

**NORTHERN CALIFORNIA TILE INDUSTRY
DEFINED BENEFIT PLAN**

(As Revised January 1, 2023)

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ARTICLE I. DEFINITIONS

1. **Terms Common to the Trust Agreement** - Unless otherwise defined herein, all terms have the same meaning as in the Northern California Tile Industry Pension Trust Fund Trust Agreement.

2. **Actuarial Equivalent**, Effective for Annuity Commencement Dates January 1, 2021 and after, and applicable to all Prior Service Credits and Future Service Credits unless otherwise specified for a particular benefit, Actuarial Equivalent means the benefit resulting from calculations made to produce an equivalent value, based upon the applicable mortality table prescribed by Secretary of Treasury under Internal Revenue Code Section 417(e)(3)(B), with interest at the rate of (6%) percent per annum, for the purposes of determining benefits payable under optional forms provided by the Plan, late retirement increases, and benefits under Qualified Domestic Relations Orders. An Actuarial Equivalence Transitional Rule will be applied to all Actuarial Equivalent calculations January 1, 2021 and after. Prior to January 1, 2021 Actuarial Equivalent, unless otherwise specified for a particular benefit, means the benefit resulting from calculations made to produce an equivalent value, based upon the UP 1984 Mortality Table with interest at the rate of (6%) percent per annum, with a base factor of 0.88 for the 50% Joint and Survivor Option, adjusted up or down by ½ of 1% for each year the beneficiary is older or younger than the participant for the purposes of determining benefits payable under optional forms provided by the Plan, late retirement increases, and benefits under Qualified Domestic Relations Orders. Factors for other joint and survivor forms shall be adjusted in proportion to the base factor as shown in Appendix A.

3. **Actuarial Equivalence Transitional Rule**, means the Employee's monthly benefit is the greater of (a) the Employees' actuarially adjusted total accrued benefit earned through December 31, 2020 using the actuarial factors in effect prior to January 1, 2021, and (b) the Employees' actuarially adjusted total accrued benefit at retirement using the actuarial factors in effect on January 1, 2021 and after.

4. **Annuity Commencement Date** means:

- a. the first day of the first period for which an amount is payable as an annuity; or
- b. the first day on which all events have occurred which entitle the participant to a benefit which is payable in a form other than an annuity;
- c. the first day of the first period for which a benefit is payable by reason of

disability, but only if the benefit is not an auxiliary benefit; or

- d. for any post-retirement benefit earned during a return to work prior to Normal Retirement Age:
 - i. if benefit payments are subject to suspension under Article IX, Section 2.a of these rules, the first day of the first Plan Year beginning on or after the later of (1) attainment of Normal Retirement Age or (2) termination of employment and notification of the Administration Office;
 - ii. if benefit payments are exempt from suspension under Article IX, Section 2.a because of the application of Article IX, Sections 2.d-2.f, the first day of the first Plan Year beginning on or after termination of employment and notification of the Administration Office.

5. **Board of Trustees** or **Trustees** means the Board of Trustees of the Northern California Tile Industry Pension Trust Fund when acting as such.

6. **Collective Bargaining Agreement** means any written agreement entered into by the Union with any employer, as defined in the Labor Management Relations Act of 1947, as amended, 29 U.S.C. §§ 141 et seq., or with any association of employers, covering wages, rates of pay, hours of labor or other conditions of employment of employees represented for the purposes of collective bargaining by the Union and which agreement provides for payment by an Individual Employer into this Plan.

7. **Compensation** for purposes of IRC Section 415 includes wages within the meaning of IRC Section 3401(a) plus amounts that would be included in wages but for an election under IRC Sections 125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k) or 457(b), pursuant to Treas. Reg. § 1.415(c)-2(d)(3).

8. **Contiguous Service** means noncovered employment for an Individual Employer maintaining the Plan, which immediately precedes or follows Covered Employment, without a quit, retirement or discharge between the covered and noncovered employment, as defined by Department of Labor Regulations § 2530.210.

9. **Covered Employment** means employment for an Individual Employer for which the Employer is obligated to contribute to this Plan by reason of a collective bargaining agreement, any other agreement, or the operation of law.

10. **Domestic Partner** or **Domestic Partnership** shall be defined pursuant to section 297 of the California Family Code and shall be registered with the California Secretary of State.

11. **Effective Date** of this Plan means January 1, 1992. The effective date of each Prior Plan, or any provision of a Prior Plan, shall be determined under the terms of the Prior Plans.

12. **Employee** means either of the following, except as provided in II.1.b and III.2.c:

- a. Any employee or former employee of an Individual Employer whose work, or work classification, is covered by a Collective Bargaining Agreement; or
- b. Any officer, employee, or representative of the Union or affiliated organization for whom the Union or affiliated organization has agreed to make contributions to this Plan, pursuant to a subscription agreement satisfactory to the Board of Trustees.

13. **ERISA** means the Employee Retirement Income Security Act of 1974, as amended, and the regulations of the Department of Labor and the Department of the Treasury promulgated thereunder.

14. **Gender** - Any reference to a single gender shall be interpreted to apply to persons of either gender.

15. **Hour of Employment for Benefit Accrual** means each hour for which an Employee is paid or required to be paid by an Individual Employer under a Collective Bargaining Agreement, or by the Union or affiliated organization for employment for which the Union or affiliated organization has agreed to make contributions to this Plan; and hours worked for which back pay, irrespective of mitigation of damages, is awarded or agreed to by an Individual Employer, to the extent that such award or agreement is intended to compensate an employee for periods during which the Employee would have been engaged in the performance of duties for the Individual Employer.

16. **Hour of Employment for Vesting** means each Hour of Employment for Benefit Accrual; each hour for which the employee is entitled to be paid under a Collective Bargaining Agreement or under an agreement with the Union or affiliated organization to make contributions to this Plan, but, due to vacation, illness, incapacity (including disability), layoff, jury duty, or military leave of absence, no duties are performed, but no more than 501 hours of this type in any single Plan Year (other than for military service, for which there shall be no limit on the number of hours); and each hour of Contiguous Service; or any combination of the above, in accordance with Department of Labor Regulation § 2530.200b-2. Hour of Employment for Vesting shall also include hours of employment credited for vesting under the BAC Local 29 Defined Benefit Pension Plan worked prior to April 1, 2004.

17. **Individual Employer** means any person or entity, who or which is now, or hereafter may be, required by any Collective Bargaining Agreement or other agreement in writing to make payments into this Plan. Individual Employer also means the Union or an affiliated organization, to the extent that it has agreed to make contributions to this Plan on behalf of a full-time paid

officer, employee or representative.

18. **Industry Service and Employment in the Tile Industry** means Industry Service [Section 203(a)(3)(B) Service] as that term is used in 29 CFR Section 2530.203-3(c)(2).

19. **Non-Covered Tile Industry Service** means work, in California and Nevada, of any type (whether or not it is within the craft jurisdiction of BAC Local 3), for an employer who, or which, is engaged in the type of work covered by the collective bargaining agreement with BAC Local 3 requiring contributions to the Tile Industry Pension Trust Fund (“Collective Bargaining Agreement”) where such work: (1) is performed within the geographic jurisdiction of BAC Local 3 for an employer who, or which, is not signatory to the Collective Bargaining Agreement; or (2) is performed outside of the geographic jurisdiction of BAC Local 3 for an employer who, or which, is not signatory to an agreement with the local union affiliated with the International Union of Bricklayers and Allied Craftworkers covering the geographic area in which that work is being performed; or (3) is performed as an employer, partner, or sole proprietor, or shareholder of a corporation who or which is not signatory to a collective bargaining agreement described in subparts (1) and (2) of this Section 19. Notwithstanding anything in this Section 19 to the contrary, employment by an employer during a period in which the Union is engaged in a strike shall not be deemed to be “Non-Covered Tile Industry Service” under this Plan if the employer is signatory to a collective bargaining agreement with BAC Local 3 requiring contributions to the Tile Industry Pension Trust Fund both immediately before and immediately following the period of the strike.

20. **Pension Plan** means this Plan, formerly known as the BAC Local 19 Defined Benefit Plan.

21. **Plan Year** means January 1 to December 31 of each calendar year.

