

**PLAN DOCUMENT
OF THE
ARIZONA PIPE TRADES
DEFINED CONTRIBUTION PLAN**

Effective June 1, 2015, this Restatement sets forth the Plan Document of the Arizona Pipe Trades Defined Contribution Plan. This Restatement consists of the prior Plan Document together with the amendments thereto, which were effective on various dates and are incorporated herein.

ARTICLE I

DEFINITIONS

Unless the context of the subject matter otherwise requires, the following definitions shall govern the plan:

Section 1. “Retiree” means an Employee who Retires and to whom a benefit is paid under this Plan.

Section 2. “Associations” shall mean the Plumbing and Air Conditioning Contractors Association of Central and Northern Arizona, the Plumbing and Air Conditioning Contractors Association, Tucson Chapter, and any successor or successors thereof.

Section 3. “Collective Bargaining Agreement” shall mean:

- (a) The Arizona Pipe Trades Agreement, including all metal trades supplements thereto entered into as of July 1, 1981, between the Associations and the Union;
- (b) Any other or successive Collective Bargaining Agreement executed by the Associations and the Union which specifically provides for the making of contributions to the Trust Fund herein established;
- (c) Any other Collective Bargaining Agreement between the Union and any Employer which specifically provides for the making of contributions to the Trust Fund herein established;
- (d) Any other collective bargaining agreements between the Union and the Arizona Pipe Trades Joint Apprenticeship Trust Fund and their employees which specifically provides for the making of contributions to the Fund, subject to the approval of the Board of Trustees; and

- (e) Any extension of, renewal of, or successor to the Agreements described in (a), (b), (c) and (d) above which specifically provides for the making of contributions to the Trust Fund herein established; and
- (f) Any subscriber Agreements signed by an Employer with regard to non-bargaining unit employee participants.

Section 4. The term "Contributions" shall mean the amounts paid to the Fund, whether pursuant to a Collective Bargaining Agreement or otherwise, and shall consist of Employer Contributions and voluntary Employee Contributions.

Section 5. "Employee" shall mean:

- (a) Any person who performs work pursuant to a Collective Bargaining Agreement and on whose behalf the Collective Bargaining Agreement requires contributions hereunder; and
- (b) Those classes of employees participating in the companion Arizona Pipe Trades Pension Trust Fund, including:
 - (1) A regularly employed and salaried officer, business representative, or employee of the Union, including employees who are parties to a Collective Bargaining Agreement which provides for contributions to the Fund on their behalf;
 - (2) Any apprenticeship coordinator, assistant apprenticeship coordinator, or employee regularly employed by the Arizona Pipe Trades Joint Apprenticeship Trust Fund, including those employees subject to any Collective Bargaining Agreement requiring contributions to the Fund on their behalf;
 - (3) Any corporate official or other non-bargaining unit employee employed by an employer who was previously employed in the bargaining unit after June 1, 1963, but whose status was changed to that of a corporate official or other non-bargaining unit employee after that date;
 - (4) Any corporate official or non-bargaining unit employee employed by an Employer who has not been employed in the bargaining unit since June 1, 1963, but for whom contributions to the fund actually have been made prior to January 1, 1974, because of his performance of covered work or because of his employment in the bargaining unit prior to June 1, 1963; and
 - (5) Any regularly employed and salaried officer or agent of the Phoenix Building and Construction Trades Council, the Piping Industry Progress and Education Fund, the Arizona State AFL-CIO, or the Northern California and Northern Nevada Pipe Trades District Council 51, who has a record of prior participation in the companion Arizona Pipe Trades Pension Trust Fund.

Section 6. Employer. “Employer” shall mean:

- (a) Any Employer who is now or hereafter may become a party to or otherwise bound by a Collective Bargaining Agreement;
- (b) The Union, but only to the extent that it contributes to the Trust Fund on behalf of any officer or other employee of the Union; and
- (c) For purposes of identifying highly compensated employees and applying the rules on participation, vesting and statutory limits on benefits under the Fund but not for determining Covered Employment, the term “Employer” includes all corporations, trades or businesses under common control with the Employer within the meaning of Internal Revenue Code §414(b) and (c), all members of an affiliated service group with the Employer within the meaning of Internal Revenue Code §414(m) and all other businesses aggregated with the Employer under Internal Revenue Code §414(o).

Section 7. “Fiscal Year” means June 1, of any year to May 31 of the succeeding year.

Section 8. “Former Participant” means a Participant for whom no Contributions have been made on his behalf during a Fiscal Year but who has a vested account balance under the Plan.

Section 9. “Fund” or “Trust Fund” means the Arizona Pipe Trades Defined Contribution Pension Trust Fund.

Section 10. “Individual Account” means the account established for each Employee, pursuant to the Plan. The Individual Account shall consist of the Employer Account plus the Employee Account, if any. Each Participant’s Individual Account shall be maintained so as to separately reflect the amounts attributable to Employer Contributions, earnings thereon, Employee Contributions, earnings thereon and certain incurred expenses.

Section 11. “Participant” means any Employee participating in the Plan for whom an Individual Account has been established.

Section 12. “Plan” means the rules and regulations set forth herein.

Section 13. “Retires” or “Retire” means the complete withdrawal by an employee from employment for wages or profit as a plumber or fitter in the mechanical, plumbing, heating or air conditioning industry. The term “Retires” or “Retire” also means that the employee/participant has completed and submitted an application for benefits to the Arizona Pipe Trades Pension Trust Fund on or before the date on which application is made for benefits under this Trust.

Section 14. “Trust Agreement,” or “Agreement and Declaration of Trust” means the Trust Agreement establishing the Arizona Pipe Trades Defined Contribution Pension Trust Fund, effective as of July 1, 1981, including any modification, amendment, extension or renewal thereof.

Section 15. "Trustee" or "Trustees" shall mean any persons designated as Trustee pursuant to Article V, Section 5.01 of the Trust Agreement, together with their successors.

Section 16. The term "Union" means Local Union 469 and Local Union 741 of the United Association of Journeymen and Apprentices of the United States and Canada, which are labor organizations. Effective July 1, 2007, Local Union 469 and Local 741 were consolidated and, for purposes of this Plan, the term "Union" means Local Union 469, which, on and after July 1, 2007, has the same geographical jurisdiction as Local Unions 469 and 741, together, had prior to that date.

Section 17. The term "Valuation Date" means July 1, 1981 and the last business day of each Fiscal Year thereafter. The term "Valuation Date" shall also mean November 30, 2008.

Section 18. "Normal Retirement Age" means age 65.

Section 19. "Covered Employment" means work as an Employee as defined in Section 5 of this Article.

Section 20. "Beneficiary" means a person (other than a Retiree) who is legally entitled to receive a benefit under this Plan because of his or her designation for such benefit by a Participant or who is legally entitled to receive a benefit by operation of law. However, if a marriage is legally dissolved, annulled or invalidated, a Beneficiary designation made by a former spouse prior to such dissolution, annulment or invalidation shall be considered revoked and null and void as of the date of dissolution, annulment or invalidation of the marriage.

Section 21. Non-Bargained Employee. "Non-Bargained Employee" shall mean an Employee whose participation is not covered by the Collective Bargaining Agreement.

Section 22. ERISA. "ERISA" shall mean the Employee Retirement Income Security Act of 1974 as it may be amended from time to time, and any regulations issued pursuant thereto, as such Act and such regulations affect the Plan and the Trust.

Section 23. Highly Compensated Employee.

- (a) The term "Highly Compensated Employee" includes highly compensated active Employees and highly compensated former Employees of an Employer. Whether an individual is a Highly Compensated Employee is determined separately with respect to each Employer, based solely on that individual's Compensation from or status with respect to that Employer.
- (b) A Highly Compensated Employee is any Employee who:
 - (1) was a 5-percent owner of the Employer at any time during the determination year or the look-back year, or
 - (2) for the look-back year

- (A) had Compensation from the Employer in excess of \$80,000 (as adjusted annually for increases in the cost-of-living in accordance with regulations prescribed by the Secretary of the Treasury), and
- (B) was in the top-paid group of employees of such Employer for such year. For this purpose, the top-paid group of Employees shall consist of the top 20 percent of the Employees when ranked on the basis of Compensation paid during such year.

(3) For purposes of determining if an Employee's Compensation from an Employer exceeds \$80,000 (adjusted for changes in the cost of living) in the look-back year, the look-back year shall be the calendar year beginning within the Fiscal Year immediately preceding the Fiscal Year for which the test is being applied.

Section 24. IRC. "IRC" means the Internal Revenue Code of 1986, 26 U.S.C. § et seq., as it may be amended from time to time, and any regulations issued pursuant thereto, as such Code and such regulations affect the Plan and the Trust.

Section 25. Annuity Starting Date.

- (a) Subject to section (b), below, a Participant's Annuity Starting Date is the first day of the first calendar month starting after the Participant has fulfilled all of the conditions for entitlement to benefits and after the later of the Participant's submission of a completed application for benefits, or 30 days after the Plan advises the Participant of the available benefit payment options, unless
 - (1) the benefit is being paid as a 50% Joint and Survivor Annuity at or after the Participant's Normal Retirement Age,
 - (2) the benefit is being paid out automatically as a lump sum under Article VI, Section 8, or
 - (3) the Participant and Spouse (if any) consent in writing to the commencement of payments before the end of that 30-day period. Consent of the Participant and Spouse to the commencement of benefits before the end of the 30-day minimum notice period will be valid as long as the following conditions are satisfied:
 - (A) the Participant is informed of the right to take up to 30 days to consider whether to waive the 50% Joint and Survivor Annuity and consent to one of the alternate forms of benefit allowed by the Plan,
 - (B) the Participant is given at least 7 days to change his/her mind and cancel an election to waive the 50% Joint and Survivor Annuity,
 - (C) distribution of the benefits begins more than 7 days after the written explanation was provided to the Participant and Spouse.

- (b) The Annuity Starting Date shall not be later than the Participant's Required Beginning Date as defined in Article VII, Section 2(b).
- (c) The Annuity Starting Date for a Beneficiary or an alternate payee shall be determined under subsections (a) and (b), except that references to the 50% Joint and Survivor Annuity and spousal consent do not apply.

