

**CAPITAL AREA TRANSPORTATION
AUTHORITY
RETIREMENT PLAN**

**(For the Bargaining Unit Represented by
Amalgamated Transit Union, Division 1039)**

Summary Plan Description

PLAN HIGHLIGHTS

37882
(CL2014)

Plan Highlights briefly describes the plan. The rest of this booklet explains in greater detail how the plan works.

We started the plan on January 2, 1976.

The plan:

- Gives you a dependable source of income when you retire. Knowing how much you will receive from the plan makes planning for your retirement easier.
- Provides that the retirement benefit your money provides always belongs to you. Your right to the rest of your benefit is based on your service.
- May provide a death benefit for your spouse or another person you name as beneficiary if you die before retirement.
- Provides benefits before retirement if you become disabled as defined in the plan.
- Offers several different ways to receive your benefits. You choose the best way for you.

About This Booklet

This booklet is the summary plan description. It explains how the plan currently works, when you qualify for benefits, and other information.

If any part of this summary plan description (booklet) conflicts with the terms of the plan, the terms of the plan will be followed. The plan is much more detailed.

The term “your earned benefit” refers to the benefit earned by you under the plan. The term “your earned benefit” applies to both the vested part of your earned benefit and the part of your earned benefit that is not vested. The term “your vested benefit” refers to the vested part of the earned benefit. Part 4 of this booklet explains vesting. Use of the term “your earned benefit” does not give you any rights to the earned benefit or any assets of the plan other than those described in this booklet.

The terms “in writing” and “written” generally refer to paper documents. These terms may also refer to an electronic means of sending or receiving information that is acceptable to the plan administrator and is allowable by law.

The Helpful Terms section in Part 7 includes definitions of important terms used throughout this booklet.

Ask the plan administrator if you have questions. Part 8 of this booklet lists the plan administrator's name and address.

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PART 1 JOINING THE PLAN

When You Join

You join the plan as an active participant on the first day of the month on or after you meet these requirements:

- You are an eligible employee.
- You have worked at least one year.
- You have been employed by us for 90 days.
- You sign up to make required contributions.

This date is your entry date.

You are an eligible employee unless you are an employee not represented by Amalgamated Transit Union Division 1039.

Signing Up to Contribute

As an active participant, you make a required contribution each week. The amount of the required contribution is as follows:

On and after December 1, 2010 and before December 1, 2011, \$77.50

On and after December 1, 2011 and before December 1, 2012, \$79.50

On and after December 1, 2012 and before December 1, 2013, \$81.50

On and after December 1, 2013, \$83.50.

You don't have to contribute if you are receiving disability payments (see Part 4).

After you are first eligible to be an active participant, you have 30 days to sign up to make required contributions. You need to sign an agreement authorizing payroll deductions. If you do not sign up within 30 days, you will become an active participant on the next entry date (described above) if you are still an eligible employee.

The amounts you contribute are credited to your employee account. Your employee account earns 5% interest.

You also need to complete a form naming the person who will receive any death benefit if you die before retirement. Part 5 explains the death benefits payable under the plan.

Changes in Your Participation

You become an inactive participant on:

- The date you are no longer an eligible employee.
- The date you stop contributing to the plan.

You stop being a participant on:

- The date of your death.
- The date you get a single sum payment in place of all other benefits if your vesting percentage is 100% (see Part 4).

If you become an inactive participant, you will also stop being a participant on the earliest date on which you are not entitled to a vested benefit (see Part 4).

You rejoin the plan as an active participant when you work another hour for us as an eligible employee. But you must sign up to make required contributions in order to become an active participant again.

PART 2 YOUR EARNED BENEFIT

As you work for us, you earn your retirement benefit. This earned benefit grows with your service.

Figuring Your Earned Benefit

The following formula is used to figure your earned benefit. The Helpful Terms section in Part 7 e a description of the terms below that are used to figure your earned benefit.