22. **Prior Plan** means the Northern California Tile Industry Pension Plan and the BAC Local 19 Tile Finishers Pension Plan, (also known as the Tile Finishers Local No. 7 Pension Plan), which merged to form this Plan effective January 1, 1992; the Terrazzo Finishers - Precast Industry Pension Plan, with respect to assets and liabilities transferred on behalf of Terrazzo participants only, effective January 1, 1992; the BAC Local 29 Pension Plan, which merged with this Plan effective March 1, 2004; the Tile Setters and Finishers of Northern California, with respect to assets and liabilities transferred on behalf of employees of Capitol City Tile and Marble, effective May 6, 2011; or any plan which was itself a predecessor or prior plan of any of those Plans.

23. **Union** means the Bricklayers and Allied Crafts Local Union No. 3, I.U. of B.A.C., a labor organization as defined in the Labor Management Relations Act of 1947, as amended, 29 U. S.C. §§ 141 et seq.

ARTICLE II. ELIGIBILITY FOR PARTICIPATION

1. a. Except as provided in subsection b., every Employee shall be eligible to accrue credits immediately upon the first day of any Plan Year in which he or she performs one hour of Covered Employment.

b. An Employee who is a shareholder-employee of an incorporated Individual Employer shall be eligible to accrue only Contiguous Service vesting credit, unless the shareholder-employee satisfies all of the following conditions:

- (1) the shareholder-employee performs some bargaining unit work;
- (2) the shareholder-employee and the spouse of the shareholder-employee each own less than 50% of the total stock of the contributing employer;
- (3) the contributing employer has at least one shareholder who is not participating in the pension plan and performs some management work;
- (4) if the shareholder-employee's spouse is also a shareholder, and their combined shares equal or exceed 50% of total share ownership, the shareholder-employee has submitted a written statement signed by both spouses that the shares are held as separate property, and not as community property; AND
- (5) the shareholder-employee has not actually been excluded from the statutory definition of employee in a proceeding of the National Labor Relations Board.

2. Every Employee or former Employee who was a participant in a Prior Plan shall be a participant in this Plan. This Plan shall pay all benefits accrued under the Prior Plans. The amount of benefits payable to each participant or beneficiary under a Prior Plan shall be determined by the terms of the applicable Plan as in effect on January 1, 1992, except as otherwise provided herein. The Trustees reserve the right to interpret the Prior Plans as if they were part of this Plan.

ARTICLE III. VESTING

1. Credited Service for Vesting

a. Credited Service for an Employee for purposes of vesting shall include all of the following:

- (1) all years of vesting credit recognized under a Prior Plan; and

- (2) a year of Credited Service for performance of one thousand (1000) hours or more of Hours of Employment for Vesting in a calendar year after January 1, 1992, or portion thereof in accordance with the following table:

1000 or more Hours	1.0 year
900 - 999 Hours	0.7 year
800 - 899 Hours	0.6 year
700 - 799 Hours	0.5 year
600 - 699 Hours	0.4 year
500 - 599 Hours	0.3 year
400 - 499 Hours	0.2 year
300 - 399 Hours	0.1 year
Less than 300 Hours	None

b. If a participant in this Plan was a participant in the Northern California Tile Industry Pension Plan in the Plan Year ending December 31, 1991, and the participant did not earn a full year of Credited Service for Vesting in that Plan Year, the participant's Credited Service for Vesting for that Plan Year shall be credited on the basis of all hours of Covered Employment performed between April 1, 1991, and March 31, 1992.

c. The following rule applies to any participant in this Plan on April 1, 2004, who was a participant in the BAC Local No. 29 Defined Benefit Pension Plan on March 31, 2004. Notwithstanding any other provision of this Plan, if any such participant performs between 225 and 299 Hours of Employment under this Plan between April 1, 2004, and December 31, 2004, then he or she shall be given 0.1 year of Vesting Credit, and shall be deemed to have worked 300 Hours of Employment for Vesting for purposes of determining breaks in service.

2. Breaks in Service

a. A non-vested Employee shall suffer a one-year break in service in any Plan Year in which he or she fails to be credited with at least 300 Hours of Employment for Vesting. An Employee who has suffered a one-year break in service shall be considered on a temporary break in service, unless and until the Employee returns to Covered Employment and accrues at least 0.1 Year of Vesting Credits in a single Plan Year, or until the break in service becomes permanent.

b. A non-vested Employee shall suffer a permanent break in service if he or she has a number of consecutive one-year breaks in service equal to the greater of the following:

- (1) five years; or
- (2) a number of consecutive Plans Years equal to the number of Years of Vesting Credit accrued prior to the break in service.

c. Years of service of an Employee accrued prior to a temporary break in service shall not be counted for any purpose under the Plan, and the Employee shall lose his or her status as an Employee, until the Employee has returned to Covered Employment and accrued 0.1 Years of Vesting Credits. Years of service prior to a permanent break in service shall not be taken into account for any purpose under this Plan, unless specifically so provided for a particular purpose.

d. The period during which a break in service would otherwise occur shall be extended for any period of time in which the Employee:

- (1) is continuously incapacitated from working in the trade due to disability as defined herein;
- (2) is in military service, provided that the member returns to Covered Employment within 120 days after his or her release from military service or after his or her recovery from a service-related disability after his or her release from military service; or
- (3) is employed in an industry-related capacity by a public agency (federal, state or local), provided that the Employee returns to Covered Employment within a period of two years after termination of such work.

e. No break in service shall occur during any Plan Year for an Employee who is unable to perform the required minimum hours by reason of pregnancy, birth of a child, adoption of a child, or caring for such child for a period beginning immediately after the birth or placement, when the Employee would otherwise have been working in Covered Employment. Time so credited shall be counted in the Plan Year in which the absence from work begins only when necessary to prevent a break in service in that Plan Year, or otherwise in the Plan Year next following. Time so credited shall be counted only for the purpose of preventing a break in service and not for any other purpose.

- f. (1) Effective January 1, 1997, subsection (2) applies to any person who satisfies either of the following tests:

- (A) The person was a signatory employer, and had a permanent break in service under this Plan or under Prior Plans; or
 - (B) The person is or becomes a signatory employer and has suffered or would suffer a permanent break in service without the application of subsection (2).
- (2) For any person qualified under subsection (1), no Plan Year, or series of Plan Years, shall be treated as a break in service for the person, if the person satisfies the following requirements:
- (A) The person had accrued five Years of Vesting Credit before the first Plan Year for which a break in service is waived under this rule; and
 - (B) The person is an Individual Employer continuously for each Plan Year for which a break in service is waived; and
 - (C) The person had accrued at least 0.1 Year of Credited Service in the Plan Year preceding the first Plan Year in which the person receives a waiver of break in service under this rule, and performed no Industry Service between his or her employment as a covered Employee and his or her becoming an Individual Employer; and
 - (D) Within one year of the date that the person ceases to be an Individual Employer, the person either retires under the Plan, becomes reemployed as an Employee under the Plan, or registers for work with the Local Union and is actually available for Covered Employment.
- (3) Effective January 1, 2009, subsection (4) applies to any person who is or becomes a signatory employer and has suffered or would suffer a permanent break in service without the application of subsection (4).
- (4) For any person described in subsection (3), each Plan Year, or series of Plan Years, that would otherwise be treated as a break in service for the person will be waived, if the person satisfies all of the following requirements at the time the person applies for benefits under the Plan:
- (A) The person had accrued five Years of Vesting Credit before the first Plan Year for which a break in service is waived under this rule; and

- (B) The person was an Individual Employer continuously for each Plan Year for which a break in service is waived; and
 - (C) The person performed no Industry Service at any time after becoming an Individual Employer, other than as an Individual Employer or as a bargaining unit member; and
 - (D) The person remained an owner of an Individual Employer for at least five years and the Individual Employer made contributions on behalf of covered employees other than the person to the Northern California Tile Industry Trusts for at least 6,000 hours of Covered Employment; and
 - (E) All contributions owed by the Individual Employer to the Northern California Tile Industry Trusts were current as of the last month the person was an owner of the Individual Employer; and
 - (F) Within one year of the date that the person ceased to be an Individual Employer, the person either retired under the Plan, became reemployed as an Employee under the Plan, or registered for work with the Local Union and was actually available for Covered Employment.
- (5) Effective January 1, 2018, subsection (6) applies to any person who is or becomes a signatory Individual Employer and has suffered or would suffer a permanent break in service under this Plan or under Prior Plans without the application of subsection (6).
- (6) For any person qualified under subsection (5), no Plan Year, or series of Plan Years, shall be treated as a break in service for the person, if the person satisfies all of the following requirements:
- (A) The person was a former non-vested participant who became a signatory Individual Employer during 2018 or 2019; and
 - (B) The person remained an Individual Employer for at least six (6) full years (72 calendar months) from the date of becoming a signatory Individual Employer; and
 - (C) The Individual Employer made contributions on behalf of covered employees other than the person to the Northern California Tile

Industry Trusts for at least 10,000 hours of Covered Employment;
and

- (D) All contributions owed by the Individual Employer to the Northern California Tile Industry Trusts were current as of the last month the person was an owner of the Individual Employer.

g. This subsection applies to any Employee who has suffered a permanent break in service under this Plan while he/she was working under one or more collective bargaining agreements between employers and Bricklayers and Allied Craftworkers Local Union No. 1 in the Fresno, California jurisdiction during the years 1988 - 1995.