Section 26. Compensation.

- (a) For Limitation Years beginning on or after July 1, 2007, "415 Compensation" means remuneration received from the Employer during the Limitation Year, as defined in Treasury Regulation § 1.415(c)-2(d)(4) (Section 6041, 6051, and 6052 reportable amounts, i.e. W-2 wages).

415 Compensation shall also be subject to the following rules:

415 Compensation must be paid within the Limitation Year, and paid or treated as paid before Severance from Employment in accordance with the general timing rule of § 1.415(c)-2(e)(1) and in accordance with § 1.415(c)-2(e)(2) regarding certain minor timing differences.

415 Compensation must include amounts paid by the later of 2½ months after Severance from Employment or the end of the Limitation Year that includes the Severance from Employment date in accordance with § 1.415(c)-2(e)(3)(i). Such post-severance compensation includes regular pay as defined in § 1.415(c)-2(e)(3)(ii), leave cashouts and deferred compensation as defined in § 1.415(c)-2(e)(3)(iii), salary continuation payments for military service and disabled participants in accordance with § 1.415(c)-2(e)(4), deemed section 125 compensation as defined in § 1.415(c)-2(g)(6), deemed compensation for periods of permanent and total disability in accordance with § 1.415(c)-2(g)(4), but not other post-severance payments as defined in § 1.415(c)-2(e)(3)(iv).

The 415 Compensation for a Participant for any Limitation Year or Plan Year shall in no event exceed the dollar limit specified in section 401(a)(17) of the Code, as adjusted for cost-of-living increases in accordance with section 401(a)(17)(B) of the Code.

- (b) The annual compensation of each Participant taken into account in determining benefit accruals in any Calendar Year beginning after December 31, 2001, shall not exceed \$200,000. For this purpose, annual compensation means Compensation during the Calendar Year, or such other consecutive 12-month period over which Compensation is determined under the Plan (the "determination period").

The \$200,000 limit on annual Compensation shall be adjusted for cost-of-living increases in accordance with Code section 401(a)(17)(B).

In determining benefit accruals in Calendar Years beginning after December 31, 2001, the annual compensation limit for determination periods beginning before January 1, 2002 shall be \$200,000.

(c) Military Differential Wages. Effective for years beginning after December 31, 2008, Compensation shall include military differential wage payments (as defined in section 3401(h) of the Code).

Section 27. Spouse. The term "Spouse" means the person to whom a Participant is married, provided the jurisdiction in which the marriage was performed recognizes the marriage as valid. For purposes of this Section, the term "jurisdiction" may refer to any of the fifty states of the United States, to the District of Columbia, to the territories of the United States, or to a foreign country.

Section 28. Qualified Military Service. Notwithstanding any provision to the contrary, a Participant's benefits shall include contributions (but not investment income or forfeitures) owed for periods of Qualified Military Service in the uniformed services of the United States consistent with and to the extent required by the Uniformed Services Employment and Re-employment Rights Act of 1994, as amended, (USERRA) and section 414(u) of the Internal Revenue Code, as amended. For reemployments initiated on or after December 12, 1994, Qualified Military Service shall be counted for purposes of crediting a Participant's Individual Account with contributions provided all of the following conditions are satisfied:

- (a) An individual must have re-employment rights under USERRA in order for any period of Qualified Military Service to be recognized.
- (b) After discharge from military service, the individual must return to Covered Employment within the time period required by USERRA in order for any period of Qualified Military Service to be recognized.
- (c) No more than five years of Qualified Military Service may be recognized for any purpose except as required by law.
- (d) The Board of Trustees determines, in accordance with USERRA, that an individual is entitled to a period of Qualified Military Service.

Section 29. Type of Plan. From its inception through February 28, 2003, the Plan was a money purchase pension plan. Effective March 1, 2003, the Plan is a profit sharing plan.

Section 30. The term "Employee Account" shall mean that part of a Participant's Individual Account maintained to record Contributions made on his behalf by the Employer pursuant to a voluntary wage reduction agreement as described herein, and adjustments thereto.

Section 31. The term "Employee Contributions" shall mean the amounts which are voluntarily contributed by or on behalf of an Employee pursuant to a wage reduction agreement. Such Employee Contributions, together with the amounts, if any, of Contributions to other plans

qualified under IRC sections 401(a) or 401(k) to which his or her Employer contributes, shall not exceed 25% of the Employee's Compensation while an Employee, to ensure compliance with IRC section 415.

Section 32. The term "Employer Account" shall mean that part of a Participant's Individual Account maintained to record his or her share of the Contributions of the Employer, and adjustments thereto.

Section 33. The term "Employer Contributions" shall mean the amounts which are required to be paid into the Fund by Employers pursuant to the existing or hereinafter established Collective Bargaining Agreements, any other agreement or document, or applicable law.

ARTICLE II

PARTICIPATION

Section 1. Each Employee shall become a Participant when an Individual Account is established in his name.

Section 2. A person will cease to be a Participant when his "Accumulated Share," as defined in Article VI, Section 1, has been paid to him pursuant to Article VI. If such a person is then re-employed by a Contributing Employer, he will again become a Participant in accordance with Section 1 of this Article.

ARTICLE III

CONTRIBUTIONS

Section 1. Employer Contributions. With respect to each calendar month, the Employers shall make Contributions to the Fund on behalf of the Employees as required under the terms of the Collective Bargaining Agreement. The applicable contribution rate or rates, which are specified in the Collective Bargaining Agreement, shall prevail until either the contribution amount is renegotiated by the Contributing Employers and the Union or the Plan is terminated. In addition, a Participant's Individual Account shall be credited with Contributions (but not investment income or forfeitures) for every week of Qualified Military Service based on the average amount of hours worked by the Participant under this Plan during the 12-month period of employment immediately prior to the period of Qualified Military Service (or if shorter, the period of employment immediately preceding the period of Qualified Military Service). The hourly contribution rate shall be equal to the rate at which contributions would have been owed on the Participant's behalf had he performed Covered Employment during the period being recognized as Qualified Military Service. Contributions owed to the Individual Account of a Participant for a period of Qualified Military Service shall be deducted from Plan assets as an administrative expense for the Fiscal Year in which credited.

Section 2. Disability or Death during a Period of Qualified Military Service.

- (a) If a Participant dies on or after January 1, 2007 while performing Qualified Military Service (as defined in Code §414(u)(5)), the Participant shall be credited with service for the period of Qualified Military Service for purposes of both vesting and contributions under the Plan as if the Participant had resumed Covered Employment with an Employer on the day preceding death and then terminated Covered Employment on the date of death, in accordance with Code §414(u)(9).
- (b) If a Participant becomes totally disabled (as defined in Article VI, Section 3 of the Plan) on or after January 1, 2007 while performing Qualified Military Service (as defined in Code §414(u)(5)), the Participant shall be shall be credited with service for the period of Qualified Military Service for purposes of both vesting and contributions under the Plan as if the Participant had resumed Covered Employment with an Employer on the day preceding the day on which the Participant incurred the disability and then terminated Covered Employment on the day the disability was incurred, in accordance with Code §414(u)(9).

Section 3. Limitations on Annual Allocations under Section 415.

- (a) In addition to any other limitations set forth in the Plan and notwithstanding any other provisions of the Plan, effective for Limitation Years beginning on and after January 1, 2008, contributions and other amounts ("annual additions") under the Plan shall be limited in accordance with section 415 of the Code and the Treasury Regulations

thereunder, in accordance with this Section. This Section 3 is intended to incorporate the requirements of section 415 of the Code by reference except as otherwise specified herein.

(b) Definitions.

For purposes of this Section 3, the following terms shall have the following meanings.

- (1) 415 Compensation. “415 Compensation” for purposes of this section is as defined in Article I, Section 26 of the Plan.
- (2) Limitation Year. “Limitation Year” means the calendar year.
- (3) Severance From Employment. “Severance From Employment” has occurred when a Participant is no longer an employee of any Employer maintaining the Plan.

(c) Limit on Annual Additions. For Limitation Years beginning on or after January 1, 2008, in no event shall the total annual additions credited with respect to any Participant for a Limitation Year exceed the limits determined in accordance with section 415 of the Code and the Treasury regulations thereunder (the “maximum annual addition”). If a Participant’s total annual additions for a Limitation Year beginning on or after January 1, 2008 would exceed the maximum annual addition for that Limitation Year, annual additions with respect to the Participant shall be frozen or reduced so that the annual additions with respect to the Participant do not exceed the maximum annual addition for that Limitation Year.

(d) Aggregation of Plans.

- (1) For purposes of applying the limits of this Section 3, if a Participant also participates in another tax-qualified defined contribution plan of the Employer that is not a multiemployer plan, only the annual additions under this Plan that are provided by the Employer are aggregated with the annual additions under the other plan.
- (2) In the event that the aggregate annual addition in any Plan Year by a Participant exceeds the limits under section 415 of the Code and the Treasury Regulations thereunder as a result of the mandatory aggregation of the annual additions under this Plan with the annual additions under another plan maintained by the Employer, the annual additions under such other plan shall be reduced to the extent necessary to comply with section 415 of the Code and the Treasury Regulations thereunder.

(e) General.

- (1) To the extent that a Participant's annual additions are subject to provisions of section 415 of the Code and the Treasury Regulations thereunder that have not been set forth in the Plan, such provisions are hereby incorporated by reference into this plan and for all purposes shall be deemed a part of the Plan.
- (2) This Section 3 is intended to satisfy the requirements imposed by section 415 of the Code and the Treasury Regulations thereunder and shall be construed in a manner that will effectuate this intent. This Section 3 shall not be construed in a manner that would impose limitations that are more stringent than those required by section 415 of the Code and the Treasury Regulations thereunder.
- (3) If and to the extent that the rules set forth in this Section 3 are no longer required for qualification of the Plan under section 401(a) and related provisions of the Code and the Treasury Regulations thereunder, they shall cease to apply without the necessity of an amendment to the Plan.