(1) \$68.00

multiplied by

(2) your benefit service

Limits

The law limits the annual benefit that may be paid to you in any year to a dollar amount. The dollar limit, which is subject to change each year for cost of living changes, is \$210,000 for years beginning after December 31, 2014. The limit is adjusted if:

- You have less than 10 years of service or participation.
- You retire before age 62 or after age 65.
- The plan's normal form of income provides a death benefit.

Your earned benefit may not exceed this limit. Since your earned benefit is stated as a monthly benefit, 1/12th of the applicable limit applies.

Ask the plan administrator if you want to know more about these limits.

Who Provides Your Earned Benefit

We make contributions to the plan. Our contributions are actuarially determined. You also contribute as explained in Part 1.

These contributions are invested and accumulate to provide benefits under the plan. The plan funds are for the exclusive benefit of participants and their beneficiaries.

PART 3 RETIREMENT BENEFITS

The plan is designed to provide a retirement income for you. The amount you receive each month when you retire is based on your earned benefit.

At Normal Retirement Date

Unless you choose otherwise, your retirement benefit begins on your normal retirement date if you have an earned benefit (see Part 2) and you stop working for us.

Normal retirement date means the earliest first day of the month on or after the date you reach your 59th birthday.

However, if you are an employee last hired on or after December 1, 2009, your normal retirement date is the earliest first day of the month on or after the date you reach your 60th birthday.

At Early Retirement Date

If you choose to retire early, your earned benefit will be less than the amount you could have earned by working until normal retirement date.

You receive a percentage of your earned benefit because payments begin at a younger age and are expected to continue longer. The percentage is based on the number of years you retire early and is shown in the following table:

Years You Retire Early	Approximate Percentage of Earned Benefit
1	93.33
2	86.67
3	80.00
4	73.33
5	66.67
6	63.33
7	60.00

The percentage is adjusted for parts of a year.

Early retirement date means the first day of any month you choose that is on or after the latest of:

- The date you stop working for us.
- The date you reach age 55.
- The date you have 10 years of vesting service (see Helpful Terms).

At Late Retirement Date

You may choose to start benefits on your late retirement date. When you retire late, your earned benefit as of your normal retirement date will be increased because payments begin at an older age and are expected to continue for a shorter time. The increase is based on the number of years you retire late. The late retirement benefit is offered only as an alternative to your regular benefit. Your income won't be less than your earned benefit as of your late retirement date.

Late retirement date means, if you continue working for us after your normal retirement date, the earliest first day of the month on or after the date you stop working for us.

It is possible to have your benefits begin after your late retirement date. If you think you would like to delay your benefits, talk to the plan administrator before your late retirement date.

Required Beginning Date

Under the law you must begin receiving benefits by your required beginning date. Your required beginning date is the April 1 following the later of the calendar year in which you reach age 70 1/2 or the calendar year in which you stop working for us.

Adjustments to Your Benefits

Your monthly retirement income won't be less than the amount your employee account (see Part 1) will provide for you.

The amount you receive will be adjusted if your retirement benefit is not paid under the normal form of income (see Helpful Terms).

Part 6 explains the other forms you may choose.

Ask the plan administrator if you want to know more about these adjustments.

PART 4 BENEFITS FOR INACTIVE PARTICIPANTS

Your Vested Benefit

Each year as you work for us, you earn a right to a benefit if you stop working for us before retirement. This benefit is called your vested benefit.

Your vested benefit is equal to:

- (1) the part of your earned benefit provided by your employee account (see Part 1)

plus

- (2) the rest of your earned benefit

multiplied by

your vesting percentage

If you become an inactive participant because you are no longer an eligible employee (see Part 1), but you are still working for us, your service after you become an inactive participant is used to figure your vesting percentage but not your earned benefit.

Your vesting percentage will be 100% if you are working for us:

- On or after your normal retirement date (see Part 3).
- On or after the date you meet the requirements for an early retirement date (see Part 3).
- On the date you become totally disabled, as defined in the plan.

