

**A SUMMARY PLAN DESCRIPTION OF
NORTHERN VIRGINIA REGIONAL COMMISSION
EMPLOYEES' RETIREMENT PLAN AND TRUST**

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INTRODUCTION

Type of Plan

Effective July 1, 2003, Northern Virginia Regional Commission established a Defined Contribution retirement plan, which is named the Northern Virginia Regional Commission Employees' Retirement Plan and Trust and the Northern Virginia Regional Commission 457 Matching Plan which will be referred to in this summary plan description as the "Plan".

Plan Sponsor

The sponsor of the Plan is Northern Virginia Regional Commission, and this summary will sometimes refer to Northern Virginia Regional Commission as the "Employer", "we", "us" or "our". Our address is 7535 Little River Turnpike, Annandale, VA 22003; our telephone number is (703) 642-0700; and our employer identification number is 54-0567355.

Purpose of the Summary

This summary, which describes the important features of the Plan in non-technical language, is intended to answer most of your questions about the Plan and replaces all prior announcements we may have made about the Plan. It nevertheless is only a summary, and if there is any conflict between the description in this summary and the terms of the Plan, the terms of the Plan will control. If you have any questions about the Plan that are not addressed in this summary, you can contact the Administrator, whose name and address is set forth in the next section.

PLAN ADMINISTRATION

Plan Trustees

The Plan is administered by a written plan and trust agreement, and the trustees of that agreement are responsible for management of the Plan's assets. The Trustees are G.Mark Gibb and Linda Tenney, and their address is 7535 Little River Turnpike, Annandale, VA 22003.

Plan Administrator

All other matters concerning the operation of the Plan are the responsibility of the Administrator. The Administrator of the Plan is Northern Virginia Regional Commission, whose address is 7535 Little River Turnpike, Annandale, VA 22003, and whose telephone number is (703) 642-0700.

Other Information

We have assigned number 002 to the Plan. The accounting year of the Plan, called the Plan Year, begins July 1st and ends the following June 30th; and legal process can be served on either the Administrator, we as the Employer, or the Trustees.

PLAN PARTICIPATION

Eligible Employees

Any employee of Northern Virginia Regional Commission who is also considered an Eligible Employee will enter the Plan as a Participant on the Entry Date as of which he or she satisfies the eligibility requirements described below in *General Eligibility Requirements*.

General Eligibility Requirements

will be eligible to enter the Plan as a Participant upon satisfying the following eligibility requirements:

- (a) **To make Elective Deferrals:** You will be eligible to enter the Plan as a Participant for the purpose of making Elective Deferrals upon completing 1 Hour of Service.
- (b) **To receive Matching Contributions:** You will be eligible to enter the Plan as a Participant for the purpose of receiving Matching Contributions upon completing 1 Year of Service.
- (c) **To receive Non-Elective Contributions:** You will be eligible to enter the Plan as a Participant for the purpose of receiving Non-Elective Contributions upon completing 1 Year of Service.

In determining eligibility and the applicable entry date for Plan participation, you will be deemed to have completed a Year of Service on the last day of the applicable eligibility computation period during which you are credited with the required number of Hours of Service.

See the section below titled *SERVICE RULES* for an explanation of how eligibility computation periods and Years of Service for eligibility are determined.

Entry Date

Upon satisfying the eligibility requirements described above, you will actually enter the Plan as a Participant on the following dates:

- (a) **To make Elective Deferrals:** on the same date on which you are hired.
- (b) **To receive Matching Contributions:** After you have satisfied the eligibility requirements described in *General Eligibility Requirements*, you will actually enter the Plan as a Participant on the July 1st or January 1st that coincides with or next follows the date on which you satisfy those requirements.
- (c) **To receive Non-Elective Contributions:** After you have satisfied the eligibility requirements described in *General Eligibility Requirements*, you will actually enter the Plan as a Participant on the July 1st or January 1st that coincides with or next follows the date on which you satisfy those requirements.

