions and gives notice to the Employer of such resumption.

Provided, however, effective June 1, 1985, if the present value of the Member's Accrued Benefit is in excess of $5,000 (or, for periods prior to December 1, 1998, has ever been in excess of $3,500), an eligible Active Member, who is married and who elects to withdraw his Benefit Attributable to Employee Contributions shall receive a distribution of such benefit in the optional form of payment described in Subsection 3.18(b) (qualified joint and fifty percent (50%) survivor benefit). The Member may, alternatively, elect to receive such benefit in the form of a single sum payment with the consent of his spouse, unless the Plan Administrator is satisfied that such consent cannot practically be obtained because the spouse cannot be located for such other reasons as may be permitted under regulations or rules published by the Secretary of the Treasury. The Plan Administrator shall follow the same procedures described in Subsection 3.18(e) as if such Member was electing to retire under the Plan.

3.06 Plan Interest Rate.

"Plan Interest Rate" shall mean the interest factor for crediting interest to Member Accumulations and for determining, in part, the Benefit Attributable to Employee Contributions, compounded annually, which rate shall be as follows:

(a) Two percent (2%) per annum prior to June 1, 1964;

(b) Three percent (3%) per annum from June 1, 1964 through June 1, 1969;

(c) Three and three-quarters percent (3.75%) per annum from June 1, 1969 through June 1, 1976;

(d) Five percent (5%) per annum from June 1, 1976 through June 1, 1988;

(e) 120% of the Federal mid-term rate as in effect under Section 1274 of the Code for the first month of each Plan Year beginning on and after June 1, 1988.

3.07 Member Accumulation.

"Member Accumulation" means Member Contributions plus interest thereon, less any refunds made to the Member or his beneficiary, at the Plan Interest Rate from the end of the Plan Year during which the contribution was made to the earliest of:

(a) the Member's Retirement Date; or

(b) the first day of the month in which a refund of the Member Accumulation is made to the Member; or

(c) the first day of the month in which a payment occurs due to the death of a Member.

3.08 Amount of Benefit at Normal Retirement.

The yearly amount of retirement benefit, payable in the Normal Form, to be provided for a Member who retires from Service on his Normal Retirement Date will equal the sum of the items (a), (b) and (c) subject to item (d) below:

(a) For Service on and after June 1, 1994:

(a-1) For Members who are credited with an Hour of Service as an Active Member in the Eligible Class on or after March 18, 2002, who did not decline participation or continued participation in the Plan in accordance with procedures prescribed by the Plan Administrator and are not eligible for an Enhanced Match under the B&W Pantex 401(k) Plan for Bargaining Employees or the B&W Pantex 401(k) Plan for Non-Bargaining Employees, item (i) times item (ii):

(i) 1.5% (one and five-tenths percent) of his Final Average Earnings;

(ii) the number of his Years of Credited Service;

(a-2) For Members who are (1) credited with an Hour of Service as an Active Member in the Eligible Class on or after June 1, 1994, who are not credited with an Hour of Service as an Active Member in the Eligible Class on or after March 18, 2002, or (2) credited with an Hour of Service as an Active Member in the Eligible Class on or after March 18, 2002, who declined participation or continued participation in the Plan in accordance with procedures prescribed by the Plan Administrator and became eligible for an Enhanced Match under the B&W Pantex 401(k) Plan for Bargaining Employees or the B&W Pantex 401(k) Plan for Non-Bargaining Employees, item (i) times item (ii):

(i) 1.3% (one and three-tenths percent) of his Final Average Earnings;

(ii) the number of his Years of Credited Service;

(a-3) Solely for purposes of this item (a), the following definitions shall apply:

(i) "Earnings" means the Member's base wage or salary, exclusive of bonuses, overtime, or night differential while in the Eligible Class. There shall also be excluded from the term Earnings (even if includable in gross income), reimbursements or other expense allowances, fringe benefits (cash or noncash), moving expenses, deferred compensation and welfare benefits, Employer's contributions to Social Security, disability, unemployment, and workmen's compensation funds; and contributions to this or any other retirement plan or program.

For Plan Years beginning on or after January 1, 2002, Earnings in excess of $160,000 shall be disregarded. Such amount shall be adjusted at the same time and in the same manner as the Commissioner of Internal Service makes adjustments pursuant to Section 401(a)(17)(B) of the Code. For Plan Years beginning on and after June 1, 1994, but before January 1, 2002, Earnings in excess of $150,000 shall be disregarded. For Plan Years beginning on and after June 1, 1989 and prior to June 1, 1994, as well as Plan Years beginning on and after January 1, 2002, Earnings taken into consideration under this Plan will be limited to $200,000 per year (in accordance with Sections 414(q) and 401 (a)(17) of the Internal Revenue Code), as adjusted from time to time by the Secretary of Treasury. Any adjustment to such limitation on Earnings will apply to Earnings received in the Plan Year such adjustment is applicable. The limitation on Earnings will be pro-rated for any Plan Year of less than twelve (12) months.

Notwithstanding the above, Earnings shall include any amount which is contributed by the Employer pursuant to a salary redirection agreement which is not includable in gross income of the Member under Sections 125 (cafeteria plan contributions -- including effective June 1, 1998, Deemed Section 125 Compensation described in Section 3.16), 401(k) (elective deferrals) and, effective January 1, 2001, 132(f) (transportation benefits). Earnings shall also include regular pay after severance of employment to the extent such amounts are paid by the later of 2 ½ months after severance from employment or by the end of the Limitation Year that includes the date of such severance from employment if (i) the payment is regular compensation for services during the Member's regular working hours, or compensation for services outside the Member's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments, and (ii) the payment would have been paid to the Member prior to a severance from employment if the Member had continued in employment with the Employer. Any other payment of compensation paid after severance of employment is not considered Earnings even if payment is made within the time period specified above. Earnings for a Plan Year or a Limitation Year shall not include amounts earned but not paid during the Plan Year or Limitation Year solely because of the timing of pay periods and pay dates. Earnings for a Plan Year or Limitation Year shall not include earnings or compensation in excess of the limitation under Section 401(a)(17) of the Code in effect for such year.

(ii) "Final Average Earnings" shall mean, subject to the following paragraph, the average of the Member's Earnings during the five (5) full calendar years which gives the highest average out of the last ten (10) calendar year period which precedes the first day of the Plan Year during which the Members Retirement Date, date of termination or date of death, whichever occurs earlier. In the event that a Member does not receive Earnings for at least five (5) calendar years, his Final Average Earnings will be determined from the average Earnings during the number of complete calendar years during such ten (10) calendar year period that the Member was in Service.

Provided, however, calendar years commencing prior to January 1, 1995, including Earnings paid during such years, shall be excluded from both the five (5) calendar year and ten (10) calendar year averaging periods referred to in the immediately preceding paragraph. Notwithstanding the forgoing, if a Member does not receive Earnings for at least one (1) complete calendar year and such Member terminates employment for any reason prior to January 1, 1996, then Final Average Earnings shall be determined on the basis of Earnings during the twelve (12) month period immediately preceding the date of such Member's termination of employment, but excluding Earnings prior to June 1, 1994."

Notwithstanding the foregoing provisions of this item (ii), a Member's or former Member's Final Average Earnings shall not be calculated on the basis of Earnings in calendar years beginning on or after January 1, 2003 if such Member declines participation or continued participation in this Plan in accordance with procedures prescribed by the Plan Administrator and becomes eligible for an Enhanced Match under the B&W Pantex 401(k) Plan for Bargaining Employees or the B&W Pantex 401(k) Plan for Non-Bargaining Employees.

Notwithstanding the foregoing, with respect to a Transferred Guard 'Final Average Earnings' shall mean the greater of his Final Average Earnings as calculated under this Plan or his Final Average Earnings as calculated under the Retirement Plan for Bargaining Unit Employees of the Metal Trades Council of BWXT Pantex (the 'Metal Trades Plan') or the B&W Pantex Retirement Plan for Non-Bargaining Employees (the 'Non-Bargaining Plan'). For this purpose, 'Transferred Guard' shall mean an employee with ten (10) years of service with the Pantex Guards Union, or any of its predecessor collective bargaining units, who transfers on or after March 18, 2002 to another unit of Pantex covered by the Metal Trades Plan or the Non-Bargaining Plan due to CFR medical disqualification after at least one (1) waiver denial or with the Medical Department's recommendation; provided, however, that the reason for transfer can not be due to permanent PAP disqualification or loss of the appropriate level of DOE security clearance.

(b) For Service prior to June 1, 1994, a Member will receive benefit credits as determined below:

(b-1) Retirement Benefit Credits on and after June 1, 1991 but prior to June 1, 1994:

During each month commencing on and after June 1, 1991 but prior to June 1, 1994, that an Active Member is in the Eligible Class he will receive a benefit credit equal to 2.45% (two and forty-five one hundredths percent) of his Earnings during the month. Provided, however, Earnings on and after June 1, 1994 shall be excluded for purposes of this paragraph.

(b-2) Retirement Benefit Credits on and after October 1, 1986 but prior to June 1, 1991:

During each month commencing on and after October 1, 1986 but prior to June 1, 1991, that an Active Member is in the Eligible Class he will receive a benefit credit equal to 2 1/4% (two and one-quarter percent) of his Earnings during the month.

(b-3) Retirement Benefit Credits on and after June 1, 1986 but prior to October 1, 1986:

During each Plan Year commencing on and after June 1, 1986 but prior to October 1, 1986, that an Active Member is in the Eligible Class he will receive a benefit credit equal to two percent (2%) of his Earnings during the year.

(b-4) Retirement Benefit Credits before June 1, 1986:

For each Plan Year commencing before June 1, 1986, the amount of retirement benefit credited to the Member will be the same amount credited to the Member under the contract as constituted immediately before June 1, 1986.

(b-5) Solely for purposes of this item (b), the term Earnings is defined as follows:

"Earnings" means the Member's base wage or salary, exclusive of bonuses, overtime, or night differential while in the Eligible Class. There shall also be excluded from the term Earnings (even if includable in gross income), reimbursements or other expense allowances, fringe benefits (cash or noncash), moving expenses, deferred compensation and welfare benefits, Employer's contributions to Social Security, disability, unemployment, and workmen's compensation funds; and contributions to this or any other retirement plan or program.

For Plan Years beginning on or after January 1, 2002, Earnings in excess of $160,000 shall be disregarded. Such amount shall be adjusted at the same time and in the same manner as the Commissioner of Internal Revenue Service makes adjustments pursuant to Section 401(a)(17)(B) of the Code. For Plan Years beginning on and after June 1, 1994, but before January 1, 2002, Earnings in excess of $150,000 shall be disregarded. For Plan Years beginning on and after June 1, 1989 and prior to June 1, 1994, as well as Plan Years beginning on and after January 1, 2002, Earnings taken into consideration under this Plan will be limited to $200,000 per year (in accordance with Sections 414(q) and 401(a)(17) of the Internal Revenue Code), as adjusted from time to time by the Secretary of Treasury. Any adjustment to such limitation on Earnings will apply to Earnings

received in the Plan Year such adjustment is applicable. The limitation on Earnings will be pro-rated for any Plan Year of less than twelve (12) months.

(c) The benefit accrued to any Member who is a non-bargaining employee employed as a Protective Force Employee at the Employer's Pantex Plant facility in a Chief, Assistant Chief, Captain, 1st Lieutenant, or 2nd Lieutenant job classification under the Employer's Retirement Plan for Non-Bargaining Employees prior to November 1, 1991. This subparagraph shall be effective until the date the accrued benefits and corresponding assets of the Retirement Plan for Non-Bargaining Employees for such Members are transferred to this Plan.

(d) In the case of any Active Member who attained Normal Retirement Age prior to June 1, 1994 and who also is credited with at least one (1) Hour of Service on or after June 1, 1994, the benefit credits for such Member as determined in item (b) above shall not be less than the amount of monthly retirement benefit payable in the Normal Form which would have been paid to the Member if he had become a Retired Member on his Normal Retirement Date multiplied by the percentage determined from Table L determined as if his Late Retirement Date was June 1, 1994.

In no event shall the Accrued Benefit under this Plan for any Member referred to in item (c) of this Paragraph 3.08 be less than the benefit accrued to such Member (including the optional forms of benefits applicable to such accrued benefit) under the Employer's Retirement Plan for Non-Bargaining Employees determined as of October 31, 1991.

The Accrued Benefit of a Member who declines continued participation in this Plan in accordance with procedures prescribed by the Plan Administrator and becomes eligible for an Enhanced Match under the B&W Pantex 401(k) Plan for Bargaining Employees or the B&W Pantex 401(k) Plan for Non-Bargaining Employees shall be frozen effective December 31, 2002 and shall not be calculated on the basis of Earnings (as defined in Section 3.08(a)(a-3)(i) of this Plan) in calendar years beginning on or after January 1, 2003. In no event shall the Accrued Benefit of such a Member be less than the Accrued Benefit determined as of December 31, 2002.

3.09 Amount of Benefit at Late Retirement.

A retirement benefit will be provided for a Member who has at least one (1) hour of Service in the Eligible Class on or after the first day of the Plan Year beginning in 1988, who becomes a Retired Member on a Late Retirement Date. The yearly amount of such retirement benefit, payable in the Normal Form, will equal the amount the Member would have received had he retired from Service on his Normal Retirement Date, plus for each Plan Year that he is a Late Retired Member, an additional benefit credit. The additional benefit credit will be computed in accordance with the formula in the subsection entitled "Amount of Benefit at Normal Retirement" using his Earnings and Years of Credited Service to the Member's Late Retirement Date. Payment of benefits will be suspended in accordance with Department of Labor Regulation 2530.203-3 for the period between a Member's Normal Retirement Date and his Late Retirement Date.

If the yearly amount of benefit determined in accordance with this subsection is less than would have resulted if the Member had become a Retired Member on his Normal Retirement Date, the higher yearly amount will be provided.

3.10 Additional Amount of Benefit Accrued After Late Retirement Date.

A Retired Member may accrue additional amounts of retirement benefit for Service in the Eligible Class after his Late Retirement Date. Notwithstanding any provision in the Plan to the contrary, such additional benefit accrual shall be payable to the Member in the same form of payment in effect on the Member's Late Retirement Date. The yearly amount of additional benefit determined each year will be computed in accordance with the formula in the subsection entitled "Amount of Benefit at Normal Retirement" using his Earnings and Service as if the Member had not yet reached such date, subject to the following:

(a) the yearly benefit is calculated to the last day of each Plan Year following his Late Retirement Date or, if earlier, the Member's actual termination of Service in the Eligible Class;

(b) the yearly amount accrued to the Member to the last day of the prior Plan Year or, if later, the Member's Late Retirement Date, is subtracted;

(c) the difference in the yearly benefit is adjusted for the form of payment in effect on the Member's Late Retirement Date, if other than the Normal Form;

(d) the yearly amount is divided by twelve (12) to obtain the monthly amount of benefit.

3.11 Minimum Amount Benefit at Late Retirement.

(a) The minimum amount of benefit, payable in the Normal Form, to be provided for a Member who has at least one (1) Hour of Service in the Eligible Class on or after the first day of the Plan Year beginning in 1988, who becomes a Retired Member on a Late Retirement Date will equal the amount which would have been paid to the Member if he had become a Retired Member on his Normal Retirement Date multiplied by the percentage determined from Table L on his Late Retirement Date.

(b) If such Member has no Service in the Eligible Class after the first day of the Plan Year beginning in 1988, his benefit will be calculated in accordance with the provisions of the Plan in effect on the date he terminated such Service.

3.12 Amount of Benefit at Early Retirement.

A retirement benefit will be provided for a Member who retires from Service on an Early Retirement Date.

The yearly amount of such benefit, payable in the Normal Form, for a Member who retires from Service on or after October 1, 1990 after having attained at least age fifty-five (55) and completed at least ten (10) Years of Service, as defined for vesting purposes, will equal his benefit credits for Service up to his Early Retirement Date. The yearly amount of such benefit, payable in the Normal Form, for any other Member, who retires from Service without having satisfied the eligibility requirements in the preceding sentence will equal a percentage, determined from Table C, of his benefit credits for Service up to his Early Retirement Date.

3.13 Amount of Benefit at Retirement for Terminated Member.

A retirement benefit will be provided for a Terminated Member who becomes a Retired Member on his Normal Retirement Date or a duly elected Early Retirement Date.

Such retirement benefit payable at a Member's Normal Retirement Date will be in the same amount the Member would have received had he reached his Normal Retirement Date on the date he terminated, subject to the provisions of Section 5 using Earnings or Final Average Earnings and Years of Credited Service, as applicable, to the Member's date of termination.

For a Member who became a Terminated Member on or after October 1, 1990 after having attained at least age fifty-five (55) and completed at least ten (10) Years of Service, as defined for vesting purposes, such retirement benefit payable at his Early Retirement Date, will equal his benefit credits for Service up to his date of termination. For any other Terminated Member who retires on an Early Retirement Date, such retirement benefit payable at his Early Retirement Date will equal a percentage, determined from Table C, of his benefit credits for Service up to his date of termination.

3.14 Additional Retirement Benefit.

A Member may be eligible for an additional retirement benefit in accordance with item (a) or item (b), if applicable:

(a) An employee who was an Active Member immediately prior to October 1, 1990 will receive an additional monthly amount of benefit equal to Five Dollars ($5.00) times his full years of participation in the Plan prior to October 1, 1990;

(b) Prior to January 1, 1982 an Active or Terminated Member who is male and who elects an Early Retirement Date will become eligible for an Additional Retirement Benefit on his Early Retirement Date.

The monthly amount of the Additional Retirement Benefit will equal the excess of item b-1) over item (b-2) times item (b-3):

(b-1) the appropriate percentage from Table C in effect on the Member's Early Retirement Date, using column 3 rather than column 2 to determine the percentage;

(b-2) the appropriate percentage from Table C in effect on the Member's Early Retirement Date;

(b-3) the monthly Retirement Benefit on his Early Retirement Date.

