

FLUOR-BWXT PORTSMOUTH LLC
USW CAREER PENSION PLAN FOR
APPENDIX A USW-REPRESENTED EMPLOYEES

SUMMARY PLAN DESCRIPTION

JANUARY 1, 2018

Fluor-BWXT Portsmouth LLC
EIN: 27-1279969
PN: 002

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I. INTRODUCTION

The Fluor-BWXT Portsmouth LLC USW Career Pension Plan for Appendix A USW-Represented Employees (the “Plan”) works with Social Security and your personal savings to provide for your financial security when you retire.

Effective January 1, 2018, Fluor-BWXT Portsmouth LLC established this Plan to provide a pension upon the retirement of certain United Steelworkers (“USW”) Represented Employees listed in Appendix A, of the Plan. Please contact the Plan Administrator if you have any questions about your status as an Employee listed on Appendix A. The amount of the pension takes into account the Years of Service for vesting and the Rule of 85 Early Retirement provided by Participating Employers (as defined in this Summary Plan Description).

By participating in this Plan, you are not eligible to receive Nonelective Profit Sharing Contributions as described in the Adoption Agreement for Automatic Data Processing Defined Contribution Plan, Non-Standardized 401(k) Profit Sharing, as executed by Fluor-BWXT Portsmouth LLC.

This booklet is called a Summary Plan Description (SPD). It is designed to summarize the legal text of the Plan. You should read this material thoroughly to develop an understanding of the provisions of the Plan. The Plan itself is defined by a legal document, and in the event of any discrepancy between this summary and the legal text of the Plan, the legal text of the Plan will govern. Certain provisions of this Plan may be subject to change as mandated by government legislation.

Some of the terms used in this SPD have definitions which are unique to the Plan; these terms are described by the legal text of the Plan, and where appropriate, in this SPD. Generally, when a term in this SPD is capitalized, it is being used in its defined meaning.

Unless otherwise stated, for purposes of this SPD, “Contractor” means Fluor-BWXT Portsmouth LLC, and “Participating Employer” means the Contractor and any employer performing work under DOE Task Order DE-AC30-10CC40017, Fluor-BWXT Portsmouth LLC, or a successor (the “Contract”), who adopts this Plan on behalf of its Appendix A USW-Represented Employees and any successor of these entities by merger, purchase, or otherwise, that adopts the Plan.

If you have any questions about the Plan, contact HR Benefits at FBPHRBenefits@ports.pppo.gov.

II. ELIGIBILITY

To participate in this Plan, you must be an Appendix A USW-Represented Employee. An Appendix A USW-Represented Employee is an employee of Fluor-BWXT Portsmouth LLC (“FBP”) and who was a former USW-Represented employee of the United States Enrichment Corporation (“USEC”), who is currently represented by the USW and who was hired by USEC prior to March 31, 1998 and who has been continuously employed (employed without a Break in Service Period) by FBP in a USW-Represented position from the date of contract transition (March 29, 2011) until the date of ratification of the new collective bargaining agreement

between USW and FBP, such date being December 20, 2017. For avoidance of doubt, employment performed after promotion to management or when such Employee who is no longer represented by the USW will not be considered covered employment under the terms of the Plan. (A Break in Service Period for this purposes is defined as a period of at least 12 months after an employee's severance from service date during which the Employee does not perform at least one Hour of Service with the Contractor.)

You are not eligible to participate if you are:

- An employee who is not an Appendix A USW-Represented Employee;
- A leased employee;
- An individual classified as an "independent contractor," "consultant," or "leased employee," or any other individual not classified as an Employee by the Participating Employer, regardless of the requirements of the Plan and of these individuals' classification by the Internal Revenue Service for tax withholding purposes or by any other person or entity for any other purpose; or
- An employee who is a nonresident alien who receives no earned income from a Participating Employer that constitutes U.S. source income.

In any event, Appendix A to the Plan must list both your name and your service in order for you to participate in this Plan. If you are not listed in Appendix A, you are not eligible to participate in this Plan. Employment performed after you have been promoted to management or when you are no longer represented by the USW will not be considered "Covered Employment" for purposes of this Plan.