Participation by Employees Whose Status Changes

If you are not considered an Eligible Employee but later become one, you will participate in the Plan immediately if you otherwise satisfy the eligibility requirements. If you are a Participant and later become a member of an ineligible class, your Plan participation will be suspended but your Vested Interest percentage will continue to increase, and you will be entitled to an allocation for the Plan Year only to the extent of service you completed while an Eligible Employee. Upon returning to an eligible class of employees, you will immediately participate again in the Plan.

Participant Upon Re-employment

If you terminate employment but you're subsequently re-employed by us, your Years of Service for purposes of eligibility, as well as for purposes of determining when you enter or re-enter the Plan as a Participant, will be determined as described in *SERVICE RULES* below.

SERVICE RULES

Service Definitions

Service for purposes of vesting and eligibility will be determined by your Years of Service. A *Year of Service* is a 12-month computation period during which you complete a certain number of Hours of Service. An *Hour of Service* is any hour for which you have a right to be paid by us or by any adopting Employer, including hours you are paid for vacation, holidays, illness, back pay and maternity leave. You will incur a *Break in Service* if you fail to perform more than 500 Hours of Service during any 12-consecutive month computation period described below. A Break in Service may affect your eligibility to receive an allocation of contributions to your Account and the computation of your Vested Interest. You will receive credit for a Year of Service as follows:

- (a) **To determine your eligibility to participate:** In determining your eligibility to participate in the Plan, you will be credited with a Year of Service if you complete 1,000 Hours of Service within a 12-consecutive month eligibility computation period. Your initial eligibility computation period begins on your date of hire. The second eligibility computation period will begin on the first day of the Plan Year which begins prior to the first anniversary of your date of hire. If you complete 1,000 Hours of Service in both the initial eligibility computation period and in the second eligibility computation period, you will be credited with two Years of Service for eligibility purposes.
- (b) **To determine your Vested Interest:** In determining the Vested Interest in your Account, you will be credited with a Year of Service if you complete 1,000 Hours of Service within a 12-consecutive month vesting computation period. Your initial vesting computation period will begin on your date of hire, and each computation period thereafter will begin on the anniversary of your date of hire. Years of Service earned from qualified Military Service or as an Employee of a member jurisdiction of the NVRC will also be included.

Termination and Return to Employment

If you terminate and return to employment with us before you incur a Break in Service, your Years of Service and Plan participation will not be deemed interrupted. If you return to employment with us after a Break in Service, your Breaks in Service will not be counted but your prior Years of Service will be counted (and if you were a Participant, your Plan participation will be reinstated) upon your re-employment and after the completion of an additional Year of Service after your return.

Credit for Service with Other Employers

For Plan purposes, your Service counts if it was completed with us, with another Employer that adopts the Plan, and with any direct predecessor business that is or would have been considered a part of the same group of affiliated employers with us or another adopting Employer. Also, Service with a qualified branch of the US Military and former employees of a member jurisdiction of the NVRC will be counted for determining vesting purposes. The Internal Revenue Service may limit credit with a prior employer to 5 (five) years.

CONTRIBUTIONS AND ALLOCATIONS

Elective Deferrals

Once you're eligible to make Elective Deferrals, you can file a Salary Deferral Election form with the Administrator authorizing us to withhold as an Elective Deferral up to the maximum amount of your Compensation as determined by the Administrator which will not cause the Plan to violate certain non-discrimination tests required by the IRS. Elective Deferrals can be made in whole percentages of Compensation or in specific dollar amounts, and your Elective Deferrals will be allocated to your Elective Deferral Account.

Beginning with the Plan Year which begins in 2003, the maximum Elective Deferral you can make for any Plan Year will be 100% of your Compensation.