3.15 Time and Duration of Payment.

Unless a Member elects otherwise, monthly retirement benefit payments to a Member will begin as of the date a Member becomes retired under the Plan. Provided however, unless a Member elects otherwise, in no event will such payments commence any later than the sixtieth (60^{th}) day after the close of the Plan Year in which the latest of the following occurs:

(a) the date on which the Member attains Normal Retirement Age;

(b) the tenth (10^{th}) anniversary of the year in which the Member commenced participation in the Plan;

(c) the date the Member terminates his Service with the Employer.

A Late Retired Member who reaches such date will not lose his status as a Late Retired Member, but he shall be considered a Retired Member with respect to such payments and his required beginning date will be his Payment Starting Date, as defined in Section 4.

The monthly amount of each such benefit payment will equal one-twelfth (1/12) of the yearly amount of retirement benefit provided for the Member on the date he became a Retired Member. Benefit payments to any other payee will begin on the date such payee becomes entitled to a benefit as determined in accordance with the provisions of this Plan. For the purposes of this Plan, the life expectancy used to determine the monthly amount of each benefit payment will not be redetermined after the payments have commenced. Benefit payments will cease with the payment due immediately before the person's death, or, if earlier, the end of the term of payment.

In no event shall commencement of payments to the Member be deferred beyond April 1 of the calendar year following the later of the calendar year in which a Member attains 70-1/2 or the calendar year in which he retires (the "Required Beginning Date"). The Required Beginning Date of a Member who is a five percent (5%) owner (as defined in Section 416 of the Code) shall be the April 1 of the calendar year following the calendar year in which he attains age 70-1/2.

All distributions made under the Plan shall be determined and made in accordance with Section 401(a)(9) of the Code including the incidental death benefit requirement in Section 401(a)(9)(b) of the Code and in accordance with the final regulations under Section 401(a)(9) of the Code that were issued on April 17, 2002 and the provisions of Section 4.06.

3.16 Maximum Benefit.

Effective as of the first day of the Plan Year beginning in 1987, the maximum yearly pension benefit to which a Retired Member will be entitled, when combined with the benefits to which he is entitled under any other qualified defined benefit plan maintained by the Employer or any Affiliated Employer, shall not exceed the maximum benefit permissible under Section 415 of the Code (taking into account for Plan Years and Limitation Years beginning on or after January 1, 2002, Section 611 of the Economic Growth and Tax Relief Reconciliation Act of 2001 and taking into account for Plan Years and Limitation Years beginning on or after January 1, 2008, the final regulations of Section 415 of the Code), as described in the following paragraphs. If the benefit a Member would otherwise accrue in a Limitation Year would produce an annual pension benefit in excess of the maximum benefit permissible under Section 415 of the Code, then the benefit shall be limited or the rate of accrual reduced to a benefit that does not exceed the maximum benefit permissible. If the Member is, or has ever been, a Member in another qualified defined benefit plan (without regard to whether the plan has been terminated) maintained by the Employer or a "Predecessor Employer" (as defined in the Section 415 Regulations), the sum of the Member's maximum yearly pension benefit from all such plans may not exceed the maximum benefit permissible under Section 415 of the Code. Where the Member's employer-provided benefits under all such defined benefit plans (determined as of the same age) would exceed the maximum benefit permissible under Section 415 of the Code applicable at that age, the Employer shall limit a Member's benefit in accordance with Section 3.16.

(a) For the purposes of this Section only, the following definitions apply:

(a-1) "Adjustment Factor" means the cost of living adjustment factor prescribed by the Secretary of the Treasury under Section 415(d) of the Code for years beginning after December 31, 1987, applied to such paragraphs and in such manner as the Secretary shall prescribe. Any prescribed change to the Adjustment Factor shall apply to the Limitation Year that ends with or within the calendar year during which the prescribed change occurs.

(a-2) "Affiliated Employer" means the Employer and any corporation which is a member of a controlled group of corporations, as defined in Section 414(b) of the Code, which includes the Employer; any trade or business (whether or not incorporated) which is under common control, as defined in Section 414(c) of the Code with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group, as defined in Section 414(m) of the Code, which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to regulations under Section 414(o) of the Code. Provided, however, for purposes of determining the maximum permissible benefit that may be provided by this Plan and all other Plans of the Employer and Affiliated Companies in accordance with Section 415 of the Code, Affiliated Employer shall be defined as above, except that the provisions of Sections 414(b) and 414(c) of the Code shall be modified as required by Section 415(h) of the Code.

(a-3) "Annual Addition" means the amount allocated to the Member's account during the Limitation Year that constitutes:

(i) Employer contributions,

(ii) Employee contributions, inclusive of Member Contributions,

(iii) forfeitures, and

(iv) amounts described in Sections 415(l)(1) and 419A(d)(2) of the Code.

(a-4) For Plan Years beginning after December 31, 1997, "Compensation" means Section 3401(a) wages paid by the Employer to the Member during the Limitation Year which is defined as wages in Section 3401(a) of the Code for the purposes of income tax withholding at the source, but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Section 3401(a)(2) of the Code). "Compensation" shall be increased for salary reduction amounts which are excluded from the taxable income of an Employee under Section 125, 132(f)(4), 401(k), 402(h), 403(b), 408 and 457 of the Code. For purposes of determining Compensation under Sections 3.16 and 10.11, Compensation shall also include regular pay after severance of employment to the extent such amounts are paid by the later of 2 ½ months after severance from employment or by the end of the Limitation Year that includes the date of such severance from employment if (i) the payment is regular compensation for services during the Member's regular working hours, or compensation for services outside the Member's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments, and (ii) the payment would have been paid to the Member prior to a severance

from employment if the Member had continued in employment with the Employer. Any other payment of compensation paid after severance of employment is not considered Compensation even if payment is made within the time period specified above. Compensation for a Plan Year or a Limitation Year shall not include amounts earned but not paid during the Plan Year or Limitation Year solely because of the timing of pay periods and pay dates. Compensation for a Plan Year or Limitation Year shall not include earnings or compensation in excess of the limitation under Section 401(a)(17) of the Code in effect for such year.

Effective for Plan Years and Limitation Years beginning on and after January 1, 1998, for purposes of the definition of 'Compensation' hereunder, amounts under Section 125 of the Code include any amounts not available to a Member in lieu of group health plan coverage because the Member is unable to certify that he or she has other health coverage ('Deemed Section 125 Compensation'). An amount will be treated as an amount under Section 125 of the Code only if the Employer does not request or collect information regarding the Members' other health coverage as part of the enrollment process for the health plan.

(a-5) "Current Accrued Benefit" means a Member's Accrued Benefit under the Plan, determined as if the Member had separated from Service as of the close of the last Limitation Year beginning before January 1, 1987, when expressed as an annual benefit within the meaning of Section 415(b)(2) of the Code. In determining the amount of a Member's Current Accrued Benefit, the following shall be disregarded:

(i) any change in the terms and conditions of the Plan or Prior Plan after May 5, 1986; and

(ii) any cost of living adjustment occurring after May 5, 1986.

(a-6) "Defined Benefit Dollar Limitation" means the limitation set forth in Section 415(b)(1) of the Code, increased by the Adjustment Factor.

(a-7) "Defined Benefit Plan Fraction" means a fraction, described under Section 415(e)(2) of the Code, determined for each Limitation Year prior to January 1, 2000 for each Member.

(a-8) For Plan Years beginning after December 31, 1994, "Defined Contribution Dollar Limitation" means $30,000 adjusted annually as provided in Code Section 415(d) pursuant to Treasury Department regulations. The adjusted limitation is effective as of January 1 of each calendar year and is applicable to Limitation Years ending with or within that calendar year.

(a-9) "Defined Contribution Plan Fraction" means, for Limitation Years prior to January 1, 2000, a fraction, described under Section 415(e)(3) of the Code and subject to special transition rules, if applicable, set forth in Section 415(e)(4) and (6) of the Code.

(a-10) "Member Contributions" means non-deductible contributions to the Plan made by a Member during the Plan Year that are not allocated to a separate Plan account.

(a-11) "Limitation Year" means the Plan Year. The Limitation Year may only be changed by a Plan amendment. Furthermore, if the Plan is terminated effective as of a date other than the last day of the Plan's Limitation Year, then the Plan is treated as if the Plan had been amended to change its Limitation Year.

(a-12) "Social Security Retirement Age" means the age used as the retirement age for the Member under Section 216(l) of the Social Security Act, except that such Section will be applied without regard to the age increase factor, and as if the early retirement age under Section 216(l)(2) of such Act were sixty-two (62).

(a-13) any defined term not described above is defined elsewhere in the Plan, if applicable.

(b) Subject to the adjustments described by paragraph (c) below, the maximum yearly pension benefit to which a Retired Member will be entitled is the sum of the Benefit Attributable to Member Contributions and maximum Benefit Attributable to Employer Contributions. The determination of the maximum yearly pension benefit to which a Retired Member will be entitled shall take into account Social Security supplements described in Section 411(a)(9) of the Code and benefits transferred from another defined benefit plan, other than transfers of distributable benefits pursuant Regulations Section 1.411(d)-4, Q&A-3(c), but shall disregard benefits attributable to Employee contributions or rollover contributions. The maximum Benefit Attributable to Employer Contributions shall be the lesser of the Defined Benefit Dollar Limitation or 100% of a Member's average annual compensation by the Employer during the three (3) consecutive Years of Service (or if the Member has less than three consecutive Years of Service, the Member's longest consecutive period of Service, including fractions of years, but not less than one year) of the Member's highest Compensation ("Member's High Three Year Average Compensation"), payable in the form of a single life annuity.

In the case of a Member who is rehired by the Employer after a severance from employment, the Member's High Three-Year Average Compensation shall be calculated by excluding all years for which the Member performs no services for and receives no Compensation from the Employer (the break period) and by treating the years immediately preceding and following the break period as consecutive.

A Member's maximum yearly pension benefit shall be determined on his Payment Starting Date. If the Member remains in Service following such date, his maximum yearly pension benefit shall be adjusted on the first day of each Plan Year until his retirement from Service, with respect to future payments, to the lesser of:

(b-1) the lesser of the current year's Defined Benefit Dollar Limitation or the Member's High Three Year Average, as adjusted by paragraph (c-2) below; or

(b-2) the Member's retirement benefit determined without regard to any limitations in this Section entitled "Maximum Benefit."

(c) The maximum yearly pension benefit will be adjusted, if applicable, by the following paragraphs:

(c-1) Adjustment of Defined Benefit Dollar Limitation for Benefit Commencement Before Age 62:

(i) Limitation Years Beginning Before July 1, 2007. If the annuity starting date for the Member's benefit is prior to age 62 and occurs in a Limitation Year beginning before July 1, 2007, the Defined Benefit Dollar Limitation for the Member's annuity starting date is the annual amount of a benefit payable in the form of a single life annuity commencing at the Member's annuity starting date that is the actuarial equivalent of the Defined Benefit Dollar Limitation (adjusted under Section 3.16(c-4) for years of participation less than ten (10), if required) with actuarial equivalence computed using whichever of the following produces the smaller annual amount: (1) the interest rate assumption under the Plan and the mortality table set forth in Section 3.02(b); or (2) a five-percent (5%) interest rate assumption and the mortality table set forth in Section 3.02(b).

(ii) "Limitation Years" Beginning on or After July 1, 2007.

(a) Plan Does Not Have Immediately Commencing Single Life Annuity" Payable at both Age 62 and the Age of Benefit Commencement. If the annuity starting date for the Member's benefit is prior to age 62 and occurs in a Limitation Year beginning on or after July 1, 2007, and the Plan does not have an immediately commencing single life annuity payable at both age 62 and the age of benefit commencement, the Defined Benefit Dollar Limitation for the Member's annuity starting date is the annual amount of a benefit payable in the form of a single life annuity commencing at the Member's annuity starting date that is the actuarial equivalent of the Defined Benefit Dollar Limitation (adjusted under Section 3.16(c-4) for years of participation less than ten (10), if required) with actuarial equivalence computed using a five-percent (5%) interest rate assumption and the mortality table set forth in Section 3.02(b) (and expressing the Member's age based on completed calendar months as of the annuity starting date).

(b) Plan Has Immediately Commencing Single Life Annuity Payable at both Age 62 and the Age of Benefit Commencement. If the annuity starting date for the Member's benefit is prior to age 62 and occurs in a Limitation Year beginning on or after July 1, 2007, and the Plan has an immediately commencing single life annuity payable at both age 62 and the age of benefit commencement, the Defined Benefit Dollar Limitation for the Member's annuity starting date is the lesser of the limitation determined under Section 3.16(c-1)(ii)(a) and the Defined Benefit Dollar Limitation (adjusted under Section 3.16(c-4) for years of participation less than ten (10), if required) multiplied

by the ratio of the annual amount of the immediately commencing single life annuity under the Plan at the Member's annuity starting date to the annual amount of the immediately commencing single life annuity under the Plan at age 62, both determined without applying the limitations of Section 3.16.

(c-2) Adjustment of "Defined Benefit Dollar Limitation" for Benefit Commencement After Age 65:

(i) Limitation Years Beginning Before July 1, 2007. If the annuity starting date for the Member's benefit is after age 65 and occurs in a Limitation Year beginning before July 1, 2007, the Defined Benefit Dollar Limitation for the Member's annuity starting date is the annual amount of a benefit payable in the form of a single life annuity commencing at the Member's annuity starting date that is the actuarial equivalent of the Defined Benefit Dollar Limitation (adjusted under Section 3.16(c-4) for years of participation less than ten (10), if required) with actuarial equivalence computed using whichever of the following produces the smaller annual amount: (1) the interest rate assumption under the Plan and the mortality table set forth in Section 3.02(b); or (2) a five-percent (5%) interest rate assumption and the mortality table set forth in Section 3.02(b).

(ii) "Limitation Years" Beginning Before July 1, 2007.

(a) Plan Does Not Have Immediately Commencing Single Life Annuity Life Annuity Payable at both Age 65 and the Age of Benefit Commencement. If the annuity starting date for the Member's benefit is after age 65 and occurs in a Limitation Year beginning on or after July 1, 2007, and the Plan does not have an immediately commencing single life annuity payable at both age 65 and the age of benefit commencement, the Defined Benefit Dollar Limitation at the Member's annuity starting date is the annual amount of a benefit payable in the form of a single life annuity commencing at the Member's annuity starting date that is the actuarial equivalent of the Defined Benefit Dollar Limitation (adjusted under Section 3.16(c-4) for years of participation less than 10, if required), with actuarial equivalence computed using a 5% interest rate assumption and the mortality table set forth in Section 3.02(b) (and expressing the Member's age based on completed calendar months as of the annuity starting date).

(b) Plan Has Immediately Commencing Single Life Annuity Payable at both Age 65 and the Age of Benefit Commencement. If the annuity starting date for the Member's benefit is after age 65 and occurs in a Limitation Year beginning on or after July 1, 2007, and the plan has an immediately commencing single life annuity payable at both age 65 and the age of benefit commencement, the Defined Benefit Dollar Limitation at the Member's annuity starting date is the lesser of the limitation

determined under Section 3.16(c-1)(ii)(a) and the Defined Benefit Dollar Limitation (adjusted under Section 3.16(c-4) for years of participation less than ten (10), if required) multiplied by the ratio of the annual amount of the adjusted immediately commencing single life annuity under the Plan at the Member's annuity starting date to the annual amount of the adjusted immediately commencing single life annuity under the Plan at age 65, both determined without applying the limitations of Section 3.16. For this purpose, the adjusted immediately commencing single life annuity under the Plan at the Member's annuity starting date is the annual amount of such annuity payable to the Member, computed disregarding the Member's accruals after age 65 but including actuarial adjustments even if those actuarial adjustments are used to offset accruals; and the adjusted immediately commencing single life annuity under the Plan at age 65 is the annual amount of such annuity that would be payable under the Plan to a hypothetical Member who is age 65 and has the same accrued benefit as the Member.

(iii) Notwithstanding the other requirements of this Sections 3.16, no adjustment shall be made to the Defined Benefit Dollar Limitation to reflect the probability of a Member's death between the annuity starting date and age 62, or between age 65 and the annuity starting date, as applicable, if benefits are not forfeited upon the death of the Member prior to the annuity starting date. To the extent benefits are forfeited upon death before the annuity starting date, such an adjustment shall be made. For this purpose, no forfeiture shall be treated as occurring upon the Member's death if the Plan does not charge Members for providing a qualified preretirement survivor annuity, as defined in Section 417(c) of the Code, upon the Member's death.

(c-3) If the pension benefit of a Member does not exceed $10,000, as provided in Section 415(b)(4) of the Code, as adjusted by paragraph (c-5) below, and for Limitation Years prior to January 1, 2000, the Member has never been a Member in any defined contribution plan maintained by the Employer or any Affiliated Employer, the Defined Benefit Limitation and the limitation described by Section 415(b)(1)(B) of the Code shall be deemed satisfied.

(c-4) If the Member has completed less than ten (10) years of participation, the Accrued Benefit Attributable to Employer Contributions will not exceed the Defined Benefit Dollar Limitation as adjusted by multiplying such amount by a fraction, the numerator of which is the Member's number of years (or part thereof) of participation in the Plan, and the denominator of which is ten (10).

(c-5) If the Member has completed less than ten (10) years of service with the Employer or any Affiliated Companies, the limitations described in Section 415(b)(1)(B) & (b)(4) of the Code and, for Limitation Years prior to January 1, 2000, Section 415(e) of the Code, will be adjusted by multiplying such amounts by a fraction, the numerator of which is the Member's number of years of service (or part thereof) and the denominator of which is ten (10).