If you meet the eligibility requirements listed above, you will become a Participant in this Plan on the later of (1) the date you first perform an Hour of Service in "Covered Employment," or (2) January 1, 2018, as long as you are still a USW-Represented Employee who has not been promoted to management as of such date. Covered Employment means regular and permanent, full- or part-time employment performed by an Appendix A USW-Represented Employee while employed by a Participating Employer, while represented by the USW, and while performing work under the Contract.

An Hour of Service means each hour for which you are paid, or entitled to payment, by a Participating Employer for the performance of duties for a Participating Employer during the applicable computation period, or for a period of time during which no duties are performed, due to vacation, holiday, illness, incapacity (including short-term disability), jury duty, layoff, military leave, other approved leave of absence, and hours for which pay back is awarded or agreed to be paid by the Participating Employer. Hours while on long-term disability will not be counted.

If you are not vested under the Plan (as described in Section XII of this SPD), your participation in this Plan will end on the earlier of the date you (1) cease to be an Appendix A USW-Represented Employee, (2) are no longer represented by the USW, or (3) your Severance from Service Date. Your Severance from Service Date is the earlier of (1) the date you quit, retire,

are discharged, or die, or (2) the first anniversary of the date of absence from work with a Participating Employer or affiliate.

If you are an Appendix A USW-Represented Employee and incur a break in service of any length, you will continue to be an Appendix-A USW-Represented Employee upon reemployment by the Contractor for work in Covered Employment, provided you remain represented by the USW.

III. CONTRIBUTIONS

Contributions to the Plan are made by the Participating Employer. No contributions are made by an Employee.

A. Glossary of Terms.

Your eligibility to receive benefits under the Plan and the amount of these benefits depend on your **Years of Vesting Service** and **Years of Benefit Service**, respectively. The amount of your benefit is also a function of your **Average Monthly Compensation**. It is important, therefore, to know what these terms mean.

1. Years of Vesting Service

Your Years of Vesting Service determine:

- Your eligibility for retirement;
- Your right to a vested benefit if you terminate employment before retirement; and
- Whether you meet the Plan’s “Rule of 85” that provides for an unreduced early retirement benefit, as described in Section IV of this SPD.

Your Years of Vesting Service means the period of time starting on your Employment Commencement Date and ending on your Severance from Service Date, determined based on completed years and completed months of service with a Participating Employer. (Your Employment Service Date is the date you first complete an Hour of Service with a Participating Employer during the most recent period of employment under the Contract. Your Severance from Service Date is defined in Section II of this SPD.) As explained below, vesting credit under the USEC Plan is also recognized.

If you leave employment because you quit, are discharged, transfer to a position that is not subject to a collective bargaining agreement between the Contractor and United Steel Workers, or retire, and then you return to employment and perform an Hour of Service within 12 months of your Severance from Service Date, the period of your absence (known as a “Period of Severance”) is counted for vesting purposes.

If you have periods of employment that are not successive, those periods are combined to determine your vesting status.

Your Years of Vesting Service also include:

- Credit under the USEC Plan, as set forth in Appendix A;
- Years of Vesting Service before a Period of Severance, as long as one of the following conditions is met: (1) you were vested at the time of the Period of Severance, (2) your Period of Severance did not equal or exceed five years, or (3) your Period of Severance did not equal or exceed your prior Years of Vesting Service with an Affiliate (as defined in Section I of the Plan);
- Years of Vesting Service with an Affiliate; and
- Periods of absence due to qualifying military leave if you return to employment with a Participating Employer within the time period required under applicable law.

However, your Years of Vesting Service do not include service that may be disregarded under certain Department of Labor (DOL) Regulations, such as service with a Participating Employer prior to the date that the Participating Employer has adopted the Plan and noncontiguous, noncovered service.

2. Years of Benefit Service

Years of Benefit Service are used in the formula that determines the amount of your pension benefit.

Your Years of Benefit Service are measured starting on the Effective Date of this Plan (January 1, 2018) and ending on your Severance from Service Date, determined based on completed years and completed months of service with a Participating Employer. A completed month means any calendar month in which you complete 28 or more days of service.

If you have periods of employment that are not successive, those periods are combined to determine your vesting status.

Your Years of Benefit Service also include:

- Periods of Covered Employment (as defined in Section III of this SPD) on and after the date of hire by the Contractor; and
- Periods of service during which you are employed in Covered Employment but not at work due to absence caused by temporary suspension of work or an approved leave of absence.