Notwithstanding the preceding paragraph, your Elective Deferrals for any calendar year cannot exceed the annual dollar limit permitted by law, which is \$12,000 in 2003, \$13,000 in 2004, \$14,000 in 2005 and \$15,000 in 2006. Additional "catch-up" contributions can be made beginning in the Plan Year in which you will be at least age 50 by the end of the Plan Year. The maximum "catch-up" contribution is \$2,000 in 2003, \$3,000 in 2004, \$4,000 in 2005 and \$5,000 in 2006.

In any Plan Year in which you have not deferred at the maximum rate permitted by the Plan, you can elect to defer up to 100% of your Compensation for one or more pay periods in order to raise your deferral to the maximum rate permitted by the Plan. You can also elect to defer up to 100% of any bonus which is paid not more than two and one-half months after the last day of the Plan Year. Should you terminate employment with us, you can also elect to defer up to 100% of any lump sum severance pay you might receive.

For Elective Deferral purposes, your Compensation is the amount reported on Form W-2 during our Calendar that ends with or within the Plan Year, excluding any amount in excess of the annual dollar limit. The current annual dollar limit is \$200,000, but this dollar amount may be changed in future years to reflect the cost of living as permitted under federal regulations or to reflect changes in the law. Your Compensation for Elective Deferral purposes will also exclude any amount you receive prior to becoming a Participant or while you are a member of an ineligible class of employees.

Salary Deferral Election Forms

You can change your Salary Deferral Election form as permitted by the Administrator. You can also suspend or cancel your Salary Deferral Election form effective 30 days after giving written notice to the Administrator, in which case you cannot make a new election until the next available date specified by the Administrator. If necessary to insure that the Plan satisfies the non-discrimination tests mentioned in the preceding section, we also have the right to reduce or suspend your Salary Deferral Election at any time.

Matching Contributions

For each Plan Year in which you are eligible to receive a Matching Contribution, we intend to make a basic Matching Contribution to the Plan equal to 25% of your Elective Deferral which does not exceed 6% of your Compensation. We may also elect to make an additional discretionary Matching

Contribution in addition to the basic Matching Contribution described above. Matching Contributions will be allocated to your Matching Contribution Account.

Non-Elective Employer Contributions:

The Employer will make an additional contribution to the Plan each Plan Year which is called a Non-Elective Contribution. For each Plan Year, the amount of this contribution will be at least \$500.00. In any Plan Year in which a Non-Elective Contribution is made and in which you are eligible to receive a share of that contribution, an amount will be allocated to your Non-Elective Contribution Account using the grouping method. Under this method, you will be assigned to a group which will share in the contribution (if any) that we make for that group. The amount contributed for each group is usually (but not always) allocated in the ratio that the Compensation of each Participant who is a member of that group bears to the total Compensation of all Participants who are members of that group. This means that the amount allocated to the Non-Elective Contribution Account of each Participant who is a member of that group will, as a percentage of Compensation, be the same. For example, if the contribution made for a particular group is equal to 5% of the Compensation of each Participant who is a member of that group, that's the amount that will actually be allocated each such Participant's Non-Elective Contribution Account.

The Employer intends to make a Non-Elective Contribution to the Plan in accordance with the following provisions:

- (a) **Allocation To Group 1:** Group 1 consists of each Eligible Participant who has less than 3 Years of Service as of the first day of the Plan Year. The contribution made for Group 1 will be 3% of Compensation of each Eligible Participant who is a member of Group 1 .
- (b) **Allocation To Group 2:** Group 2 consists of each Eligible Participant who has from 3 to 5 Years of Service as of the first day of the Plan Year. The contribution made for Group 2 will be 5% of Compensation of each Eligible Participant who is a member of Group 2.
- (c) **Allocation To Group 3:** Group 3 consists of each Eligible Participant who has from 6 to 9 Years of Service as of the first day of the Plan Year. The contribution made for Group 3 will be 9% of Compensation of each Eligible Participant who is a member of Group 3.
- (d) **Allocation To Group 4:** Group 4 consists of each Eligible Participant who has from 10 to 19 Years of Service as of the first day of the Plan Year.. The contribution made for Group 4 will be 12% of Compensation of each Eligible Participant who is a member of Group 4.
- (e) **Allocation To Group 5:** Group 5 consists of each Eligible Participant who has 20 or more Years of Service as of the first day of the Plan Year. The contribution made for Group 5 will be 15% of Compensation of each Eligible Participant who is a member of Group 5.
- (f) **Allocation To Group 6:** Group 6 consists of the Executive Director of the Northern Virginia Regional Commission. The contribution made for Group 6 will be 15% of Compensation of each Eligible Participant who is a member of Group 6.