(c-6) If the pension benefit of a Member is payable in a form other than a single life annuity, such benefit attributable to Employer Contributions will not exceed the actuarial equivalent of the limitation for a single life annuity described as set forth in Section 3.16(i). No actuarial adjustment to the benefit shall be made for (i) survivor benefits payable to a surviving spouse under a qualified joint and survivor annuity to the extent such benefits would not be payable if the Member's benefit were paid in another form; (ii) benefits that are not directly related to retirement benefits (such as a qualified disability benefit, preretirement incidental death benefits, and postretirement medical benefits); or (iii) the inclusion in the form of benefit of an automatic benefit increase feature, provided the form of benefit is not subject to Section 417(e)(3) of the Code and would otherwise satisfy the limitations of Section 3.16, and the Plan provides that the amount payable under the form of benefit in any Limitation Year shall not exceed the limits of Section 3.16 applicable at the annuity starting date, as increased in subsequent years pursuant to Section 415(d) of the Code. For this purpose, an automatic benefit increase feature is included in a form of benefit if the form of benefit provides for automatic, periodic increases to the benefits paid in that form.

(d) In no event shall paragraphs (c-3) or (c-4) above reduce the limitations provided under Sections 415(b)(1)(B) and (b)(4) of the Code to an amount less than one-tenth (1/10) of the applicable limitation, as determined without regard to paragraphs (c-3) or (c-4).

(e) To the extent provided by the Secretary of the Treasury, paragraphs (c) and (d) above will be applied separately with respect to each change in the benefit structure of the Plan.

(f) If the Current Accrued Benefit of an individual who is a Member as of the first day of the Limitation Year beginning on or after January 1, 1987, exceeds the benefit limitations under Section 415(b) of the Code, as modified by paragraphs (b), (c) and (d) above, then, for purposes of Code Section 415(b) and (c), the Defined Benefit Dollar Limitation with respect to such individual will be equal to such Current Accrued Benefit. The preceding sentence shall only apply if this Plan was in existence on May 6, 1986, and met the applicable requirements of Section 415 of the Code as in effect for all Limitation Years.

The application of the provisions of Section 3.16 s Article shall not cause the maximum benefit permissible for any Member to be less than the Member's Accrued Benefit under all the defined benefit plans of the Employer or a "Predecessor Employer" as of the end of the last Limitation Year beginning before January 1, 2008 under provisions of the plans that were both adopted and in effect before April 5, 2007. The preceding sentence applies only if the provisions of such defined benefit plans that were both adopted and in effect before April 5, 2007 satisfied the applicable requirements of statutory provisions, Regulations, and other published guidance relating to Section 415 of the Code in effect as of the end of the last Limitation Year beginning before July 1, 2007, as described in Regulations Section 1.415(a)-1(g)(4).

(g) For Limitation Years prior to January 1, 2000, the maximum Annual Addition that may be contributed or allocated to the Member's account under the Plan for any Limitation Year will not exceed the lesser of:

(g-1) the Defined Contribution Dollar Limitation; or

(g-2) twenty-five percent (25%) of the Member's compensation, within the meaning of Section 415(c)(3) of the Code, for the Limitation Year. Such compensation limitation will not apply to:

(i) any contribution for medical benefits within the meaning of Section 419A(f)(2) of the Code, after separation from service which is otherwise treated as an Annual Addition; or

(ii) any amount otherwise treated as an Annual Addition under Section 415(l)(1) of the Code.

(h) For Limitation Years prior to January 1, 2000, in the event any Member is also a Member in a defined contribution plan maintained by the Employer or an Affiliated Employer, the following paragraphs will apply:

(h-1) the Annual Addition for any Limitation Year beginning before January 1, 1987 will not be recomputed to treat all Employee contributions as an Annual Addition; and

(h-2) the sum of the Defined Contribution Plan Fraction and the Defined Benefit Plan Fraction shall not exceed 1.0 for any Limitation Year, determined with regard to the adjustments set forth in this paragraph (h); and

(h-3) for any individual who is a Member as of the first day of the Limitation Year beginning on or after January 1, 1987 but prior to January 1, 2000, an amount will be subtracted from the numerator of the Defined Contribution Plan Fraction (not exceeding such numerator) as prescribed by the Secretary of the Treasury so that the sum of the Defined Benefit Plan Fraction and Defined Contribution Plan Fraction computed under Section 415(e)(1) of the Code, as revised by this paragraph (h), does not exceed 1.0 for such Limitation Year. The preceding sentence shall only apply if this Plan was in existence on May 6, 1986, and met the applicable requirements of Section 415 of the Code as in effect for all Limitation Years.

Where, but for this provision, the sum of the Defined Benefit Plan Fraction and the Defined Contribution Plan Fraction would exceed 1.0 for Limitation Years prior to January 1, 2000, the annual benefit under this Plan for the Plan Year shall be limited to the extent necessary under Federal regulations to preclude the sum of the Defined Benefit Plan Fraction and the Defined Contribution Plan Fraction from exceeding 1.0.

(i) Except as otherwise provided herein, effective for distributions in Plan Years beginning after December 31, 2003, the required determination of actuarial equivalence of forms of benefit other than a single life annuity shall be made in accordance with this Section.

(i-1) Definition of "Applicable Mortality Table." The "applicable mortality table" means the mortality table set forth in Section 3.02(b) for the annuity starting date.

(i-2) Benefit Forms Not Subject to the Present Value Rules of Code Section 417(e)(3).

(i) Form of benefit. The single life annuity that is actuarially equivalent to the Member's form of benefit shall be determined under this Section 3.16(i)(i-2) if the form of the Member's benefit is either:

(a) A nondecreasing annuity (other than a single life annuity) payable for a period of not less than the life of the Member (or, in the case of a qualified pre-retirement survivor annuity, the life of the surviving spouse), or

(b) An annuity that decreases during the life of the Member merely because of:

(1) The death of the survivor annuitant (but only if the reduction is not below 50% of the benefit payable before the death of the survivor annuitant), or

(2) The cessation or reduction of Social Security supplements or qualified disability payments (as defined in Code Section 401(a)(11)).

(ii) Limitation Years beginning before July 1, 2007. For Limitation Years beginning before July 1, 2007, the actuarially equivalent single life annuity is equal to the annual amount of the single life annuity commencing at the same annuity starting date that has the same actuarial present value as the Member's form of benefit computed using whichever of the following produces the greater annual amount:

(a) the interest rate assumption under the Plan and the applicable mortality table; and

(b) a 5 percent interest rate assumption and the applicable mortality table.

(iii) Limitation Years beginning on or after July 1, 2007. For Limitation Years beginning on or after July 1, 2007, the actuarially equivalent single life annuity is equal to the greater of:

(a) The annual amount of the single life annuity (if any) payable to the Member under the Plan commencing at the same annuity starting date as the Member's form of benefit; and

(b) The annual amount of the single life annuity commencing at the same annuity starting date that has the same actuarial present value as the Member's form of benefit, computed using a 5 percent interest rate assumption and the applicable mortality table.

(i-3) Benefit Forms Subject to the Present Value Rules of Code Section 417(e)(3).

(i) Form of benefit. The single life annuity that is actuarially equivalent to the Member's form of benefit shall be determined as indicated under this Section (i-3) if the form of the Member's benefit is other than a benefit form described in Section 3.16(i)(i-2)(i).

(ii) Annuity Starting Date in Plan Years Beginning After 2005. If the annuity starting date of the Member's form of benefit is in a Plan Year beginning

after December 31, 2005, the actuarially equivalent single life annuity is equal to the greatest of:

(a) The annual amount of the single life annuity commencing at the same annuity starting date that has the same actuarial present value as the Member's form of benefit, computed using the interest rate assumption under the Plan and the applicable mortality table;

(b) The annual amount of the single life annuity commencing at the same annuity starting date that has the same actuarial present value as the Member's form of benefit, computed using a 5.5 percent interest rate assumption and the applicable mortality table; and

(c) The annual amount of the single life annuity commencing at the same annuity starting date that has the same actuarial present value as the Member's form of benefit, computed using the applicable interest rate for the distribution under Regulations Section 1.417(e)-1(d)(3) (determined in accordance with Section 3.02(b) for Plan Years after the effective date of that Section) and the applicable mortality table, divided by 1.05.

(iii) Annuity Starting Date in Plan Years Beginning in 2004 or 2005. If the annuity starting date of the Member's form of benefit is in a Plan Year beginning in 2004 or 2005, the actuarially equivalent single life annuity is equal to the annual amount of the single life annuity commencing at the same annuity starting date that has the same actuarial present value as the Member's form of benefit, computed using whichever of the following produces the greater annual amount:

(a) The interest rate assumption under the Plan and the applicable mortality table; and

(b) A 5.5 percent interest rate assumption and the applicable mortality table.

3.17 Disability Payments.

(a) An Active Member is eligible for a monthly disability payment if:

(a-1) he is certified by the Employer to be permanently and totally disabled; and

(a-2) he is at least age forty-five (45); and

(a-3) he has completed at least ten (10) Years of Service, as defined for vesting purposes; and

(a-4) he becomes disabled on or after October 1, 1986 and prior to July 1, 1997.

(b) The amount of each monthly disability payment will equal one-twelfth (1/12) of the yearly amount of retirement benefit to which the Member is entitled, as determined from the subsection entitled "Amount of Benefit At Normal Retirement", on his date of disability.

(c) The disability payment will be payable during the period beginning on the date of disability certification and ending immediately before the earliest date below:

(c-1) the date the Member ceases to be permanently and totally disabled by death or recovery;

(c-2) the date the Member fails to submit satisfactory proof of the continuance of disability;

(c-3) the Member's Normal Retirement Date or, if duly elected, the Member's Early Retirement Date.

Disability certification will not be made earlier than six (6) months from the last day of employment and cessation of any pay benefits.

(d) The Employer retains sole discretion to determine whether a Member is permanently and totally disabled. All of the following conditions must be met:

(d-1) The Member applies to the Employer for disability benefits on a form to be furnished by the Employer.

(d-2) The Member is determined by the Employer to be permanently and totally disabled by bodily or mental injury or disease and thereby prevented from engaging in any occupation or employment for remuneration or profit.

(d-3) Such permanent and total disability is not, directly or indirectly, the result of military service (land, sea or air), engaging in a felonious criminal enterprise, habitual drunkenness or use of narcotics [provided, however, that where such Member is determined to be a qualified individual with a disability within the meaning of the Americans With Disabilities Act (42 United States Code § 12101 et. seq.) with respect to such disability, the exclusion contained in this subparagraph shall be limited to such Member's engaging in the illegal use of drugs or alcohol within the meaning of 42 Unites States Code § 12114], intentionally self-inflicted injury, or declared or undeclared war or any enemy action.

(d-4) Such permanent and total disability must have existed continuously for a period of six (6) consecutive months before the date of disability certification.

(e) The Employer, in making the above determination shall have the right to have physical examinations, including diagnostic tests, of the Member made by a physician or physicians selected and paid for by the Employer; and to make such other investigations as the Employer deems necessary. If a Member refuses to permit any such physical examination or test, unless the examination or test is shown to be dangerous to the Member's life or health, the Employer shall have the right to determine without regard to any other evidence that the Member is not permanently and totally disabled.

(f) Any such determination by the Employer shall be conclusive and binding upon all persons one (1) year after the determination is made, if the Employer does not receive during such one (1)-year period written notice of claim that such determination was in error.

(g) A Member who is receiving disability payments may be required to submit proof to the Employer of the continuance of permanent and total disability once every six (6) months and shall, as required by the Employer, permit once every six (6) months a physical examination or examinations, including diagnostic tests, made by a physician or physicians selected and paid for by the Employer. If a Member refuses to permit such physical examination or test, unless the examination or test is shown to be dangerous to the Member's life or health, the Employer shall have the right to determine, without regard to any other evidence, that the Member is no longer permanently and totally disabled.

(h) A Member who is receiving disability payments will be considered an Active Member for all purposes of this Plan except that no Member Contributions will be made and no retirement benefit will accrue for any period of a Plan Year for which disability payments are payable to him.

(i) A Member who becomes eligible for disability payments will have a non-forfeitable interest in 100% of the total retirement benefit which had accrued to him as of the date of disability certification. His non-forfeitable interest, if any, in a retirement benefit which may accrue to him after the date his disability payments end will be determined in accordance with Section 5.

(j) If a Member is receiving disability payments immediately before his Normal or Early Retirement Date, a retirement benefit will be provided for him under the Normal or Early Retirement provisions of Section 3, as appropriate.

3.18 Form of Benefit.

(a) Except as provided below, or unless a Member has elected a retirement benefit payment option, benefit payments will be paid to the Member in the Normal Form.

(b) For a Member who is married on the date he becomes a Retired Member, retirement benefit payments will be paid to the Member for life as of the date he becomes a Retired Member or, if the Member has elected to defer the commencement of his payments until his Normal Retirement Date, as of his Normal Retirement Date; and thereafter benefit payments will be paid to his surviving spouse for life if such spouse was married to the Member on the date he became a Retired Member. The amount of each retirement benefit payment to the Member will equal the amount of each benefit payment which would have been payable to the Member if the Member had duly elected the joint retirement benefit option under Section 4 with fifty percent (50%) continuation to the spouse as the joint payee. The amount of each benefit payment to the spouse will equal fifty percent (50%) of the amount payable to the Member.

(c) The spouse of a Member who dies before becoming a Retired Member may become eligible for benefits in accordance with the subsection entitled "Spouse's Coverage" in Section 6.

(d) Subject to the provisions of Section 4, a Member who will be eligible to receive retirement benefit payments under item (b) above may instead elect in writing to receive retirement benefit payments under the Normal Form, or he may elect a retirement benefit payment option in accordance with the provisions of Section 4. A Member may revoke any election made under this item (d) at any time before he becomes a Retired Member, subject to the provisions of Section 4.

(e) The Plan Administrator shall provide a general explanation to each Member, in writing no more than ninety (90) days (270 days for Members who perform no Service for the Employer on or after the first day of the Plan Year beginning after January 1, 1985) and no less than (thirty) 30 days before the Payment Starting Date, of the Member's right to elect a form of benefit other than a Qualified Joint and Survivor Annuity, with respect to a married Member or a benefit payable in the Normal Form, with respect to all other Members. The explanation will generally provide a written description in non-technical language of the terms and conditions of the Qualified Joint and Survivor Annuity to be provided by this Plan; the Member's right to elect to waive the Qualified Joint and Survivor Annuity; the effect of such a waiver election; the circumstances requiring the written consent of the spouse for such waiver election to be effective; the Member's right to revoke such an election; and the effect of such a revocation. Notices to Members shall include the relative values of the various optional forms of benefit, if any, under the Plan as provided in Regulations Section 1.417(a)-3. This provision is effective as of the applicable effective date set forth in Regulations (i.e., to qualified pre-retirement survivor annuity explanations provided on or after July 1, 2004; to qualified joint and survivor annuity explanations with respect to any distribution with an annuity starting date that is on or after February 1, 2006, or on or after October 2, 2004 with respect to any optional form of benefit that is subject to the requirements of Code Section 417(e)(3) if the actuarial present value of that optional form is less than the actuarial present value as determined under Code Section 417(e)(3)). Notices given to Members pursuant to Code Section 411(a)(11) in Plan Years beginning after December 31, 2006 shall include a description of how much larger benefits will be if the commencement of distributions is deferred.

(f) In the event that the Member (and Spouse, if required) elect a Payment Starting Date that is less than 30 days from the receipt of the written explanation described above, or the Plan Administrator inadvertently provides the explanation after the time frame described above, this paragraph shall apply. For purposes of this subsection, "Retroactive Annuity Starting Date" is an annuity starting date that occurs on or before the date the explanation of the form of benefit payment described above is provided to the Member. The Plan Administrator may, in accordance with reasonable procedures that it establishes, impose conditions on the availability of a Retroactive Annuity Starting Date in addition to those imposed by the paragraph, including limiting the availability of a Retroactive Annuity Starting Date to a date within a certain specified period before the date on which the explanation of the form of benefit is provided. If a Member is subject to a Retroactive Annuity Starting Date, his future periodic payments shall be the same as the future periodic payments, if any, which would have been paid with respect to the Member had payments actually commenced on the Retroactive Annuity Starting Date. The Member shall also be entitled to make-up payment to reflect any missed payment or payments from the Retroactive Annuity Starting Date to the date of the actual make-up payment (with an appropriate adjustment for interest from the date the missed payment or payments would have been made to the date of the actual make-up payment). A Member shall not be permitted to elect a Retroactive Annuity Starting Date that precedes the date

on which the Member could have otherwise started receiving benefits under the Plan. The payments and make-up payments described herein for a Member who is subject to a Retroactive Annuity Starting Date shall be determined in accordance with Code Section 417(e). Notwithstanding anything in this paragraph to the contrary, the Plan Administrator may provide, it its sole discretion, benefits (including adjustments to benefits) based on a Retroactive Annuity Starting Date if the requirements of Code Section 417(e) and the regulations thereunder are satisfied.

(g) For any distribution notice issued in Plan Years beginning after December 31, 2006, any reference to the 90-day maximum notice period requirements of Code Sections 402(f) (the rollover notice), 411(a)(11) (Member's consent to distribution), and 417 (notice regarding the joint and survivor annuity rules) is changed to 180 days.

Section 4 BENEFIT PAYMENT OPTIONS

4.01 General Election Requirements.

A Member may elect one (1) of the benefit payment options included in this Section by filling out the appropriate election form before he becomes a Retired Member. The election period will begin ninety (90) days before he becomes a Retired Member.

The "Payment Starting Date" is the date the Member becomes a Retired Member. An election cannot be changed or revoked after the Payment Starting Date.