For any Employee qualified under this subsection, no Plan Year, or series of Plan Years, shall be treated as a break in service for the Employee if the Employee satisfies all of the following requirements at the time the Employee applies for benefits under the Plan:

- (1) The Employee had accrued at least five (5) Years of Vesting Credit in this Plan before 1988; and
- (2) The Employee has subsequently accrued 19 or more Years of Vesting Credit in Plan Years 1995 and after; and
- (3) For each Plan Year for which a break in service is waived the Employee worked at least 1,000 hours under one or more collective bargaining agreements between employers and Bricklayers and Allied Craftworkers Local Union No. 1 in the Fresno, California jurisdiction for which employers had no obligation to contribute to a local defined benefit plan; and
- (4) The Employee can provide documentation verifying the hours worked under a collective bargaining agreement between employers and Bricklayers and Allied Craftworkers Local Union No. 1 in the Fresno, California jurisdiction for each Plan Year for which a break in service is waived under this subsection.

3. Requirements for Vesting

An Employee's interest in this Plan shall be vested, and the Employee shall have a nonforfeitable right to benefits under this Plan, upon the occurrence of any of the following before a permanent break in service:

a. effective January 1, 1999, accrual of five years of Credited Service for Vesting, if the Employee has satisfied one of the following requirements:

- (1) the Employee performed at least 300 hours of Covered Employment in 1998, and at least one hour in 1999; or
 - (2) the Employee performed at least 300 hours of Covered Employment in 1999 or any Plan Year thereafter.
- b. accrual of ten years of Credited Service for Vesting;
 - c. accrual of five years of Credited Service for Vesting for Covered Employment for an Individual Employer which is a Union or an affiliated organization;
 - d. attainment of age sixty-five (65) and the fifth (5th) anniversary of the Employee's first employment under this Plan or a Prior Plan without a break in service in effect, regardless of the number of years of Vesting Credits.

ARTICLE IV. ACCRUAL OF BENEFIT CREDITS

1. Prior Service Benefit Credit

- a. An Employee shall receive Benefit Credits for Credited Service under the Prior Plans in accordance with the terms of those Plans.
- b. An Employee shall also receive up to 2 Years of Prior Service Benefit Credits for Credited Service under one of the Prior Plans which were not recognized under the other Prior Plan after the Employee changed to Covered Employment under the other Prior Plan, because of terms of the reciprocity agreement then in effect. These credits shall apply for both Vesting Credit and Benefit Credit purposes.

2. Future Service Benefit Credit

- a. Each Employee shall receive Future Service Benefit Credit for all Hours of Employment for Benefit Credit in all Plan Years starting January 1, 1992, at the rate of 0.1 Year for the first 300 Hours, plus 0.1 Year for each additional 100 Hours. An Employee shall also receive 0.1 Year of Benefit Credit in the Plan Year ending December 31, 2004, if he or she was a participant in the BAC Local 29 Defined Benefit Pension Plan on March 31, 2004, became a participant in this Plan on April 1, 2004, and performed between 225 and 299 Hours of Employment in the Plan Year ending December 31, 2004.
- b. Effective January 1, 1992, there shall be no limit to the number of Years of Benefit Credits which an Employee may earn under this Section in any calendar year.

c. In addition to credits for Hours of Employment for Benefit Credit, an Employee who is employed by a participating Employer within ninety (90) days of his return from military service shall be credited with the number of hours for which the Employee would have been credited had he continued working for participating Employers during the period of military service. If in the judgment of the Trustees, the number of hours that the returning Employee would have worked during the period of his military service is not reasonably certain, the number of hours credited to the Employee during each month of military service shall be equal to the average of the hours worked in the twelve-month period immediately preceding his military service (or, if his total period of Plan participation is less than a year, the average of the period of employment immediately preceding the military service). Such hours shall be counted for both Vesting Credit and Benefit Credit purposes.

3. Benefit Credit Earned Under the BAC Local 29 Defined Benefit Pension Plan

Benefit Credits earned under the BAC Local 29 Defined Benefit Pension Plan prior to April 1, 2004 will be valued according to the terms of that plan, at the value they had in that plan prior to April 1, 2004. Benefit Credits earned on or after April 1, 2004 shall be valued as provided under the rules of this Plan.

ARTICLE V. ELIGIBILITY FOR BENEFITS

1. Normal Retirement

Each Employee shall have the nonforfeitable right to apply for retirement under this Plan and receive a Normal Retirement Benefit, upon the occurrence of the earliest of the following events, which shall be the Employee's Normal Retirement Age:

a. The Employee attains age 62 with a vested interest in the Plan, and retires from the Tile Industry in the State of California; or

b. The Employee attains age 65 and the fifth anniversary of the year in which the Employee commenced participation in the Plan, regardless of his or her years of credited service, and retires from the Tile Industry in the State of California.

c. The Employee attains age 70½ with a vested interest in the Plan, even if still employed in the Tile Industry in the State of California. Effective January 1, 2020, the above rule shall apply when the Employee attains age 72.

2. Early Retirement

a. Reduced Early Retirement: An Employee may elect to retire, and apply for a pension hereunder, upon the attainment of age 55 with at least ten Years of Vesting Credits. The

amount of the Early Retirement Benefit of an Employee who so elects shall be his or her Normal Retirement Benefit, reduced by 5/12ths of 1% for each month that his or her Annuity Commencement Date precedes his or her 62nd birthday.

b. Unreduced Early Retirement: Effective for retirements after December 31, 1997, an Employee may elect to retire, and apply for a pension hereunder, upon the attainment of age 61 with at least ten years of Vesting Credit, and effective for retirements after December 31, 1999, upon the attainment of age 60 with at least ten years of Vesting Credit. The amount of the Early Retirement Benefit of an Employee who so elects shall be his or her Normal Retirement Benefit without any reduction because of the Employee's age.

c. Special Unreduced Early Retirement Window: Effective for retirements on or between January 1, 1994, and December 31, 2014, and retirements on or between April 1, 2016, and March 31, 2025, an Employee may elect to retire, and apply for a pension hereunder, if the Employee satisfies the following conditions:

- (1) The Employee has attained age 55; and
- (2) The sum of the Employee's age at retirement and his or her Years of Credited Service for Vesting (counting partial years for both purposes) is at least 85; and
- (3) The Employee accrued 3 Years of Credited Service for Vesting in the five years preceding retirement, or if the Employee is disabled as defined in Section 3 of this Article, the Employee had accrued 3 Years of Credited Service for Vesting in the five Plan Years preceding the year he or she became so disabled. Effective for retirements on or after September 1, 2011, calendar years 2009, 2010 and 2011 will be disregarded when applying this activity test if the individual has been available for dispatch and was on the out-of-work list and actively seeking employment through the Union's hiring hall for all periods of unemployment from Covered Employment in the twenty-four months immediately preceding retirement, or if not, can otherwise demonstrate availability for Covered Employment. Any Employee seeking to have 2009, 2010 and/or 2011 disregarded when applying the activity test for this benefit must provide the Plan Administration Office with proof that, during the twenty-four months prior to retirement, he or she did not:
 - (A) perform the type of work covered by a Collective Bargaining Agreement pursuant to which contributions are made to the Fund, for any employer not party to, or bound by, any such agreement unless so employed as part of an organizing drive certified by the

Union, or

- (B) engage in any activity which constitutes being in business in the Tile Industry for his or her own account without being signatory to a Collective Bargaining Agreement.

Such proof must be in the form of tax returns filed for all tax years during the twenty-four months prior to retirement, including associated Forms W-2 and 1099.

