

## ARTICLE II

### DEFINITIONS

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Unless the content or subject matter otherwise requires, the following definitions shall govern this Plan:

- 2.01 **Actuarial Equivalent** shall mean that the present value of one benefit option is equal to the present value of another benefit option based on the same mortality table and interest rate.
- (a) For purposes of the fifty percent (50%) Joint and Survivor Annuity benefit available to disability retirees as described in Section 5.04, and the Qualified Joint and Survivor Annuity and the Qualified Joint and Survivor Annuity with Increase Feature available to disability retirees as described in Section 5.05, the actuarial equivalent adjustment factor equals 78.0% minus 0.4% for each year that the spouse is younger than the Employee and plus 0.4% for each year that the spouse is older than the Employee, subject to a maximum factor of 99.0%.
  - (b) For purposes of the fifty percent (50%) Joint and Survivor Annuity benefit described in Section 8.01, the Qualified Joint and Survivor Annuity described in Section 8.04(b), and the Qualified Joint and Survivor Annuity with Increase Feature described in Section 8.05(b), the actuarial equivalent adjustment factor shall be equal to 90.0% minus 0.4% for each year that the spouse is younger than the Employee, and plus 0.4% of each year that the spouse is older than the Employee, subject to a maximum factor of 99.0%.
  - (c) The actuarial present value of a lump sum distribution shall be determined as follows:
    - (1) For distributions made before January 1, 2000:

For purposes of the lump sum option available to Employees retiring under a Regular Pension as described in Section 8.02, the actuarial equivalent adjustment factors are based on mortality rates taken from the average of the male and female rates taken from the 1971 Group Annuity Mortality table with a one-year advance in age and an interest rate of 6.50%.

For purposes of computing any lump sum payable under Sections 7.08, 8.02, or 10.05(c) effective January 1, 1989, the interest rate shall not exceed (i) the Applicable Interest Rate set forth in Section 2.01 (f)(1) if the present value of the benefit is not in excess of \$25,000, or (ii) 120 percent of the Applicable Interest Rate set forth in Section 2.01 (f)(1) if the present value of the benefit exceeds \$25,000 as determined under clause (i) of this paragraph. In no event shall the present value determined under clause (ii) be less than \$25,000.
    - (2) For lump sum payments made under Sections 7.08, 8.02, or 10.05(c) on or after January 1, 2000, and before April 1, 2002, the actuarial present value shall be calculated as the greater of the actuarial present value as determined using the Applicable Interest Rate set forth in Section 2.01 (f)(2), and the mortality table based on the prevailing standard table described in Section 807(d)(5) of the Internal Revenue Code, or as determined under Section 2.01(c)(1), above.

- (3) For lump sum payments made under Sections 7.08, 8.02, or 10.05(c) on or after April 1, 2002, the actuarial present value shall be calculated as the greater of the actuarial present value as determined using the Applicable Interest Rate set forth in Section 2.01 (f)(2), and the mortality table based on the prevailing standard table described in Section 807(d)(5) of the Internal Revenue Code, or as determined using the mortality rates taken from the average of the male and female rates taken from the 1971 Group Annuity Mortality table with a one-year advance in age and an interest rate of 6.50%.
- (d) For purposes of the offset actuarial calculation for post Regular Retirement Benefit accruals described in Section 4.04, effective January 1, 1989, the interest assumption shall be 7.25% per annum. The mortality assumption shall be based on mortality rates taken from the average of the male and female rates taken from the 1971 Group Annuity Mortality table with a one year advance in age.
- (e) For purposes of determining the actuarial equivalent postponed pension benefits described in Section 7.03(a), effective January 1, 1989, the actuarial equivalent adjustment increase factor equals 1.0% for each month the date described in Section 4.01 precedes the Pension Benefit Starting Date for the first sixty (60) months, and 1.5% for each additional month after sixty months.
- (f) “Applicable Interest Rate” shall have the following meanings:
  - (1) Effective January 1, 1989, for distributions made before January 1, 2000, the Applicable Interest Rate shall mean the interest rate or rates which would be used by the Pension Benefit Guaranty Corporation for purposes of determining the present value of that Employee’s benefits under the Plan if the Plan had terminated on the date distribution commences with insufficient assets to provide benefits guaranteed by the Pension Benefit Guaranty Corporation on that date as a trustee single-employer plan. Notwithstanding the foregoing, the Applicable Interest Rate shall be determined as of the first day of the Plan Year in which the distribution occurs.
  - (2) For distributions made on or after January 1, 2000, the Applicable Interest Rate shall mean the annual interest rate on 30-year Treasury securities for the month of November preceding the Plan Year in which the distribution occurs. The applicable interest rate shall remain constant for the Plan Year.
- (g) For purposes of computing the Modified 50% Joint and Survivor Annuity Benefit with Increase Feature available to retirees as described in Section 8.07, the actuarial equivalent adjustment factor shall equal 88.0% minus 0.4% for each year that the spouse is younger than the Employee, and plus 0.4% for each year that the spouse is older than the Employee; provided that in no event shall the adjustment factor exceed a maximum of 97.0%.
- (h) Unless expressly stated herein or as otherwise required by law, the actuarial equivalent adjustment factors for all other purposes are based on mortality rates taken from the average of the male and female rates taken from the 1971 Group Annuity Mortality table with a one-year advance in age and an interest rate of 6.50%.