(f) Interpretation or Definition of Other Terms. The terms used in this Section 3 that are not otherwise expressly defined for this Section, shall be defined as provided in the Plan, or if not defined in the Plan, shall be defined interpreted and applied for purposes of this Section 3 as prescribed in section 415 of the Code and the Treasury Regulations thereunder.

Section 4. Reserved.

Section 5. Employee Contributions.

(a) An Employee may elect to enter into, with his or her Employer, a written wage reduction agreement approved by the Trust which will be applicable to all payroll periods until such agreement is revoked. The wage reduction agreement shall provide that the Employee agrees to accept a reduction in Compensation from his or her Employer equal to \$.50, \$1.00, \$1.50, \$2.00, \$2.50, \$3.00, \$4.00, \$5.00, \$6.00, \$7.00, or \$8.00 per hour.

Such amount shall not result in reductions, for any calendar year, in excess of \$15,000, as indexed by the Secretary of the Treasury in accordance with the authority granted to it by IRC section 402(g)(4). The election to defer may be made only with respect to amounts which the Employee otherwise could elect to receive in cash, and with respect to amounts which were not currently available to the Employee at the time the Employee entered into the wage reduction agreement.

(b) In accordance with such wage reduction agreement, the Employer shall make monthly Employee Contributions to the Employee Account on behalf of the Employee for such month in an amount equal to the total amount by which the Employee's Compensation

from the Employer was reduced during such month pursuant to the wage reduction agreement.

- (c) An Employee may revoke his or her wage reduction agreement at any time.
- (d) Amounts credited to an Employee's Employee Account shall be 100% vested and non-forfeitable at all times.
- (e) The election, pursuant to a wage reduction agreement, to make Employee Contributions or to change the amount of Employee Contributions, may be made only (1) during open enrollment periods designated by the Trustees, and (2) at the time the Employee is dispatched by the Union to perform Covered Employment for an Employer.
- (f) Notwithstanding any other provision of the Plan to the contrary, a Participant who is entitled to a restoration of Plan benefits pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994 shall, upon the Participant's reemployment with the Employer, be permitted to make contributions under the Plan in addition to those permitted under the Plan provisions applicable to Participants not entitled to such restoration. The maximum amount of Employee Contributions permitted under this provision shall be the maximum amount the Participant would have been permitted to make under the Plan during his period of Qualified Military Service if he continued to be an Employee and receive Compensation from the Employer during such period.

For purposes of calculating the amount of Employee Contributions permitted under this provision, monthly Compensation shall mean the amount the Participant would have received from the Employer if the Participant had not been in Qualified Military Service (1) based on the rate of pay the Participant would have received but for the absence, or (2) if such rate of pay is not reasonably certain, then based on the Participant's average monthly Compensation from the Employer during the 12-month period immediately preceding such Qualified Military Service. The amount of Employee Contributions under this provision shall be adjusted for any Employee Contributions actually made during the Participant's Qualified Military Service; if fewer than 12 months were served, then the Qualified Military Service and elective Employee Contributions will be pro-rated accordingly. No investment earning shall be credited on pre-tax salary reduction contributions made under this provision prior to the date such pre-tax salary reduction contributions are actually made.

All employee contributions made by a participant for his period of Qualified Military Service under this provision must be made within 5 years after the Participant's reemployment date or, if earlier, within the period equal to three times the Participant's period of Qualified Military Service.

Section 6. Limitations.

- (a) The Trustees may limit, revoke or modify an Employer's right to make Employee Contributions on behalf of any Employee at any time, but only if they determine that such limitation, revocation or amendment is necessary under one of the following circumstances:
 - (1) To insure that the discrimination tests of IRC § 401(k) governing permissible levels of Employee Contributions are met for such calendar year, or to insure that one of the following tests is met for such calendar year:
 - (A) The actual deferral percentage (ADP) of the Employee Contributions of the Highly Compensated Employees eligible to participate is not more than 1.25 times the ADP of the Employee Contributions for Participants who were non-Highly Compensated Employees; or
 - (B) The ADP of the Employee Contributions for the Highly-Compensated Employees eligible to participate is not more than 2.0 times the ADP of the Employee Contributions for all other Employees eligible to participate and the ADP of the Employee Contributions for the Highly-Compensated Employees eligible to participate does not exceed the ADP for Participants who were non-Highly Compensated Employees by more than two percentage points; or
 - (2) To insure that an Employee's annual additions for any calendar year will not exceed the limitations on annual additions; or
 - (3) To insure deductibility of the Employer's entire Contributions to the Plan for federal income tax purposes.
- (b) If a limitation or amendment becomes necessary pursuant to paragraph (a)(1) or (a)(3) above, then the Administrator will determine the amount of excess contributions with respect to Participants who are Highly Compensated Employees. To do so, the Administrator will perform the following computation (which shall be used solely to determine the aggregate amount of excess contributions): first, the actual deferral ratio of the Highly Compensated Employee with the highest actual deferral ratio shall be reduced to the extent necessary to enable the Plan to satisfy the limits of Internal Revenue Code section 401(k)(3) or cause such Participant's actual deferral ratio to equal the actual deferral ratio of the Highly Compensated Employee with the next highest actual deferral ratio, and then this process will be repeated until the Plan satisfies the Code section 401(k)(3) limits. The aggregate amount of reductions determined above shall be distributed, first, to the Highly Compensated Employees with the highest dollar amounts of Employee Contributions, pro rata, in an amount equal to the lesser of (1) the total amount of excess contributions for the Plan Year determined above, or (2) in the amount

necessary to cause the amount of such Participants' Employee Contributions to equal the amount of the Employee Contributions of the Highly Compensated Employees with the next highest dollar amount of Employee Contributions. This process is repeated until the aggregate amount distributed equals the amount of excess contributions determined above. Income on excess contributions shall be distributed in accordance with applicable Treasury Regulations.

The tests in (a) above shall be applied using the ADP for the highly compensated group for the current Plan year and the ADP for the non-highly compensated group for the immediately preceding Plan year (taking into account the non-highly compensated group that existed during such preceding Plan year). For this purpose, the actual deferral ratios for the Participants is determined using Compensation paid during the calendar year ending within the applicable Plan Year.

Section 7. Excess Deferrals.

- (a) If during any calendar year the total amount of an Employee's wage reduction contributions to all qualified cash or deferred arrangements exceeds \$15,000, as indexed by the Secretary of the Treasury in accordance with the authority granted to it by IRC section 402(g)(4), then the excess deferrals are to be included in the Employee's gross income for the calendar year to which such deferral relates.
- (b) Notwithstanding anything in this Plan to the contrary, the Plan shall return (not later than the first March 31 after the Employee's taxable year ends) the amount of the Employee's Employee Contributions with allocable income by which the Employee's Employee Contributions exceed \$15,000, as indexed by the Secretary of the Treasury in accordance with the authority granted to it by IRC § 402(g)(4). The Trustees shall apply such rules and regulations uniformly with respect to each Employee.

Section 8. Good Faith 401(k) Amendment.

- (a) This amendment is adopted to reflect the final regulations under Code sections 401(k) and 401(m). This amendment is intended as good faith compliance with the requirements of Code sections 401(k), 401(m) and 402A and is to be construed in accordance with guidance issued thereunder. Except as otherwise provided, this amendment shall be effective for March 1, 2006, which was the inception date of the Plan's cash or deferred arrangement.
- (b) This amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this amendment. To the extent this amendment does not contradict the Plan, this amendment shall supplement the Plan.
- (c) Pursuant to Treasury Regulation Section 1.401(k)-2(b)(2), in determining the amounts distributable, the average deferral percentage (ADP) for Highly Compensated Employees

is reduced on a step-by-step leveling basis beginning by reducing the ADP for the Highly Compensated Employee with the highest percentage until the average is reduced to the maximum allowed or until the ADP for such Highly Compensated Employee is lowered to that of the Highly Compensated Employee with the next highest percentage. This process continues until the ADP is lowered to the maximum allowed for the Plan Year. Notwithstanding any other provision of the Plan, Excess Contributions plus any income and minus any loss allocable thereto, shall be distributed to affected Participants no later than the last day of the Plan Year following the Plan Year to which the Excess Contributions are attributable, except to the extent such Excess Contributions are classified as Catch-Up Contributions. Excess Contributions are allocated to the Highly Compensated Employees with the largest amounts of Employer contributions taken into account in calculating the ADP Test for the year in which the excess arose, beginning with the Highly Compensated Employee with the largest amount of such Employer contributions and continuing in descending order until all the Excess Contributions have been allocated. To the extent a Highly Compensated Employee has not reached his or her Catch-Up Contribution limit under the Plan, Excess Contributions allocated to such Highly Compensated Employee are Catch-Up Contributions and will not be treated as Excess Contributions. If such excess amounts (other than Catch-Up Contributions) are distributed more than two and one-half (2½) months after the last day of the Plan Year to which the excess amounts are attributable, a 10% excise tax will be imposed on the Employer maintaining the Plan with respect to such amounts. The references in this subsection (c) to catch-up contributions are effective January 1, 2010.

- (d) The income or loss allocable to "excess deferrals," and "excess contributions," shall be determined under the following method: The income or loss attributable to such distributable contributions shall be the sum of (i) the income or loss on such contributions for the "determination year", determined under any reasonable method determined by the Trustees, plus (ii) the income or loss on such contributions for the "gap period", determined under such reasonable method. Any reasonable method used to determine income or loss hereunder shall be used consistently for all Participants in determining the income or loss allocable to distributable contributions hereunder and shall be the same method that is used by the Plan in allocating income or loss to Participants' Accounts. For purposes of this paragraph, the "gap period" means the period between the end of the "determination year" and the date of distribution; provided, however, that income or loss for the "gap period" may be determined as of a date that is no more than seven days before the date of distribution. Notwithstanding the foregoing, for any determination of the income or loss allocable to "excess deferrals," gap period income shall be included only for excess deferrals with respect to the 2007 calendar year; and for any determination of the income or loss allocable to "excess contributions," gap-period income shall be included only for the excess contributions with respect to the Plan Year beginning June 1, 2007 and ending May 31, 2008.
- (e) Excess Contributions shall be treated as annual additions under the Plan.