If an Employee qualifies for Early Retirement under this subsection c., he or she shall receive his or her Normal Retirement Benefit without any reduction because of the Employee's age.

d. Application Requirement: Benefits under this Section 2 shall commence on the first day of the month following which the Employee has satisfied the conditions for this benefit, and applied for this benefit, whichever is later. If an Employee retires under Section 2.b. or 2.c., above, benefits shall be paid retroactively to the first day of the first month for which the Employee has established to the satisfaction of the Board of Trustees that he or she has met the conditions for such benefits. A separate application is required for each Annuity Commencement Date, as defined in Article I, Section 3.d, for any post-retirement benefit earned during a return to work prior to Normal Retirement Age.

3. Disability Benefits

a. Eligibility for Disability Benefits:

An Employee is eligible to receive Disability Benefits if all of the following conditions are met:

- (1) the Employee has at least five Years of Vesting Credit under this Plan; and
- (2) (A) the Employee has at least 300 hours of Covered Employment in the Plan Year in which the Employee becomes disabled or in the prior Plan Year; or
- (B) the Employee has at least 300 hours of Covered Employment in the 12-month period or the 13 to 24-month period prior to the disability date specified in the Social Security Disability benefits award or the award of Supplemental Security Income benefits based on disability; and
- (3) (A) for applications received prior to May 8, 2008, the Employee

becomes totally and permanently disabled, in the sole and exclusive judgment of the Board of Trustees, from engaging in any further employment of the type covered under a Collective Bargaining Agreement as defined herein; or

- (B) for applications received on or after May 8, 2008, the Employee is totally and permanently disabled, as evidenced by an award of Social Security Disability benefits or Supplemental Security Income benefits due to disability.

If an Employee was injured while working in Covered Employment and thereafter received Workers' Compensation disability benefits or State Disability Insurance payments continuously from the date of his or her last Covered Employment to the disability date specified in the Social Security Disability award or the award of Supplemental Security Income based on disability, then the 300 hours required in Section 3.a.(2) above must be worked in the Plan Year of the Employee's injury, or the prior Plan Year.

b. Commencement of Disability Benefits and Proof of Disability:

- (1) For applications received prior to May 8, 2008, to receive Disability Benefits, an Employee must furnish to the Trustees, at his or her own expense, evidence satisfactory to them that he has been so disabled. An award of Social Security Disability shall be considered satisfactory evidence, but in the absence of such an award the Trustees may consider medical and other evidence. The monthly disability benefit shall commence on the first day of the month on or following the first day of both 1) disability, and 2) the acceptance of the evidence of disability by the Trustees. However, effective for qualifying disabilities on or after August 1, 1996, benefits shall be payable retroactively to the following date:
 - (A) if the Employee has a Social Security Disability award, the disability date specified in the Social Security Disability award; or
 - (B) if the Employee does not have a Social Security Disability award, the date of onset of disability as determined by the Board of Trustees.
- (2) For applications received on or after May 8, 2008, the monthly disability benefit shall be payable retroactively to the disability date specified in the Social Security Disability award or the award of Supplemental Security

Income based on disability.

- (3) The Trustees may require proof of continued disabled status at reasonable periods after an Employee's Disability Benefits have commenced.

c. Amount and Duration of Benefits:

- (1) The amount of an Employee's monthly disability benefit shall be his or her Normal Retirement Benefit without reduction and without any election of survivor benefits. Benefits shall be payable under this Section until the Employee qualifies for, and applies for Early Retirement Benefits, or until the Employee attains his or her Normal Retirement Age. An Employee who is receiving benefits under this subsection shall be notified of his or her right to receive a Normal Retirement Benefit, and of the available forms of benefits, in the same manner as an Employee who is not retired. When an Employee elects an Early or Normal Retirement Benefit, the rules for amount of benefits and election of form of benefits for those types of retirement shall apply. Pre-retirement death benefits, as provided in Article VIII, shall be payable during the time that a former Employee is receiving benefits under this Section, until the Employee commences to receive either an Early or Normal Retirement Benefit.
- (2) If an Employee is receiving Disability Benefits, and recovers from his or her disability, the Disability Benefits shall terminate on the first day of the month following the month that the Employee recovers from his or her disability. An Employee who is receiving Disability Benefits and who recovers from his or her disability shall report the same to the Trustees within 15 days of recovery. If the Employee does not report his or her recovery to the Trustees, his or her benefits shall be offset upon retirement in the same manner as provided for suspension of benefits upon reemployment, in Article IX, Section 4.c., until the overpayment of benefits has been recovered by the Plan.

4. Effect of Non-Covered Tile Industry Service

If a Participant performs any Non-Covered Tile Industry Service after the later of June 16, 1999, or his or her becoming a participant in this Plan, then the eligibility dates in Sections 1-3 of this Article, and the eligibility of the participant's beneficiary for the Plan Pre-Retirement Death Benefit under Article VIII, shall be adjusted as follows:

- a. The participant's Early Retirement eligibility date under Article V, Section 2 shall be delayed by six months for each quarter in which the participant performed one hour or more

of Non-Covered Tile Industry Service, except that, effective June 7, 2004, this provision shall not apply to benefits accrued prior to June 16, 1999;

b. The participant shall not be eligible for Disability Retirement Benefits under Article V, Section 3;

c. The participant's beneficiary shall not be eligible for the Plan Pre-Retirement Death Benefit under Article VIII;

d. Notwithstanding the above, if the participant thereafter performs Covered Hours of Employment, the delay period under subsection a. above shall be reduced by six months for every year of Vesting Credit which the participant thereafter earns and, furthermore, he or she will be eligible again for Disability Retirement, and his or her beneficiary shall be eligible again for the Plan Pre-Retirement Death Benefit, if he or she thereafter earns 5 Years of Vesting Credit.

ARTICLE VI. FORM AND MANNER OF PAYMENT OF BENEFITS

1. Commencement of Benefits

a. Unless an Employee elects otherwise, benefits shall commence for an Employee no later than the 60th day of the Plan Year following the Plan Year in which the Employee qualifies for benefits under this Plan and applies therefor. However, an Employee shall be entitled to benefits on the first day of the month coinciding with, or next following, qualification and application for benefits. If benefits do not commence at that time, they shall be paid retroactively to that date. If an Employee retires under Article V, Section 2.b. or 2.c., benefits shall be paid retroactively to the first day of the first month for which the Employee has established to the satisfaction of the Board of Trustees that he or she has met the conditions for such benefits. Payment of any post-retirement benefit earned during a return to work prior to Normal Retirement Age shall commence as of the Annuity Commencement Date, as defined in Article I, Section 4.d, after receipt by the Administration Office of the required application and election form. If the Employee attained Normal Retirement Age prior to the Annuity Commencement Date, as defined in Article I, Section 4.d, such benefits shall be actuarially adjusted for the period from the later of 1) the date of termination of employment or 2) Normal Retirement Age to the Annuity Commencement Date, as defined in Article I, Section 4.d.

b. For Plan Years through December 31, 1996, notwithstanding any other provision of this Plan, benefits shall commence for any Employee who has attained age 70½, and who is entitled to benefits under this Plan, no later than April 1 of the calendar year following the year in which the Employee attains age 70½. On or after January 1, 1997 through December 31, 2019, this provision shall apply to an Employee only if the Employee has separated from service or is an owner of at least 5% of a contributing employer. All other Employees, i.e., those

individuals still actively employed, shall have the option of commencing their benefit under Article V. Effective January 1, 2020, benefits to each Employee must commence no later than the following times (1) if the Employee is a 5% owner of a contributing employer: April 1 of the calendar year following the year in which the Employee attains age 72; or (2) if the Employee is not a 5% owner, the later of (i) April 1 of the calendar year following the year that the Employee attains age 72; or (ii) the Employee's retirement from Covered Employment. Any benefits accrued by an Employee who has opted not to receive a pension after age 70½ shall be actuarially adjusted in accordance with Internal Revenue Code § 401(a)(9) and any applicable regulations.

c. Notwithstanding any other provision of the Plan, distributions required to be made under this Section shall be made in accordance with the requirements of Internal Revenue Code § 401(a)(9), including the incidental benefit requirement of Code § 401(a)(9)(G), and the Regulations issued thereunder by the Internal Revenue Service, including Treasury Reg. 1.401(a)(9)-2 through 1.401(a)(9)-9.