For a married Member to elect an option other than that described in item (b) of the subsection entitled "Form Of Benefit" in Section 3, and other than a percentage continuation greater than fifty percent (50%), the Member's spouse must consent in writing with such consent being witnessed by a Plan representative or notary public; provided that such consent is considered binding only with respect to the spouse executing the consent. Such consent must acknowledge the effect of the election on the spouse. The requirement for such a written consent may be waived if a Plan representative determines that such spouse cannot be located or is otherwise unable to give such consent under circumstances authorized by regulation.

A Member's spouse who is eligible for benefit payments resulting from Spouse's Coverage, whose first benefit payment is due before such spouse's Social Security Date, may elect the Social Security adjustment option. Such spouse must fill out the appropriate election form within one (1) month after the date the first benefit payment becomes payable, regardless of whether the Member had previously elected this option.

The election of an option becomes void and the rights of all parties will be the same as if the option had never been elected under the following circumstances:

(a) the Member is married and dies before the Payment Starting Date; or

(b) the Member is unmarried and dies before his Normal Retirement Date; or

(c) the Member duly elected the joint retirement benefit option and his joint payee dies before the Payment Starting Date; or

(d) the Member revokes the election of an option before the Payment Starting Date.

4.02 Social Security Adjustment Option.

Subject to the subsection entitled "General Election Requirements", a Member or spouse eligible for benefit payments resulting from Spouse's Coverage, whose first benefit payment is due before his Social Security Date and who has not elected any other benefit payment option may elect the Social Security adjustment option. The Member, or the spouse, as the case may be, will then receive increased benefit payments before his Social Security Date and decreased or no payments thereafter in order to provide him as nearly as possible with a level income for his lifetime from Social Security and this Plan.

For the purposes of this option, the Member or spouse, as the case may be shall name a Social Security Date. If the Member elects to receive Social Security benefits at age sixty-two (62), his Social Security Date will be the first day of the month following his sixty-second (62nd) birthday

if his birthday occurs on the first or second day of the month. If his sixty-second (62nd) birthday does not occur on the first or second day of the month, the Social Security Date will be the first day of the second month following his sixty-second (62nd) birthday. The Social Security Date of a spouse electing to receive Social Security benefits at age sixty-two (62) will be the first day of the month coinciding with or next following the spouse's sixty-second (62nd) birthday. The Social Security Date for a Member or spouse electing to receive Social Security benefits at age sixty-five (65) will be the first day of the month coinciding with or next following his sixty-fifth (65th) birthday.

If a Member or spouse elects this option, the monthly amount of benefit payable to him before his Social Security Date will equal the amount of retirement benefit which would have been provided for him if he had not elected this option plus the product of item (a) and (b) below:

(a) the appropriate percentage determined from Table D-1;

(b) his old-age insurance benefit or, if greater, his monthly spouse's insurance benefit, determined by the Plan Administrator from the provisions of the Social Security Act as constituted on the Member's Retirement Date;

provided, if the above total is less than item (b), the amount payable to him before his Social Security Date will instead equal the amount of retirement benefit which would have been provided for him if he had not elected this option times the appropriate percentage from Table D-2.

The monthly amount of benefit, if any, payable to him on and after his Social Security Date will equal the monthly amount of benefit payable to him before his Social Security Date, determined from the preceding paragraph, minus item (b) above.

4.03 Joint Retirement Benefit Option.

Subject to the subsection entitled "General Election Requirements," a Member may elect a joint retirement benefit option which would provide benefit payments to the Member during his lifetime and thereafter to the Member's duly named joint payee.

The yearly amount of benefit payments to the Member will be a percentage, determined from Table E, of the amount of retirement benefit which would have been provided for him under the Normal Form. The yearly amount of benefit payments to the joint payee will equal the amount of benefit payments to the Member, or such fraction thereof as the Member specifies in his election of the option.

4.04 Certain and Continuous Retirement Benefit Option.

Subject to the subsection entitled "General Election Requirements," a Member may elect the ten (10), fifteen (15) or twenty (20) year certain and continuous retirement benefit option which would provide benefit payments to him during his lifetime after he becomes a Retired Member and a death benefit payable in installments, as described below.

The yearly amount of benefit payments to the Member will be a percentage, determined from Table H, of the amount of retirement benefit which would have been provided for him under the Normal Form.

Installment Death Benefit

(a) Upon the death of a Retired Member or an unmarried Late Retired Member who duly elected this option, a death benefit will be paid in installments to a natural person beneficiary of the Member if the Member's Guaranteed Return exceeds the total of all benefit payments made or due to him. The amount of the death benefit will be such excess.

(b) The Guaranteed Return for such Member equals item (b-1) times item (b-2):

(b-1) 10, 15 or 20, as appropriate;

(b-2) the yearly amount of benefit payment determined from this subsection.

(c) The amount of each such death benefit installment payment will equal one-twelfth (1/12) of item (b-2) of the above Paragraph. Installments will begin on the first day of the month after the death of the Member, and will be paid on the first day of each month thereafter until the total of the installments equals the amount of the death benefit.

(d) The actuarially determined value of any death benefit installment payments which would have been paid to a living beneficiary, but which will not be paid because of the lack of such beneficiary, will be paid in a single sum as a death benefit payment to the following payee:

(d-1) the named beneficiary of the Member, if other than a natural person;

(d-2) the payee determined from the group annuity contract--in any other case.

4.05 Special Options.

Subject to the subsections entitled "General Election Requirements" in Section 4 and "Death Benefit under Special Retirement Benefit Payment Option" in Section 6 and the limitations described in this subsection, certain other special life annuity contingent benefit payment options may be arranged to meet special needs. The following options may not be elected:

(a) deferral of payments under an interest only arrangement; or

(b) payment to a joint payee in an amount in excess of the monthly amount payable to the Member under the terms of the option; or

(c) payment for a period extending beyond:

(c-1) the life expectancy of the Member; or

(c-2) the combined life expectancy of the Member and the Member's designated beneficiary.

Life expectancies, for purposes of determining required distribution under Section 401 (a)(9) must be computed by the use of the appropriate life expectancy tables issued by the Internal Revenue Service from time to time.

Factors used to calculate the amount of retirement benefit under a special benefit payment option will be on an actuarial basis consistent with the factors used in Table E.

Any special benefit payment option which provides increasing payment amounts must provide for a minimum amount to be distributed each year which is at least equal to the minimum amount required to be distributed under the Federal income tax rules applicable to qualified plans.

All requests for a special benefit payment option will be granted uniformly among Members in accordance with the terms of the group annuity contract with Aetna or any other funding vehicle used by the Plan for purposes of distributing Plan benefits.

4.06 Minimum Required Distributions.

(a) Notwithstanding any provision of the Plan to the contrary, with respect to distributions under the Plan made on and after January 1, 2001 but before January 1, 2003, the Plan will apply the minimum distribution requirements of Section 401(a)(9) of the Code in accordance with the regulations under Section 401(a)(9) of the Code that were proposed on January 17, 2001 (the '2001 Proposed Regulation').

(b) Notwithstanding any provision of the Plan to the contrary, with respect to distributions under the Plan made for calendar years beginning on or after January 1, 2003, the Plan will apply the minimum distribution requirements of Code Section 401(a)(9) of the Code in accordance with the final regulations under Code Section 401(a)(9) that were issued on April 17, 2002 and the provisions of Section 4.07(c).

(c) The provisions of this Section will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year. The requirements of this Section will take precedence over any inconsistent provisions of the plan. All distributions required under this Section will be determined and made in accordance with the Treasury Regulations under Section 401(a)(9) of the Code. Notwithstanding the other provisions of this Section, other than the preceding sentence, distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to Section 242(b)(2) of TEFRA.

(c-1) Time and Manner of Distribution.

(i) Required Beginning Date. The Member's entire interest will be distributed, or begin to be distributed, to the Member no later than the Member's Required Beginning Date.

(ii) Death of Member Before Distributions Begin. If the Member dies before distributions begin, the Member's entire interest will be distributed, or begin to be distributed, no later than as follows:

(a) If the Member's surviving spouse is the Member's sole designated beneficiary, then, except as provided in the adoption agreement, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Member died, or by December 31 of

the calendar year in which the Member would have attained age 70 1/2, if later.

(b) If the Member's surviving spouse is not the Member's sole designated beneficiary, then, except as provided in the adoption agreement, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Member died.

(c) If there is no designated beneficiary as of September 30 of the year following the year of the Member's death, the Member's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Member's death.

(d) If the Member's surviving spouse is the Member's sole designated beneficiary and the surviving spouse dies after the Member but before distributions to the surviving spouse begin, this Section (c-1), other than Section (c-1)(ii)(a), will apply as if the surviving spouse were the Member.

For purposes of this Section (c-1) and Section (c-4), distributions are considered to begin on the Member's Required Beginning Date (or, if Section (c-1)(ii)(d) applies, the date distributions are required to begin to the surviving spouse under Section (c-1)(ii)(a)). If annuity payments irrevocably commence to the Member before the Member's Required Beginning Date (or to the Member's surviving spouse before the date distributions are required to begin to the surviving spouse under Section (c-1)(ii)(a)), the date distributions are considered to begin is the date distributions actually commence.

(iii) Form of Distribution. Unless the Member's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first distribution calendar year distributions will be made in accordance with Sections (c-2), (c-3) and (c-4) of this Section. If the Member's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Section 401(a)(9) of the Code and the Treasury regulations. Any part of the Member's interest which is in the form of an individual account described in Section 414(k) of the Code will be distributed in a manner satisfying the requirements of Section 401(a)(9) of the Code and the Treasury Regulations that apply to individual accounts.

(c-2) Determination of Amount to be Distributed Each Year.

(i) General Annuity Requirements. If the Member's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements:

(a) the annuity distributions will be paid in periodic payments made at intervals not longer than one year;

(b) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in Section (c-3) or (c-4);

(c) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;

(d) payments will either be nonincreasing or increase only as follows:

(1) by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;

(2) to the extent of the reduction in the amount of the Member's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in Section (c-3) dies or is no longer the Member's beneficiary pursuant to a qualified domestic relations order within the meaning of Section 414(p);

(3) to provide cash refunds of employee contributions upon the Member's death; or

(4) to pay increased benefits that result from a plan amendment.

(ii) Amount Required to be Distributed by Required Beginning Date. The amount that must be distributed on or before the Member's Required Beginning Date (or, if the Member dies before distributions begin, the date distributions are required to begin under Section (c-1)(ii)(a) or (b)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Member's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Member's Required Beginning Date.

(iii) Additional Accruals After First Distribution Calendar Year. Any additional benefits accruing to the Member in a calendar year after the first distribution calendar year will be distributed beginning with the first

payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

(c-3) Requirements For Annuity Distributions That Commence During Member's Lifetime.

(i) Joint Life Annuities Where the Beneficiary Is Not the Member's Spouse. If the Member's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Member and a nonspouse beneficiary, annuity payments to be made on or after the Member's Required Beginning Date to the designated beneficiary after the Member's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Member using the table set forth in Q&A-2 of Section 1.401(a)(9)-6T of the Treasury Regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Member and a nonspouse beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.

(ii) Period Certain Annuities. Unless the Member's spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Member's lifetime may not exceed the applicable distribution period for the Member under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the Member reaches age 70, the applicable distribution period for the Member is the distribution period for age 70 under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations plus the excess of 70 over the age of the Member as of the Member's birthday in the year that contains the annuity starting date. If the Member's spouse is the Member's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Member's applicable distribution period, as determined under this Section (c-3)(ii), or the joint life and last survivor expectancy of the Member and the Member's spouse as determined under the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Member's and spouse's attained ages as of the Member's and spouse's birthdays in the calendar year that contains the annuity starting date.

(c-4) Requirements For Minimum Distributions Where Member Dies Before Date Distributions Begin.

(i) Member Survived by Designated Beneficiary. If the Member dies before the date distribution of his or her interest begins and there is a designated beneficiary, the Member's entire interest will be distributed, beginning no

later than the time described in Section (c-1)(ii)(a) or (b), over the life of the designated beneficiary or over a period certain not exceeding:

(a) unless the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the Member's death; or

(b) if the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year that contains the annuity starting date.

(ii) No Designated Beneficiary. If the Member dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the Member's death, distribution of the Member's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Member's death.

(iii) Death of Surviving Spouse Before Distributions to Surviving Spouse Begin. If the Member dies before the date distribution of his or her interest begins, the Member's surviving spouse is the Member's sole designated beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this Section (c-4) will apply as if the surviving spouse were the Member, except that the time by which distributions must begin will be determined without regard to Section (c-1)(ii)(a).

(c-5) Definitions.

(i) Designated beneficiary. The individual who is designated as the beneficiary under the Plan and is the designated beneficiary under Section 401(a)(9) of the Code and Section 1.401(a)(9)-1, Q&A-4, of the Treasury Regulations.

(ii) Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the Member's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Member's Required Beginning Date. For distributions beginning after the Member's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to Section (c-1)(ii).

(iii) Life expectancy. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury Regulations.

(iv) Required Beginning Date. The date specified in Section 4.02 of the Plan.

4.07 Direct Rollovers.

This subsection 4.07 applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this subsection, a Distributee may elect, at the time and in the manner prescribed by the Plan Administrator in accordance with applicable regulations, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.

(a) A Distributee who is entitled to elect a Direct Rollover with any portion of a distribution but who does not shall be deemed to have rejected the Direct Rollover option.

(b) A Distributee who elects a Direct Rollover with respect to any Distribution that is one (1) in a series of installment payments made at least annually over a period of less than ten (10) years shall be deemed to have made the same election with respect to all subsequent Eligible Rollover Distributions in the series unless and until the Distributee changes the election. A change of election shall be accomplished by notifying the Plan Administrator of the change in the form and manner prescribed by the Plan Administrator.

(c) Within a reasonable period of time, but not less than thirty (30) days, before an Eligible Rollover Distribution is to be made the Plan Administrator shall provide to the Distributee an explanation of the right to elect a Direct Rollover and the federal tax withholding consequences of failing to elect a Direct Rollover. A Distributee who elects a Direct Rollover must provide all information that the Plan Administrator may require to complete the Direct Rollover.

(d) For the purposes of this subsection, the following definitions will apply:

(d-1) An 'Eligible Rollover Distribution' is any distribution of all or any portion of the balance of the credit of the Distributee, except that an Eligible Rollover Distribution does not include: any distribution that is one (1) of a series of substantially equal periodic payments (at least annually) made for the life (or the life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten (10) years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Internal Revenue Code; the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities) except that for distributions made on or after January 1, 2002, after-tax contributions are included in a Distributee's Eligible Rollover Distribution; and, effective for distributions made on and after January 1, 2002, any distribution upon hardship of the Distributee.

(d-2) A distribution of less than $200 that would otherwise be an Eligible Rollover Distribution with the meaning of item (d-1) shall not be an Eligible Rollover Distribution if it is reasonable to expect that all such distributions to the Distributee from the Plan during the same calendar year will total less than $200.

(d-3) An 'Eligible Retirement Plan' is an individual retirement account described in Section 408(a) of the Internal Revenue Code ('Code'), an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in

Section 403(a) of the Code, or a qualified trust described in Section 401(a) of the Code and, for distributions made on or after January 1, 2002, a deferred compensation plan described in Section 457(b) of the Code (but only if such plan agrees to separately account for amounts distributed from this Plan) and an annuity contract described in Section 403(b) of the Code, that accepts the Distributee's Eligible Rollover Distribution. For distributions made after December 31, 2007, a Member or beneficiary may elect to roll over directly an "eligible rollover distribution" to a Roth IRA described in Section 408A(b) of the Code. For this purpose, the term "eligible rollover distribution" includes a rollover distribution described in Section 4.07. However, in the case of an Eligible Rollover Distribution to the surviving spouse for Plan Years beginning prior to January 1, 2002, an Eligible Retirement Plan is limited to an individual retirement account or individual retirement annuity.

(d-3) A "Distributee" includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Internal Revenue Code, are Distributees with regard to the interest of the spouse or former spouse.

(d-4) A "Direct rollover" is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

(e) For taxable years beginning after December 31, 2006, a Member may elect to transfer employee after-tax contributions by means of a direct rollover to a qualified plan or to a 403(b) plan that agrees to account separately for amounts so transferred (including interest thereon), including accounting separately for the portion of such distribution which is includible in gross income and the portion of such distribution which is not includible in gross income.

(f) For distributions after December 31, 2009, a non-spouse beneficiary who is a "designated beneficiary" under Section 401(a)(9)(E) of the Code and the Treasury Regulations thereunder, by a direct trustee-to-trustee transfer ("direct rollover"), may roll over all or any portion of his or her distribution to an Individual Retirement Account (IRA) the beneficiary establishes for purposes of receiving the distribution. In order to be able to roll over the distribution, the distribution otherwise must satisfy the definition of an "eligible rollover distribution" under Section 401(a)(31) of the Code.

(f-1) Although a non-spouse beneficiary may roll over directly a distribution as provided in Section 4.07(f), the distribution, if made prior to January 1, 2010, is not subject to the direct rollover requirements of Section 401(a)(31) of the Code (including Section 401(a)(31)(B) of the Code), the notice requirements of Section 402(f) of the Code or the mandatory withholding requirements of Section 3405(c) of the Code. If a non-spouse beneficiary receives a distribution from the Plan, the distribution is not eligible for a 60-day (non-direct) rollover.

(f-2) A non-spouse beneficiary may not roll over an amount that is a required minimum distribution, as determined under applicable Treasury Regulations and other Internal Revenue Service guidance. If the Member dies before his or her required beginning date and the non-spouse beneficiary rolls over to an IRA the

maximum amount eligible for rollover, the required minimum distributions from the IRA shall be determined in accordance with Section 3.16.

(g) If the Member's named beneficiary is a trust, the Plan may make a direct rollover to an IRA on behalf of the trust, provided the trust satisfies the requirements to be a designated beneficiary within the meaning of Section 401(a)(9)(E) of the Code.