If you are an Appendix A USW-Represented Employee and are rehired by a Participating Employer as a Participant working in Covered Employment, your Years of Benefit Service earned as of your most recent date of termination will be immediately restored, no matter how long before the break in service occurred or the length of the break in service.

Only periods of time on and after January 1, 2018 and only periods of time while a USW-Represented Employee and while performing work for a Participating Employer will be considered.

Also, your Years of Benefit Service do not include service that may be disregarded under certain Department of Labor (DOL) Regulations, such as service with a Participating Employer prior to the date that the Participating Employer has adopted the Plan and noncontiguous, noncovered service.

3. Average Monthly Compensation

Average Monthly Compensation means the greater of:

- 1/36th of Compensation for the three full Business Years in which your Compensation was the largest during the ten full Business Years next preceding your date of retirement; or
- 1/36th of Compensation for the 36 full Business Months next preceding your date of retirement.

If you have fewer than three full Business Years of Compensation with the Contactor or Participating Employer, that lesser period will be averaged. (Business Years and Business Months are based on the Contractor's fiscal year or fiscal month, as applicable, for financial reporting purposes.)

Compensation while working in Covered Employment for a Participating Employer means the straight-time portion of remuneration (including shift differential or shift premium and hourly COLA), and received from the Participating Employer on and after January 1, 2018 for the established regular working schedule of the Participant, determined prior to any reduction in such rate of remuneration for any contribution made on behalf of such Participant to a 401(k) plan or a cafeteria plan (within the meaning of Code Section 125) maintained by a Participating Employer, excluding, without limitation, overtime, holiday pay in excess of regular pay, bonuses, taxable or nontaxable fringe benefits and employer contributions to this Plan and any other plan maintained by a Participating Employer.

IRS Limits on Compensation

For purposes of retirement benefits, the Internal Revenue Code limits the amount of pay that can be used to determine pay-based credits to your account. In 2018, the annual limit is \$275,000. This limit may be adjusted for changes in the cost of living in future years.

IV. EARLY RETIREMENT BENEFITS (“RULE OF 85”)

You are eligible for Early Retirement Benefits under the Plan when you terminate employment if you (1) are vested, (2) are at least age 62 at the time of termination from employment, and (3) meet the “Rule of 85.” You are vested if you have completed five Years of Vesting Service, as described in Section II.A.1. You meet the “Rule of 85” if you are at least age 62 and the sum of your age and Years of Vesting Service equals at least 85. For purposes of the Rule of 85, your

Years of Vesting Service under the Plan will be combined with your years of USEC Service listed in Appendix B of the Plan. Please contact the Plan Administrator if you have any questions about your USEC vesting service.

If you qualify for Early Retirement Benefits at the time you terminate employment, you are eligible to elect either to start receiving your benefits immediately or to defer the start until a later date. If you meet the Rule of 85 and are eligible for an Early Retirement Benefit, no actuarial reduction will be taken for starting benefits prior to Normal Retirement Age (65). In this case, your Early Retirement Date is the first date of the month after you meet the eligibility requirements for an Early Retirement Benefit described in the prior paragraph.

If you are listed on Appendix B to the Plan and qualify for the Early Retirement Benefit, the benefit will be the value of your unreduced Normal Retirement Benefit increased by a Wrap Benefit. Such Wrap Benefit is equal to the product of: 1.2% of your Average Monthly Compensation, Years of USEC Service as listed on Appendix B, five-ninths of one percent, and the remaining time, in months, until you would reach age 65. Specifically, your early retirement benefit would be calculated as A + B where:

A = the unreduced Normal Retirement Benefit under the Plan; and

B = 1.2% x Average Monthly Compensation x USEC Service as listed on Appendix B x (5/9 x 1%) x 12 x (65 – age of commencement) (where age of commencement is measured in attained years and months).

The Early Retirement Benefit payable is this unreduced Normal Retirement Benefit increased by the Wrap Benefit, as specified above.