For Non-Elective Contribution purposes, your Compensation is the amount reportable on your Form W-2 during our fiscal year (July 1st to June 30th) that ends with or within the Plan Year, excluding

any amount in excess of the annual dollar limit. The current annual dollar limit is \$200,000, but this dollar amount may be changed in future years to reflect the cost of living as permitted under federal regulations or to reflect changes in the law. Your Compensation for Non-Elective Contribution purposes will also exclude any amount you receive prior to becoming a Participant or while you are a member of an ineligible class of employees.

If you are a Eligible Participant in the Plan you will be eligible to receive a share of any Non-Elective Contribution we make for that Plan Year. If you are a Participant and you terminate employment with us before the last day of the Plan Year, you will also be eligible to share in any Non-Elective Contribution we make for that Plan Year.

Maximum Contribution Allocation

The IRS limits the amount that can be allocated to your Account for any Plan Year, but this limit only applies to our contributions, your Elective Deferrals, and any forfeited amounts from terminated Participants that may be allocated to your Account. The total amount of our contributions, your Elective Deferrals, and forfeitures that can be allocated to your Account for any Plan Year cannot exceed the lesser of 100% of your Compensation for the Plan Year or \$40,000 (this amount may be changed in future years to reflect the cost of living as permitted under federal regulations or to reflect changes in the law). This allocation limitation does not apply to the amount of earnings that can be allocated to your Account, to Rollover Contributions, or to any other funds transferred to this Plan on your behalf from another qualified plan.

Top Heavy Allocations

Under certain circumstances, you may be entitled to a minimum allocation for any Plan Year in which the Plan is considered top heavy. However, the Plan is exempt from providing this minimum allocation in any Plan Year in which we elect to satisfy this requirement by contributing on your behalf to another plan (if any) that we sponsor.

If the Plan is not exempt from this minimum allocation requirement, then for each Plan Year in which the Plan is considered top heavy and in which you are employed by us on the last day of the Plan Year, you will receive a minimum top heavy allocation equal to the lesser of (a) 3% of your Compensation, or (b) the highest percentage of Compensation allocated for that Plan Year to the Accounts of Participants who are "key" employees.

The Plan is considered top heavy for any Plan Year in which more than 60% of Plan assets are allocated to the Accounts of Participants who are "key" employees. A "key" employee for top heavy purposes is any employee who satisfies certain ownership requirements and any employee who is an officer and whose Compensation for the Plan Year exceeds certain limits set by the IRS.

Rollover Contributions

If you participated in another qualified retirement plan before you were employed by the Employer, you can transfer (or rollover) any distribution made to you from that plan to this Plan provided all legal requirements (and any requirements imposed by the Administrator) with respect to such a transfer are satisfied. Do not withdraw funds from any other plan or account until you have received written approval from the Administrator to roll those funds over into this Plan.

If you do decide to make a rollover contribution and it is accepted by the Administrator, it will be kept in a separate Rollover Contribution Account established on your behalf. You will at all times have a 100% Vested Interest in all amounts credited to your Rollover Contribution Account.

