

AMENDMENT NO. 2
TO THE JUNE 1, 2015
RESTATEMENT OF THE RULES AND REGULATIONS
OF THE PENSION PLAN FOR THE
ARIZONA PIPE TRADES PENSION TRUST FUND

The Trustees hereby amend the Plan as follows:

Effective January 1, 2016, A new Article III-B will be added as follows.

ARTICLE III-B
ALLOCATION OF INCOMING RECIPROCAL CONTRIBUTIONS

Section 1 Purpose

This Article explains procedures for allocating incoming reciprocal contributions received from Participating Funds and allocated to the Arizona Pipe Trades Pension Trust Fund ("Pension Fund") and Arizona Pipe Trades defined Contribution Trust Fund ("DC Fund").

Section 2 Definitions

- (a) The terms "Temporary Employee" or "Traveler" shall mean individuals whose Home Funds are the Arizona Pipe Trades Pension Trust Fund and Arizona Pipe Trades Defined Contribution Fund and who are working temporarily in the jurisdiction of a Participating Fund.
- (b) The term "Home Fund" shall mean the Arizona Pipe Trades Pension and Defined Contribution Funds.
- (c) The term "Participating Fund" shall mean a pension fund signatory to the United Association Reciprocity Agreement or a fund signatory to a Reciprocal Agreement with the Pension and/or DC Funds that receives contributions on behalf of Travelers and forwards those contributions to the Home Fund(s).
- (d) For purposes of this Article, the term "Excess Contributions" shall mean those contributions sent by Participating Funds which are in excess of the contributions required to earn a full pension credit in the Pension Fund.

Section 3 Method of Allocation

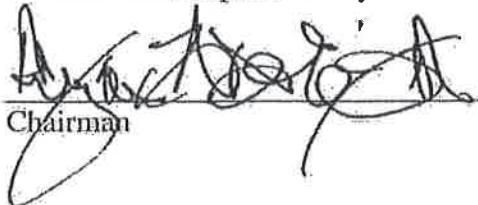
- (a) In order to ensure that participants receive a full pension credit in the Pension Fund, all contributions from Participating Funds will first be deposited in the Pension Fund.
- (b) Once a participant has worked sufficient hours, for in-state contractors and/or in the jurisdiction of Participating Funds, in excess of those required to earn a full pension credit, the Excess Contributions will be allocated to the Pension and Defined Contribution Funds based upon a formula developed by the bargaining

parties. Excess Contributions will be allocated based upon the percentage each fund bears to the total hourly contribution to both Funds. For example, as of July 1, 2015, the total hourly contribution to both funds is \$7.05 consisting of a contribution of \$3.55 to the Pension Fund and \$3.50 to the Defined DC Fund. Under the formula, the allocation to the Pension Fund is 50.3% and 49.7% to the DC Fund. Those percentages will change when new contribution rates are negotiated by the bargaining parties.

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- (c) Twice per year, the administrative office shall determine the amount of Excess Contributions for each participant and transfer contributions and earnings to the DC Fund.
- (d) Each participant who has worked in the jurisdiction of a Participating Fund will receive a statement twice per year showing the reciprocal contributions received and the amount of contributions credited during the Plan Year and the year they are being credited.
- (e) In the event the hourly contribution rate of the Participating Fund is less than the hourly contribution rate for the Pension Fund, the Participants' pension credits will be prorated. For example, if the current contribution rate were \$2.00 per hour and \$1.00 is reciprocated, the participant would receive credit for $\frac{1}{2}$ hour. The total for the year would be prorated so that the participant would receive an increment of credit in the Pension Plan equal to $\frac{1}{2}$ credit.

We, the Chairman and Co-Chairman of the Board of Trustees of the Pension Plan for the Arizona Pipe Trades Pension Trust Fund, do hereby certify that the foregoing Amendment 2 to the Plan was adopted as duly authorized by the Board of Trustees on January 21, 2015.



Chairman



Co-Chairman