V. DEFERRED VESTED RETIREMENT (NOT ELIGIBLE FOR EARLY RETIREMENT/"RULE OF 85")

The term "vested" means that you are entitled to receive a pension from the Plan when you reach retirement age even if you terminate employment with a Participating Employer before retirement age. You are vested if you completed five (5) Years of Vesting Service. If you die while on qualifying military leave, your benefits will become 100% vested, subject to applicable laws governing military leaves.

If you terminate employment after you are vested but before you are eligible for an Early Retirement Benefit and the "Rule of 85" described in Section IV, you will have a Deferred Vested Retirement Benefit in the Plan.

If you terminate employment (other than for reason of death) before you have five Years of Vesting Service, you will not be eligible to receive a benefit under this Plan.

Your Deferred Vested Retirement Benefit will start on your Normal Retirement Date (or your Late Retirement Date, as described in Section VII). Your Normal Retirement Date is the first day of the month on or after your 65th birthday.

Your Deferred Vested Retirement Benefit is calculated as follows:

$$1.2\% \times \text{Average Monthly Compensation} \times \text{Years of Benefit Service}$$

VI. YOUR NORMAL RETIREMENT BENEFIT

A. Eligibility

Regardless of whether you are eligible for Early Retirement, you qualify for Normal Retirement when you reach age 65 if you have met the vesting requirements described in Section V above. Your Normal Retirement Date is the first day of the month on or after your 65th birthday.

B. Calculating your Benefit

If you retire on your Normal Retirement Date, your base Normal Retirement pension is calculated as follows:

$$1.2\% \times \text{Average Monthly Compensation} \times \text{Years of Benefit Service}$$

The amount of your actual pension benefit is your base pension adjusted to reflect (1) the form of payment you select, and (2) Surviving Spouse coverage, if applicable. Generally, in order to begin benefit payments as of your Normal Retirement Date, you should give HR Benefits at least 60 days' advance notice of your intent to begin receiving benefit payments.

VII. YOUR LATE RETIREMENT BENEFIT

Your Late Retirement Date is the first day of the month after you retire having passed your Normal Retirement Date. Your Late Retirement pension is determined in the same manner as the Normal Retirement, based on your Average Monthly Compensation and Years of Benefit Service at your Late Retirement.

If you have retired and postponed receipt of your benefits, you must begin receiving your vested retirement benefits no later than April 1 of the calendar year following the calendar year in which you reach age 70½. If you are a more than 5% owner of a Participating Employer, you must begin receiving your vested retirement benefits no later than April 1 of the calendar year following the calendar year in which you reach age 70½, even if you are still employed by the Participating Employer.

If you reach age 70½ and are still employed by a Participating Employer, you may make a one-time election to have your benefits begin in the next month following the election or in the month next following the month in which you retire.

VIII. PAYMENT OPTIONS WHEN YOU START TO RECEIVE BENEFITS

A. Normal Form of Payment

The Plan will automatically pay your retirement income in the Normal Form, unless you properly elect an Optional Form. The Normal Form is:

A **Single Life Annuity** if you are unmarried on the date your payments are scheduled to begin. A Single Life Annuity pays you a monthly income for the rest of your life. When you die, payments stop and do not continue to anyone else, regardless of how many payments have been made.

A **Joint and 50% Survivor Annuity** (also referred to as a **Qualified Joint and Survivor Annuity**) if you are married on the date you payments are scheduled to begin. A Joint and 50% Survivor Annuity pays you a monthly income while both you and your spouse are living. When you die, your spouse will receive 50% of that income, for life. Because payments will be made over two lifetimes, the amount of your monthly payments is less than the amount that you would have received under a Single Life Annuity. If your spouse dies before you do, your monthly benefit remains at the same reduced amount. The Joint and Survivor Annuity is the actuarial equivalent of the Participant's Single Life Annuity.

B. Optional Form of Payment

Instead of receiving the Normal Form of payment described above, you may elect one of the optional forms of payment described below. If you are married, your spouse must provide notarized written consent to the election of a form of payment other than the Normal Form. You will receive (and must review) an explanation of your benefit options prior to starting your benefit payments. For each of these options, your base pension will be adjusted to reflect payments to the beneficiary.

The Plan provides the following Optional Form of payment:

- Single Life Annuity (an Optional Form for married individuals)
- Joint and Survivor Annuity, with payments continuing to your spouse, dependent child, or dependent parent at a rate of either 75% or 50% of your adjusted pension amount.