Section 5 TERMINATION OF SERVICE--TEMPORARY ABSENCE

5.01 Non-forfeitable Benefits.

An Employee will have a non-forfeitable interest in his Accrued Benefit on the date he becomes an Active Member.

A Member who Terminates Service prior to becoming a Retired Member will retain a non-forfeitable interest in his Accrued Benefit.

5.02 Accrued Benefit.

The term "Accrued Benefit" means as of any date, the amount of retirement benefit, payable under the Normal Form, as calculated under Section 3, to which the Member is entitled upon attaining his Normal Retirement Age on the date he terminated. Such benefits shall commence on his Normal Retirement Date.

In no event will a Member's Accrued Benefit be reduced below the amount in effect prior to any prospective reductions in Section 415(b)(1) of the Internal Revenue Code. Such Accrued Benefit is preserved under subsection 3.16, entitled "Maximum Benefit." Moreover, no reduction in a Member's Accrued Benefit will occur as a result of the maximum amount of Earnings used in the Plan imposed under Sections 414(q) and 401(a)(17) of the Internal Revenue Code, as adjusted from time to time by the Secretary of the Treasury.

5.03 Benefit Attributable to Member Contributions.

The "Benefit Attributable to Member Contributions" determined on or after September 1, 1997 means a single life retirement benefit commencing at Normal or, if applicable, Late Retirement Date in a yearly amount equal to item (a) divided by item (b) below, with a death benefit determined under Section 6 of the Plan.

(a) The sum of items (a-1), (a-2) and (a-3):

(a-1) All Member Contributions; and

(a-2) interest at the Plan Interest Rate described in subsection 3.16 to the last day of the Plan Year beginning in 1987; and

(a-3) interest on the sum of the amounts in item (a-1) and (a-2), compounded annually:

(i) from the first day of the Plan Year beginning in 1988 to the date of determination, at 120% of the Federal mid-term rate as in effect under Section 1274 of the Internal Revenue Code for the first month of each Plan Year; and

(ii) from the date of determination to the Member's Normal or, if applicable, Late Retirement Date, projected at the interest rate on 30 year Treasury securities as in effect for the second month preceding the month in which a determination is made, as published by the Commissioner of Internal Revenue for that month in rulings, notices or other guidance.

(b) The immediate present value rate determined as of the date of determination, using the Normal Form, the Member's Normal or, if applicable, Late Retirement Date and applying the same interest and mortality Actuarial Equivalence factors specified in Section 3.02 entitled "Small Benefit Payments".

The "Benefit Attributable to Member Contributions" determined before September 1, 1997 due to distributions of Member Contributions before such date means the amount determined from the Plan as constituted before such date.

5.04 Benefit Attributable to Employer Contributions.

The "Benefit Attributable to Employer Contributions" means a single life retirement benefit commencing at Normal or, if applicable, Late Retirement Date in a yearly amount equal to the greater of item (a) and item (b), minus item (c):

(a) the total Accrued Benefit credited to the Member; or

(b) the Benefit Attributable to Member Contributions as determined in the above subsection (determined after any adjustments for distributions made under subsection 5.06); minus

(c) the Benefit Attributable to Member Contributions.

5.05 Vested Percentage.

A Member who is credited with one (1) hour of Service on or after the first day of the 1989 Plan Year will have his vested percentage in his Benefit Attributable to Employer Contributions on the date he terminates Service determined from the following:

Vesting Schedule

Years of Service	Vested Percentage
Less than 5	0%
5 or more	100%

Any other Member will continue to be subject to the Vesting Schedule in effect on the date he was last credited with one (1) hour of Service for vesting purposes.

Notwithstanding the above Vesting Schedule, if a Member terminates Service after he attains age fifty-five (55), his Vested Percentage will equal 100%.

5.06 Disposition of Benefit Attributable to Member Contributions.

A Member who terminates Service prior to becoming a Retired Member (including Members whose employment is terminated by the Employer regardless of whether a grievance or similar procedure has been filed or is pending) may elect item (a) or item (b) below with respect to his Benefit Attributable to Member Contributions on the date he becomes a Terminated Member. If he elects item (a), he may, at any time prior to becoming a Retired Member, elect item (b):

(a) A Member may leave his Benefit Attributable to Member Contributions in the Plan. He will be entitled to receive a benefit at Normal Retirement Date in an amount equal to the sum of items (a-1) and (a-2):

(a-1) 100% of his Benefit Attributable to Member Contributions; and

(a-2) the product of the vested percentage determined from the Vesting Schedule and his Benefit Attributable to Employer Contributions.

Any remaining portion of his Accrued Benefit shall be forfeited and canceled.

(b) A Terminated Member may elect, prior to satisfying the requirements for Early Retirement, to withdraw his Benefit Attributable to Member Contributions from the Plan, subject to the provisions of paragraph (c). A Terminated Member who commenced employment after January 1, 1987 shall not be permitted to withdraw his Benefit Attributable to Member Contributions after such Member has satisfied the eligibility requirements for Early Retirement. A Terminated Member who commenced employment prior to January 1, 1987 and who has satisfied the requirements for Early Retirement, may elect to withdraw his Benefit Attributable to Member Contributions, subject to the provisions of paragraph (c).

(b-1) The Member will receive a distribution equal to the greatest of:

(i) his Member Accumulation, as defined in subsection 3.16;

(ii) the amount determined from item (a) of subsection 5.03, entitled "Benefit Attributable to Member Contributions," disregarding projected interest described in (a-3) (ii);

(iii) the present value of his Benefit Attributable to Member Contributions. The present value of such benefit shall be determined using the method described in subsection 3.02, entitled "Small Benefit Payments".

(b-2) As a result of the distribution described in item (b-1), the Benefit Attributable to Member Contributions for such Member will be cancelled. In addition, if the Member's Vested Percentage is 0%, his Benefit Attributable to Employer Contributions shall also be cancelled.

(b-3) If the Member's Vested Percentage is 100%, the Member will be entitled to receive a benefit at Normal Retirement Date in an amount equal to his non-forfeitable interest in the amount determined from subsection 5.04, entitled "Benefit Attributable to Employer Contributions." Any remaining benefit shall be cancelled;

(b-4) If the amount of retirement benefit remaining after the steps described above is less than $125 per month, ($75 prior to September 1, 1997), a lump sum payment may be made in accordance with subsection 3.02, entitled 'Small Benefit Payments.' Provided, however, for distributions commencing on or after March 28, 2005, the determination of whether or not the present value of the Member's entire nonforfeitable benefit exceeds $1,000 is made before cancellation of any benefits due to a distribution made under item (b-1), above.

(c) If the Member is married, an election of item (b) above will not be effective unless item (c-1) or item (c-2) applies:

(c-1) for distributions commencing on or after March 28, 2005, the present value of the Member's Accrued Benefit, determined using the method described in the subsection entitled 'Small Benefit Payments' in Section 3, does not exceed $1,000; or

(c-2) the Member's spouse has consented in writing to such election and such consent has been witnessed by a Plan representative or notary public. Such consent must acknowledge the effect of the election on the spouse. The requirement for such a written consent may be waived if a Plan representative determines such spouse cannot be located or is otherwise unable to give such consent under circumstances authorized by regulation.

5.07 Restoration of Benefits Upon Return to Service of Former Active Member.

If a former Active Member who had terminated on or after June 1, 1976, returns to Service after terminating employment (including by reason of reinstatement in connection with a grievance or similar procedure), any Accrued Benefit which previously had been forfeited or cancelled will be restored to his credit only under the circumstances stated in items (a) and (b), subject to items (c) and (d) below:

(a) The Member's Accrued Benefit credited to him prior to the date he terminated Service shall be restored, subject to item (b) below, if the Member meets any of the following requirements on the date he returns to Service:

(a-1) he returns to Service prior to five (5) consecutive One-Year Breaks in Service; or

(a-2) he had at any time in the past attained any non-forfeitable interest in his Benefit Attributable to Employer Contributions; or

(a-3) his Years of Service for vesting purposes aggregated at the time he terminated Service exceed the number of consecutive One-Year Breaks in Service commencing on the date he terminated employment.

Provided, any Year of Service which would have been excluded if the Member had returned to Service prior to June 1, 1985, in accordance with the Plan as constituted immediately before such date, shall be excluded for all purposes thereafter, including any future application of this item.

(b) Any Accrued Benefit with respect to which the Member has received any payments due to his election to withdraw his Member Accumulation from the Plan, or any Accrued Benefit with respect to which the Member has a Vested Percentage of less than 100% and has received any payments, shall not be restored to his account unless the Member returns to the Plan the amount of such payments plus interest before incurring five (5) consecutive One-Year Breaks in Service or, if earlier, prior to the five (5) years after resuming employment covered by the Plan. Interest shall be determined from the date of receipt of the payment to the date of repayment at the Plan Interest Rate to the first day of the Plan Year that begins during 1988 and at the rate prescribed by Section 411(c)(2)(C) of the Internal Revenue Code, thereafter.

(c) Any Accrued Benefit with respect to which the Member has received any payments which is not described in item (b) above shall not be restored to his account.

(d) If the Member does not repay to the Plan the amount determined under (b) above or if the Member has received an amount described under item (c) above, the total amount of such Member's Accrued Benefit shall remain reduced by the actuarial equivalent of the benefit credit not restored.

5.08 Disposition of Forfeitures.

Any portion of a Member's benefit forfeited shall be used to reduce the Employer's contributions in the current or subsequent years.

5.09 Temporary Absence.

A temporary absence due to sickness, accident, or such periods of authorized leaves of absence as may be determined by the Employer on the basis of non-discriminatory rules established by the Employer will not be considered termination of Service, and will be governed as follows:

(a) If the Member's earnings continue during such absence, his Member Contributions will continue on the basis of such earnings and benefits will continue to be credited.

(b) If the Member's earnings cease, his Member Contributions will cease and no benefits will be credited, but the benefits previously credited will not be affected. Upon resumption of earnings, Contributions and credits will be resumed.

If a Member's Service is terminated during a period of temporary absence, the provisions governing termination of Service will apply.

Section 6 DEATH OF MEMBERS

6.01 Effect of Death and Single Sum Death Benefit.

Except as provided in the subsection entitled "Form of Benefit" in Section 3 or in the subsection entitled "Spouse's Coverage" in Section 6, no death benefit will result from the death of a Member who did not duly elect a retirement benefit payment option and who did not make Member Contributions, as required under the Plan prior to June 1, 1994.

(a) Upon the death of a person listed in item (b) below, a death benefit in a single sum will be paid to the Member's beneficiary if the Member's Guaranteed Return exceeds the total of all retirement benefit or spouse's benefit payments made or due to the Member or other person deriving his rights under this Plan from the Member. The amount of this single sum death benefit will be such excess.

The Guaranteed Return for Members listed in item (b-1) below, is the amount described in item (b-1) of subsection 5.06, entitled "Disposition of Benefit Attributable to Member Contributions."

The Guaranteed Return for all others listed in item (b) below, is the Member Accumulation.

(b) Such single sum death benefit is payable upon the death of one (1) of the following persons:

(b-1) an Active, Late Retired or Terminated Member, except for a Member who is survived by a spouse eligible for benefit payments under the subsection entitled "Spouse's Coverage" in Section 6;

(b-2) a Retired Member:

(i) the Retired Member is survived by a spouse who is eligible for retirement benefit payments under the subsection entitled "Form of Benefit" in subsection 3.18; or

(ii) the Member duly elected the joint retirement benefit option and is survived by the duly named joint payee;

(iii) the Member duly elected the certain and continuous retirement benefit option.

(b-3) a duly elected joint payee who survived the Retired Member;

(b-4) a spouse who is receiving benefit payments under the subsection entitled "Spouse's Coverage" in Section 6 or under the subsection entitled "Form of Benefit" in Section 3.

6.02 Death Benefit under Special Retirement Benefit Payment Option.

The death benefit, if any, payable to the beneficiary of a Member who duly elected a special retirement benefit payment option will be determined from the provisions of the option. If a

Member dies before benefits commence, the Member's entire interest must be distributed, under such special option, within five (5) years of the Member's death unless the beneficiary receives either: (i) a retirement benefit for life; or (ii) a retirement benefit for a period certain that does not extend beyond the beneficiary's life expectancy. Such benefits must commence within one (1) year of the Member's death unless the spouse is the beneficiary and the spouse elects to defer receipt of such benefits until a date no later than the date on which the Member would have attained age seventy and one-half (70 ½). Life expectancies of the Member and spouse will not be recalculated after the commencement of benefits. If a spouse dies before deferred benefits commence, benefits must be distributed as if the Member had died. If a Member dies after distribution of his interest has commenced, the remaining portion of his interest under the Plan shall be distributed at least as rapidly as under the method being used at the date of his death.

6.03 Spouse's Coverage.

(a) Upon the death of a married Active, Late Retired or a Terminated Member whose Service terminated within the ten (10) year period immediately preceding his Normal Retirement Date, the spouse of such Member will be eligible for benefit payments for life if the following conditions are met:

(a-1) the earlier to occur of item (i) or item (ii):

(i) the Member was within the ten (10) year period immediately preceding his Normal Retirement Date;

(ii) the Member had reached his forty-fifth (45^{th}) birthday and completed ten (10) (fifteen (15) prior to October 1, 1986) or more Years of Service as defined for vesting purposes; provided, however, that his last Year of Service is not completed before the last day of the twelve (12) month period regardless of when in the twelve (12) month period he completes 1,000 Hours of Service;

(a-2) the member had been married to his present spouse throughout the twelve-month period immediately preceding the Member's death and such marriage was performed before proper civil or religious authority, or is recognized as a common law marriage in the state where he resides.

(b) The yearly amount of benefit payable to the spouse, who is eligible for benefit payments in accordance with item (a) above, will equal $120 or, if greater, item (b-1) or item (b-2), whichever is applicable:

(b-1) if the spouse has not duly elected the Social Security adjustment option – item (i) times item (ii):

(i) the yearly amount of benefit credited to the Member as of the date of his death;

(ii) the percentage determined below, provided, such percentage shall be reduced by 1/2% (one-half of one percent) for each year, if any, by which the spouse is more than five years younger than the Member. However, if the spouse is eligible for annuity payments solely by reason of the Member's reaching the earliest date of which he could have retired

or, if later, he was within the ten year period immediately preceding his Normal Retirement Date, such percentage will not be reduced to less than forty percent (40%);

Member's Age at Date of Death	Percentage
45	45%
46	46%
47	47%
48	48%
49	49%
50 and over	50%

provided, however, that the benefit payable to the spouse shall never be less than the benefit the spouse would receive under paragraphs 6.03 (c) and (d) below if such spouse were not eligible for a death benefit under this subparagraph 6.03(b).

(b-2) if the spouse has duly elected the Social Security adjustment option - the amount determined from item (b-1) adjusted in accordance with the subsection entitled "Social Security Adjustment Option" in Section 4.

The yearly amount of retirement benefit payable to a spouse, as calculated in accordance with item (b-1), will in no event be less than the Member's Benefit Attributable to Member Contributions.

Benefit payments to the spouse will begin on that first day of the month next following the death of the Member.

(c) Upon the death of a married Active Member, a Late Retired Member or a Terminated Member whose Service terminated before the ten (10) year period immediately preceding his Normal or Late Retirement Date and who had terminated on or after January 1, 1976, the spouse of such Member will be eligible for benefit payments for life if the following conditions are met:

(c-1) the spouse is not eligible for benefit payments under item (a) above;

(c-2) the member had any vested interest in his Benefit Attributable to Employer Contributions as of his date of death;

(c-3) the Member had been married to his present spouse throughout the twelve-month period immediately preceding the Member's death.

(d) The yearly amount of benefit payable to the spouse who is eligible for benefit payments in accordance with item (c) above, will equal item (d-1) or item (d-2), whichever is applicable:

(d-1) if the spouse has not duly elected the Social Security adjustment option – fifty percent (50%) of item (i) times item (ii) times item (iii):

(i) the yearly amount of benefit credited to the Member as of the date of his death;

(ii) the appropriate percentage from Table C or Table L, if applicable, as if the Member had become a Retired Member on the first day of the month coinciding with or next following the later of the date of his death or the date payments are to commence;

(iii) the appropriate percentage from Table E as if the Member had duly elected the joint retirement benefit option with fifty percent (50%) continuation and benefit payments had commenced for the Member on the first day of the month coinciding with or next following the later of the date of his death or the date payments are to commence;

(d-2) if the spouse has duly elected the Social Security adjustment option - the amount determined from item (d-1) adjusted in accordance with the subsection entitled "Social Security Adjustment Option" in Section 4.

The yearly amount of benefit payable to a spouse, as calculated in accordance with item (d-1), will in no event be less than the Member's Benefit Attributable to Member Contributions.

Benefit payments to the spouse will begin on the first day of the month next following the death of the Member; provided, however, for distributions commencing on or after March 28, 2005, if the present value of such benefit is in excess of $1,000 and the payment is to begin before the Member would have reached his Normal Retirement Date, the spouse must consent to the commencement of such payments, or they will be deferred. If such payments are deferred, they will commence on the first day of any month the spouse chooses, but not later than the date the Member would have reached his Normal Retirement Date.

Benefit payments to a spouse whose eligibility for payments is determined by a Member's death occurring prior to August 23, 1984, will be paid in accordance with the terms of payment in effect on the date of death of the Member.

The spouse may elect, within ninety (90) days after the Member's death, a lump sum payment in lieu of benefit payments as described in this Section 6. The amount of any such lump sum payment will be determined in the same manner as described in Paragraph 3.02 entitled "Small Benefit Payments".

6.04 Death Benefits – Minimum Required Distributions.

The distribution of death benefits shall be subject to and payable in accordance with Section 4.06.