Before that date, the following schedule determines your vesting percentage:

Years of Vesting Service	Vesting Percentage
Less than 10	0
10 or more	100

See Helpful Terms for a definition of vesting service.

When Your Vested Benefit Starts

If you become an inactive participant, you will start receiving your vested benefit on your retirement date. Your monthly income won't be less than the amount your employee account (see Part 1) will provide when you retire. Part 3 explains when you may retire and how your vested benefit is adjusted if you retire early or late.

The amount you receive will be adjusted if your retirement benefit is not paid under the normal form of income (see Helpful Terms).

Part 6 explains other forms of benefit you may choose when you retire and tax considerations. If the value of your vested benefit is \$1,000 or less, such value will be paid to you in a single sum when you stop working for us.

However, if the value of your vested benefit is more than \$1,000 but not more than \$5,000, you may choose to have that value paid to you in a single sum when you quit working for us.

You may choose to get your employee account in a single sum when you stop working for us. Your employee account is explained in Part 1. Your vested benefit will be reduced by the value of the single sum payment.

You need to tell us your current address when you wish payments to begin.

Disability Benefits

You receive a monthly disability benefit if you are an active participant who becomes totally disabled as defined in the plan and the disability occurred on or after the later of:

- The date you reach age 55.
- The date you have 10 years of vesting service (see Helpful Terms).

The monthly disability payments equal your earned benefit.

Payments continue until the earliest of the date you are no longer disabled, the date you die, or the date you reach your retirement date (normal retirement date, if earlier). On your retirement date, your retirement benefits are determined as provided in Part 3. Your earned benefit is equal to your earned benefit on the date you became disabled, but not less than the amount of the monthly disability payment you have been receiving.

If you recover before retirement and come back to work, your payments stop and you may become an active participant again as provided in Part 1.

If you recover before retirement and don't come back to work, you are treated as though you had stopped working for us on the date you became totally disabled. Your earned benefit will be determined as of the date you became totally disabled.

PART 5 DEATH BENEFITS BEFORE RETIREMENT

The primary purpose of the plan is to provide income for you during your retirement years. However, if you die before you retire, a death benefit may be payable to your spouse or beneficiary.

A Spouse's Benefit

A death benefit under this section is paid to your spouse if these requirements are met:

- You die before retirement benefits start and before your normal retirement date.
- You were married for the full year before your death.

The death benefit equals the survivor's benefit under a 50% survivor form. The benefit is payable to your spouse as of the earliest date you could have retired on or after the date of your death. This will be your normal retirement date if you would not have reached early retirement age (your age on the date you meet the requirements for early retirement date other than the requirement to stop working, see Part 3) before that date. If you were still working for us on the date of your death, the earliest date you could have retired will be determined as if you had stopped working for us on the date of your death and survived to retire. This date will be the earliest first day of the month on or after the date of your death if you had reached early retirement age on the date of your death.

The amount of the benefit is based on your vested benefit when you die. If you are not working for us then, it is based on your vested benefit when you stopped working for us. If the earliest date you could have retired is before your normal retirement date, your vested benefit is adjusted for early retirement as explained in Part 3. Your vested benefit is also adjusted for the 50% survivor form. One-half of this reduced amount is payable to your spouse monthly for life.

The spouse's benefit won't be less than the monthly income that can be provided by the single sum death benefit described below. If your spouse dies before benefits start, the single sum death benefit will be paid to your spouse's beneficiary.

If the value of the spouse's death benefit is \$1,000 or less, such value will be paid to your spouse in a single sum in place of the monthly income.

However, if the value of the spouse's benefit is more than \$1,000 but not more than \$5,000, your spouse may choose to have that value paid in a single sum instead of the monthly benefit.

Your spouse may choose to begin benefits on a later date. If your spouse chooses to begin benefits on a later date, the survivor's benefit will be actuarially increased. Benefits must begin by the date you would have been age 70 1/2.