Distribution of your vested Plan benefits must be made in one of the following ways:

- Over your lifetime; or
- Over the lifetime of you and your spouse.

1. Single Life Annuity (for married Participants)

This is the same as the Normal Form of payment for unmarried Participants. You receive the pension you've earned for as long as you live. Once you die, all pension payments stop; they do not continue to anyone else, including your spouse. If you are married and wish to have benefits

payable during your lifetime only, your spouse must consent to this election in writing, and his or her consent must be witnessed by a notary public.

2. Spouse; Joint and Survivor Annuity (for married Participants)

This option provides that a reduced benefit will continue to your spouse following your death. While you live, you receive a reduced pension to take into account that payments are scheduled to be paid over two lifetimes instead of one. You may choose to have 50% or 75% of your reduced pension continue after your death to your spouse for his or her lifetime. Your age and your spouse's age, and the percentage you select, will determine the amount of reduction.

If your spouse dies before you but after you start receiving your pension benefit, you continue to receive your reduced benefits for life and may not name a new joint annuitant.

C. Election of Pension Payment Option

You must contact HR Benefits to receive any benefits under the Plan, as well as to elect an optional form of payment. Generally, you should notify HR Benefits of your intent to begin receiving benefit payments at least 60 days before the date you want payments to start. Upon receipt of your request, the Benefits Administration will send you a Qualified Joint and Survivor Annuity notice, which explains your benefit payment options. Ordinarily, you will have at least 30 days to review this explanation and payments will not begin before the end of the 30-day review period. However, it is possible for you to elect to have your payments begin sooner than 30 days after receiving the notice, as long as all of the following requirements are met:

- The notice you receive clearly states that you have a period of at least 30 days after receiving the notice to decide when to have your payments begin and to choose a particular optional form of payment;
- You choose a date for your payments to begin and, if applicable, an optional form of payment, after receiving the notice;
- You are allowed to revoke your election before your payments begin or seven days after you receive the notice, whichever is later;
- Payment does not begin less than seven days after you receive the notice; and
- Payment of your benefit is scheduled to begin after the date the notice is provided.

Federal law requires that if you are married and want to elect certain Optional Forms of payment, your spouse must provide written notarized consent to this election within 180 days before the date your payments are scheduled to begin. In consenting to an Optional Form of payment, your spouse may be giving up rights to benefits he or she would otherwise get under the Normal Form of payment.

If you have elected an Optional Form of payment and you remarry before your payments begin, your election will be invalid unless your new spouse consents. Your election of an Optional

Form may not be cancelled or changed after the date your benefit payments are scheduled to begin.

D. Suspension of Benefits

Your benefits will be suspended during any period that you are reemployed in covered service under the Plan. You will receive a notice if your benefits are to be suspended.

E. Small Benefits

If you terminate employment with a vested benefit with a present value of not more than \$1,000, your benefit will be automatically distributed to you in a single sum after your termination of employment.

If you terminate employment with a vested benefit with a present value of more than \$1,000 but not more than \$5,000, you may elect a distribution prior to your normal benefit commencement date.

Information on your options, such as a rollover to another employer's eligible retirement plan or an IRA, will be provided to you prior to the distribution.

IX. PAYMENTS UNDER A QUALIFIED DOMESTIC RELATIONS ORDER

The Plan may be required by law to recognize certain obligations resulting from court ordered child support, maintenance payments, or division of marital assets. A "qualified domestic relations order" issued by a court may allocate a portion of your benefit under the Plan to your spouse, former spouse, child, or other dependent. In this case, all or a portion of your benefits may be used to satisfy the obligation.

Once your benefit payments start, your benefit options will not be changed. However, if you become divorced before your benefit payments start, your ex-spouse will not be treated as a spouse for any purposes under this Plan, unless required by a qualified domestic relations order.

All domestic relations orders served upon the Plan must be reviewed and approved by the Plan Administrator before any action will be taken.

You may obtain, without charge, a copy of the Plan's procedures for processing domestic relations orders from the Plan Administrator.

If you have any questions about this process, contact the Plan Administrator.