(f) Distribution upon Severance from Employment.

(1) Effective Date. This section shall apply for distributions and severances from employment occurring after March 1, 2006.

(2) New Distributable Event. A Participant's elective deferrals, and earnings attributable to these contributions shall be distributed upon the Participant's severance from employment. However, such a distribution shall be subject to the other provisions of the Plan regarding distributions, including the filing of an application, other than provisions that require a separation from service before such amounts may be distributed.

(g) Suspension Period Following Hardship Distribution. A Participant who receives a distribution of elective deferrals after March 1, 2006, on account of hardship, shall be prohibited from making elective deferrals under this and all other plans of the Employer for six months after receipt of the distribution.

(h) Catch-up Contributions. Effective beginning January 1, 2010, all Employees who are eligible to make elective deferrals under this Plan and who have attained age 50 before the close of the Plan Year shall be eligible to make catch-up contributions in accordance with, and subject to the limitations of, IRC §414(v). Such catch-up contributions shall not be taken into account for purposes of the Plan provisions implementing the required limitations of IRC §§402(g) and 415. Further, the Plan shall not be treated as failing to satisfy the provisions of the Plan implementing the requirements of IRC §§401(k)(3), 401(k)(11), 401(k)(12), 410(b), or 416, as applicable, by reason of the making of such catch-up contributions.

Section 9. Distribution of Employee Contributions to Participants Called to Active Duty. A Participant may apply for a distribution of his or her elective contributions under the following circumstances:

(a) A Participant who is or was a member of a reserve component (as defined in §101 of title 37, United States Code) and who is or was ordered or called to "qualified active duty" may request a qualified reservist distribution as defined in section 72(t)(2)(G) of the Internal Revenue Code. Reservists are allowed to repay the distribution during the two-year period that begins on the day after active duty ends. The dollar contribution limits otherwise applicable to contributions to individual retirement plans shall not apply to any contributions made pursuant to this paragraph. For purposes of this Section, the term "qualified active duty" shall refer to active duty of 180 or more days, to which the Participant was called or ordered after September 11, 2001, but prior to January 1, 2008.

(b) A Participant who is on active duty in the uniformed services (as defined in chapter 43 of title 38, United States Code) for a period of more than 30 days may be treated as having severed employment for purposes of qualifying for a distribution upon severance of

employment. The Participant may not repay the distribution to this Plan and the Participant may not make an elective deferral or Employee Contribution during the 6-month period beginning on the date of the distribution.

ARTICLE III-A.
TRANSFER OF CONTRIBUTIONS

Section 1. Purpose. This Article provides for the transfer of contributions in the event an Employee's employment is divided between this Plan and another plan or plans which are Participating Funds as defined in Section 4 of this Article.

Section 2. Temporary Employee. The term "Temporary Employee" shall mean an Employee employed temporarily outside the geographical jurisdiction of a Participating Fund which is his Home Fund, and within the geographical jurisdiction of another Participating Fund.

Section 3. Permanent Employee. The term "Permanent Employee" shall mean an Employee employed within the geographical jurisdiction of his Home Fund.

Section 4. Participating Fund. The term "Participating Fund" shall mean the Defined Contribution Plan for the Arizona Pipe Trades Pension Trust Fund, and all other plans which have executed a reciprocal agreement with this Plan.

Section 5. Home Fund. The term "Home Fund" for any Employee shall mean the Participating Fund which is within the geographical jurisdiction of the Local Union which normally represents such Employee.

Section 6. Transferring Fund. The term "Transferring Fund" shall mean a Participating Fund which receives Employer Contributions on behalf of a Temporary Employee (an Employee whose Home Fund is another Participating Fund). Such contributions are forwarded to the Employee's Home Fund.

Section 7. Employer Contributions. The payment which an employer is required by the terms of a collective bargaining agreement to make to a Participating Fund for the purpose of providing benefits for employees.

Section 8. Election of Reciprocity by Temporary Employee. If a Temporary Employee is employed within the area of a Participating Fund which is covered by the United Association Reciprocity Program for Pension Funds, his contributions will automatically be transferred to his Home Local fund. With respect to a fund which is not party to the United Association Reciprocal Program for Pension Funds, he may file a request with the Participating Fund to have an amount of money equal to the Employer Contributions made on his behalf transferred to his Home Fund. Such request shall be on an approved authorization form and shall be signed by the Temporary Employee. Such request shall release the trustees of the Participating Fund from any claim, by the employee or anyone making claim through him, based on the Employer Contributions made after such authorization.

Section 9. Effect of Election on Participating Fund. When a Participating Fund receives a properly completed request in accordance with Section 8 of this Article, it shall keep a separate account of the collections of Employer Contributions due for the work of the Temporary Employee. The Participating Fund shall transfer to the Temporary Employee's Home Fund an amount of money equal to the Employer Contributions received on behalf of the Temporary Employee for work performed from the first day of the month in which the signed authorization form is received either by the Participating Fund or by a person designated by the Participating Fund to receive such authorization forms.

Section 10. Termination of Transfers by Temporary Employee. If a Temporary Employee desires to stop the transfer of Employer Contributions from a Participating Fund to his Home Fund, he shall request such in writing. Such request shall become effective on the last day of the month in which it is received by the administrator of the Participating Fund. A copy of such request shall be sent to the Temporary Employee's Home Fund by the Participating Fund.

Section 11. When Reciprocity is not in Effect. When a Participating Fund receives Employer Contributions for a Temporary Employee, such Contributions shall not be transferred, but shall be applied in accordance with the Participating Fund's provisions if:

- (a) The Temporary Employee has not completed and filed an authorization form as provided in Section 8 of this Article;
- (b) Twelve (12) months have passed since an authorization form was completed by the Temporary Employee without Employer Contributions being received on his behalf, except where the lapse is due to an employer delinquency; or
- (c) No Home Fund has been established by the Temporary Employee under this Article.

Section 12. Transfer of Contributions.

- (a) The Transferring Fund shall collect and transfer to the Employee's Home Fund the contributions made to the Transferring Fund on the Employee's behalf. Such transfer shall consist of all contributions received by the Transferring Fund, whether such contributions were to be apportioned between a defined benefit plan or defined contribution plan, or both, by the Transferring Fund and whether the Home Fund has a defined benefit plan, defined contribution plan, or both.
- (b) If the Temporary Employee has two Home Funds, a defined benefit plan and a defined contribution plan, the Participating Fund shall transfer all Employer Contributions to whichever Home Fund is the same type as the Participating Fund. If the Temporary Employee has only one Home Fund, then the Participating Fund or Funds shall transfer all Employer Contributions to that fund.

Section 13. Vesting Service. All hours worked in any other Participating Fund for which monies are transferred to this fund pursuant to a reciprocal pension agreement shall be counted for purposes of vesting service on an hour for hour basis, as required by ERISA.

Section 14. Payment of Pension. The accrual of credit and the payment of benefits shall be subject to the provisions of the Home Fund's Plan.

Section 15. Collection of Contributions. The Home Fund shall have no responsibility to take any action to enforce the terms of any collective bargaining agreement, or of any other agreement, requiring contributions to any Transferring Fund other than the Home Fund. Each Transferring Fund shall be solely responsible for enforcing the terms of collective bargaining agreements and of other agreements requiring contributions thereto.

ARTICLE IV

INDIVIDUAL ACCOUNTS

Section 1. Establishment of Accounts. Upon receipt of Contributions on an Employee's behalf, an Individual Account shall be established for such Employee unless an Individual Account has already been so established, with such Individual Account being credited with the amount of the Contributions made on such Employee's behalf. The maintenance of Individual Accounts is only for accounting purposes, and a segregation of the assets of the Fund to each Individual Account shall not be required. If applicable, a Participant Rollover Account shall be established in accordance with Article VIII, Section 3 of the Plan.

Section 2. Valuation of Accounts. As soon as practicable following each Valuation Date, the Trustees shall determine and fix the amount in each Participant's Individual Account. The amount in each Individual Account shall be determined as follows:

- (a) The amount in the Individual Account, as of the last previous Valuation Date, plus
- (b) The contributions actually made on behalf of the Employee since the last Valuation Date, including, for the period beginning on January 1, 1994, any contributions (but not earnings or forfeitures) owed for a period of Qualified Military Service in the armed forces of the United States consistent with and to the extent required by the Uniformed Services Employment and Reemployment Rights Act of 1994, 38 U.S.C. Section 4301 *et seq.*, as amended, and Section 414(u) of the Internal Revenue Code, as amended, and including, for the period on and after January 1, 2007, any contributions imputed in accordance with subsections (a) or (b) of Article III, Section 2; plus
- (c) The investment yield determined by the Trustees to be applicable to the Individual Accounts on a basis proportionate to the amount in the Individual's Account as of the Valuation Date, minus
- (d) The administrative charge determined by the Trustees to be applicable to Individual Accounts (less any amounts which are not payable as determined in Section 7 of Article VII), but not more than the amount in the Individual Account.

Section 3. Investment Yield. For the purpose of arriving at the investment yield to be credited to the Employee's Individual Account as of the Valuation Date, the Trustees shall determine or cause to be determined the investment income obtained by the Fund during the period for which the valuation is being made and shall be credited to each Individual Account in the following manner:

- (a) For the first Valuation Date after the inception of the Fund, the investment income shall be divided by the total amount in all Individual Accounts established on such Valuation

Date to arrive at the investment yield. Thereafter, beginning with the second and each subsequent Valuation Date, the investment income shall be divided by the total in all Individual Accounts as of the last previous Valuation Date (excluding any Individual Accounts paid or forfeited since the last previous Valuation Date as well as contributions received since that date).

- (b) The investment yield to be credited to each Individual Account (excluding Individual Accounts paid or forfeited since the previous Valuation Date) shall be the amount in the Individual Account as of the previous Valuation Date multiplied by the fraction obtained in subsection (a) above.