You may withdraw up to 100% of your Rollover Contribution Account at any time prior to becoming a Participant, and thereafter upon the earlier of (a) the date you are entitled to a distribution of your Plan Account, or (b) within an administratively reasonable time after you terminate employment. You may also request a withdrawal of all or any portion of your Rollover Contribution Account at any time prior to the dates described in (a) and (b) above. The Administrator may require up to 60 days notice in advance of the requested date of withdrawal. Any amount withdrawn may be redeposited to your Rollover Contribution Account as long as it continues to qualify as a Rollover Contribution except for the fact that it originated from this Plan.

BENEFIT UPON RETIREMENT

You will have a 100% Vested Interest in your Account if you reach Normal or Early Retirement Age while you are still employed by us. Normal Retirement Age is the later of the date you reach age 65 or the fifth anniversary of the date you became a Participant. Early Retirement Age is the first day of any month coinciding with or following the date you reach age 55 and complete at least ten Years of Service as a Participant. Your Account will be distributed within an administratively reasonable time after you terminate employment on or after Normal or Early Retirement Age.

If your Account does not exceed \$5,000, it will be distributed in a lump sum. If it exceeds \$5,000, it will be distributed as monthly annuity payments. If you are not married, annuity payments will cease when you die. If you are married, annuity payments will continue after your death for the life of your surviving spouse. Each monthly payment to your surviving spouse will be at least 50% of the monthly payment you were receiving during your lifetime, but not more than 100%. You can choose any percentage between 50% and 100%, but the higher the percentage you choose, the smaller the monthly annuity payments will be to you and to your surviving spouse.

You can waive the annuity form of payment, but if you are married your spouse must give written consent to the waiver. If you (and your spouse, if applicable) do waive monthly annuity payments, you can elect to have your Account distributed in a lump sum, in installments, in the form of a non-transferable annuity or in such amount as you designate from time to time.

BENEFIT UPON DISABILITY

If you become disabled before your Account is distributed, you are entitled to your Vested Interest. To be considered disabled, you must suffer a physical or mental condition that qualifies you for benefits under any Employer-sponsored long-term disability plan. Your Vested Interest will be distributed within an administratively reasonable time after you terminate employment because of the disability.

If your Vested Interest does not exceed \$5,000, it will be distributed in a lump sum. If it exceeds \$5,000, it will be distributed as monthly annuity payments. If you are not married, annuity payments will cease when you die. If you are married, annuity payments will continue after your death for the life of your surviving spouse. Each monthly payment to your surviving spouse will be at least 50% of

the monthly payment you were receiving during your lifetime, but not more than 100%. You can choose any percentage between 50% and 100%, but the higher the percentage you choose, the smaller the monthly annuity payments will be to you and to your surviving spouse.

You can waive the annuity form of payment, but if you are married your spouse must give written consent to the waiver. If you (and your spouse, if applicable) do waive monthly annuity payments, you can elect to have your Account distributed in a lump sum, in installments, in the form of a non-transferable annuity or in such amount as you designate from time to time.

BENEFIT UPON DEATH

If you die before your Account is distributed, your beneficiary is entitled to your Vested Interest. If you are married, your spouse is designated by law to be the beneficiary of 50% of your Vested Interest, but you can name anyone else (including your spouse) to receive the other 50%. Your spouse can waive in writing his or her statutory death benefit, in which case you can name another beneficiary to receive 100% of your Vested Interest.

A non-spouse beneficiary can elect to receive a death benefit in either a lump sum or in installments unless you direct through a beneficiary designation form that the benefit be distributed in a specific form. Any death benefit payable to your spouse will be distributed as monthly annuity payments until his or her death. You can waive the annuity form of payment if your spouse consents in writing, in which case your spouse can elect either to receive a lump sum or installments unless you direct through a beneficiary designation form that the benefit be distributed in a specific form.

BENEFIT UPON TERMINATION OF EMPLOYMENT

If you terminate employment before Normal or Early Retirement Age, or if you terminate employment before you die or become disabled, you will be entitled to receive your Vested Interest. Distribution will be made within an administratively reasonable time after you request payment.