2.02 **Association** shall mean the Nevada Resort Association, or its successor.

- 2.03 **Board of Trustees or Board** shall mean the Board of Trustees established by the Trust Agreement.
- 2.04 **Collective Bargaining Agreement** shall mean:
- (a) Any written agreement between (i) the Nevada Resort Association, on behalf of its member employers, and the Unions; and (ii) any other collective bargaining agreement between the Unions (or, subject to the approval of the Trustees, the Professional Office Personnel Alliance) and any Employer which requires the Employer covered thereby to make Contributions to this Fund;
  - (b) Any extensions, amendments, modifications or renewals of any of the described agreements (whether by operation of law or otherwise), or any substitute or successor agreements to them which require the making of Employer Contributions to this Fund.
- 2.05 **Contribution** shall mean payments to the Fund by an Employer made pursuant to a Collective Bargaining Agreement or pursuant to any other written agreement consistent with regulations adopted by the Board of Trustees; provided such payments are not in violation of any existing law or regulation.
- 2.06 **Covered Employment** shall mean employment in a job classification covered by a Collective Bargaining Agreement. The term “Covered Employment” shall also mean work performed by an Employee regularly employed by the Union, the Training Fund, the Trust, ULAN, or other affiliated entity approved by the Board of Trustees, and participating in this Trust pursuant to regulations adopted by the Board of Trustees.
- 2.07 **Early Retirement Date** shall mean the date an Employee has attained age 55 and has ten years of Pension Credit. Notwithstanding the foregoing, for Employees who attain age 55 on or after January 1, 1994, and who worked at least one hour in Covered Employment on or after that date, Early Retirement Date shall mean the date the Employee attains age 55 and has eight years of Pension Credit; provided, however, that this definition shall apply only to Employees who have not otherwise received retirement benefits under the Plan as of September 26, 1996. For Employees who perform an Hour of Service in Covered Employment on or after January 1, 1997, Early Retirement Date shall mean the date an Employee has attained age 55 and has five years of Pension Credit; provided, however, that this definition shall apply only to Employees who have not otherwise received retirement benefits under the Plan as of January 1, 1998.
- 2.08 **Employee** shall mean and include:
- (a) All persons covered by a Collective Bargaining Agreement between an Employer and the Unions, or either of them;
  - (b) All persons employed within the State of Nevada by the Unions, the Training Fund, the Trust, or ULAN, including elected or appointed officers of the Unions; and
  - (c) other such persons employed by affiliated entities as are designated and approved by the Board of Trustees.

The term “Employee” shall not include any self-employed person, whether a sole proprietor or a partner.