Section 4. Investment Income. As soon as practicable after each Valuation Date, the Trustees shall determine or cause to be determined the investment income in the following manner:

- (a) Determine the total market value of the Fund as of the last preceding Valuation Date (less the total of all Individual Accounts paid or forfeited).
- (b) Determine the total market value of the Fund as of the new Valuation Date, (less the total of all contributions, including contributions owed for a period of Qualified Military Service, received during the Fiscal Year).
- (c) Determine the total administrative charges paid by the fund during the Fiscal Year.
- (d) Add (b) to (c).
- (e) Subtract (a) from (d). The resulting figure shall be the investment income.

Section 5. Limitation on Accounts. The sum of the amounts in all Individual Accounts at any Valuation Date and amounts established for expenses at such Valuation Date shall not exceed the total net assets of the Fund as of such Valuation Date. Should such an event occur, then all existing Individual Accounts shall automatically be proportionately reduced so that the total of all Individual Accounts plus amounts established for expenses is not more than the Fund's total net assets.

Section 6. Restrictions on Vesting. The fact that Individual Accounts are established and valued as of each Valuation Date shall not give any Employee or others any right, title or interest in the Fund, or its assets, or in the Individual Account, except upon the terms and conditions herein provided.

ARTICLE V

VESTING

Section 1. Each Participant shall always be 100% vested in his Individual Account.

ARTICLE VI

BENEFITS AND ELIGIBILITY

Section 1. Amount to be Paid. Upon the happening of any event for the payment of any benefit from this Plan, the amount to be paid, subject to the specific provisions of the following sections, shall be the amount of the Participant's Individual Account as of the last preceding Valuation Date, plus any additional Contributions made on behalf of the Participant not included in his Individual Account on the last preceding Valuation Date. The total of these two items shall be known as the "Accumulated Share." An Employee's Accumulated Share shall also include, if applicable, the amount in a Participant Rollover Account maintained for such Employee.

Section 2. Retirement. A Participant shall, upon application, be entitled to receive his Accumulated Share in accordance with Article VI, Section 6 if he meets one of the following requirements:

- (a) he has attained age 55 and has Retired as that term is defined in Article I, Section 13; or
- (b) he has qualified for a Service Pension under Section 3.21 of the Pension Plan for the Arizona Pipe Trades Pension Trust Fund, and he has established an Annuity Starting Date for the distribution of his Service Pension from that Pension Plan.

Section 3. Disability. A Participant who is totally disabled shall, upon application, be entitled to receive his Accumulated Share in accordance with Article VI, Section 6 of the Plan. A Participant shall be deemed totally disabled within the meaning of this Section only if the Trustees, in their sole and absolute judgment, find:

- (a) That on the basis of such competent medical evidence as the Trustees may require to be shown, the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of at least 12 months duration; and
- (b) That such bodily injury or disease is not due to such Participant's commission of or attempt to commit a felony, or the engagement in any felonious activity or occupation, or the self-infliction of any injury, or as a result of habitual drunkenness or the use of narcotics unless the same were administered pursuant to the orders of a licensed physician.

In exercising such judgment the Trustees may obtain and act upon such competent medical evidence as they may require to be shown, and may accept as proof of total disability a determination by the Federal Social Security Administration that the Participant is entitled to a Social Security Disability Benefit in connection with his Old Age and Survivor's Insurance coverage.

Section 4. Death Before Retirement. In the event a Participant dies before his Annuity Starting Date, his Accumulated Share shall, upon application, be paid in accordance with the following:

- (a) If the Participant has been married throughout the twelve (12) consecutive month period immediately preceding the Participant's death, the Trustees shall, subject to Article VI, Section 8 of the Plan, use the entire amount of the Accumulated Share to purchase, from a legal reserve life insurance company, a single premium non-transferable contract in the form of a life annuity payable to the surviving Spouse. Notwithstanding the foregoing, the surviving Spouse may reject, in writing, this form of payment and elect to receive the Accumulated Share in a lump sum payment. Such election shall be made on a form prescribed by the Trustees and shall contain the notarized signature of the surviving Spouse. The surviving Spouse shall be given ninety (90) days after receiving written notice from the Trustees of the availability and effect of such election, to file such election. If such election is not filed within such 90-day period, the Accumulated Share will automatically be paid to the surviving Spouse in the form of a Life Annuity.
- (b) If the Participant is not married or, if married, has not been married throughout the twelve (12) consecutive month period immediately preceding the Participant's date of death, the Participant's Accumulated Share shall be paid to the Participant's designated Beneficiary in a lump sum, provided however that, if a participant's marriage to a former spouse has been dissolved, annulled or invalidated, and the designation of Beneficiary was made prior to the date of dissolution, annulment or invalidation, the former spouse's Beneficiary designation shall be deemed revoked and null and void. In such cases, a Participant's accumulated share shall be paid as if the Participant did not designate a Beneficiary, as provided in Article VII, Section 6 hereof.
- (c) All survivor benefits shall comply with the limits of Internal Revenue Code §401(a)(9) and the incidental benefit rule and the regulations prescribed thereunder, including Treasury Regulation §§1.401(a)(9)-1 and 1.401(a)(9)-2 through 1.401(a)(9)-9.
- (d) Effective for deaths on and after January 1, 2007, if a Participant dies while performing Qualified Military Service (as defined in Code §414(u)(5)), the deceased Participant's beneficiaries shall be entitled to any additional benefits that would have been provided under the Plan if such Participant had resumed Covered Employment and then terminated Covered Employment on account of death. In addition, the period of such Participant's Qualified Military Service shall be treated as vesting service under the Plan.

Section 5. Minimum Service for Continued Participation. In the event that an Employee fails to work at all (for which Contributions were required to be made to the Plan) in any THIRTY SIX (36) CONSECUTIVE MONTHS, his active participation in this Fund shall be terminated and he shall become a Former Participant. A Former Participant shall, upon application, be eligible to receive payment of his Accumulated Share in accordance with Article VI, Section 6. A Former Participant shall continue to have his Individual Account valued in accordance with Article IV

until the earlier of his Annuity Starting Date or the date his Individual Account is forfeited in accordance with Article VII, Section 7.

Section 6. Method of Payment. In the event that a Participant's Accumulated Share becomes payable in accordance with Article VI, Section 2, 3, or 5, payment, subject to the provisions of Article VI, Section 8, shall be made in the following forms:

- (a) Automatic Form of Payment for Married Participants. If the Participant is married on the Annuity Starting Date, then, using the entire amount of the Participant's Accumulated Share, the Trustees shall purchase, from a legal reserve life insurance company, a single premium non-transferable contract in the form of a 50% Joint and Survivor Annuity under which the Participant's Spouse is named as survivor annuitant, and distribute such Joint and Survivor Annuity to the Participant.
- (b) Automatic Form of Payment for Unmarried Participants. If the Participant is not married on the Annuity Starting Date, then, using the entire amount of the Participant's Accumulated Share, the Trustees shall purchase, from a legal reserve life insurance company, a single premium non-transferable contract in the form of a Single Life Annuity and distribute such Single Life Annuity to the Participant.
- (c) Rejection of Automatic Form of Payment.
 - (1) A Participant may reject the Automatic Form of Payment under (a) or (b) above, as applicable, at any time during the period not more than 90 days prior to the Annuity Starting Date nor fewer than 30 days after he is provided a detailed explanation of the amount payable under the Automatic Form of Payment and a financial comparison with the other options. Such election, rejection, or revocation must be made in writing, in a form prescribed by the Trustees and must contain the Participant's notarized signature. Payment to a Participant who rejects the automatic form of payment shall be made in one of the optional forms of payment provided by (d) below.
 - (2) Any written election, rejection or revocation (including any change of a previous choice) made by a married Participant under this Article shall not take effect unless (A) the Spouse of the Participant consents in writing to such election, (B) such election designates a beneficiary (or a form of benefits) which may not be changed without spousal consent (or the consent of the Spouse expressly permits designations of the Participant without any requirement of further consent by the Spouse), and (C) the Spouse's consent acknowledges the effect of such election and is witnessed by a notary public. Notwithstanding the preceding sentence, no spousal consent shall be required if it is established to the satisfaction of the Trustees that spousal consent may not be obtained because there is no Spouse, because the Spouse cannot be located, or because of such other circumstances as the Internal Revenue Service may by regulations prescribe.

(d) Optional Forms of Payment.

- (1) Lump Sum. The Annuity Account may be distributed in a lump sum.
- (2) Installment Payments.
 - (A) The Individual Account may be distributed in fixed monthly installment payments, except as provided by (C) below, for a specified period of years not to exceed ten (10) years, or, for Annuity Starting Dates on and after May 1, 2003, not to exceed twenty (20) years. In no event, however, shall the Plan allow the election of an installment payment schedule that would extend beyond the maximum period allowable under section 401(a)(9)(A)(ii) of the Internal Revenue Code, and the regulations promulgated thereunder. The unpaid balance in the Individual Account shall remain in the Fund to be valued in accordance with Article III.
 - (B) The amount of each monthly installment payment (other than the final such payment) shall be a fraction, the numerator of which shall be the balance of the Annuity Account on the Annuity Starting Date of the benefit, and the denominator of which shall be the product of twelve (12) and the number of years over which the Participant has elected to receive such installment payments.
 - (C) The amount of the final such installment payment shall be equal to the unpaid balance, if any, of the Annuity Account as of the date of the final installment.
 - (D) A Participant who elects to receive his accumulated share in installment payments may, at any time, change his election to a lump sum form of payment, provided that, where applicable, a written spousal consent form shall be executed as provided at Article VI Section 6(c)(2). In those situations where the Participant changes his election from installment payments to a lump sum, the Participant, or his beneficiary, shall receive the remaining portion of his accumulated share as provided at Article VI Section 1.
 - (E) Notwithstanding the period for which a Participant has elected to receive installment payments, if at any time the monthly installment payment calculated in (B) above exceeds the unpaid balance in the Annuity Account, then the unpaid balance shall be paid, and no further payments shall be made.
- (3) If the Participant is married on his or her Annuity Starting Date, then the Individual Account may be distributed in the form of a 75% Qualified Optional

Survivor Annuity (QOSA) with the Participant's spouse as the survivor annuitant. If this form of payment is elected, the Trustees, using the entire amount of the Participant's Accumulated Share, shall purchase, from a legal reserve life insurance company, a single premium non-transferable contract in the form of a 75% joint and survivor annuity, and distribute, or cause to be distributed, such annuity to the Participant.