X. DISABILITY

If you are a Participant and become Disabled as defined in the Plan, you will not receive Years of Benefit Service or Years of Vesting Service for the period of the Disability. The Plan defines "Disabled" or "Disability" as being eligible for and receiving disability benefits under either (1) the long-term disability plan of your Participating Employer, or (2) the federal Social Security Act.

If you return to work with a Participating Employer as an Appendix A USW-Represented Employee, you will be credited with Years of Benefit Service and Years of Vesting Service effective as of your date of rehire, in accordance with the terms of this Plan. Only Years of Benefit Service after January 1, 2018 are counted under this Plan.

XI. DEATH

Death Before Termination of Employment

If you have been credited with at least five Years of Vesting Service and you die before terminating employment with your Participating Employer, your surviving spouse will be entitled to a survivor's benefit in the form of a Qualified Preretirement Survivor Annuity. If you are not married at the time of your death, there is no survivor's benefit payable to anyone.

The amount of the survivor's benefit payable to your spouse will be 50% of the benefit you would have received if you had terminated employment on the date of your death, survived until your Normal Retirement Date (or Late Retirement Date if you die after age 65) and as of that date started receiving a Joint and 50% Survivor Annuity (also known as a Qualified Joint and Survivor Annuity) with your spouse as your joint annuitant. (See Section VIII.A for information about the Joint and 50% Survivor Annuity.)

If you die before reaching age 65, the payment of survivor's benefits will not begin earlier than the date on which you would have reached age 65. Benefits to your spouse may begin as of the first day of any month following your death (but no earlier than what would have been your 65th birthday). There is an exception to this rule if you are at least age 62 and meet the "Rule of 85" (as described in Section IV) when you die. In that case, survivor's benefits may start as soon as administratively possible following your death, with no actuarial reduction for early retirement.

Benefits to your spouse must begin by the later of December 31 of the calendar year following your death or December 31 of the calendar year in which you would have reached age 70½.

No further benefits are payable following your spouse's death.

Death After Termination of Employment (Prior to Starting Benefits)

If you have been credited with at least five Years of Vesting Service and you die after terminating employment with your Participating Employer but before you start to receive benefits from the Plan, your surviving spouse will be entitled to a survivor's benefit in the form of a pension.

The monthly amount of your spouse's pension benefit will be equal to 50% of the Deferred Vested Retirement Benefit that you would have received if you had elected a Joint and 50% Survivor Annuity with your spouse as your joint annuitant. (See Section V of this SPD for information about the Deferred Vested Retirement Benefit and Section VIII.A for information about the Joint and 50% Survivor Annuity.)

If you are not married at the time of your death, there is no survivor's benefit payable to anyone.

If you die before reaching age 65, the payment of survivor's benefits will not begin earlier than the date on which you would have reached age 65. Benefits to your spouse will start on the first day of the month on or after the later of (1) your death, or (2) the date you would have reached age 65.

There is an exception to this rule if you are at least age 62 and meet the "Rule of 85" (as described in Section IV) when you die. In that case, survivor's benefits may start as soon as administratively possible following your death, with no actuarial reduction for early retirement.

No further benefits are payable following your spouse's death.

If You Die as a Retiree or Vested Terminated Individual While Receiving Payments

Whether your spouse receives any pension benefit depends on which payment option you elected at retirement.

XII. VESTED RIGHTS

A. Vesting after Five Years of Vesting Service

You become vested in your Plan benefits after completing five (5) Years of Vesting Service. (See Section III.A.1 of this SPD for the definition of Years of Vesting Service.) You will also become vested in your Plan benefits if you reach Normal Retirement Age (65) while employed by a Participating Employer. If you die while on a qualified military leave, you will become 100% vested in your benefits, regardless of the number of Years of Vesting Service you have.

B. Limitations and Exclusions

Once you have completed the Plan's eligibility requirements for vesting, there are very few possible events which could cause a loss of part or all of your benefits under the Plan. If any of these events were to occur, benefit determinations would be made in accordance with the legal text of the Plan, which would be controlling in all cases. Subject to the provisions of the Plan, a brief summary of possible events follows:

- (a) If a court issues a qualified domestic relations order, your benefit may be reduced in part or in whole to satisfy the order.
- (b) If the Plan were ever to be terminated, the benefits to be provided from the Plan thereafter would be limited to those which could be provided by the available assets of the Plan as allocated in accordance with the requirements of the law and the plan termination insurance. The Contractor reserves the right to amend or terminate this Plan at any time. The Plan Administrator also has the right to terminate the Plan.
- (c) A person who is eligible to receive benefits under the Plan must complete all of the necessary application and information forms before the benefits can be paid. Failure to submit completed forms in a timely manner can cause a delay in benefit

payments, or in certain cases, a loss of benefit payments which would have been payable had a timely application been made.