2. Application Requirements

a. Except as required by law, no benefit payments will be made to a participant, beneficiary or alternate payee under the Plan until an application or claim is submitted to the Administration Office. A separate application or claim must be submitted to the Administration Office for each Annuity Commencement Date, as defined in Article I, Section 4.d, for any post-retirement benefit earned during a return to work prior to Normal Retirement Age. All applications for benefits under this Plan and all elections and designations made by participants or beneficiaries under this Plan shall be made in writing to the Administration Office in the form and manner prescribed by the Trustees. Any misrepresentation by an applicant, which affects the eligibility for, or amount of, any benefit payments, shall constitute grounds for the denial, suspension or discontinuance of benefits, in whole or in part, for such applicant, or for the cancellation or recovery of benefit payments made in reliance thereon.

b. The Trustees shall have the right to require submission of all necessary information before any benefit is paid, including records of employment, proofs of date of birth, disability or death, and evidence of existence of marriage. If the payment of a benefit is dependent in any way upon such information, the benefit shall not be payable unless and until the information so required has been furnished. Upon receipt of such information, the Trustees shall determine the eligibility of the applicant for such benefit, and shall notify the applicant of their determination and the amount of any benefit payable.

3. Forms of Benefits

The following forms of benefits are available under this Plan, in accordance with the rules described in Article VI, Section 4. The Actuarial Equivalence Transitional Rule applies to all benefit options available under this Plan effective January 1, 2021.

a. Single Life Annuity: monthly benefit payments for the lifetime of the Employee, but if the Employee dies prior to receiving 60 monthly payments, the payments shall continue to the designated beneficiary of the Employee until a total of 60 months of benefits have been paid to the Employee and beneficiary.

b. Qualified Joint and Survivor Annuity: actuarially reduced monthly benefit payments to the Employee for life, followed by monthly benefit payments to the spouse to whom the Employee was married at retirement, payable for life at 50% of the amount paid to the Employee, the whole of which is the Actuarial Equivalent of a Single Life Annuity for the life of the Employee alone.

c. Optional Joint and Survivor Annuity: actuarially reduced monthly benefit payments to the Employee for life, followed by monthly benefit payments to the spouse to whom the Employee was married at retirement, payable for life at 75% or 100% of the amount paid to the Employee, the whole of which is the Actuarial Equivalent of a Single Life Annuity for the life of the Employee alone.

d. Contingent Annuitant Benefits: actuarially reduced monthly benefit payments to the Employee for life, followed by monthly benefit payments to a beneficiary designated before retirement, other than the Employee's spouse at retirement, payable for life at 50%, 75% or 100% of the amount paid to the Employee, the whole of which is the Actuarial Equivalent of a Single Life Annuity for the life of the Employee alone.

e. Pop-Up Option for 50% Survivor Annuity With a Spouse or Domestic Partner: actuarially reduced monthly benefit payments to the Employee for life, followed by monthly benefit payments to the Employee's spouse or Domestic Partner, payable for life at 50% of the amount paid the Employee, with the proviso that if the spouse or Domestic Partner predeceases the participant, the benefits paid to the Employee shall revert to the Single Life Annuity. Payments under this option shall be reduced from the amount otherwise payable under the similar 50% survivor option, so that the whole of this benefit shall be the Actuarial Equivalent of the Single Life Annuity for the life of the Employee alone.

4. Conditions for Election of Form of Benefits

a. The normal form of benefit for a participant who is unmarried at the time of retirement shall be a Single Life Annuity as described in Section 3.a. of this Article. An unmarried participant may, by written notice to the Administration Office on forms approved by

the Trustees, elect a Contingent Annuitant Benefit, and name any person as beneficiary, provided the benefits paid to the beneficiary under that option would not be less than \$100 per month.

b. The normal form of benefit for a participant who is married at the time of retirement is the Qualified Joint and Survivor Annuity. A married participant may elect any other form of benefit, and designate any person to be beneficiary, provided that the benefits paid to the beneficiary under that option would not be less than \$100 per month, and provided that the participant's spouse has consented to the election and/or designation in accordance with the next subsection. However, if a participant is married less than a year at the time of retirement, the following additional paragraphs apply:

- (1) If the participant dies before the participant and spouse are married for twelve months, the benefit payable on behalf of the participant shall be the Single Life Annuity, with the 60-month guarantee to run from the participant's Annuity Commencement Date. The remaining months of the 60 months of guaranteed benefits to be payable to the surviving spouse, if any, or to the other persons named in Section 5 of this Article.
- (2) If the marriage of the participant and spouse is dissolved before they are married for twelve months, the benefit payable to the participant shall be the Single Life Annuity, with the 60-month guarantee period to run from the participant's Annuity Commencement Date. At the time of the dissolution, and any time thereafter, the participant may name any person to be the beneficiary for any months of the 60-month guarantee period remaining at his or her death, or if no new designation is made at that time, such benefits shall be paid to the persons named in Section 5 of this Article.

c. The Administration Office shall, within a reasonable period of time prior to a married participant's Annuity Commencement Date, provide the participant and spouse with a full written explanation of the Qualified Joint and Survivor Annuity. Such notification shall include a general description of the material features, and an explanation of the relative values of, the optional forms of benefit available under the Plan, as required under IRC §417(a)(3) and Treasury Reg. 1.417(a)(3)1. A married participant may waive this form of benefit, elect any other option available under this Plan, and designate any person to receive any benefits payable under such option after the participant's death, by giving written notice of the waiver, election, and designation to the Administration Office on forms approved by the Trustees within the 180-day period ending on the Annuity Commencement Date. However, no waiver, election or designation shall be effective unless finally consented to by the participant's spouse, in writing and witnessed by a Plan representative or Notary Public, expressing his or her understanding of the benefit, of the effect of a waiver, and of the right to consent or refuse to consent to the waiver. This requirement of a waiver by the spouse shall not be enforced if it is established to

the satisfaction of the Trustees that the participant's spouse cannot be located. A participant or spouse may waive or reinstate this benefit any time until the Annuity Commencement Date, so long as a final waiver of this form of benefit is properly consented to by the spouse.

d. The Joint and Survivor Annuity shall apply to a participant only in the event that the participant was married at time of retirement. Except as expressly provided above in the rules applicable to participants married less than one year at retirement and the rules of the Pop-Up Options for Spouses and Domestic Partners, the benefits payable under a joint and survivor annuity, or a Contingent Annuitant Benefit, shall not be affected by the subsequent dissolution of the marriage of the participant and spouse, or dissolution of the Domestic Partnership, or of the death of the spouse or other beneficiary, or revoked or altered in any way after the participant has received and negotiated his or her first check.

e. The rules, conditions and procedures in this Section 4 for electing a form of benefit shall apply to each Annuity Commencement Date, as defined in Article I, Section 4.d, for any post-retirement benefit earned during a return to work prior to Normal Retirement Age.

5. Designation of Beneficiary

An unmarried participant, or a married participant with the proper consent of his or her spouse, may name any person to receive any remaining payments under the 60 month guarantee of the Single Life Annuity, or to be a Contingent Annuitant. An unmarried participant, or a married participant with the proper consent of his or her spouse, may also change the designation of the person to receive remaining payments under the 60 month guarantee of the Single Life Annuity at any time before the participant's death. However, the designation of a participant's spouse for any remaining payments under the Single Life Annuity shall be automatically revoked by the dissolution of their marriage, unless preserved by a Qualified Domestic Relations Order or reinstated by the participant after the dissolution; the designation of a participant's Domestic Partner for any remaining payments under the Single Life Annuity shall be automatically revoked by the dissolution of their Domestic Partnership, unless reinstated by the participant after the dissolution. If an Employee dies with any payments due under the Single Life Annuity, and there is no valid designation of beneficiary by the Employee on file at the Administration Office, then the remaining payments shall be made to the Employee's spouse or Domestic Partner at death, if any; or then to the Employee's children, if any are living; or then to the Employee's parents, if either is living; or then to the Employee's brother(s) and sister(s), if any are living; or then to the Employee's heirs.

6. Eligible Rollover Distributions

a. This Section applies to distributions made on or after January 1, 1993, except as otherwise indicated. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and

in the manner prescribed by the plan administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

b. Definitions.

- (1) 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:
 - (A) 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;
 - (B) any distribution to the extent that such distribution is required under section 401(a)(9) of the Internal Revenue Code; and
 - (C) the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).
- (2) Eligible retirement plan: An eligible retirement plan is an individual retirement account described in section 408(a) of the Internal Revenue Code, an individual retirement annuity described in section 408(b) of the Code, an annuity plan described in section 403(a) of the Code, or a qualified trust described in section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity. For distributions made after December 31, 2001, an eligible retirement plan includes an annuity contract described in section 403(b) of the Code and an eligible plan under section 457(b) of the Code, 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 and which agrees to account separately for amounts transferred into such plan from this Plan. For distributions made after December 31, 2007, an eligible retirement plan is also a Roth IRA. For distributions made after December 31, 2009, an eligible retirement plan is also an inherited IRA for the benefit of a non-spouse beneficiary.