- 2.09 **Employer** shall mean any employer who is required by a Collective Bargaining Agreement to make Contributions to the Pension Fund. The term “Employer” shall also include the Unions, the Training Fund, the Trust, ULAN, and other affiliated entity approved by the Board of Trustees which make contributions to the Pension Fund on behalf of their Employees under such conditions and manner as are specified in this Plan and in regulations adopted by the Board of Trustees.
- 2.10 **ERISA** shall mean the Employee Retirement Income Security Act of 1974, as amended at the time of reference.
- 2.11 **50% Joint and Survivor Annuity** (for any unmarried Employee) shall mean an immediate annuity for the life of the Employee, with a survivor annuity for the life of a designated beneficiary which is equal to fifty percent (50%) of the amount which is payable during the joint lives of the Employee and the designated beneficiary, and which is the Actuarial Equivalent of a single annuity for the life of the Employee. The designated beneficiary must be a natural living person (and not multiple persons or a class of persons), properly designated in the manner provided in Section 8.06, and otherwise in accordance with the rules of the Plan. This form of benefit is not available to any married Employee, and any election to receive this benefit form by an unmarried Employee shall automatically be deemed revoked if the Employee becomes married at any time prior to his Pension Benefit Starting Date.
- 2.12 **50% Joint and Survivor Annuity With Increase Feature** (for any unmarried Employee) shall mean an immediate annuity for the life of the Employee, with a survivor annuity for the life of a designated beneficiary which is equal to fifty percent (50%) of the amount which is payable during the joint lives of the Employee and the designated beneficiary, and which is the Actuarial Equivalent of a single annuity for the life of the Employee. If the designated beneficiary predeceases the Employee, then the Employee’s monthly payment would be increased automatically in the following month and for the remainder of his lifetime to an amount equivalent to the payments that he would have received under the life annuity form of payment if payments under this option had not been elected. The designated beneficiary must be a natural living person (and not multiple persons or a class of persons), properly designated in the manner provided in Section 8.06, and otherwise in accordance with the rules of the Plan. This form of benefit is not available to any married Employee, and any election to receive this benefit form by an unmarried Employee shall automatically be deemed revoked if the Employee becomes married at any time prior to his Pension Benefit Starting Date.
- 2.13 **Future Service Credit** shall mean periods of employment on or after January 1, 1971, credited in accordance with Article VI of this Plan.
- 2.14 **Fund, Pension Fund or Trust Fund** shall mean the Trust Fund created and established by the Trust Agreement and shall include Contributions from Employers, interest, income or return thereof and any other property of any kind received and held by the Trustees for the use and purposes declared by the Trust.
- 2.15 **Hour of Service** shall mean for the applicable computation period:
- (a) Each hour for which an Employee is paid, or entitled to payment, for the performance of duties for a participating Employer.

- (b) Each hour for which an Employee is paid, or entitled to payment, (and only if the Employee is paid or entitled to payment), by a participating Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. Notwithstanding the preceding sentence:
- (1) No more than 300 hours of service are required to be credited under this subparagraph (b) to an Employee on account of any single continuous period during which the Employee performs no duties (whether or not such period occurs in a single computation period);
  - (2) An hour for which an Employee is directly or indirectly paid, or entitled to payment, on account of a period during which no duties are performed is not required to be credited to the Employee if such payment is made or due under a plan maintained solely for the purpose of complying with applicable workmen's compensation, or unemployment compensation or disability insurance laws; and
  - (3) "Hours of Service" are not required to be credited for a payment which solely reimburses an Employee for medical or medically related expenses incurred by the Employee.

For purposes of this subparagraph (b), a payment should be deemed to be made by or due from an Employer regardless of whether such payment is made by or due from the Employer directly, or indirectly through, among others, a Trust Fund, or insurer, to which the Employer contributes or pays premiums and regardless of whether Contributions made or due to the Trust Fund, insurer or other entity are for the benefit of particular Employees or are on behalf of a group of Employees in the aggregate.

- (c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. The same "Hours of Service" shall not be credited both under (a) or (b), as the case may be.

The determination of Hours of Service for reasons other than the performance of duties, and the crediting of Hours of Service to computation periods shall be in accordance with Department of Labor Regulations under ERISA.

- (d) "Hours of Service" shall include the above-referenced hours as attributable to:
- (1) Any Employer which is a member of a controlled group of companies as defined under Section 414(b) of the Internal Revenue Code, and service with all other members of the controlled group;
  - (2) Any Employer which is under common control as defined in Section 414(c) of the Internal Revenue Code, and service with all other Employers under the same common control; and
  - (3) Any predecessor of an Employer if the predecessor employer was an Employer under the Plan.