Section 7. Return to Active Participation. In the event a Former Participant shall have Contributions once more made on his behalf prior to receiving a benefit under the Plan and prior to having his Individual Account forfeited in accordance with Article VII, Section 7, he shall become an active Participant and his new Contributions shall be added to the amount in his Individual Account. In the event a Former Participant shall have Contributions once more made on his behalf after receiving a benefit under the Plan, he shall become an active Participant and a new Individual Account shall be established for him in accordance with Article IV. In the event a Former Participant shall have Contributions once more made on his behalf after his Individual Account was forfeited in accordance with Article VII, Section 7, his Individual Account shall be reinstated as an active account as of the next following Valuation Date. The balance shall then reflect Contributions made during the year and the amount in his previous Individual Account which had been forfeited.

Section 8. Small Amounts. Notwithstanding any other provision of the Plan, if the amount of the Participant's Accumulated Share is \$5,000 or less, then payment shall automatically be made in the form of a lump sum.

Section 9. Hardship Distributions.

- (a) A Participant who has an Individual Account for two (2) years or more may, with the written consent of his spouse, apply to the Trustees for a partial distribution of no more than twenty-five percent (25%) of his Individual Account balance as of the date of the application. The participant must represent in writing, and must demonstrate to the satisfaction of the Board of Trustees, that he or she requires the distribution to meet an immediate and heavy financial need, which must fall under one of the following categories:
 - (1) Expenses of at least \$5,000.00 incurred on behalf of the Participant and his or her dependents (as defined by the Health and Welfare Plan), and which the Participant is obligated to pay. These expenses are those due to sickness or injury which have not been reimbursed by, or for which the Participant has no right to reimbursement from, any public or private plan or program including, but not limited to, Social Security, the Arizona Pipe Trades Health & Welfare Plan, any employer, any single or multiemployer welfare plan or program, or Worker's Compensation.
 - (2) The Participant is threatened with imminent loss of his or her principal place of residence, as a result of an imminent foreclosure or foreclosure proceeding

brought against him, or because of the commencement of eviction proceedings. For purposes of this subsection, a foreclosure will be considered “imminent” only if the Participant is at least three months delinquent on his mortgage payments, and the bank (or other applicable mortgage lender) confirms in writing that foreclosure proceedings will commence shortly. Eviction will be considered imminent upon the receipt of a notice that eviction and/or lease termination proceedings have commenced. For purposes of this subsection, “principal place of residence” does not include recreational vehicles, motor homes, travel trailers or boats.

- (3) Educational expenses to an accredited institution providing post-secondary education for tuition, fees, books and room and board for up to one semester. This provision shall apply to the participant, his spouse and dependents. The individual or his dependents must present evidence that he has enrolled in the institution as a full time student. He will provide invoices or receipts for the tuition, fees and book expenses and an estimate from the institution of the cost of room and board. Hardship withdrawals will be permitted up to twice per calendar year for each eligible student. In order to receive further withdrawals, the individual or his dependents must present evidence satisfactory to the trustees that he has successfully completed the course of studies for the previous semester.
- (4) The equivalent of one month’s applicable self-payment to continue coverage under the Arizona Pipe Trades Health & Welfare Plan where the individual can demonstrate that he or she has no other available source of payment and he or she will lose coverage under the Plan without the hardship distribution. Subject to the restrictions otherwise imposed by subsection (d) of this Section 9, a Participant receiving a hardship distribution under this paragraph (a)(4) may apply for and receive subsequent distributions (with each such distribution representing the equivalent of one month’s applicable self-payment to continue coverage under the Arizona Pipe Trades Health & Welfare Plan) provided the Participant proves, to the satisfaction of the Trustees, his continued inability to pay self-payments from any other available source. Multiple hardship distributions under this paragraph (a)(4) within a given calendar year shall be permitted only to the extent that special circumstances, such as a long term disability, prevent the individual from gainful employment. The Trustees shall have the sole and absolute authority to determine whether or not such criteria are met.
- (5) Up to \$13,000 or 25% of the Participant’s account balance, whichever is the lesser, for burial or funeral expenses for the Participant’s deceased parent, spouse, children or dependents (as defined in Internal Revenue Code section 152, and, for taxable years beginning on or after January 1, 2005, without regard to section 152(d)(1)(B)).

- (b) The distribution may not be in excess of the amount of the immediate and heavy financial need. The Plan will deduct 20% of the distribution and forward it to the Internal Revenue Service as it is required to do under Federal law. A hardship distribution may also be subject to a 10% penalty tax for early withdrawal.
- (c) The Trustees shall be the sole and absolute judges of whether or not the Participant has provided sufficient documentation to support a claim for a hardship withdrawal. The decision of the Trustees shall be final and binding on all parties, subject to the Plan's appeal procedures.
- (d)
 - (1) For periods prior to May 1, 2007, a Participant may not receive another hardship distribution for a minimum of ten (10) years after the initial hardship distribution is made.
 - (2) For the period beginning on May 1, 2007, and ending on February 29, 2008, a Participant may not receive another hardship distribution for a minimum of one (1) year after the preceding hardship distribution was made.
 - (3) Effective March 1, 2008, a Participant may receive more than one hardship distribution in a given calendar year, provided such Participant meets the all of the eligibility requirements for a hardship distribution as set forth in this Article VI, Section 9 of the Plan, and provided that in no event may the aggregate amount of any hardship distribution or distributions in any calendar year exceed 25% of the Individual Account balance as of the date on which the Participant applied for the initial hardship distribution in that calendar year.

ARTICLE VII
GENERAL PROVISIONS

Section 1. Application for Benefits. Application for benefits must be made in writing in a form and manner prescribed by the Trustees.

Section 2. Benefit Payments Generally.

(a) (1) A Participant who is eligible to receive benefits under the Plan and who makes application in accordance with Article VII, Section 1 shall be entitled to a determination of the claim within the timeframe provided by the Plan's Claims and Appeals Procedures and to receive payment within a reasonable time after the favorable determination of the claim. However, in no event, unless the Participant elects otherwise (and the failure to file an application for benefits shall constitute an election to defer the commencement of benefits), shall the payment of benefits begin later than the sixtieth (60th) day after the later of the end of the Plan Year in which:

- (A) the Participant attains Normal Retirement Age, or
- (B) the Participant terminates his Covered Employment and Retires;

provided that no such election may postpone the commencement of benefits to a date later than the Participant's Required Beginning Date. In no event may a Participant elect to defer receipt of benefits to the extent that he is creating a death benefit that is more than incidental.

(2) For lump sum distributions with Annuity Starting Dates on and after June 1, 2008, but prior to December 1, 2008, if the valuation of accounts as of the Valuation Date immediately preceding the Annuity Starting Date has not yet been completed at the time the distribution of the Accumulated Share would otherwise be made, and the final determination of the Accumulated Share as of the Annuity Starting Date therefore cannot yet be made, then the Accumulated Share shall be distributed in two steps, as follows.

The first step shall be to distribute an amount equal to 95% of the Individual Account balance as of the Valuation Date that represents the most recent completed valuation of accounts prior to the Annuity Starting Date.

The second step, to be made as soon as administratively feasible following the completion of the valuation of accounts for the Valuation Date that immediately precedes the Annuity Starting Date, shall be to distribute an amount equal to the difference between the Accumulated Share as of the Annuity Starting Date and

the amount already distributed in the first step, as prescribed by this subsection 2(a)(2). If the amount to be distributed in this second step would be a negative number, then the Trustees will take reasonable steps to recover the overpaid amounts.

(3) For lump sum distributions with Annuity Starting Dates on and after December 1, 2008, if the valuation of accounts as of the Valuation Date immediately preceding the Annuity Starting Date has not yet been completed at the time the distribution of the Accumulated Share would otherwise be made, and the final determination of the Accumulated Share as of the Annuity Starting Date therefore cannot yet be made, then the Accumulated Share shall be distributed in two steps, as follows.

The first step shall be to distribute an amount equal to 80% of the Individual Account balance as of the Valuation Date that represents the most recent completed valuation of accounts prior to the Annuity Starting Date.

The second step, to be made as soon as administratively feasible following the completion of the valuation of accounts for the Valuation Date that immediately precedes the Annuity Starting Date, shall be to distribute an amount equal to the difference between the Accumulated Share as of the Annuity Starting Date and the amount already distributed in the first step, as prescribed by this subsection 2(a)(3). If the amount to be distributed in this second step would be a negative number, then the Trustees shall seek recovery of the overpaid amount.

(b) Required Beginning Date.

(1) A Participant's Required Beginning Date is April 1 of the calendar year following the calendar year in which the Participant reaches 70½.

(2) Notwithstanding (1) above, for a Participant (other than a 5% owner) who reaches 70½ before 1988, the Required Beginning Date is April 1 of the calendar year following the calendar year in which the Participant ceases work in Covered Employment if that is later.

(3) Notwithstanding (1) above, for a Participant who reaches 70½ on or after January 1, 2001, other than a 5% owner, the Required Beginning Date is April 1 of the calendar year following the later of:

(A) the calendar year in which he or she attains age 70½; or

(B) the calendar year in which he or she retires. For this purpose, a participant shall be deemed retired upon having one calendar month with no hours worked in Covered Employment.

- (4) All benefits accrued under the Plan shall be distributed in accordance with section 401(a)(9) of the Internal Revenue Code and the Regulations promulgated thereunder.
- (c) If the present value of a Participant's vested accrued benefit exceeds (or at the time of any prior distribution exceeded) \$5,000, and the accrued benefit is immediately distributable, then the Participant and, if any, the Participant's Spouse (or, where either the Participant or the Spouse has died, the survivor) must consent to any distribution of such accrued benefit. An accrued benefit is immediately distributable if any part of the accrued benefit could be distributed to the Participant (or surviving Spouse) before the Participant attains (or would have attained if not deceased) Normal Retirement Age.