- (3) 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 section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse. Effective January 1, 2007, a distributee includes a non-spouse beneficiary.
- (4) Direct Rollover: A direct rollover is a payment by the plan to the eligible retirement plan specified by the distributee.

ARTICLE VII. AMOUNT OF BENEFITS

1. The amount of benefits described in this Article is the Normal Retirement Benefit, payable as the Single Life Annuity to a former Employee who retires under Normal Retirement. All other forms of benefit are subject to a reduction for Early Retirement, if applicable, or an actuarial reduction, based on the form of the benefit and the ages of the Employee and spouse or contingent beneficiary at the time of retirement.

Notwithstanding the above, the monthly amount of the Normal Retirement Benefit shall not be less than the Participant's Normal Retirement Benefit accrued as of December 31, 2020, calculated using the Actuarial Equivalence provisions in effect prior to January 1, 2021, in accordance with the Actuarial Equivalence Transitional Rule.

2. The Normal Retirement Benefit for each Employee who retires after January 1, 1992, shall be equal to the sum of the following:

- a. the sum of all benefits which the Employee earned under a Prior Plan; and
- b. \$40 per month for each Year of Future Benefit Credit earned by the Employee between January 1, 1992 through December 31, 2002; and
- c. \$43 per month for each Year of Future Benefit Credit earned by the Employee between January 1, 2003 through December 31, 2016; and
- d. \$57 per month for each Year of Future Benefit Credit earned by the Employee between January 1, 2017 and December 31, 2017; and
- e. Effective January 1, 2018 through December 31, 2018, and each subsequent Plan Year, an Employee shall be credited with \$43 per month for each Year of Future Benefit Credit earned during the Plan Year. The \$43 per month for each Year of Future Benefit Credit earned in a Plan Year is subject to increase for each Plan Year starting in 2018 according to application of the formula stated below in this subsection e. For the purpose of applying this formula, the

Plan Actuary will certify the funded percentage of all Plan liabilities using the market value of Plan assets as of the last day of the prior Plan Year, and using the annual valuation methods and assumptions to determine the liabilities as of the first day of each Plan Year. This certification for the purpose of determining the Future Benefit Credit Amount for each Plan Year shall be issued as part of the annual actuarial valuation for the Plan. The Future Benefit Credit Amount determined for each Plan Year shall apply to all benefit credit earned for each Plan Year.

	Plan funding level computed annually using market value of Plan assets as of the last day of the prior Plan Year, and using liabilities as of the first day of the current Plan Year valued based on annual valuation methods and assumptions	Monthly amount payable for each Year of Future Benefit Credit earned by the Employee in the current Plan Year
1	105% or less	\$43
2	Greater than 105% but less than or equal to 115%	\$57
3	Greater than 115% but less than 130%	\$71
4	130% or greater	\$85

3. Notwithstanding any other provision of this Plan, the annual retirement benefit or other benefit paid to a participant or beneficiary under the Plan shall not be less than the amount required under Internal Revenue Code § 401(a)(9), including the incidental benefit requirement of Code § 401(a)(9)(G), and the Regulations issued thereunder by the Internal Revenue Service, including Treasury Reg. 1.401(a)(9)-2 through 1.401(a)(9)-9, and shall not be more than the amount permitted under Internal Revenue Code § 415(b) and Treas. Reg § 1.415(b)-1, including all cost-of-living increases permitted under Internal Revenue Code § 415(d) and Treas. Reg § 1.415(d)-1(a).

4. a. Effective January 1, 1993, all Benefit Credits earned before that date by Employees who earned at least 0.1 Year of Credited Service in 1992 shall be increased by 20%.

b. Effective January 1, 1993, the monthly benefit which is payable to all participants who retired before that date and who did not earn at least 0.1 Year of Credited Service in 1992, or which is payable to the beneficiaries of such participants, shall be increased by the greater of \$50 or 10%.

5. Effective for monthly payments made on or after August 1, 1996, all Benefit Credits earned before January 1, 1995, by Employees who earned at least 0.1 Year of Credited Service in 1994, and who were not retired as of December 31, 1994, shall be increased by 5%.

6. a. Effective for monthly payments made on or after January 1, 1996, the monthly benefits which are payable to all participants who retired before that date, or to the beneficiaries

of such participants, shall be increased by 5%.

b. Effective for monthly payments made on or after January 1, 1996, all Benefit Credits earned before that date by Employees who earned at least 0.1 Year of Credited Service in 1995, and who were not retired as of December 31, 1995, shall be increased by 10%.

7. a. Effective for monthly payments made on or after January 1, 1997, the monthly benefits which are payable to all participants who retired before that date, or to the beneficiaries of such participants, shall be increased by 10%.

b. Effective for monthly payments made on or after January 1, 1997, all Benefit Credits earned before that date by Employees who earned at least 0.1 Year of Credited Service in 1996, and who were not retired as of December 31, 1996, shall be increased by 20%.

8. a. Effective for monthly payments made on or after December 31, 1997, the monthly benefits which are payable to all participants who retired before that date, or to the beneficiaries of such participants, shall be increased by 5%.

b. Effective for monthly payments made on or after December 31, 1997, all Benefit Credits earned before that date by Employees who earned at least 0.1 Year of Credited Service in 1997, and who were not retired as of December 31, 1997, shall be increased by 10%.

9. a. Effective for monthly payments made on or after December 31, 1998, the monthly benefits which are payable to all participants who retired before that date, or to the beneficiaries of such participants, shall be increased by 5%.

b. Effective for monthly payments made on or after December 31, 1998, all Benefit Credits earned before that date by Employees who earned at least 0.1 Year of Credited Service in 1998, and who were not retired as of December 31, 1998, shall be increased by 10%.

10. Effective for monthly payments made on or after January 1, 2000, all Benefit Credits earned before that date by Employees who earned at least 0.1 Year of Credited Service in 1999, shall be increased by 4%.

11. Effective for monthly payments made on or after December 31, 2000, all Benefit Credits earned before that date by Employees who earned at least 0.1 Year of Credited Service in 2000, and who were not retired as of December 31, 2000, shall be increased by 5.5%.

12. a. Effective for monthly payments made on or after January 1, 2008, the monthly benefits which are payable to all participants who retired before that date, or to the beneficiaries of such participants, shall be increased by 2.5%.

b. Effective for monthly payments made on or after January 1, 2008, all Benefit Credits earned before that date by Employees who earned at least 0.1 Year of Credited Service in 2007, and who were not yet retired as of December 31, 2007, shall be increased by 2.5%.

13. a. In addition to the amounts provided herein, the Board of Trustees may, from time to time, provide for the payment of additional benefits to retirees on a one-time basis, subject to any limitations in the collective bargaining agreement or Trust Agreement, but otherwise at their exclusive discretion, with the Minutes of such actions deemed a part of this Plan.

b. 2019 Plan Year: If the Plan funding level for 2019 computed pursuant to Section 2.e. of this Article is at or greater than 125% as of January 1, 2019, retirees and beneficiaries in pay status as of December 1, 2019 shall receive a one-time additional benefit payment equal to their usual monthly benefit payable under the Plan.

c. 2020 Plan Year: If the Plan funding level for 2020 computed pursuant to Section 2.e. of this Article is at or greater than 125% as of January 1, 2020, retirees and beneficiaries in pay status as of December 1, 2020 shall receive a one-time additional benefit payment equal to their usual monthly benefit payable under the Plan.

d. 2021 Plan Year: If the Plan funding level for 2021 computed pursuant to Section 2.e. of this Article is at or greater than 125% as of January 1, 2021, retirees and beneficiaries in pay status as of December 1, 2021 shall receive a one-time additional benefit payment equal to their usual monthly benefit payable under the Plan.

e. 2022 Plan Year: If the Plan funding level for 2022 computed pursuant to Section 2.e. of this Article is at or greater than 125% as of January 1, 2022, retirees and beneficiaries in pay status as of December 1, 2022 shall receive a one-time additional benefit payment equal to their usual monthly benefit payable under the Plan.

f. 2023 Plan Year: If the Plan funding level for 2023 computed pursuant to Section 2.e. of this Article is at or greater than 125% as of January 1, 2023, retirees and beneficiaries in pay status as of December 1, 2023 shall receive a one-time additional benefit payment equal to their usual monthly benefit payable under the Plan.

g. 2024 Plan Year: If the Plan funding level for 2024 computed pursuant to Section 2.e. of this Article is at or greater than 125% as of January 1, 2024, retirees and beneficiaries in pay status as of December 1, 2024 shall receive a one-time additional benefit payment equal to their usual monthly benefit payable under the Plan.