2.16 **Modified 50% Joint and Survivor Annuity With Increase Feature** (for any unmarried Employee) shall mean an immediate modified annuity for the life of the Employee, with a survivor annuity for the

life of a designated beneficiary which is equal to fifty percent (50%) of the modified amount which is payable during the joint lives of the Employee and the designated beneficiary. If the designated beneficiary predeceases the Employee, then the Employee's monthly payment would be increased automatically in the following month and for the remainder of his lifetime to an amount equivalent to the payments that he would have received under the life annuity form of payment if payments under this option had not been elected. The total benefit payable under the Modified 50% Joint and Survivor Annuity With Increase Feature shall be the Actuarial Equivalent of a benefit payable in the form of a single life annuity determined in accordance with Section 2.01(g). The designated beneficiary must be a natural living person (and not multiple persons or a class of persons), properly designated in the manner provided in Section 8.06, and otherwise in accordance with the rules of the Plan. This form of benefit is not available to any married Employee, and any election to receive this benefit form by an unmarried Employee shall automatically be deemed revoked if the Employee becomes married at any time prior to his Pension Benefit Starting Date.

- 2.17 **Past Service Credit** shall mean Pension Credit for periods of employment with an Employer prior to 1971, or prior to the date an Employer is required by a Collective Bargaining Agreement to make Contributions to the Pension Fund, to the extent (and only to the extent) credited in accordance with Article VI of this Plan.
- 2.18 **Pension Benefit Starting Date** shall mean, in the case of a benefit payable as an annuity (other than a disability pension), the first day of the first month following the later of: (a) the Employee's eligibility to retire under Section 4.01 or 4.02; (b) the submission of a completed application for benefits under Section 9.01; and (c) thirty days after the Plan has provided the required explanation of the available payout options under Section 8.06, unless such thirty day period is waived by the Employee (and spouse).

For any benefit period not payable as an annuity, the Pension Benefit Starting Date is the first day on which all events have occurred which entitle the Employee to a benefit, including the filing of a completed application.

For a disability pension, the Pension Benefit Starting Date shall mean the first day of the month following the Employee's eligibility to retire on a Regular Pension under Section 4.01.

The Pension Benefit Starting Date for a Participant who recommences benefit payments after a suspension under Article XIII shall be his original Pension Benefit Starting Date with respect to those benefits.

The Pension Benefit Starting Date for a Participant who elects to defer the commencement of benefits under Section 7.03 shall be the first day of the first period for which the Participant elects benefit payments to begin. In the case of a Pension Benefit Starting Date which occurs on or after the Participant's Regular Retirement Date, the Pension Benefit Starting Date shall also apply to additional accruals after such date.

In the case of a Pension Benefit Starting Date which occurs prior to the Participant's Regular Retirement Date, such date shall not apply to any additional accruals after such date.

(Section 2.18 was added by Plan Amendment Number Two effective January 1, 1989.)