If your Vested Interest does not exceed \$5,000, it will be distributed in a lump sum. If it exceeds \$5,000, it will be distributed as monthly annuity payments. If you are not married, annuity payments will cease when you die. If you are married, annuity payments will continue after your death for the life of your surviving spouse. Each monthly payment to your surviving spouse will be at least 50% of the monthly payment you were receiving during your lifetime, but not more than 100%. You can choose any percentage between 50% and 100%, but the higher the percentage you choose, the smaller the monthly annuity payments will be to you and to your surviving spouse.

You can waive the annuity form of payment, but if you are married your spouse must give written consent to the waiver. If you (and your spouse, if applicable) do waive monthly annuity payments, you can elect to have your Account distributed in a lump sum, in installments, in the form of a non-transferable annuity or in such amount as you designate from time to time.

DETERMINATION OF VESTED INTEREST

The Vested Interest in your Account is the percentage of an Account to which you are entitled at any point in time. You will at all times have a 100% Vested Interest in your Elective Deferral Account. You will also have a 100% Vested Interest in all other Accounts maintained on your behalf upon reaching Normal or Early Retirement Age prior to termination of employment, and also upon death or Disability prior to termination of employment.

The Vested Interest in your Matching and Non-Elective Contribution Accounts at any other time prior to Normal or Early Retirement Age, death or Disability will be determined by the vesting schedule which immediately follows this paragraph based on your Years of Service. Any portion of your Non-Elective Contribution Account which is not vested when you terminate employment will be forfeited.

Years of Service	Vested Interest
1	20%
2	40%
3	60%
4	80%
5	100%

HARDSHIP DISTRIBUTIONS

With the written consent of your spouse, you may withdraw in a lump sum up to 100% of the Vested Interest in your Elective Deferral Account (excluding any investment earnings) and your Matching Contribution Account and Non-Elective Contribution Account to pay for a financial hardship caused by (1) eligible medical expenses incurred by you or your family; (2) the purchase (excluding mortgage payments) of your principal residence; (3) tuition for the next 12 months of college for you or your family; or (4) payments needed to prevent your eviction from your principal residence or payments needed to prevent foreclosure on the mortgage of your principal residence.

A hardship distribution cannot exceed the amount required to relieve the financial need, and you cannot make any Elective Deferrals for 6 months after the date you receive the distribution.

PARTICIPANT LOANS

Under certain conditions, you will be permitted to borrow from the Plan. All loans will be made in accordance with the Participant Loan Policy established by the Administrator. If the Participant Loan Policy is not attached to this summary, you can obtain a copy from the Administrator.

INVESTMENT OF ACCOUNTS

You are permitted to direct how your Participant's Account and Rollover Contribution Account will be invested. Subject to any rules or procedures established by the Administrator, you can choose from any investment alternatives approved by the Trustees, including but not limited to savings and/or money market accounts, stocks, bonds and mutual funds. You can switch between investment alternatives as often as is permitted under the investment alternatives you choose.

All earnings and losses on your directed investments will be credited directly to your Account. At the appropriate time, the Employer will provide you with more detailed information about the directed investment alternatives permitted under the terms of the Plan's investment policy.

Please Note: Any portion of an Account that is self-directed is intended to comply with Section 404(c) of the Employee Retirement Income Security Act of 1974. This means that if you are permitted to exercise independent control over the investment of an Account, then the fiduciaries of the Plan, including the trustees, the Administrator and we as the Employer may be relieved of certain legal liabilities for losses which can result from your exercise of such control.

TAX WITHHOLDING ON PLAN BENEFITS

Due to the complexity and frequency of changes in the federal laws that govern benefit distributions, penalties and taxes, the following is only a brief explanation of the applicable law and IRS rules and regulations as of the date this summary is issued. You will receive additional information from the Administrator at the time of any benefit distribution, and you should consult your tax advisor to determine your personal tax situation before taking any distribution from the Plan.