In addition to the amounts provided herein, the Board of Trustees may, from time to time, provide for the payment of additional benefits to retirees on a one-time basis, subject to any limitations in the collective bargaining agreement or Trust Agreement, but otherwise at their

exclusive discretion, with the Minutes of such actions deemed a part of this Plan.

The increases contained in Sections 4-12 above which apply to the Normal Retirement Benefit of Employees not yet retired are summarized in the following table:

Effective Date	Benefit Credits Subject to Increase	Qualifying Employees	Amount of Increase
1/1/1993	All Benefit Credits earned before 1/1/1993	Employees who earned 0.1 Year of Credited Service in 1992	20%
8/1/1996	All Benefit Credits earned before 1/1/1995	Employees who earned 0.1 Year of Credited Service in 1994 and were not retired on 12/31/1994	5%
1/1/1996	All Benefit Credits earned before 1/1/1996	Employees who earned 0.1 Year of Credited Service in 1995 and were not retired on 12/31/1995	10%
1/1/1997	All Benefit Credits earned before 1/1/1997	Employees who earned 0.1 Year of Credited Service in 1996 and were not retired on 12/31/1996	20%
12/31/1997	All Benefit Credits earned before 12/31/1997	Employees who earned 0.1 Year of Credited Service in 1997 and were not retired on 12/31/1997	10%
12/31/1998	All Benefit Credits earned before 12/31/1998	Employees who earned 0.1 Year of Credited Service in 1998 and were not retired on 12/31/1998	10%
1/1/2000	All Benefit Credits earned before 1/1/2000	Employees who earned 0.1 Year of Credited Service in 1999	4%
12/31/2000	All Benefit Credits earned before 12/31/2000	Employees who earned 0.1 Year of Credited Service in 2000 and were not retired on 12/31/2000	5.5%
1/1/2008	All Benefit Credits earned before 1/1/2008	Employees who earned 0.1 Year of Credited Service in 2007 and were not retired on 12/31/2007	2.5%

The increases contained in Sections 4-12 above which apply to the monthly benefit payable to retired participants, or to the beneficiaries of such participants, are summarized in the following

table:

Effective Date	Qualifying Retired Employees	Amount of Increase
1/1/1993	Employees retired before 1/1/1993 who did not earn 0.1 Year of Credited Service in 1992	greater of \$50 or 10%
1/1/1996	Employees retired before 1/1/1996	5%
1/1/1997	Employees retired before 1/1/1997	10%
12/31/1997	Employees retired before 12/31/1997	5%
12/31/1998	Employees retired before 12/31/1998	5%
1/1/2008	Employees retired before 1/1/2008	2.5%

ARTICLE VIII. PRE-RETIREMENT DEATH BENEFITS

1. Qualified Pre-Retirement Survivor Annuity

a. In the event of the death prior to retirement of an Employee who has a vested interest in the Plan, and who is married for at least one year at the time of death, the 50% Survivor Annuity provided in Article VI, Section 3.b. shall be payable in favor of the Employee's spouse. Benefits shall be computed as of the date of the Employee's death. Benefits shall commence, upon application of the Employee's spouse after the Employee would have attained age 55, but in no event after the Employee, if living, would have attained age 70½. Effective January 1, 2020, the above rule shall apply when the Employee, if living, would have attained age 72. If benefits commence under this subsection before the Employee would have attained his or her Normal Retirement Age, the amount of benefits shall be reduced under the rules applicable to Early Retirements.

b. A surviving spouse may, at his or her option, elect the Plan Pre-Retirement Death Benefit instead of the Qualified Pre-Retirement Survivor Annuity.

2. Pre-Retirement Survivor Annuity for Domestic Partners

a. In the event of the death prior to retirement of an Employee who has a vested interest in the Plan, and who has a Domestic Partner, the 50% Contingent Annuitant Benefit in Article VI, Section 3.d. shall be payable in favor of the Employee's Domestic Partner. Benefits shall be computed as of the date of the Employee's death. Benefits shall commence, upon application of the Employee's Domestic Partner after the Employee would have attained age 55,

but in no event after the Employee, if living, would have attained age 70½. Effective January 1, 2020, the above rule shall apply when the Employee, if living, would have attained age 72. If benefits commence under this subsection before the Employee would have attained his or her Normal Retirement Age, the amount of benefits shall be reduced under the rules applicable to Early Retirements.

b. A surviving Domestic Partner may, at his or her option, elect the Plan Pre-Retirement Death Benefit instead of the Pre-Retirement Survivor Annuity for Domestic Partners.

3. Plan Pre-Retirement Death Benefit

a. In the event of the death of a vested Employee for whom the Qualified Pre-Retirement Survivor Annuity shall not be paid, the Plan shall pay 60 months of benefits to the Employee's surviving spouse or Domestic Partner, if any; or to the child(ren) of the Employee. This benefit shall commence upon application of the beneficiary(s), at any time after the Employee's death. The amount of the monthly benefit is the same amount that the Employee would have received at Normal Retirement Age as a Single Life Annuity.

b. In the event of the death on or after January 1, 1998 of a non-vested Employee who earned at least 0.1 Year of Credited Service in either the Plan Year of his or her death or the prior Plan Year, the Plan shall pay a lump sum benefit of \$1,000 per year of Vesting Credit, up to a maximum of \$5,000. This benefit shall be payable to the surviving spouse or Domestic Partner, if any; or to the children of the Employee, upon application of the beneficiary(s).

ARTICLE IX. SUSPENSION OF BENEFITS

1. After Normal Retirement Age

a. The benefits of any Employee on retirement after attainment of age sixty-two (62) shall be suspended during any month in which he or she was employed for forty hours or more in Industry Service in the Tile Industry anywhere in the State of California, whether as an employee or in a managerial, supervisory, proprietary or any other capacity for a participating or non-participating employer or as a self-employed person, unless the Employee began receiving benefits after age 70½ under the provisions of the Plan and is continuing to work for an Individual Employer of this Plan, or except as provided in subsections d., e., f., and g., below. Effective January 1, 2020, the benefits of any Employee on retirement after attainment of age sixty-two (62) shall be suspended during any month in which he or she was employed for forty hours or more in Industry Service in the Tile Industry anywhere in the State of California, whether as an employee or in a managerial, supervisory, proprietary or any other capacity for a participating or non-participating employer or as a self-employed person, unless the Employee began receiving benefits after age 72 under the provisions of the Plan and is continuing to work for an Individual Employer of this Plan, or except as provided in subsections d., e., f., and g., below.

b. The Employee shall give notice in writing to the administration office prior to acceptance of such employment, of his or her intent to be so employed giving the name of the employer, the address of the job site and the probable length of employment. In the event of his or her failure to do so it shall be presumed that in any month in which it is found that he or she accepted such employment, he or she worked forty or more hours, and that if employed on a construction site, he or she was so employed for forty or more hours in each month his or her employer was performing that work at the construction site.

c. The Employee shall give notice to the Administration Office when he or she ceases such employment at which time the benefit payments shall be resumed as of the first day of the third calendar month following the month in which he or she was last so employed or following the month in which he or she gives the required notice, whichever is later.

d. The provisions of this Section 1 with respect to loss of benefits shall not apply to any disability retiree who returns, or attempts to return, to active employment after recovery from disability as part of a rehabilitation program or due to a temporary recovery. Disability Benefits of any such retiree shall be suspended while he or she is so employed, but shall recommence upon application and proof of recurrent disability.

e. The provisions of this Section 1 shall not apply to an Employee who is receiving benefits from the Plan and is employed by an employer who is signatory to a Collective Bargaining Agreement and is current on contributions, as a marketing representative, estimator, purchasing agent, expeditor, detailer, safety director, driver, or other non-bargaining unit position approved by the Board of Trustees in their sole discretion, provided that no employer has ever made contributions to the Plan on behalf of the Employee while working in such a position, and the employer does not make contributions to the Plan on behalf of other Employees in the same or similar position. An Employee must complete any form as required by the Plan providing information regarding the job and to be approved by the employer.

f. The provisions of this Section 1 shall not apply to a retiree who is an owner of an Employer who is signatory to a Collective Bargaining Agreement and current on contributions, if the following conditions are satisfied:

- (1) The retiree is no longer actively involved in the management of the business on a fulltime basis;
- (2) The retiree performs no work that would be considered Covered Employment;
- (3) The Employer regularly employs Employees in Covered Employment; and
- (4) The retiree does not actively work at his or her business for more than 80 hours per month.

g. When the Business Manager of the Union has certified to the Board of Trustees that there is a shortage of qualified tile layers, tile finishers, or other allied trade generally in any classification covered by the Collective Bargaining Contracts of the Local Union, the provisions of this Section 1 shall not apply to any retiree who is duly dispatched for employment through the employment office of the Local Union, provided the retiree returns to retirement status immediately upon notification by the Trustees that such shortage no longer exists. The retirement benefits of any such retiree accepting employment in accordance with this subsection shall continue while employed for an unlimited number of hours for up to six (6) calendar months per calendar year so long as the employment is for an employer that is signatory to a Collective Bargaining Agreement and the employer is current on contributions. Any month the Employee works forty (40) or more hours shall be counted toward this six-month limit. Payment of any post-retirement benefit earned during a return to work after Normal Retirement Age, shall be actuarially adjusted as of the date of termination of employment.