6.05 Beneficiaries.

(a) A Member may name a beneficiary to receive any death benefit due on or after his death, by written request filed with the Plan Administrator. The Member may name two (2) or more co-beneficiaries or successor beneficiaries. If a Member names two (2) or more persons as beneficiaries, such persons or their survivors will be considered co-beneficiaries unless he provides otherwise.

(b) A Member may change any named beneficiary from time to time by written request filed with the Plan Administrator. The consent of his beneficiary is not required to any naming or change thereof, except as provided in item (c). Such request is effective when the Member signs it whether or not he is living at the time the request is received by the

person or entity responsible for the actual payment of the benefit, but without prejudice to such person or entity for any payments made by it before receipt of the request.

(c) The spouse of a Member shall be presumed to be the beneficiary of the Member, unless the Member has designated another beneficiary subsequent to his marriage, and his spouse has given any waiver or consent required to allow such designation. Spousal consent is required each time the Member changes his beneficiary. Such waiver or consent may be made as part of the spousal consent described in Section 4 or made separately. The reasonable determination by the Plan Administrator as to whether a Member's beneficiary designation is effective or a spouse's waiver or consent is sufficient, shall be binding on all parties claiming entitlement to any payment or benefit under the terms of this Plan.

Section 7 AMENDMENT OF PLAN

7.01 Amendment of Plan.

(a) Subject to the provisions of this Section, any provisions of this Plan may be amended by the Employer.

(b) An amendment to this Plan may not reduce the accrued benefit of any Member, or with respect to benefits accrued as of the amendment effective date or date of adoption, if later, eliminate or reduce an early retirement benefit or a subsidy that continues after retirement, or eliminate an optional form of benefit payment except to the extent permitted by applicable law or regulation or unless such amendment is necessary to establish or maintain the qualification of the Plan under the Internal Revenue Code or to conform the Plan to the requirements of ERISA, or, if not so necessary and the amendment is effective retroactively, such amendment is in accordance with paragraph (c).

(c) An amendment may reduce the accrued benefit of Members as of the date of adoption of the amendment, provided that:

(c-1) the amendment is adopted no later than two and one-half (2 ½) months after the end of the Plan Year in which the amendment becomes effective;

(c-2) the accrued benefits of Members as of the beginning of the Plan Year in which the amendment becomes effective are not reduced; and

(c-3) the amendment shall not take effect until (i) a notice of such amendment is filed with the Secretary of Treasury and (ii) either the Secretary of Treasury has approved such amendment or, if the Secretary has neither approved nor disapproved such amendment, ninety (90) days have elapsed since the date on which such notice was filed.

(d) An amendment changing the vesting requirements which would impose stricter requirements than those presently in effect for a Member may not change the requirements in effect for him as of the later of the effective date of the amendment or the date of adoption of the amendment.

(e) If an amendment changes the vesting provisions, any Member who has completed at least three (3) years of Service before the end of the election period specified below may elect to have the amount of his vested benefit determined on the basis of the Plan provisions in effect immediately prior to the effective date of the amendment.

The election period shall begin on the date the amendment is adopted and shall end sixty (60) days after the latest of the date the amendment is adopted, the effective date of the amendment, or the date the Member is issued written notice of the amendment.

(f) Neither the consent of the Member nor that of any other payee is required for any amendment to the Plan.

(g) No amendment to the Plan (including a change in the actuarial basis for determining optional or early retirement benefits) shall be effective to the extent that it has the effect

of decreasing a Member's accrued benefit. For purposes of this paragraph, a plan amendment that has the effect of (1) eliminating or reducing an early retirement benefit or a retirement-type subsidy, or (2) eliminating an optional form of benefit, with respect to benefits attributable to service before the amendment shall be treated as reducing accrued benefits. In the case of a retirement-type subsidy, the preceding sentence shall apply only with respect to a Member who satisfies (either before or after the amendment) the pre-amendment conditions for the subsidy. Notwithstanding the preceding sentences, a Member's Accrued Benefit, early retirement benefit, retirement-type subsidy, or optional form of benefit may be reduced to the extent permitted under Code Section 412(c)(8) (for Plan Years beginning on or before December 31, 2007) or Code Section 412(d)(2) (for Plan Years beginning after December 31, 2007), or to the extent permitted under Regulations Sections 1.411(d)-3 and 1.411(d)-4. For purposes of this paragraph, a retirement-type subsidy is the excess, if any, of the actuarial present value of a retirement-type benefit over the actuarial present value of the Accrued Benefit commencing at Normal Retirement Age or at actual commencement date, if later, with both such actuarial present values determined as of the date the retirement-type benefit commences.

Section 8 TERMINATION OF PLAN

8.01 Termination of Plan.

The Plan may be terminated in whole or in part by the Employer, provided, in the case of a complete termination, the Employer timely submits notice to the Pension Benefit Guaranty Corporation (PBGC) and, provided the PBGC has not prohibited the complete termination.

In the event of termination or partial termination of the Plan, the rights of each affected Member shall be non-forfeitable with respect to Plan benefits accrued to the date of such termination or partial termination and subject to any curtailment or reduction necessary for qualification or continued qualification under any tax law, or necessary for this Plan to meet the requirements of ERISA or any other applicable law, provided, however, that each Member's recourse to satisfaction of such rights shall be limited to the extent that:

(a) such benefits have been funded under the Plan; or

(b) such benefits are insured by the Pension Benefit Guaranty Corporation; or

(c) such benefits are otherwise provided by law.

In the event of complete termination of the Plan, the available Plan assets will be disposed of through the purchase of annuities, for the exclusive benefit of Members and their beneficiaries, in the order of priorities stated at the end of this paragraph. An annuity under which payments will commence immediately will be provided for each person who is receiving benefit payments immediately before the termination of the Plan, and for each Member who is a Late Retired Member immediately before the termination of the Plan. Deferred annuities with the first payment due to commence at Normal Retirement Date or such other date as permitted by the Plan, will be provided for all other Members.

Class 1. The Accrued Benefit Attributable to member Contributions.

Class 2. With respect to Members or beneficiaries who have been receiving (or who were eligible to elect to receive) plan benefits in the form of periodic payments during the entire three (3) year period ending on the plan termination date, the amount of accrued benefit based on the Plan provisions which were in effect during the five (5) year period ending on the Plan termination date and under which such benefit would be the least, but, for Members or beneficiaries who have been receiving benefits during such three year period, not more than the lowest benefit in pay status during such period.

Class 3. Other benefits that are or would be guaranteed by the Pension Benefit Guaranty Corporation if such guaranteed amounts are determined without regard to provisions of Section 4011(b)(5) and 4022(b)(6) of ERISA.

Class 4. All other accrued annuity benefits as to which an allocation has not been made pursuant to the above priorities.

Class 5. All other benefits under the Plan.

Any Plan assets remaining due to an actuarial error after satisfaction of all liabilities of the Plan to Members, beneficiaries, and other parties will be allocated on a pro rata basis to the Employer and Members in accordance with Section 4044(d)(3) of ERISA, provided the PBGC has not issued a directive prohibiting the distribution. The portion of such assets allocated to the Employer shall be distributed in portions to the Employer and appropriate agencies of the United States Government as their interest may be. For the purposes of this Section, the term "liabilities of the Plan" shall be construed consistent with the accrued benefit and vesting provisions of ERISA and the Internal Revenue Code, as amended, and the term "actuarial error" shall be construed consistent with Section 401(a)(2) of the Internal Revenue Code, and rules and regulations issued thereunder.

The necessary assets determined on the basis of the present value of benefits accrued as of the termination date will be fully allocated under Class 1 before any assets are allocated under Class 2; and then fully allocated under Class 2 before any allocation is made to Class 3; and, so on, allocated to the Class with the lower number before allocation to the higher number Class.

As to any assets available for allocation to Class 4 however, if such assets are not sufficient to satisfy in full the benefits accrued under Class 4 determined on the basis of the Plan provisions in effect as of the termination date, then the benefits under Class 4 to which allocation will be made will be determined instead on the basis of Plan provisions in effect at the later of (a) the beginning of the five (5) year period ending on the plan termination date, or (b) the effective date of the most recent plan amendment during such five (5) year period under which benefits would be fully satisfied by assets available for allocation to Class 4. Any assets remaining for allocation to Class 4 after such determination shall then be applied on a pro rata basis to benefits for which no allocation has been made, determined from the Plan on the date of termination.

The Plan Administrator is authorized to make any necessary adjustment in the above procedures and allocations applicable at termination of the Plan in order to meet any requirements imposed on the Plan pursuant to any of the terms of ERISA.

Section 9 GENERAL PROVISIONS

9.01 Administration of Plan.

If there shall arise any misunderstanding or ambiguity concerning the meaning of any of the provisions of the Plan, the Named Fiduciary shall have complete discretion and the sole right to construe such provisions, and the Named Fiduciary's decision shall be final. The Named Fiduciary shall also have the power and, subject to the provisions of this Section 9, discretion to decide all questions of eligibility for Plan participation and for benefits under the Plan. The Named Fiduciary may establish such rules and regulations supplementing the Plan as it considers desirable.

The findings of facts by the Named Fiduciary as to matters relating to a Member's employment record are binding on the Member for the purposes of the Plan. The Plan shall confer no right upon any employee to be retained as an employee by the Employer.

If either the Employer or the Plan incurs expenses with regard to the administration and operation of the Plan, such expenses may be deducted and paid from Plan assets (including by reimbursement to the Employer) to the extent not paid by the Employer.

Unless the context indicates otherwise, the masculine pronoun refers to either a man or woman.

9.02 Notices.

All persons shall promptly furnish information and proofs to the Named Fiduciary as to any and all facts which the Named Fiduciary may reasonably require concerning any person affected by the terms of the Plan (including date of birth and satisfactory proof, by personal endorsement on benefit checks or otherwise, of the survival of any payee to the due date of any benefit payment).

Each Terminated Member will inform the Plan Administrator of his changes of address. All notices to any person from the Plan Administrator or Named Fiduciary will be sent to the last known address of such person and there shall be no further obligation to such person in the event any such communication is not received by the person.

If any fact relating to a Member or any other payee has been misstated, the correct fact may be used to determine the amount of benefit payable to him or to such other payee. If overpayments or underpayments have been made because of such incorrect statement, the amount of any future payments may be appropriately adjusted.

9.03 Restrictions as to Payees.

Except as provided below, no payee may sell, assign, discount, alienate, or pledge as collateral for a loan or as a security for the performance of an obligation or for any other purpose, any payment due to him under this Plan; and any payment due to a payee hereunder shall be exempt from the claim of creditors of the payee to the maximum extent permitted under federal and state laws. If the Plan Administrator determines that a Qualified Domestic Relations Order, within the meaning of Section 414(p) of the Internal Revenue Code, exists with respect to a benefit due under this Plan, the Plan Administrator may take such actions and make or authorize such payments, as he reasonably believes are consistent with the terms of such Order and with applicable law. Any action taken or payment made in accordance with the preceding sentence shall not be deemed to

be an impermissible assignment or alienation and shall, to the maximum extent permitted by law, discharge the Plan from all liability for any benefits so paid.

If any payee is a minor or incompetent person, payment may be made or authorized by the Plan Administrator or Named Fiduciary to be made to the person or persons caring for or supporting such payee, in full discharge of all obligations.

There will be no obligation to make any payment to a payee under the Plan until proof is received that the payee was living on the due date of the payment. Subject to the sentence next succeeding, if such proof is not received within seven (7) years of the due date of the payment, and if proof of death is also not received, the obligation to make any payments under the Plan shall be limited to the benefit which would be payable had the payee died immediately before such due date. Anything herein to the contrary notwithstanding, if, after the expiration of such period, it is established that the payee was living on the due date of such payment, any right to payments established by such proof, less any amounts paid as a death benefit, shall be reinstated.

9.04 Restrictions Imposed by Internal Revenue Service.

For Plan Years beginning before January 1, 1991, the Plan may continue to rely on the restriction provisions in the Plan as constituted before the following provisions become effective.

For Plan Years beginning on or after January 1, 1991, the following provisions apply:

(a) in the event of Plan termination, the benefit of any Member who is a Highly Compensated Employee is limited to a benefit that is non-discriminatory under Section 401(a)(4) of the Internal Revenue Code; and

(b) for Plan Years beginning on or after January 1, 1991, benefits distributed to any of the twenty-five (25) most highly compensated Members who are Highly Compensated Employees are restricted such that the annual payments are no greater than an amount equal to the payment that would have been made on behalf of the Member under a single life annuity that is the actuarial equivalent of the sum of the Member's Accrued Benefit, as defined in subsection 5.02, and the Member's other benefits under the Plan.

(c) item (b) above, shall not apply if:

(c-1) after payment of the benefit to a Member described in item (b), the value of Plan assets equals or exceeds 110% of the value of current liabilities, as described in section 412(l)(7) of the Internal Revenue Code; or

(c-2) the value of the benefits for a Member described in item (b) is less than one percent (1%) of the value of current liabilities.

(d) for the purposes of this subsection 9.04:

(d-1) "benefit" includes loans in excess of the amount set forth in Section 72(p)(2)(A), any periodic income, any withdrawal values payable to a living Member, and any death benefits not provided for by insurance on the Member's life; and

(d-2) "Highly Compensated Employees" shall mean, for any Plan Year, an Employee who: .

(e) during the current Plan Year or the Look-Back Year, was at any time a five percent (5%) or more actual or constructive owner of the Company or any Affiliated Employer; or

(f) during the Look-Back Year received Testing Compensation from the Company and all Affiliated Employer greater than Eighty Thousand Dollars ($80,000) (plus any increase for cost of living after 1998 as determined by the Secretary of the Treasury or his delegate) and, if the Company so elects, was in the "top paid group" of employees of the Company or any Affiliated Employer for the Look-Back Year.

For purposes of this Section, "Look Back Year" shall mean the twelve (12) month period immediately preceding the current Plan Year. The term "Compensation" shall be defined as provided in paragraph 3.16(a-5). The term "Affiliated Employer" shall be defined as provided in paragraph 3.16(a-2) but disregarding any modifications by Code Section 415(h). As of the Effective Date of this Amendment and Restatement of the Plan, the Employer has not elected to use the top-paid group rules.

A former Employee is a Highly Compensated Employee if either:

(g) such former Employee was a Highly Compensated Employee when such former Employee terminated his employment; or

(h) such former Employee was a Highly Compensated Employee at any time after attaining age fifty-five (55).

9.05 Funding and Payments of Benefits.

The Employer intends to make the actuarially determined contributions to the Plan and will pay such contributions into any funding arrangement used by the Plan. Each Employer contribution is made expressly contingent on its deductibility for the Employer's fiscal year to which such contribution is made. In any event contributions shall be at least equal to the funding required under ERISA. All retirement benefits to be afforded under the plan will be provided under a group annuity contract or any other funding vehicle used to fund the Plan upon the Member's becoming a Retired Member. Prior to Plan termination no part of Plan assets may be applied other than for the exclusive benefit of Members and their beneficiaries and the reasonable expenses of administering the Plan, except to the extent that they constitute a Permitted Reversion to the Employer.

A "Permitted Reversion to the Employer" is an Employer contribution, or part thereof, made to this Plan which may be returned to the Employer because such contribution:

(a) is made by reason of a good faith mistake of fact; or

(b) is conditioned on initial qualification of the Plan under Section 401 of the Internal Revenue Code and an application for determination of qualification of the Plan is made by the time prescribed by law for filing the Employer's return for the taxable year in which the Plan was adopted, or such later date as the Secretary of Treasury may prescribe, and the Plan does not so qualify; or

(c) is conditioned on its deductibility under Section 404 of the Internal Revenue Code.

The return to the Employer of the amount involved must be made within one (1) year of the mistaken payment, the date of denial of the initial qualification of the Plan or the disallowance of the deduction, as the case may be.

The Employer will, subject to the limitations described in this paragraph, have exclusive authority and absolute discretion to determine whether a contribution or any part of a contribution will revert and be repaid to the Employer. The amount which may be returned to the Employer under item (a) or (c) is the excess of the amount contributed over the amount that would have been contributed had there not been a mistake of fact or a mistake in determining the deduction. Earnings attributable to such excess contributions shall not be repaid, and losses attributable thereto shall reduce the amount which may be returned.

9.06 Merger, Consolidation, or Transfer.

In the event of any merger or consolidation with, or transfer of assets or liabilities to, any other plan, the amount of benefit which a member would receive upon a termination of the plan immediately after such merger, consolidation, or transfer shall be equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation, or transfer if the Plan had then terminated.

9.07 B&W Pantex Investment Committee.

(a) The Board of Managers of Employer ("Board of Managers") shall appoint the members of a B&W Pantex Investment Committee (the "Committee") which shall consists of three (3) or more members. The fact that a person is a Member, former Member, or prospective Member or has an interest in any question shall not disqualify him from acting as a member of the Committee or acting on any question. The members of the Committee shall remain in office at the will of the Board of Managers and the Board of Managers may, from time to time, remove any of said members with or without cause. A member of the Committee may resign upon written notice to the remaining member or members of the Committee and the Board of Managers, respectively. In the case of the death, resignation or removal of any member of the Committee, the remaining member or members shall act until a successor-member shall be appointed by the Board of Managers.

(b) The B&W Pantex Investment Committee shall have complete power and discretion to construe the provisions of the Plan. The decision of the Committee with respect to any misunderstanding or ambiguity concerning the meaning of any of the provisions of the Plan shall be final. The Committee shall also have the power and discretion to decide all questions of eligibility for Plan participation and for benefits under the Plan. The Committee may establish such rules and regulations supplementing the Plan as it considers desirable.

9.08 Procedures for Presenting and Reviewing Claims

(a) A written request for a Plan benefit made by either a Member or beneficiary (or their duly authorized representative) is a claim; the person making such claim is a claimant.