Section 3. Proof to be Furnished; Penalties for Fraud. Every Employee, Participant, Former Participant, Retiree, or Beneficiary shall furnish, at the request of the Trustees, any information or proof reasonably required for the administration of the Plan or for the determination of any matter than the Trustees may legitimately have before them. Failure to furnish such information or proof promptly and in good faith shall be sufficient reason for denial of benefits to such Employee, Participant, Former Participant, Retiree, or Beneficiary. The falsity of any statement material to an application or the furnishing of fraudulent information or proof shall be sufficient reason for the denial of benefits under this Plan, and in any such case, the Trustees shall have the right to recover any benefit payments made in reliance thereon.

Section 4. Determination of Disputes.

- (a) No Employee, Participant, Former Participant, Retiree, or other Beneficiary shall have any right or claim to benefits under the Plan, other than as specified herein. Any dispute as to eligibility or amount of benefits shall be resolved by the Trustees under and pursuant to the Plan, and its decision of the dispute shall be final and binding upon all parties thereto.
- (b) The Trustees shall establish and make available to Participants and Beneficiaries rules and procedures for the filing of benefit claims and the review of denied claims. Such rules and procedures shall comply with ERISA and regulations promulgated thereunder.

All benefits will be paid upon receipt of written proof, satisfactory to the Trustees, covering the occurrence, character, and extent of the event for which the claim is made and subject to the provisions of this Plan. A claim for benefits does not include a casual inquiry.

Each Participant or Beneficiary whose claim for benefits under the Plan has been denied shall be provided adequate notice in writing setting forth the specific reasons for such denial, written in a manner calculated to be understood by the Participant or Beneficiary. A Participant or Beneficiary aggrieved by such decision may request review.

Claims may not be split and filed under several requests. If the Participant or Beneficiary has an issue, the full basis for such issue, together with all the relief requested, shall be set forth in the request. A Participant or Beneficiary may not file separate requests for benefits each month the benefits are alleged to be in arrears. This section applies to and includes any and every claim to benefits from the Plan regardless of the basis asserted for the claim and regardless of when the act or omission upon which the claim is based occurred.

A failure to file timely a request for review shall not preclude the Participant or Beneficiary from establishing entitlement at a later date based on additional information and evidence which was not available at the time the decision was made; provided, however, a subsequent request is not a means to reconsider and re-argue matters already reviewed, and such subsequent request may be dismissed without action if the Trustees conclude that it sets forth no newly discovered information or evidence.

A decision on a request for review shall be final and binding upon all parties concerned, except that a Participant or Beneficiary may pursue such remedies provided, if any, under the Internal Revenue Code and ERISA.

- (c) The decision of the Trustees with respect to a petition for review shall be final and binding upon all parties, including the applicant or petitioner. The provisions of this section shall apply to and include any and every claim to benefits from the Fund, and any claim or right asserted under the Plan or against the Fund, regardless of the basis asserted for the claim and regardless of when the act or omission upon which the claim is based occurred.

Section 5. Powers of Trustees. The Trustees shall be the sole judges of the standard of proof required in any case. In the application and interpretation of any of the provisions of this Plan, the decisions of the Trustees shall be final and binding on all parties including Employees, Participants, Former Participants, Employers, Retirees, and the Beneficiaries.

Section 6. Designation of Beneficiary. An Employee may designate a Beneficiary on a form provided by or acceptable to the Trustees and delivered to the Trustees before death. An Employee may change his Beneficiary (without the consent of the Beneficiary) in the same manner. If no Beneficiary has been designated, or if the Participant designated a former spouse as beneficiary prior to the date of dissolution, annulment, or invalidation of the marriage, distribution of the Employee's Accumulated Share shall be made to the next of kin in the following order of preference:

- (a) The surviving spouse.
- (b) The surviving children in equal shares.
- (c) The surviving parents in equal shares.

- (d) The surviving brothers or sisters in equal shares.

If the Employee leaves no named Beneficiary, spouse, child, parent, or brother or sister, then distribution shall be made to the Employee's estate.

Section 7. Failure to Apply for Accumulated Share.

- (a) If an Employee whose participation in the Fund is terminated fails to make a written application for payment of his Accumulated Share, (as provided under Section 1 of this Article) the Trustees shall write to the last known address of such an Employee and, if no application is received by the Board within six (6) years after the Employee's participation in the Fund terminated, his Accumulated Share shall be forfeited and redistributed to defray the administrative expenses of the Plan in accordance with Section 2(d) of Article IV. If a written application is thereafter made by the Participant or his Beneficiary, his Accumulated Share shall be paid to him or his Beneficiary in the amount originally payable.
- (b) If an Employee whose participation in the Fund is terminated makes the required application but on the date that payment of his Accumulated Share is due to be made the Trustees are unable to locate him, the Trustees shall attempt to locate such former Employee, but if unable to do so within six (6) years of the date on which payment of his Accumulated Share shall be forfeited and redistributed to defray the administrative expenses of the Plan in accordance with Section 2(d) of Article IV. If the Participant or his Beneficiary is thereafter located, his Accumulated Share shall be paid to him or his Beneficiary in the amount originally payable.
- (c) With regard to an Accumulated Share which is not in forfeiture status as of January 1, 2005, the provisions of subsections (a) and (b) above shall not apply, unless such Accumulated Share, at the time that forfeiture under subsection (a) or (b) above would otherwise occur, is less than \$5,000.00.

Section 8. Mental Incompetency. In the event it is determined that an Employee, Participant, Former Participant, Retiree, or Beneficiary is deemed mentally incompetent by a court, any benefit due such Employee, Participant, Former Participant, Retiree, or Beneficiary shall be paid either to his legal guardian, or if there is none, the Trustees may make payment to his spouse or other satisfactory representative.

Section 9. Prohibition Against Assignment. To the end of making it impossible for Employees, Participants, Former Participants, Retirees, or Beneficiaries covered by these regulations improvidently to imperil the provision made for their support and welfare by directly anticipating, pledging or disposing of their payments hereunder, it is hereby expressly stipulated that no Employee, Participant, Former Participant, Retiree, or Beneficiary hereunder shall have any right to assign, alienate, transfer, sell, hypothecate, mortgage, encumber, pledge, commute or

anticipate any payments, and that such payments shall not in any way be subject to any legal process to levy execution upon, or attachment or garnishment proceedings against the same for the payment of any claim against any Employee, Participant, Former Participant, Retiree, or Beneficiary, nor shall such payments be subject to the jurisdiction of any bankruptcy court otherwise and any such assignment shall be void and of no effect whatsoever, and in any such event the Trustees shall have the right to terminate any payments to such Employee, Participant, Former Participant, Retiree, or Beneficiary. Notwithstanding the foregoing, benefits shall be paid in accordance with the applicable requirements of any "qualified domestic relations order" as defined by Section 206(d)(3) of ERISA.

Section 10. Plan Amendment. The Trustees may amend or modify the plan at any time in accordance with the Trust Agreement, except that no amendment or modification may reduce any benefits which have been approved for payment prior to amendment, so long as funds are available for payment of such benefits.

Section 11. Merger, Consolidation or Transfer. In the event of any merger or consolidation with, or transfer of assets or liabilities to, any other plan, the amount of benefit which an Employee would receive upon termination of the Plan immediately after such merger, consolidation or transfer shall be no less than the benefits he would have received immediately before the merger, consolidation or transfer if the Plan had been terminated.

Section 12. Plan Termination. In the event of termination or partial termination of the Plan, or in the event of complete discontinuance of contributions, each Participant shall have a non-forfeitable interest in the assets remaining after providing for the expenses of the Plan and for the payment of any Accumulated Shares theretofore approved. Such remaining assets shall be distributed among the Participants. Each Participant shall receive a part of the total remaining assets in the same ratio as his Accumulated Share bears to the aggregate amount of the Accumulated Shares of all Participants. No part of the assets shall be returned to any Employer or inure to the benefit of any Employer, the Associations, or the Union.

Section 13. Effective Date. The Plan became effective on July 1, 1981.

Section 14. Laws Applicable. This Plan is intended to comply with the Employee Retirement Income Security Act of 1974 and with the requirements for tax qualification under the Code and all regulations thereunder, and is to be interpreted and applied consistent with that intent.

Section 15. Notice to Participants. With regard to any election of form of payment, each Participant and Spouse, if any, shall be provided, within a period of no more than 90 days prior to the Annuity Starting Date, and no less than 30 days prior to the Annuity Starting Date, and in a manner consistent with the Treasury regulations as they may be amended from time to time, written explanation of:

- (a) the terms and conditions of the qualified joint and survivor annuity and the available optional forms of payment, including the qualified 75% optional survivor annuity;

- (b) the Participant's right to make, and the effect of, an election to waive the qualified joint and survivor annuity;
- (c) the rights of the Participant's Spouse regarding her/his consent to such an election;
- (d) the right of the Participant to revoke such election during the 90-day election period that ends on the Annuity Starting Date, and the effect of such revocation;
- (e) the relative values of the various optional forms of benefit under the Plan; and
- (f) the right to defer any distribution and the consequences of failing to defer distribution of benefits including a description of the investment options, if any, available under the Plan (including fees, if any) if the commencement of distributions is deferred.