- (d) Benefit payments are normally made by mail. If the Plan Administrator cannot, by making a reasonably diligent effort, locate the person entitled to a benefit within seven years, that person shall lose his right to such benefit. You are responsible for furnishing the Plan Administrator with your current address.

Also, you should know that you may not assign, sell, transfer or otherwise encumber your benefits, except in the case of a Qualified Domestic Relations Order as described in Section IX of this SPD.

XIII. RIGHTS OF PARTICIPANTS

A. Benefit Claims and Appeal Procedures

If you are entitled to benefits under the Plan, you need not make a claim to the Plan Administrator in order to receive your benefits. However, if you disagree with the information or computations in connection with any of your benefits, you may make a claim to the Plan Administrator. The Plan Administrator has the sole discretion to decide all issues of fact or law. Any decision by the Plan Administrator that does not constitute an abuse of discretion must be upheld by a court of law.

If you make a claim, that claim should be in the form of a letter stating why you disagree and should include all facts and information you want the Plan Administrator to consider. You will be advised of the acceptance or rejection of your claim within 90 days after your claim is received, unless special circumstances require an extension of time for processing the claim. If the Plan Administrator requires an extension, written notice of the extension will be furnished to you prior to the end of the initial 90-day period. The extension will not exceed an additional period of 90 days. The extension notice from the Plan Administrator will state the special circumstances requiring the extension of time and the date by which the Plan Administrator expects to make a final decision.

If your claim is denied, it must be denied in writing and the denial must state in detail the specific reasons for the denial, the specific Plan provisions upon which the denial is based, any additional material or information which you may provide which would entitle you to the benefits you claim, and an explanation of why such material or information is necessary. The notice of denial must also explain the steps to be taken if you or your beneficiary wishes to submit a claim for review.

If you choose to submit a claim for review by the Plan Administrator, then within 60 days after the date your claim is denied, you or your authorized representative must make a written request to the Plan Administrator for review. Your request for review of your denied claim should include a statement of the reasons your claim should be allowed.

You or your representative may examine any documents the Plan Administrator has in its files and will use in reaching a decision, and you may also submit additional written comments to the Plan Administrator that support your claim.

The Plan Administrator will advise you of its decision in writing within 60 days following receipt of your request for review, unless special circumstances require an extension of time for processing. If an extension is necessary, a decision will be made as soon as possible, but not later than 120 days after the Plan Administrator receives your request for review.

If an extension of time for review is required because of special circumstances, written notice of the extension and the Plan Administrator's reasons for needing more time will be furnished to you prior to the commencement of the extension. The decision on review will be in writing and will include specific reasons for the decision, as well as specific references to the plan provisions upon which the decision is based. The decision of the Plan Administrator will be final and will be subject to no further appeal or review.

No legal or equitable action (such as a lawsuit) may be brought concerning a Plan benefit dispute more than one year after the date the Plan Administrator renders its final benefit determination, including its final decisions on the appeal of a benefit claim determination.

B. Plan Termination

The Contractor intends that the Plan continue indefinitely, but reserves the right to amend or terminate the Plan at any time. The Plan Administrator also has the right to terminate the Plan. No amendments can be made retroactively that reduce benefits that have already been accrued for you and your beneficiaries.

Assets of the Plan and the PBGC (see below) are the sole recourse for satisfying your rights. The Plan assets will be allocated in a nondiscriminatory manner as determined in accordance with the Employee Retirement Income Security Act of 1974 (ERISA) and subject to any required approval by government agencies.

C. Pension Benefit Guaranty Corporation

Your pension benefits under this Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) a federal insurance agency. If the Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all the pension benefits they would have received under their plan but some people may lose certain benefits.