(b) Each claim shall be presented to the Named Fiduciary who shall, within a reasonable period of time not to exceed ninety (90) days from its receipt, either accept it or deny it (wholly or partially), and within that time notify the claimant of acceptance or of denial. The ninety (90) days may be extended for another ninety (90) day period if the Named Fiduciary finds that special circumstances require an extension of time for processing and the Named Fiduciary provides written notice of such extension to the claimant within the initial ninety (90) day period.

(c) If a claim is wholly or partially denied, the Named Fiduciary shall furnish to the claimant a written notice setting forth in a manner calculated to be understood by the claimant:

(c-1) the specific reason(s) for denial;

(c-2) specific reference(s) to pertinent Plan provisions on which any denial is based;

(c-3) a description of any additional material or information necessary for the claimant to perfect the claim, and an explanation of why such material or information is necessary; and

(c-4) an explanation of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring an action under ERISA Section 502(a) following an adverse benefit determination on review.

(d) If a claimant does not receive notification of acceptance or denial within ninety (90) days from submission of his claim, he may request review as if his claim had been entirely denied.

(e) The Named Fiduciary shall implement such administrative processes and safeguards as it deemed necessary to ensure and verify that benefit claim determinations are made in accordance with governing plan documents and, where appropriate, that Plan provisions have been applied consistently with respect to similarly situated claimants.

(f) Upon a denial, the claimant is entitled, either in person or by his duly authorized representative, to

(f-1) request a full and fair review of the claim by the B&W Pantex Investment Committee of the Plan for this purpose upon written application for review made to the B&W Pantex Investment Committee. In the case of a denial as to which written notice of denial has been given to the claimant, any such request for review of the claim must be made within sixty (60) days after receipt by the claimant of such notice and must specify the reason or reasons the claimant believes the denial should be reversed;

(f-2) receive upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relating to the claimant's claim for benefits;

(f-3) submit written comments, documents, records and other information relating to the claim for benefits; and

(f-4) a full and fair review that takes into account all comments, documents, records and other information submitted by the claimant, without regard to whether such information was submitted or considered in the initial benefit determination.

(g) The B&W Pantex Investment Committee shall make his decision with respect to a claim review promptly, but not later than sixty (60) days after receipt of the request. Such sixty (60)-day period may be extended for another period of sixty (60) days if the B&W Pantex Investment Committee reviewing the claim finds that special circumstances require an extension of time for processing and notifies the claimant of the extension within the initial sixty (60) day period.

(h) The final decision of the B&W Pantex Investment Committee shall be in writing and include:

(h-1) the specific reason(s) for the adverse determination;

(h-2) specific reference(s) to pertinent provisions on which the benefit determination is based;

(h-3) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits; and

(h-4) a statement of the claimant's right to bring an action under Section 502(d) of ERISA.

9.09 Disability Claims Procedures.

The prior provisions of this Article and the Plan notwithstanding, effective for any application for disability benefits filed by a Member on or after January 1, 2002, the claims procedures set forth in this Article shall be modified as necessary to comply with the requirements of Department of Labor Regulation 2560.503-1. These requirements include, but are not limited to, the following.

(a) Deadline for Initial Determination. The initial decision on a Member's application for disability benefits shall be made by the Named Fiduciary within a reasonable period of time, but not later than forty-five (45) days after the Application Date. "Application Date" shall mean the date on which the Member files a claim for disability benefits in accordance with the Plan's procedures, without regard to whether all the information necessary for the Named Fiduciary to make a benefit determination accompanies the filing.

(a-1) 30-Day Extension. This period may be extended for up to thirty (30) days if the Named Fiduciary: (1) determines that the extension is necessary due to matters beyond the control of the Plan; and (2) notifies the Member prior to the expiration of the forty-five (45) day period of the circumstances requiring the extension and the date by which the Named Fiduciary expects to render a decision.

(a-2) Additional 30-Day Extension. This period may be further extended for up to an additional thirty (30) days if the Named Fiduciary: (1) determines that a decision can not be rendered within the extension period; and (2) notifies the Member

prior to the expiration of the thirty (30) extension day period of the circumstances requiring the extension and the date by which the Named Fiduciary expects to render a decision.

(a-3) Notice of Extension. Any notice of extension under the preceding paragraphs shall explain: (1) the standards on which entitlement to disability benefits is based; (2) the unresolved issues that prevent a decision on the Member's claim; and (3) the additional information needed to resolve those issues. The Member shall be provided at least 45 days to provide the requested information.

(a-4) Tolling of Period. If an extension under the preceding paragraphs is made due to the Member's failure to submit information necessary to decide the claim, the period for the Named Fiduciary to make the benefit determination is tolled from the date the notice of the extension is sent to the Member until the date on which the Member responds to the request for additional information.

(b) Notice of Benefit Determination. The Named Fiduciary shall provide the Member with written or electronic notice of any adverse benefit determination, which notice shall explain:

(b-1) the specific reasons for the adverse determination;

(b-2) reference to the specific Plan provisions on which the determination is based;

(b-3) a description of any additional material or information necessary for the Member to perfect the claim, and an explanation of why such material or information is necessary;

(b-4) a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the Member's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review;

(b-5) if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either: (1) the specific internal rule, guideline, protocol, or other similar criterion; or (2) or a statement that such a rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination and that a copy of such will be provided free of charge to the Member upon request; and

(b-6) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either: (1) an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Member's medical circumstances; or (2) a statement that such explanation will be provided free of charge.

(c) Appeal of Adverse Benefit Decision. Upon receipt of an adverse benefit determination, the Member shall:

(c-1) have one hundred eighty (180) days following receipt of the notice to request an appeal of the determination;

(c-2) have the opportunity to submit written comments, documents, records, and other information relating to the claim for disability benefits;

(c-3) be provided, upon request and free of charge, reasonable access to and copies of, all documents, records, and other information relevant to the Member's claim for disability benefits; and

(c-4) be provided a review that:

(i) takes into account all comments, documents, records, and other information submitted by the Member relating to the claim for disability benefits, without regard to whether such information was submitted or considered in the initial benefit determination;

(ii) does not afford deference to the initial adverse benefit determination, and that is conducted by an appropriate named fiduciary of the Plan other than the Named Fiduciary or any individual who is a subordinate of the Named Fiduciary (the "Appeals Fiduciary"); and

(iii) in deciding an appeal of any adverse benefit determination that is based in whole or in part on a medical judgment, including determinations with regard to whether a particular treatment, drug, or other item is experimental, investigational, or not medically necessary or appropriate, requires the Appeals Fiduciary to consult with a health care professional who: (A) has appropriate training and experience in the field of medicine involved in the medical judgment, and (B) is neither an individual who was consulted in connection with the initial adverse benefit determination nor a subordinate of any such individual.

(d) Deadline for Decision on Appeal. The Appeals Fiduciary shall notify the Member of the benefit determination on review within a reasonable period of time, but not later than forty-five (45) days after receipt of the Member's Appeal Request Date. "Appeal Request Date" shall mean the date on which the Member files a request for appeal of an adverse disability benefits determination in accordance with the Plan's procedures, without regard to whether all the information necessary for the Appeals Fiduciary to make a benefit determination on review accompanies the filing.

(d-1) 45-Day Extension. This period may be extended for up to forty-five (45) days if the Appeals Fiduciary: (1) determines that special circumstances require an extension of time or processing the claim; and (2) notifies the Member in writing prior to the expiration of the forty-five (45) day period of the circumstances requiring the extension and the date by which the Appeals Fiduciary expects to render a decision. In no event shall the extension exceed forty-five (45) days from the end of the initial period.

(d-2) Tolling of Period. If an extension under the preceding paragraph is made due to the Member's failure to submit information necessary to decide the claim, the period for the Appeals Fiduciary to make the benefit determination on review is tolled from the date the notice of the extension is sent to the Member until the date on which the Member responds to the request for additional information.

(e) Notice of Decision on Appeal. The Appeals Fiduciary shall provide the Member with written or electronic notice of the benefit determination on review as soon as possible, but in no event more than five (5) days after the benefit determination is made. The notice shall provide:

(e-1) the specific reasons for the adverse determination;

(e-2) reference to the specific Plan provisions on which the determination is based;

(e-3) a statement that the Member is entitled, upon request and free of charge, reasonable access to and copies of, all documents, records, and other information relevant to the Member's claim for disability benefits;

(e-4) a statement describing: (1) any voluntary appeal procedures offered by the Plan, (2) the Member's right to request information sufficient to enable the Member to make an informed decision about whether to submit the dispute to the voluntary level of appeal, and (3) the Member's right to bring an action under Section 502(a) of ERISA;

(e-5) if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either: (1) the specific internal rule, guideline, protocol, or other similar criterion, or (2) or a statement that such a rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination and that a copy of such will be provided free of charge to the Member upon request;

(e-6) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either: (1) an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Member's medical circumstances, or (2) a statement that such explanation will be provided free of charge; and

(e-7) the statement, "You and your plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your State insurance regulatory agency."

Section 10 TOP-HEAVY DEFINITIONS

10.01 Determination Date.

The "Determination Date" for any Plan Year subsequent to the first Plan Year is the last day of the preceding Plan Year. For the first Plan Year of the Plan, the Determination Date is the last day of that year.

10.02 Determination Period.

The 'Determination Period' is, for Plan Years commencing before June 1, 2002, the Plan Year containing the Determination Date and the four (4) preceding Plan Years. The 'Determination Period' is, for Plan Years commencing on or after June 1, 2002, the Plan Year containing the Determination Date.

10.03 Key Employee.

A "Key Employee" is any employee or former employee (and the beneficiary of such employee) who at any time during the Determination Period:

(a) was an officer of the Employer with compensation exceeding fifty percent (50%) of the dollar limitation under Section 415(b)(1)(A) of the Internal Revenue Code; or

(b) owned, or constructively owned under Section 318 of the Internal Revenue Code, an interest in the Employer which:

(b-1) causes such employee to meet the definition of a "five percent owner" as contained in Section 416(i)(1)(B)(i) of the Internal Revenue Code; or

(b-2) causes such employee to meet the definition of a "one percent owner" as contained in Section 416(i)(1)(B)(i) of the Internal Revenue Code; provided this clause shall apply only when such employee's annual compensation exceeds $150,000; or

(b-3) is one of the ten (10) largest interests in the Employer owned by an employee and is at least a one half of one percent (1/2%) interest; provided this clause shall apply only when such employee's annual compensation exceeds the dollar limitation under Section 415(c)(1)(A) of the Internal Revenue Code.

However, on and after the beginning of the 1985 Plan Year, a former employee who has not performed an hour of Service with any Employer maintaining the Plan at any time during the Determination Period will not be considered a Key Employee. If there is more than one (1) employee owning the same interest in the Employer, the employee having the greater compensation from the Employer shall be treated as having a larger interest. The determination of who is a Key Employee will be made in accordance with Section 416(i)(1) (taking into account, effective for Plan Years beginning on or after June 1, 2002, the revisions made by the Economic Growth and Tax Relief Reconciliation Act of 2001) of the Code and the regulations thereunder, which is hereby incorporated by reference.

A "non-Key Employee" is any employee who does not meet the definition of a Key Employee.

10.04 Permissive Aggregation Group.

"Permissive Aggregation Group" is a group of Plans which includes the Required Aggregation Group plus any other plan or plans of the Employer which, when considered as a group with the Required Aggregation Group, would continue to satisfy the requirements of Sections 401(a)(4) and 410 of the Internal Revenue Code.

10.05 Present Value.

"Present Value" is the current discounted worth of a Member's Accrued Benefits using stated interest and mortality assumptions. For purposes of establishing Present Value to compute the Top-Heavy Ratio, any benefit shall be discounted normally for the following mortality and interest assumptions:

Mortality - Unisex Pension 1984 mortality table

Interest - 6%

10.06 Required Aggregation Group.

"Required Aggregation Group" is a group of plans consisting of (i) each qualified plan of the Employer in which at least one (1) Key Employee participates, and (ii) any other qualified plan of the Employer which enables a plan described in (i) to meet the requirements of Sections 401 (a)(4) or 410 of the Internal Revenue Code.

10.07 Top-Heavy Plan or Top-Heavy Group.

A "Top-Heavy Plan" or "Top-Heavy Group" is, for any Plan Year beginning after December 31, 1983, a Plan that meets any of the following conditions:

(a) The Top-Heavy Ratio for the Plan exceeds sixty percent (60%), and the Plan is not part of any Required or Permissive Aggregation Group; or

(b) The Plan is a part of a Required Aggregation Group but not a part of a Permissive Aggregation Group, and the Top-Heavy Ratio for the Group exceeds sixty percent (60%); or

(c) The Plan is a part of a Required Aggregation Group and part of a Permissive Aggregation Group, and the Top-Heavy Ratio for the Permissive Aggregation Group exceeds sixty percent (60%).

10.08 Top-Heavy Ratio.

If the Employer maintains one (1) or more defined benefit plans and the Employer has never maintained any defined contribution plan (including any Simplified Employee Pension Plan) which has covered or could cover a Member of this Plan, the "Top-Heavy Ratio" is a fraction, the numerator of which is the sum of the Present Values of Accrued Benefits of all Key Employees as of the Determination Date (including any part of any Accrued Benefit distributed during the

Determination Period but adjusted as described below), and the denominator of which is the sum of all Accrued Benefits (including any part of any Accrued Benefit distributed during the Determination Period but adjusted as described below) of all Members as of the Determination Date.

If the Employer maintains one (1) or more defined contribution plans (including any Simplified Employee Pension Plan) and the Employer maintains or has maintained one or more defined benefit plans which have covered or could cover a Member of this Plan, the Top-Heavy Ratio is a fraction, the numerator of which is the sum of account balances under the defined contribution plans for all Key Employees and the Present Value of Accrued Benefits under the defined benefit plans for all Key Employees, and the denominator of which is the sum of the account balances under the defined contribution plans for all Members and the Present Value of Accrued Benefits under the defined benefit plans for all Members. Both the numerator and denominator of the Top-Heavy Ratio are adjusted for any distribution of an account balance or an Accrued Benefit made during the Determination Period (but adjusted as described below) and any contribution due but unpaid as of the Determination Date. Notwithstanding the foregoing sentence, for Plan Years beginning on or after June 1, 2002, the numerator and denominator of the Top-Heavy Ratio are adjusted for any in-service distributions of an account balance or an Accrued Benefit made during the five-year period ending on the Determination Date.

For purposes of this subsection, the value of account balances and the Present Value of Accrued Benefits will be determined as of the most recent Valuation Date that falls within or ends with the twelve (12) month period ending on the Determination Date. The account balances and Accrued Benefits of a Member who is (i) not a Key Employee during the current year but was a Key Employee in a prior year, or (ii) who has not performed an hour of Service with any Employer maintaining the Plan at any time during the Determination Period, will be disregarded.

The calculation of the Top-Heavy Ratio, and the extent to which distributions, rollovers, and transfers are taken into account will be made in accordance with Section 416 of the Internal Revenue Code (taking into account, effective for Plan Years beginning on or after June 1, 2002, the revisions made by the Economic Growth and Tax Relief Reconciliation Act of 2001) and the regulations thereunder. Deductible employee contributions will not be taken into account for purposes of computing the Top-Heavy Ratio. When aggregating plans, the value of account balances and Accrued Benefits will be calculated with reference to the Determination Dates that fall within the same calendar year.

Effective as of the first day of the Plan Year beginning in 1987, if the accrual methods used by all defined benefit plans of the Employer are the same, such method will be used to determine Accrued Benefits for the purposes of this subsection. If the accrual methods used by all defined benefit plans of the Employer are not the same, then the fractional rule will be used.

10.09 Valuation Date.

"Valuation Date" is the annual date on which liabilities and assets of this Plan are valued and used for computing Plan costs for minimum funding.

10.10 Compensation.

"Compensation" as used in this Section 10 is defined as the Compensation used in the subsection entitled "Maximum Benefit" in Section 3.16.

(a) increased by amounts deferred under any other plan the Employer sponsors described under Section 125, 132(f)(4), 401(k), 402(h), 403(b), 408 or 457 of the Internal Revenue Code; and

(b) decreased by any remuneration received from a corporation which would be defined as a member of a controlled group of corporations which includes the Employer or any business organization which would be defined as a trade or business (whether or not incorporated) which is under "common control" with the Employer within the meaning of Sections 414(b) and (c) of the Internal Revenue Code, after substituting the phrase "more than fifty percent (50%)" for the phrase "at least eighty percent (80%)" each place that the latter phrase appears in Section 1563(a)(1) of the Internal Revenue Code, and any member of an "affiliated service group," as defined in Section 414(m) of the Internal Revenue Code, which includes the Employer but, in each case, only during the periods any such corporation, business organization or member would be so defined.

Section 11 TOP-HEAVY PROVISIONS

11.01 Effect on Plan.

The provisions of Section 416 of the Code are hereby incorporated by reference herein, and are generally described in Articles 10 and 11. If this Plan is or becomes Top-Heavy in any Plan Year, the provisions of this Section 11 will supersede any conflicting provision in the Plan. Effective for any Plan Year beginning after December 31, 2001, the provisions of the Plan setting forth the top-heavy provisions of Section 416 of the Code are modified by substituting the term "separation from service" with "severance from employment."

11.02 Minimum Accrued Benefit.

Except as provided in items (e), (f) and (g) below, if the Plan is a Top-Heavy Plan during any Plan Year each non-Key Employee who is a Member in this Plan shall have an Accrued Benefit under the Plan equal to the greater of the benefit otherwise provided under the Plan and the Minimum Accrued Benefit provided under this subsection.

(a) The Minimum Accrued Benefit shall equal such Member's average Compensation times the lesser of:

(a-1) two percent (2%) times the Member's years of service during the period the Plan is Top-Heavy; and

(a-2) twenty percent (20%).