ARTICLE VIII DIRECT ROLLOVERS

Section 1. Election of Direct Rollover. This Section applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Article, a distributee may elect, at the time and in the manner prescribed by the Trustees, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

Section 2. Definitions. The following definitions shall apply for purposes of this Article:

- (a) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and any hardship distribution made pursuant to Article VI, Section 9 of the Plan.
- (b) Eligible retirement plan: An eligible retirement plan is an individual retirement account described in IRC section 408(a), an individual retirement annuity described in IRC section 408(b), an annuity plan described in IRC section 403(a), or a qualified trust described in IRC section 401(a), that accepts the distributee's eligible rollover distribution. An "eligible retirement plan" also includes an annuity contract described in IRC section 403(b) and an eligible plan under IRC section 457(b), which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state which agrees to separately account for amounts transferred into such plan from this Plan. Effective for distributions made after December 31, 2007, an eligible retirement plan shall also include a Roth IRA described in IRC section 408A, subject to the restrictions that currently apply to rollovers from a traditional IRA into a Roth IRA.
- (c) Distributee: A distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving spouse and the Employee's or former Employee's spouse or former spouse who is the alternate payee under a Qualified Domestic Relations Order, as defined in IRC section 414(p), are distributees with regard to the interest of the spouse or former spouse. Effective for distributions on and after June 1, 2009, a distributee also includes the participant's nonspouse designated beneficiary. In the case of a nonspouse beneficiary, the direct rollover may be made only to an individual retirement account or annuity described in IRC section 408(a) or 408(b) ("IRA") that is

established on behalf of the designated beneficiary and that will be treated as an inherited IRA pursuant to the provisions of IRC section 402(c)(11).

- (d) Direct rollover: A direct rollover is a payment by the plan to the eligible retirement plan specified by the distributee.

Section 3. Transfers From Other Qualified Plans.

- (a) Subject to review and acceptance by the Trustees, a Participant may transfer to this Plan an Eligible Rollover Distribution from a qualified plan under IRC §401(a) or from a qualified cash or deferred arrangement under IRC §401(k), provided that such transfer is made within sixty (60) days following the Participant's receipt of such distribution. Effective May 1, 2011, transfer of an Eligible Rollover Distribution will also be permitted from an IRA or a Roth IRA, provided that no more than two (2) such transfers may be made during any period of twelve (12) consecutive calendar months.
- (b) A "Participant Rollover Account" shall be established for each Participant from whom or on whose behalf the Fund receives an Eligible Rollover Distribution. The Participant Rollover Account shall be fully vested at all times, and shall not be subject to forfeiture for any reason. Such account, except as otherwise provided by this Section, shall be maintained in accordance with Plan provisions on Individual Accounts, but shall be separate from the Individual Account to which Employer contributions are credited in accordance with Article III, Section 1. Participant Rollover Accounts shall share in the investment yield and administrative expenses but shall not share in amounts, if any, allocated in accordance with Article VII, Section 7.

ARTICLE IX.
RESERVED

ARTICLE X.

MINIMUM DISTRIBUTION REQUIREMENTS.

Section 10.01. General Rules.

- (a) Effective Date. The provisions of this Article will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.
- (b) Precedence.
 - (1) The requirements of this Article will take precedence over any inconsistent provisions of the plan.
 - (2) Except to the extent inconsistent with this Article, all distribution options provided under the plan are preserved.
 - (3) This Article does not authorize any distribution options not otherwise provided under the plan.
- (c) Requirements of Treasury Regulations Incorporated. All distributions required under this Article will be determined and made in accordance with the Treasury regulations under section 401(a)(9) of the Internal Revenue Code.

Section 10.02. Time and Manner of Distribution.

- (a) Required Beginning Date. The participant's entire interest will be distributed, or begin to be distributed, to the participant no later than the participant's Required Beginning Date as defined in Article VII, Section 2(b) of the Plan.
- (b) Death of Participant Before Distributions Begin. If the participant dies before distributions begin, the participant's entire interest will be distributed, or begin to be distributed, no later than as follows:
 - (1) If the participant dies before distributions begin and there is a designated beneficiary, the participant's entire interest must be distributed to the designated beneficiary by December 31 of the calendar year containing the fifth anniversary of the participant's death.
 - (2) If the participant's surviving spouse is the participant's sole designated beneficiary, then the participant's spouse may elect, in lieu of Section 10.02(b)(1), to have distributions to the surviving spouse begin by December 31 of the calendar year immediately following the calendar year in which the participant died, or by December 31 of the calendar year in which the participant would have attained age 70 1/2, if later. The election must be made

no later than September 30 of the calendar year in which distribution would be required to begin under this Section 10.02(b)(2), or if earlier, Section 10.02(b)(1).

- (3) If the participant's surviving spouse is not the participant's sole designated beneficiary, then the designated beneficiary may elect, in lieu of Section 10.02(b)(1), to have distributions begin by December 31 of the calendar year immediately following the calendar year in which the participant died. The election must be made no later than September 30 of the calendar year in which distribution would be required to begin under this Section 10.02(b)(3).
- (4) If there is no designated beneficiary as of September 30 of the year following the year of the participant's death, the participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the participant's death.
- (5) If the participant's surviving spouse is the participant's sole designated beneficiary and the surviving spouse dies after the participant but before distributions to the surviving spouse begin, this Section 10.02(b), other than Section 10.02(b)(2), will apply as if the surviving spouse were the participant.

For purposes of this Section 10.02(b) and Section 10.04, unless Section 10.02(b)(5) applies, distributions are considered to begin on the participant's Required Beginning Date. If Section 10.02(b)(5) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under this Section 10.02(b)(2), if such election is made. If distributions under an annuity purchased from an insurance company irrevocably commence to the participant before the participant's Required Beginning Date (or to the participant's surviving spouse before the date distributions are required to begin to the surviving spouse under an election made under Section 10.02(b)(2)), the date distributions are considered to begin is the date distributions actually commence.

- (c) **Forms of Distribution.** Unless the participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first distribution calendar year distributions will be made in accordance with Sections 10.03 and 10.04 of this Article. If the participant's or designated beneficiary's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of section 401(a)(9) of the Code and the Treasury regulations.

Section 10.03. Required Minimum Distributions During Participant's Lifetime.

- (a) Amount of Required Minimum Distribution for Each Distribution Calendar Year. During the participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:
 - (1) the quotient obtained by dividing the participant's account balance by the distribution period in the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury

regulations, using the participant's age as of the participant's birthday in the distribution calendar year; or

- (2) if the participant's sole designated beneficiary for the distribution calendar year is the participant's spouse, the quotient obtained by dividing the participant's account balance by the number in the Joint and Last Survivor Table set forth in section 1.401(a)(9)-9 of the Treasury regulations, using the participant's and spouse's attained ages as of the participant's and spouse's birthdays in the distribution calendar year.
- (b) **Lifetime Required Minimum Distributions Continue Through Year of Participant's Death.** Required minimum distributions will be determined under this Section 10.03 beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the participant's date of death.

Section 10.04. Required Minimum Distributions After Participant's Death.

(a) Death On or After Date Distributions Begin.

- (1) **Participant Survived by Designated Beneficiary.** If the participant dies on or after the date distributions begin and there is a designated beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the participant's death is the quotient obtained by dividing the participant's account balance by the longer of the remaining life expectancy of the participant or the remaining life expectancy of the participant's designated beneficiary, determined as follows:
 - (A) The participant's remaining life expectancy is calculated using the age of the participant in the year of death, reduced by one for each subsequent year.
 - (B) If the participant's surviving spouse is the participant's sole designated beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.
 - (C) If the participant's surviving spouse is not the participant's sole designated beneficiary, the designated beneficiary's remaining life expectancy is calculated using the age of the beneficiary in the year following the year of the participant's death, reduced by one for each subsequent year.

- (2) **No Designated Beneficiary.** If the participant dies on or after the date distributions begin and there is no designated beneficiary as of September 30 of the year after the year of the participant's death, the minimum amount that will be distributed for each

distribution calendar year after the year of the participant's death is the quotient obtained by dividing the participant's account balance by the participant's remaining life expectancy calculated using the age of the participant in the year of death, reduced by one for each subsequent year.

(b) Death Before Date Distributions Begin.

- (1) Participant Survived by Designated Beneficiary. If the participant dies before the date distributions begin and there is a designated beneficiary, if the designated beneficiary has made an election under Section 10.02(b)(2) or (3), the minimum amount that will be distributed for each distribution calendar year after the year of the participant's death is the quotient obtained by dividing the participant's account balance by the remaining life expectancy of the participant's designated beneficiary, determined as provided in Section 10.04(a).
- (2) No Designated Beneficiary. If the participant dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the participant's death, distribution of the participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the participant's death.
- (3) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the participant dies before the date distributions begin, the participant's surviving spouse is the participant's sole designated beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse after having made an election under Section 10.02(b)(2), this Section 10.04(b) will apply as if the surviving spouse were the participant.

Section 10.05. Definitions.

- (a) Designated beneficiary. The individual who is designated as the beneficiary under Article VII, Section 6 of the plan and is the designated beneficiary under section 401(a)(9) of the Internal Revenue Code and section 1.401(a)(9)-4, Q&A-1, of the Treasury regulations.
- (b) Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the participant's Required Beginning Date. For distributions beginning after the participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 10.02(b). The required minimum distribution for the participant's first distribution calendar year will be made on or before the participant's Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the participant's Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.

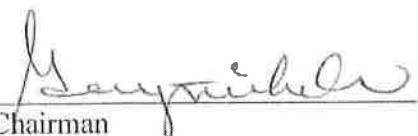
- (c) Life expectancy. Life expectancy as computed by use of the Single Life Table in section 1.401(a)(9)-9 of the Treasury regulations.
- (d) Participant's account balance. The account balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account balance as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The account balance for the valuation calendar year includes any amounts rolled over or transferred to the plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

Section 10.06. Treatment of 2009 Required Minimum Distributions

Notwithstanding the other provisions of this Article X, amounts that would have been 2009 required minimum distributions in the absence of section 401(a)(9)(H) of the Code, as added by the Worker, Retiree and Employer Recovery Act of 2008, including amounts that would have been first required minimum distributions payable in 2010, were paid as scheduled for 2009.

* * * *

We, the Chairman and Secretary of the Board of Trustees of the Arizona Pipe Trades Defined Contribution Plan, do hereby certify that the foregoing June 1, 2015 Restatement of the Plan Document of the Arizona Pipe Trades Defined Contribution Plan was duly adopted by the Trustees at a meeting held on August 27, 2015.


Chairman


Secretary

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