The PBGC guarantee generally covers: (1) normal and early retirement benefits and (2) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) benefits greater than the maximum guaranteed amounts set by law for the year in which the Plan terminates; (2) some or all of benefit increases and new benefits based on Plan provisions that have been in place for fewer than five years at the time the Plan terminates; (3) benefits that are not vested because you have not worked long enough for the company; (4) benefits for which you have not met all the requirements at the time the Plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the Plan's normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your Plan has and how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask the Plan Administrator or contact the PBGC's technical assistance division, 1200 K Street, N.W., Suite 930, Washington D.C. 20005-4026, or call (202) 326-4000 (not a toll-free number). TTY/TDD users may call the Federal Relay Service toll free at 1-800-877-8339 and ask to be connected to (202) 326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the internet at <http://www.pbgc.gov>.

D. Statutory Limitations

There are legally required limits on the maximum benefit payable from the Plan. For the most part, this involves very few people. You will be notified if you are affected.

Also, under Federal tax laws, if the Plan were determined to be "top heavy" (that is, to favor "Key employees") in any year, special provisions affecting Plan benefits and vesting would take effect automatically. Although it is unlikely that the Plan would ever become top heavy, the Plan Administrator will advise you of your rights if this situation should occur.

E. Administration of the Plan

The Benefits Committee is the Plan Administrator. It has overall responsibility for the operation of the Plan and controls the administration of the Plan. These persons have the power to delegate authority for certain parts of the Plan to certain other persons. Responsibility for day to day administration of the Plan may be delegated to a third party administrator or other party. A Trustee has been appointed to be responsible for the safekeeping of funds used to pay Plan benefits.

F. Contributions and Funding

The Plan is funded by Employer contributions, in accordance with applicable law. The Plan Administrator employs professional investment managers to invest and reinvest the assets of the trust fund.

G. Additional Information

The following information is provided in compliance with the Employee Retirement Income Security Act of 1974 (ERISA).

Plan Sponsor

**Fluor-BWXT Portsmouth LLC
P.O. Box 548 Benefits
Piketon, OH 45661
740-897-3900**

Plan Administrator

FBP Benefits Committee

Trustee

**U.S. Bank National Association
425 Walnut Street, CN-OH-W5IT
Cincinnati, OH 45202
(513) 632-4272**

Agent for Service of Legal Process

Plan Administrator or Trustee – may be served at the address above.

Legal process may also be served on the Plan Administrator or Trustee.

The financial records of the Plan are kept on a Plan Year basis. The Plan Year is the period from January 1 to December 31.

The formal name of this Plan is the “Fluor-BWXT Portsmouth LLC USW Career Pension Plan for Appendix A USW-Represented Employees.” The Plan is a defined benefit pension plan and identified by Plan Number 002 and Employer Identification Number (EIN): 27-1279969. You should always use the formal name of the Plan and these identifying numbers in any correspondence concerning the Plan.

XIV. YOUR RIGHTS UNDER ERISA

This statement of ERISA rights is required by federal law and regulation. As a Participant in the Plan, you are entitled to certain rights and protection under the Employee Retirement Income Security Act (ERISA) of 1974. ERISA provides that all Plan participants are entitled to:

A. Receive Information About Your Plan and Benefits

Examine, without charge, at the Contractor’s office and at other specified locations such as work sites and union halls, all documents governing the Plan including a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of all documents governing the operation of the Plan, including copies of the latest annual report (Form 5500 series) and updated Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies.

Receive summaries of annual financial reports for the Plan. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive a benefit at normal retirement age and, if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a benefit, the statement will tell you how many more years you must work to obtain a right to a pension benefit. This statement must be in writing and

shall be furnished to the extent required by ERISA. The Plan must provide the statement free of charge.

B. Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people responsible for the operation of employee benefit plans. The people who operate your plans, called “fiduciaries” of the Plan, have a duty to do so prudently and in your interest and that of other Plan participants and beneficiaries.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

C. Enforce Your Rights

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

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

In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court.

If it should happen that Plan fiduciaries misuse a plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor.

You may also file suit in a Federal court. Venue for any lawsuit is the Federal District Courts of Texas. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, if it finds, for example, that your claim is frivolous.

D. Assistance with Your Questions

If you have any questions about your Plan, you should contact HR Benefits.

If you have any questions about this information or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries,

Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.