Any distribution from this Plan that is eligible to be rolled over and that is directly transferred to another qualified retirement plan or to an individual retirement account (IRA) is not subject to income tax withholding. Generally, any part of a distribution from this Plan can be rolled over to another qualified plan or to an IRA unless the distribution (1) is part of a series of equal periodic payments made over your lifetime, over the lifetime of you and your beneficiary, or over a period of 10 years or more; or (2) is a minimum benefit payment which must be paid to you because you have reached age 70½. There are other distributions that cannot be rolled over, and you should contact the Administrator if you have questions about whether a distribution can be rolled over.

If you choose to have your Plan benefit paid to you and the benefit is eligible to be rolled over, you only receive 80% of the benefit payment. The Administrator is required by law to withhold 20% of the benefit payment and remit it to the Internal Revenue Service as income tax withholding to be credited against your taxes. If you receive the distribution before you reach age 59½, you may also have to pay an additional 10% tax. You can still rollover all or a part of the 80% distribution that is paid to you by putting it into an IRA or into another qualified retirement plan within 60 days of receiving it. If you want to rollover 100% of the eligible distribution to an IRA or to another qualified retirement plan, you must find other money to replace the 20% that was withheld.

You cannot elect out of the 20% withholding (1) unless you are permitted (and elect) to leave your benefit in this Plan, or (2) unless you have 100% of an eligible distribution transferred directly to an IRA or to another qualified retirement plan that accepts rollover contributions.

OTHER INFORMATION

Claims for Benefits

To make a claim for benefits, you must use the procedures described below. If you feel you are not receiving benefits to which you are entitled, you must file a written claim for benefits with the Plan Administrator. You may authorize someone (such as a family member or an attorney) to make a claim on your behalf. The Administrator will review your claim and determine whether your claim should

be granted. The Administrator will notify you of its decision within 90 days after receiving your written claim. In certain cases, the Administrator may take up to an additional 90 days (for a total of 180 days) to review your claim. If the Administrator needs additional time to review your claim, you will be notified in writing within the initial 90-day period. If your claim is denied, you will receive a written or electronic notice explaining why your claim was denied. If additional information is needed, the notice will describe the information that is needed and will explain why it is needed. The notice will explain your right to request a review of the claim denial and your right to request arbitration if you request a review and your claim continues to be denied on review.

If your claim is denied, you can request a review of the denial as described below. If you do not request a review, the denial will be final, binding, and non-appealable. Your request for a review must be made in writing to the Administrator (or if we have appointed a separate Committee to oversee the Plan, to the Committee) within 60 days after you receive the Administrator's written or electronic notice of denial. If you request a review within this time period, the Administrator/Committee will review the claim and the denial and, after a full and fair review, determine whether your claim should continue to be denied. As part of the review, you have the right to submit written comments, documents, records and other information relating to your claim. You also have the right to request copies of any records or other information relevant to your claim. These copies will be provided to you free of charge. In reviewing your claim and the Administrator's denial of your claim, the Administrator/Committee will consider all information that you have provided, whether or not the Administrator reviewed the information in deciding your claim.

The Administrator/Committee will notify you of its decision. Generally, you will receive a written or electronic notice within 60 days after the Administrator/Committee receives your written request for review. However, in certain cases, the Administrator/Committee may need additional time to review your claim. If additional time is needed, the Administrator/Committee may take up to an additional 60 days (for a total of 120 days) to review your claim. If the Administrator/Committee needs additional time to review your claim, you will be notified in writing within the initial 60-day period. Also, if the Administrator/Committee meets once every calendar quarter (or more often), it may wait until its next regularly scheduled meeting (or the regularly scheduled meeting following the next regularly scheduled meeting, if your request is not received more than 30 days prior to the next regularly scheduled meeting) to review your claim.