Single Sum Death Benefit

If you die before your normal retirement date, the single sum death benefit equals your employee account.

Your employee account is explained in Part 1.

If a spouse's benefit is payable, the single sum death benefit described in this section is used to provide the spouse's benefit. If a spouse's benefit is not payable, the single sum death benefit is payable to your beneficiary.

You and your spouse may choose not to have the single sum death benefit used to provide a minimum spouse's benefit. If you make this choice, the single sum death benefit will be paid to your beneficiary. The spouse's benefit will be reduced by the amount of benefit the single sum death benefit could have provided. If the value of the reduced spouse's benefit is \$1,000 or less, your spouse may choose to receive that value in a single sum in place of the monthly income.

Benefits Between Normal and Late Retirement

If you die after your normal retirement date and before retirement benefits begin, death benefits are paid in this way:

- If you are married for the full year before your death, death benefits are the same as if you had died before your normal retirement date.
- If you are not married for the full year before your death, a death benefit may be payable depending on the optional form of retirement payments you chose before your death. If you chose a form with a death benefit, your beneficiary or survivor will receive that benefit as if you had retired on the date of your death.

Federal law limits how death benefits may be paid. The plan administrator can tell you what forms you may choose. You should choose before your normal retirement date to be sure of the death benefit of your choice.

If you have been married at least one year, you may choose to have death benefits paid as if you had not been married at least one year. If you make this choice, a death benefit may be payable depending on the optional form of retirement payments you choose before your death as provided above.

PART 6 HOW THE PLAN PAYS BENEFITS

You make an important choice when you decide how to receive your retirement benefit. Things to consider include the money you will need every month, any death benefits you want to provide, and your tax situation.

If the value of your retirement benefit is more than \$1,000, you may choose to have your retirement benefit paid under any of the optional forms available under the plan. The plan administrator or your tax advisor can help you make your choice.

The amount of the payments will depend on the amount of your retirement benefit, your age, and the optional form chosen. If the option provides a monthly income for the life of someone who survives you, the amount of the payments will also depend on the age of your survivor.

If the value of your retirement benefit is \$1,000 or less, such value will be paid to you in a single sum.

Choosing at Retirement

If the value of your retirement benefit is more than \$1,000, you may choose from the forms of benefit described in Forms to Choose below. Federal rules may limit the forms available to you. You may change or cancel your choice at any time before benefits start.

The normal form will apply if you don't have another choice in effect. The normal form of benefit is a monthly benefit for life and ten years certain. This means payments are made to you monthly for life. If you die before monthly payments have been made for ten years, your beneficiary gets the payments that are left in the ten year term.

Choosing Pre-retirement Death Benefits

You may name your beneficiary for any single sum death benefit. You may also choose to have the single sum benefit paid in another form. You may change or cancel a choice at any time.

If you name a beneficiary but do not choose a form of payment, your beneficiary may choose the form.

Your spouse may choose to have the spouse's benefit described in Part 5 paid in another form. If the value of the spouse's benefit is \$1,000 or less, such value will be paid to your spouse in a single sum.

The optional forms of death benefit are any of the optional forms available to you at retirement, other than a monthly income that continues for the life of a survivor upon death. Because of federal rules regarding when death benefits must begin and how death benefits can be paid, your spouse or beneficiary should contact the plan administrator to determine what options are available and when elections must be made.

Any choice of the form of payment by your spouse or beneficiary must be made in writing before benefits begin.

Forms to Choose

The plan offers the following optional forms of benefit:

Annuity Options

- A monthly income to you for life. No benefits are payable after your death.
- A monthly income to you for life. If you die before the end of a certain number of years (you may choose 5, 10, or 15 years), payments continue to your beneficiary until that period ends.
- A monthly income to you for life. If you die before the sum of the payments equals your employee account on your retirement date, your beneficiary gets what's left in a single sum.
- A monthly income to you for life. You choose a percentage (50%, 66 2/3%, 75%, or 100%) of your monthly income to continue for the lifetime of a survivor you name.