- 2.19 **Pension Credit** shall mean the years of service which are accumulated and maintained for Employees in accordance with Article VI of this Plan.
- 2.20 **Pensioner** shall mean an Employee who is retired and who is receiving pension benefits under this Plan.
- 2.21 **Pension Plan or Plan** shall mean this Pension Plan and any modification, amendment, extension or renewal thereof.
- 2.22 **Permanent Break in Service** shall mean a period of years during which an Employee who is not Vested fails to work the required minimum number of hours in Covered Employment or contiguous non-covered employment (as defined in Section 6.05(c)), and which results in the forfeiture of all previously accumulated Pension Credit.
- 2.23 **Plan Year** shall mean a period of twelve (12) consecutive months beginning January 1 each year and ending December 31.
- 2.24 **Qualified Joint and Survivor Annuity** (for married Employees only) shall mean an immediate annuity for the life of the Employee with a survivor annuity for the life of the Employee's spouse which is equal to fifty percent (50%) of the amount of the annuity which is payable during the joint lives of the Employee and the spouse and which is the Actuarial Equivalent of a single annuity for the life of the Employee. A former spouse shall be treated as the spouse or surviving spouse of an Employee to the extent provided under a qualified domestic relations order as defined in Section 414(p) of the Code.
- 2.25 **Qualified Joint and Survivor Annuity With Increase Feature** (for married Employees only) shall mean an immediate annuity for the life of the Employee with a survivor annuity for the life of the Employee's spouse which is equal to fifty percent (50%) of the amount of the annuity which is payable during the joint lives of the Employee and the spouse and which is the Actuarial Equivalent of a single annuity for the life of the Employee. If the spouse predeceases the Employee, then the Employee's monthly payment would be increased automatically in the following month and for the remainder of his lifetime to an amount equivalent to the payments that he would have received under the life annuity form of payment if payments under this option had not been elected. A former spouse shall be treated as the spouse or surviving spouse of an Employee to the extent provided under a qualified domestic relations order as defined in Section 414(p) of the Code.
- 2.26 **Qualified Pre-retirement Survivor Annuity** shall mean an immediate annuity for the life of the surviving spouse of an Employee, the payments under which shall be calculated as follows:
- (a) If an Employee dies after the earliest date on which, under the Plan, the Employee could elect to receive retirement benefits, the Employee's surviving spouse shall receive the same benefit that would be payable if the Employee had retired with an immediate Qualified Joint and Survivor Annuity with a 50% continuation of payments to the surviving spouse on the day before the Employee's date of death.
  - (b) If an Employee dies on or before attaining the earliest date on which the Employee could elect to receive retirement benefits under the Plan, the Employee's surviving spouse will receive the same benefit that would be payable if the Employee had:

- (1) separated from service on the date of death; provided, however, that this subparagraph (b) (1) shall not apply in the case of an Employee who separated from service before the date of such individual's death;
- (2) survived to the earliest date on which, under the plan, the Employee could elect to receive retirement benefits;
- (3) retired on such date with an immediate Qualified Joint and Survivor Annuity with a 50% continuation of payments to the surviving spouse; and
- (4) died on the day after the earliest date on which, under the Plan, the Employee could elect to receive retirement benefits.

A Qualified Pre-retirement Survivor Annuity shall only be payable with respect to the benefits in which the Employee was vested under Section 6.05 immediately prior to death.

- (c) Solely with respect to the surviving spouse of any Employee who dies on or after January 1, 1994, the Qualified Preretirement Survivor Annuity (i) shall commence on the first day of the month coinciding with or next following the date of death, and shall be payable for the life of the surviving spouse; and (ii) shall not be subject to the early retirement reductions contained in Section 4.05. The surviving spouse may elect in writing to defer the commencement of the survivor annuity to a later date, but in such case, the amount of the annuity shall be actuarially adjusted based on the factors contained in Section 2.01 of this Plan.

2.27 **Regular Retirement Date** shall mean the date an Employee has attained age 62 and has ten years of Pension Credit. Notwithstanding the foregoing, for Employees who attain age 62 on or after January 1, 1994, and who worked at least one (1) hour in Covered Employment on or after that date, Regular Retirement Date shall mean the date the Employee attains age 62 and has eight (8) years of Pension Credit; provided, however, that this definition shall apply only to Employees who have not otherwise received retirement benefits under the Plan as of September 26, 1996. For Employees who perform an Hour of Service in Covered Employment on or after January 1, 1997, Regular Retirement Date shall mean the date an Employee has attained age 62 and has five years of Pension Credit; provided, however, that this definition shall apply only to Employees who have not otherwise received retirement benefits under the Plan as of September 11, 1997.

2.28 **Training Fund** shall mean the Southern Nevada Joint Management and Culinary and Bartenders Training Fund established effective July 1993, as the same may be amended from time to time.

2.29 **Trust** shall mean the Agreement and Declaration of Trust dated December 21, 1971, establishing the Southern Nevada Culinary and Bartenders Pension Trust Fund and any modification, amendment, extension or renewal thereof.

2.30 **Trustee** shall mean any natural person designated as a Trustee pursuant to the Trust Agreement.

2.31 **ULAN** shall mean the United Labor Agency of Nevada, a Nevada, non-profit corporation.



- 2.32 **Unions** shall mean the Culinary Workers Union, Local 226 and Bartenders Union, Local 165, or their successors.
- 2.33 **Vesting or Vested** shall mean the attainment by a Participant of a benefit right which is not subject to loss or forfeiture.