If special circumstances require an extension, you will receive a written notice within the initial period. If the extension is needed because you have not given the Administrator/Committee information it needs to review your claim, then the time period for the Administrator/Committee to review your claim may be suspended (i.e., not run) until you provide the requested information. If your claim is denied on review, you will receive a written or electronic notice explaining why your claim was denied. The notice will explain your right to receive, upon request and free of charge, copies of any documents and other information relevant to your claim. The notice also will explain your right to request arbitration. If your claim is denied on review by the Administrator/Committee, you can request arbitration as described below. If you do not request arbitration, the Administrator/Committee's decision will be final, binding and non-appealable.

A written request for arbitration must be filed with the Administrator/Committee within 15 days after you receive the Administrator/Committee's decision. If a request for arbitration is timely filed, you and the Administrator/Committee will each name an arbitrator within 20 days after the Administrator/Committee receives your written request for arbitration. The two arbitrators will jointly

name a third arbitrator within 15 days after their appointment. If either party fails to select an arbitrator within the 20 day period, or if the two arbitrators fail to select a third arbitrator within 15 days after their appointment, then the presiding judge of the county court (or its equivalent) in the county in which the principal office of the Sponsor is located will appoint such other arbitrator or arbitrators. The arbitrators must render a decision within 60 days after their appointment. The losing party must pay all costs of arbitration unless the decision is not clearly in favor of one party or the other, in which case the costs would be allocated as the arbitrators decide. The decision of the arbitrators is final, binding, and non-appealable.

Non-Alienation of Benefits

In general, your creditors cannot garnish or levy upon your Account, and you cannot sell, transfer, assign, or pledge your Account. There are two exceptions: (1) your Account must be pledged as collateral for a loan from the Plan; and (2) if you and your spouse separate or divorce, a court can direct through a qualified domestic relations order that up to 100% of your Account be transferred to another person (usually your ex-spouse or your children). The Plan has a procedure for processing domestic relations orders, which you can obtain from the Administrator free of charge.

Amendment or Termination

Although the Plan is intended to be permanent, the Employer can amend or terminate it at any time. Upon termination, all Participants will have a 100% Vested Interest in their Accounts as of the date of termination, and all Accounts will be distributed. If the Plan is amended or terminated, each Participant and each beneficiary receiving benefits will be notified in writing.

Your Account is not insured by the Pension Benefit Guaranty Corporation (PBGC) because the insurance provisions of the Employee Retirement Income Security Act do not apply to 401(k) plans. For more information on PBGC coverage, ask the Administrator or the PBGC. Written inquiries to the PBGC should be addressed to the Technical Assistance Division, PBGC, 1200 K Street NW, Suite 930, Washington, D.C. 20005-4026, or you can call (202) 326-4000.

Missing Payees or Beneficiaries

If the Administrator notifies a Participant or beneficiary that he or she is entitled to receive a benefit from the Plan and the Participant or beneficiary fails to make his or her whereabouts known in writing to the Trustee or Administrator or otherwise fails to claim the benefit, the benefit will be (1) treated as a forfeiture; or (2) directly rolled to an IRA established by the Administrator on behalf of the missing Participant or beneficiary; or (3) escheated to the State of Virginia.

STATEMENT OF ERISA RIGHTS

As a Participant in the Northern Virginia Regional Commission Employees' Retirement Plan and Trust (the "Plan"), you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants are entitled to:

- (1) Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work-sites and union halls, all Plan documents, including insurance contracts, collective bargaining agreements and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports and Plan descriptions.

- (2) Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Administrator may make a reasonable charge for the copies.
- (3) Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.
- (4) Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age (as defined elsewhere in this summary) 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 pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once a year. The Plan must provide the statement free of charge.

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

If your claim for a pension benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive 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 Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration (formerly known as the Pension and Welfare Benefits 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.

Participant Notes