(b) For purposes of this subsection, all Years of Service with an Employer in which the Member has completed 1,000 hours of Service shall be included, except those years which ended in a Plan Year:

(b-1) which began prior to January 1, 1984; or

(b-2) in which the Plan was not Top-Heavy.

(c) For purposes of this subsection, a Member's average Compensation shall be determined based on the five (5) consecutive Plan Years (or, if less, the longest number of consecutive years of employment) during which the Member had the greatest aggregate Compensation; provided, no year need be included if such year:

(c-1) ended prior to January 1, 1984; or

(c-2) began after the end of the last Plan Year in which the Plan was Top-Heavy.

(d) The Minimum Accrued Benefit is determined without regard to any Social Security contribution and applies even though, under other Plan provisions, the employee would not otherwise be entitled to be a Member of the Plan or receive an accrual, or would have received a lesser accrual for the year because: (i) the employee fails to make mandatory contributions to the Plan; (ii) the employee's compensation is less than a stated amount;

(iii) the employee is not employed on the last day of the accrual computation period; or (iv) the Plan is integrated with Social Security.

(e) If this Plan covers non-Key Employees who are also covered under the Employer's defined contribution plan, the two percent (2%) Minimum Accrued Benefit amount shall be increased to three percent (3%), except in the following circumstances:

(e-1) the Top-Heavy Ratio exceeds ninety percent (90%); or

(e-2) the Top-Heavy Ratio does not exceed ninety percent (90%), but the Employer elects to make an Adjustment to the Maximum Benefit in lieu of increasing the Minimum Benefit amount.

(f) No additional benefit accruals shall be provided pursuant to this subsection to the extent that the total accruals on behalf of the employee attributable to Employer contributions will provide a benefit expressed as a life retirement benefit commencing at Normal Retirement Age that equals or exceeds twenty percent (20%) (thirty percent (30%), if the Minimum Accrued Benefit amount is three percent (3%)) of the employee's highest average Compensation for the five (5) consecutive years for which the employee had the highest Compensation.

(g) Any Minimum Accrued Benefit which is applicable shall be provided under this Plan.

(h) Notwithstanding anything in this Article to the contrary, effective for any Plan Year beginning on or after June 1, 2002, in which this Plan is a Top-Heavy Plan or Top-Heavy Group, this Section shall not apply if the Plan benefits (within the meaning of Section 410(b) of the Code) no Key Employee or former Key Employee.

11.03 Non-forfeitability of Minimum Accrued Benefit.

The Minimum Accrued Benefit required (to the extent required to be non-forfeitable under the subsection entitled "Minimum Vesting Schedule") may not be forfeited under Section 411(a)(3)(B) or 411(a)(3)(D) of the Internal Revenue Code in the event the Plan ceases to be Top-Heavy.

11.04 Minimum Vesting Schedule.

For any Plan Year in which this Plan is Top-Heavy, a Minimum Vesting Schedule will automatically apply to the Plan. The Minimum Vesting Schedule applies to all benefits within the meaning of Section 411(a)(7) of the Internal Revenue Code except those attributable to Employee Contributions, including benefits accrued before the effective date of the Top-Heavy Provisions of the Plan and benefits accrued before the Plan became Top-Heavy. Further, no reduction in vested benefits may occur in the event the Plan's status as Top-Heavy changes for any Plan Year. However, this subsection does not apply to the Accrued Benefits of any Member who does not have an hour of Service after the Plan has initially become Top-Heavy, and such Member's Accrued Benefits attributable to Employer contributions will be determined without regard to this subsection.

For any Plan Year in which this Plan is Top-Heavy the non-forfeitable interest of each Member in his Accrued Benefit attributable to Employer contributions for the current and any prior year shall

be determined from the following schedule, unless the vesting schedule in Section 5 is more favorable:

Minimum Vesting Schedule

Years of Service	Vested Percentage
Less than 2	0%
2 but less than 3	20%
3 but less than 4	40%
4 but less than 5	60%
5 or more	100%

11.05 Application of Vesting Schedule.

Once the Minimum Vesting Schedule becomes effective, each Member who is a Member under the Plan while it is Top-Heavy will continue to vest under the Minimum Vesting Schedule in the event the Plan ceases to be Top-Heavy. Members who enter the Plan after it ceases to be Top-Heavy will vest under the schedule specified in Section 5.

11.06 Compensation Limit.

For Plan Years beginning on or after January 1, 2002, Earnings in excess of $160,000 shall be disregarded. Such amount shall be adjusted at the same time and in the same manner as the Commissioner of Internal Revenue Service makes adjustments pursuant to Section 401(a)(17)(B) of the Code. For Plan Years beginning on and after January 1, 1994 but before January 1, 2002, Earnings in excess of $150,000 shall be disregarded. For Plan Years beginning prior to January 1, 1994, Compensation taken into consideration under this Plan will be limited to $200,000 per year (in accordance with Sections 414(q)(6) and 401(a)(17) of the Internal Revenue Code), as adjusted from time to time by the Secretary of Treasury. Provided, for Plan Years beginning before January 1, 1989, the $200,000 limitation shall not be adjusted.

11.07 Adjustment to the Maximum Benefit.

For any Plan Year beginning before January 1, 2000, in which the Plan is Top-Heavy and the Top-Heavy Ratio exceeds ninety percent (90%), the Defined Benefit Fraction and the Defined Contribution Fraction (as those terms are defined in Section 3) shall be determined by substituting 100% for 125% wherever the percentage 125% appears in Code Sections 415(e)(2) and (e)(3). Such substitutions will also be made if the Employer elects to adjust the Maximum Benefit in lieu of providing an increased Minimum Accrued Benefit pursuant to the Section entitled 'Minimum Accrued Benefit'.

Section 12 PROHIBITION AGAINST ALIENATION

12.01 Definitions.

Unless the context otherwise indicates, the following terms used herein shall have the following meanings whenever used in this Section:

(a) The words "alternate payee" shall mean any spouse, former spouse, child or other dependent of a Member who is recognized by a domestic relations order as having a right to receive all, or a portion of, the amounts credited to the accounts of a Member.

(b) The words "domestic relations order" shall mean, with respect to any Member, any judgment, decree or order (including approval of a property settlement agreement) which both:

(i) relates to the provision of child support, alimony payments or marital property rights to a spouse, former spouse, child or other dependent of the Member; and

(ii) is made pursuant to a State domestic relations law (including a community property law).

(c) The words "qualified domestic relations order" shall mean a domestic relations order which satisfies the requirements of Section 414(p)(1)(A) of the Code.

12.02 General Prohibition Against Alienation.

Except as otherwise hereinafter provided in this Section, no benefits under this Plan shall be subject in any manner to be anticipated, alienated, sold, transferred, assigned, pledged, encumbered or charged, and any attempt to so anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void; nor shall any such benefits in any manner be liable for or subject to the debts, contracts, liabilities, engagements or torts of the person entitled to such benefits as herein provided for him.

12.03 Exceptions to Prohibition Against Alienation.

Notwithstanding paragraph 12.02 to the contrary, the following shall not be treated as an assignment or alienation prohibited by paragraph 12.02:

(a) the creation, assignment or recognition of a right to any benefit payable with respect to a Member or former Member under this Plan to an alternate payee pursuant to a qualified domestic relations order; or

(b) the offset of a Member's or former Member's benefit under this Plan against an amount that such Member or former Member is ordered or required to pay to this Plan where:

(b-1) the order or requirement to pay arises under a judgment for a crime involving this Plan, a civil judgment, consent order or decree for violation or alleged violation of fiduciary duties as stated in part 4 of subtitle B of title I of ERISA, or pursuant to a settlement agreement between the Secretary of Labor or the Pension Benefit Guaranty Corporation and the Member or former Member for violation or

alleged violation of fiduciary duties as stated in part 4 of subtitle B of title I of ERISA by a fiduciary or any other person; and

(b-2) the judgment, order, decree or settlement agreement expressly provides for the offset of all or part of the amount ordered or required to be paid to this Plan against the Member's or former Member's benefits provided by this Plan; and

(b-3) to the extent, if any, that survivor annuity requirements apply to distributions to the Member or former Member under Code Section 401(a)(11), the rights of such Member's or former Member's spouse are preserved in accordance with Code Section 401(a)(13)(C)(iii); or

(c) any other arrangement, transfer or transaction which is not treated as a prohibited assignment or alienation under Code Section 401(a)(13) or other applicable law.

12.04 Receipt of Domestic Relations Order.

If the Plan is served with a domestic relations order, the Plan Administrator shall promptly notify the Member and any alternate payee to whom such domestic relations order relates of the receipt of such domestic relations order and the Plan's procedures for determining whether such domestic relations order is a qualified domestic relations order. Within a reasonable time after receipt of such domestic relations order, the Plan Administrator shall determine whether such domestic relations order is a qualified domestic relations order and notify the Member and any concerned alternate payee of its determination.

Effective on or after April 6, 2007, a domestic relations order that otherwise satisfies the requirements for a qualified domestic relations order (QDRO) will not fail to be a QDRO: (i) solely because the order is issued after, or revises, another domestic relations order or QDRO; or (ii) solely because of the time at which the order is issued, including issuance after the annuity starting date or after the Member's death. Any such domestic relations order is subject to the same requirements and protections that apply to QDROs.

12.05 Establishment of Escrow Account as a Result of Domestic Relations Order.

During any period in which the issue of whether a domestic relations order is a qualified domestic relation order is being determined (whether by the Plan Administrator, the B&W Pantex Investment Committee, a court of competent jurisdiction, or otherwise), the Plan Administrator shall cause the funding agent to debit the funding vehicle and credit to an escrow account the amounts which would have been payable to an alternate payee during such period if the order had been, during such period, determined to be a qualified domestic relations order. If, within eighteen (18) months after the Plan is served with such domestic relations order, the domestic relations order (or modification thereof) is determined to be a qualified domestic relations order, the Plan Administrator shall hold and dispose of the amounts credited to the escrow account established with respect to such domestic relations order in accordance with the terms of the qualified domestic relations order and shall reduce the Pension benefit of the Member with respect to whom the domestic relations order was issued for such amounts and for any additional amounts required to be paid to an alternate payee. Any such reduction shall not cause this Plan to fail to meet the requirements of Section 401(a)(13) of the Code. If within eighteen (18) months after the Plan is served with such domestic relations order, it is determined that the domestic relations order is not a qualified domestic relations order or the issue with respect to whether the domestic relations order is a qualified domestic relations order is not resolved, the Plan

Administrator shall terminate the escrow account and restore the amounts then credited to the escrow account to the funding vehicle as though the Plan had never been served with such domestic relations order. Any determination that a domestic relations order is a qualified domestic relations order which is made after the close of the eighteen (18) month period after the Plan was served with such domestic relations order shall be applied prospectively only.

12.06 Review Procedures.

Any Member or alternate payee who is affected by a domestic relations order served upon the Plan may, upon written notice to the B&W Pantex Investment Committee appointed pursuant to paragraph 9.07, request a review by such Committee of the Plan Administrator's determination with respect to the qualification or lack of qualification of such domestic relations order. Any such review by the Committee shall be subject to the rules and procedures set forth in Section 9.

12.07 Status of Alternate Payee.

Any alternate payee who is entitled to receive amounts from this Plan pursuant to a qualified domestic relations order shall, with respect to this Plan and to the extent of the alternate payee's interest in this Plan, have such rights as are specified in the qualified domestic relations order.

IN WITNESS WHEREOF, the Employer has caused this B&W Pantex Retirement Plan for Bargaining Unit Members of the Pantex Guards Union to be executed by its duly authorized representative effective as of the dates set forth herein.

BABCOCK & WILCOX
TECHNICAL SERVICES
PANTEX, LLC, KNOWN AS
B&W PANTEX

By: _____
Finnis Hughes, CFO

TABLE C

To use this table, enter column 1 with the number of years, taken to completed twelfths, by which the Early Retirement Date of the Member precedes his Normal Retirement Date.

1. Number of Years	2. Percentage
0	100.0%
1	97.5
2	95.0
3	92.5
4	90.0
5	87.5
6	85.0
7	82.5
8	80.0
9	77.5
10	75.0
11	72.5
12	70.0
13	67.5
14	65.0
15	62.5
16	60.0
17	57.5
18	55.0
19	52.5
20	50.0

This table is only applicable for a Normal Retirement Date which is the first day of the month coinciding with or next following the Member's sixty-fifth (65^{th}) birthday. Any percentage which cannot be determined directly from the above table will be determined on an actuarial basis consistent with the above.

TABLES D-1 and D-2

To use these tables, enter column 1 with the number of years, taken to completed twelfths, by which the date the Member becomes a Retired Member precedes his Social Security Date. Determine the corresponding percentage from column 2 if the Social Security Date of the Member is the first day of the month coinciding with or next following the sixty-fifth (65th) birthday, and from column 3 if the Social Security Date of the Member is the date defined in the Plan in conjunction with his sixty-second (62nd) birthday.

TABLE D-1

1. Number of Years	2. Percentage (age 65)	3. Percentage (age 62)
0	100.0%	100.0%
1	92.1	92.9
2	85.1	86.5
3	78.8	80.7
4	73.2	75.4
5	68.1	70.6
6	63.6	66.3
7	59.4	62.3
8	55.7	58.7
9	52.2	55.4
10	49.1	52.3

TABLE D-2

1. Number of Years	2. Percentage (age 65)	3. Percentage (age 62)
1	1266%	1408%
2	671	741
3	472	518
4	373	407
5	313	340
6	275	297
7	246	265
8	226	242
9	209	224
10	196	210

The actuarial assumptions used in this table are –
Mortality: 1951 Group Annuity Table with a 6-year setback
Interest: 2 ½ %

83 00 E GA(1951) Mod. 1 yr. 2 ½ %

TABLE E

To use this table, enter column 1 and column 2 with age of the Member and joint payee on the birthday of each nearest to the date the Member becomes a Retired Member or, if earlier, the date payments are to commence. Determine the corresponding percentage from the appropriate column. Use column 3 if the benefit payment to the joint payee equals 100% of the reduced benefit payment to the Member; use column 4 if the benefit payment to the joint payee equals 75% of the reduced benefit payment to the Member. Use column 5 if the benefit payment to the joint payee equals 66 2/3% of the reduced benefit payment to the Member. Use column 6 if the benefit payment to the joint payee equals 50% of the reduced benefit payment to the Member.

1.	2.	3.	4.	5.	6.
Age of Member	Age of Joint Payee				
65	60	80.9	85.0	86.4	89.4
65	65	86.1	89.2	90.3	92.5
65	70	90.7	92.9	93.6	95.1
60	60	87.3	90.1	91.2	93.2
60	65	91.2	93.3	94.0	95.4
60	70	94.3	95.6	96.1	97.0

Any percentage which cannot be determined directly from the above table will be determined on an actuarial basis consistent with the above.

The actuarial assumptions used in this table are -

Mortality: 1951 Group Annuity Table with a 6-year setback for the Member and a 1-year setback for the Joint Payee

Interest: 2 1/2%

8 DI 2500 H 00 GA (1951) Mod. 1 yr. 2 ½ %

TABLE H

Certain and Continuous Option

To use this table, enter column 1 with the age of the Member on the birthday nearest to his Normal Retirement Date. Enter column 2 with the Member's fixed period. Enter column 3 with the Death Benefit Ratio for the Member and determine from column 3 the corresponding percentage.

"Death Benefit Ratio" is the ratio of item (a) to item (b) taken to the nearest tenth:

(a) the Death Benefit that would be payable to the beneficiary if the Member were to die immediately before his Normal Retirement Date;

(b) the yearly retirement benefit which would be provided for the Member in the Normal Form on his Normal Retirement Date.

1.	2.	3. Death Benefit Ratio					
Age of Member	Fixed Period	0	1	2	3	4	5
65	120 months	95.0%	95.1%	95.2%	95.5%	95.8%	96.8%
65	180 months	89.0%	89.1%	89.2%	89.4%	89.7%	90.2%
65	240 months	81.5%	81.6%	81.7%	81.9%	82.2%	82.6%

Any percentage which cannot be determined directly from the above table will be determined on an actuarial basis consistent with the above.

The actuarial assumptions used in this table are –
Mortality: 1951 Group Annuity Table with a 6-year setback
Interest: 2 ½ %

TABLE L

To use this table, enter column 1 with the number of years, taken to completed twelfths, by which the Late Retirement Date of the Member follows his Normal Retirement Date. Enter column 2 with the Death Benefit Ratio for the Member and determine from column 2 the corresponding percentage.

"Death Benefit Ratio" is the ratio of item (a) to item (b) taken to the nearest tenth:

(a) the Death Benefit that would be payable to the beneficiary if the 4ember were to die immediately before his Normal Retirement Date;

(b) the amount of yearly retirement benefit in the Normal Form determined in accordance with Section 3.

1. Number of Years By Which Late Retirement Date Follows Normal Retirement Date	2. Death Benefit Ratio Percentage					
	0	1	2	3	4	5
0	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1	108.9	108.9	108.8	108.8	108.7	108.6
2	119.1	118.8	118.5	118.2	118.1	117.9
3	130.6	130.0	129.3	128.7	128.5	128.4
4	143.8	142.8	141.8	140.8	140.2	139.5
5	159.0	157.8	156.5	155.3	154.5	153.6
6	176.6	174.8	173.0	171.2	169.7	168.3
7	197.1	194.6	192.2	189.7	188.0	186.4
8	221.1	217.8	214.4	211.1	208.5	206.0
9	249.4	245.0	240.6	236.2	233.3	230.4
10	283.0	277.3	271.5	265.8	261.6	257.4

If the Member's Late Retirement Date is a fractional number of years following his Normal Retirement Date, the percentage to be used will be determined on an actuarial basis consistent with the above.

The actuarial assumptions used in this table are
Mortality: 1951 Group Annuity Table with a 1-year setback
Interest: 2 1/2%