Tax Considerations

Benefits you receive are normally subject to income taxes. You may be able to postpone or reduce the taxes that would otherwise be due. In addition, benefits you receive before age 59 1/2 may be subject to a 10% penalty tax.

Each person's tax situation differs. Your tax advisor can help you decide the best way for you to receive benefits.

PART 7 IMPORTANT INFORMATION FOR YOU

Helpful Terms

Benefit service means the sum of your years of service. You have one year of service for each plan year (See Part 8) in which you have 1,000 or more hours of service and have completed 12 months of service with us.

If you have less than 12 months of service with us, but you have completed 1,000 or more hours of service, your benefit service is figured using the following table:

Months of Service During Plan Year	Benefit Service
9 months or more	1.0 year
5 months but less than 9 months	.6
Less than 5 months	0

Hour of service means an hour for which you receive either:

- (a) compensation for work performed on the job; or
- (b) compensation for non-work hours, such as vacation and sick time. You will not receive credit for non-work hours during which you are entitled to payments under worker's compensation, unemployment compensation, or other disability insurance laws. There is a maximum of 501 hours of service credit in any computation period or for any continuous period of paid non-work.

Normal form of income means a form that pays you monthly income for life. If you die before monthly payments have been made for 10 years, your beneficiary gets the payments that are left.

Vesting service means the sum of your years of service. You have one year of service for each plan year (see Part 8) in which you have 1,000 or more hours of service with us.

Service when you are not a participant because you do not make required contributions is not counted.

The Plan Administrator

The plan administrator has the full power to decide what the plan provisions mean; to answer all questions about the plan, including those about eligibility and benefits; and to supervise the administration of the plan. The plan administrator's decisions are final.

Direct Rollovers

Certain benefits that are payable to you may be paid directly to another retirement plan or IRA. The plan administrator will give you more specific information about this option when it applies.

Changing the Plan

The plan can be changed at any time. We will notify you of any changes that affect your benefits.

An earlier version of the plan may continue to apply in certain situations. For example, participants who stop working for us have their eligibility for benefits determined under the version in effect when they stopped working.

Stopping the Plan

We hope to continue the plan, but the plan can be terminated (stopped). If the plan is terminated, The Pension Committee will determine how plan assets will be distributed. Generally, the full amount in your employee account will be used to provide a retirement benefit for you; and the plan assets over and above these accounts will be used on a priority basis to provide retirement income for plan participants.

Military Service

You may be entitled to certain benefits under the Uniformed Services Employment and Reemployment Rights Act of 1994. The benefits you are entitled to will be determined at the time you return to work for us based on your period of military service and whether or not you returned to work during the period of time in which you have reemployment rights.

You may be entitled to additional benefits or vesting service under the Heroes Earnings Assistance and Relief Tax Act of 2008 if you die during a period of qualified military service. Your survivor may also be entitled to certain benefits if you die during your period of military service and you could have returned to work for us during the period of time in which you had reemployment rights.

PART 8 FACTS ABOUT THE PLAN

The terms of the plan do not guarantee your employment with us.

Plan Sponsor

The Plan Sponsor is the Employer, Capital Area Transportation Authority, which has the following address and Employer Identification Number (EIN):

Capital Area Transportation Authority
4615 Tranter Street
Lansing, MI 48910-3661

EIN: 38-1969989

Plan Name and Plan Number

Capital Area Transportation Authority Retirement Plan

Plan Number 001

Type of Plan

Defined Benefit

Plan Administrator

Capital Area Transportation Authority
Pension Committee
Attn: Human Resources Manager
4615 Tranter Street
Lansing, MI 48910-3661

Telephone: (517) 394-1100

Plan Year

January 1 through December 31

Agent for Legal Process

Chief Executive Officer
Capital Area Transportation Authority
4615 Tranter Street
Lansing, MI 48910-3661