2. Before Normal Retirement Age

a. Except as provided in subsections b., c., d., e., and f., below, the benefits of any Employee on retirement prior to attainment of age sixty-two (62) who accepts any employment in Industry Service in the Tile Industry, whether within or outside the state of California, shall be suspended and shall not again be resumed until the Employee is again retired after attainment of age sixty-two (62). At that time, the benefits then payable to him or her shall be his or her full normal pension benefits or the Actuarial Equivalent thereof. Payment of any post-retirement benefit earned during a return to work prior to Normal Retirement Age shall commence as of the Annuity Commencement Date, as defined in Article I, Section 4.d, after receipt by the Administration Office of the required application and election form. If the Employee attained Normal Retirement Age prior to the Annuity Commencement Date, as defined in Article I, Section 4.d, such benefits shall be actuarially adjusted for the period from the later of 1) the date of termination of employment or 2) Normal Retirement Age to the Annuity Commencement Date, as defined in Article I, Section 4.d.

b. Effective June 7, 2004, benefits of Tile Layers accrued prior to the adoption of the Prior Plan known as the Northern California Tile Industry Pension Plan as revised December 31, 1983, will be subject to the prior rule in effect regarding suspension of benefits, and will only be suspendible in a month in which the retired employee works forty (40) hours or more in the Tile Industry anywhere in the state of California. Benefits which were accrued on December 31, 1983, and which were suspended under the rule in effect after December 31, 1983, will be paid retroactively to June 1, 2004, with applicable interest.

c. The provisions of this Section 2, with respect to loss of benefits or the loss of the right to retire before attainment of age sixty-two (62), shall not apply to any disability retiree who returns, or attempts to return, to active employment after recovery from disability as part of a rehabilitation program or due to a temporary recovery. Disability Benefits of any such retiree shall be suspended while he or she is so employed, but shall recommence upon application and

proof of recurrent disability.

d. When the Business Manager of the Union has certified to the Board of Trustees that there is a shortage of qualified tile layers, tile finishers, or other allied trade generally in any classification covered by the Collective Bargaining Contracts of the Local Union, the provisions of this Section 2 shall not apply to any retiree who is duly dispatched for employment through the employment office of the Local Union, provided the retiree returns to retirement status immediately upon notification by the Trustees that such shortage no longer exists. The retirement benefits of any such retiree accepting employment in accordance with this subsection shall continue while employed for an unlimited number of hours for up to six (6) calendar months per calendar year so long as the employment is for an employer that is signatory to a Collective Bargaining Agreement and the employer is current on contributions. Any month the Employee works forty (40) or more hours shall be counted toward this six-month limit. Payment of any post-retirement benefit earned during a return to work prior to Normal Retirement Age shall commence as of the Annuity Commencement Date, as defined in Article I, Section 4.d, after receipt by the Administration Office of the required application and election form. If the Employee attained Normal Retirement Age prior to the Annuity Commencement Date, as defined in Article I, Section 4.d., such benefits shall be actuarially adjusted for the period the later of 1) the date of termination of employment or 2) Normal Retirement Age to the Annuity Commencement Date, as defined in Article I, Section 4.d.

e. The provisions of this Section 2 shall not apply to an Employee who is receiving benefits from the Plan and is employed by an employer who is signatory to a Collective Bargaining Agreement and is current on contributions, as a marketing representative, estimator, purchasing agent, expediter, detailer, safety director, driver, or other non-bargaining unit position approved by the Board of Trustees in their sole discretion, provided that no employer has ever made contributions to the Plan on behalf of the Employee while working in such a position, and the employer does not make contributions to the Plan on behalf of other Employees in the same or similar position. An Employee must complete any form as required by the Plan providing information regarding the job and to be approved by the employer.

f. The provisions of this Section 2 shall not apply to a retiree who is an owner of an Employer who is signatory to a Collective Bargaining Agreement and current on contributions, if the following conditions are satisfied:

- (1) The retiree is no longer actively involved in the management of the business on a fulltime basis;
- (2) The retiree performs no work that would be considered Covered Employment;
- (3) The Employer regularly employs Employees in Covered Employment; and
- (4) The retiree does not actively work at his or her business for more than 80 hours per month.

3. Employment as Apprentice Instructor

For purposes of these suspension rules, employment as a teacher in an apprenticeship training program funded, either directly or indirectly, by an apprenticeship training trust fund affiliated with the Local Union, shall not be deemed employment in Industry Service, and benefits shall not be suspended for any retiree so employed.

4. General Suspension Rules

a. An Employee may, prior to acceptance of any employment, request a determination by the Administration Office as to whether any intended employment will result in suspension of his or her benefits as herein provided.

b. The Plan may at reasonable intervals request from any retired Employee reasonable information to verify that he or she is not employed, or if employed not on work of the sort described in Sections 1 and 2 of this Article, and may withhold benefit payments until he or she has complied. Such information may include W-2 forms and any other reasonable, pertinent information.

c. Any payments made by the Plan during such periods in which an Employee's benefits should have been suspended shall be deducted from further benefit payments, but not in excess of twenty-five percent (25%) of any one monthly payment. Upon resumption of payments, the Plan must include with the initial payment, any amounts held in abeyance during the cessation of employment and the resumption less any amounts subject to offset.

d. In the event of a dispute as to the application of any of the provisions of this Article, an Employee may, within thirty (30) days of notification of any ruling by the administration office or the Board of Trustees, appeal from the same in accordance with the provisions of Article X hereof, including without limitation the right to rebut any presumptions arising under this Article.

ARTICLE X. APPEALS

1. No Employee, beneficiary, or alternate payee named in a domestic relations order, or any other person shall have any right or claim to benefits under this Plan or the Prior Plans except as specified in the rules of this Plan. The Board of Trustees shall have full discretionary authority to interpret Plan language and to decide all claims or disputes regarding right, type, amount, duration of benefits, or claim to any payment from this Plan. The procedures specified in this Article shall be the sole and exclusive procedures available to any such individual who is dissatisfied with an eligibility determination or benefit award, or who is adversely affected by any action of the Trustees, the Plan Administrator or any other Plan fiduciary. The provisions of this Section shall apply to and include any claim to benefits from this Plan or the Prior Plans,

regardless of when the act or omission occurred upon which the claim is based.

2. Any person whose claim for benefits is wholly or partially denied, shall be notified in writing by the Administrator. The notice shall tell the claimant the reason for the denial and the section of the Trust or Plan on which the denial is based. If applicable, the notice shall request any additional information needed together with an explanation as to why the additional information is necessary. The notice will also explain the right to appeal the denial of the claim.

3. The claimant may then file an appeal in writing. This appeal shall be filed with the Plan Administrator not more than 60 days after the claimant has received written notice of the denial of his or her claim. Failure to file an appeal within 60 days will be a complete waiver of the claimant's right to appeal, and the initial decision of the Administration Office or Trustees will be final and binding. Such a failure shall not, however, preclude the claimant from establishing eligibility for benefits at a later date based on additional information and evidence which was not available to the claimant at the time of the initial decision.

4. The written appeal shall state in clear words, each reason why the claimant feels that the denial was in error. Documents supporting the appeal should be sent at the same time. The claimant may examine any documents in possession of the Trust or Trustees which are pertinent and relevant to the appeal.

5. After receipt of a timely filed appeal, the Administrator shall place the matter on the agenda of the next meeting of the Board of Trustees, or if sufficient time is not allowed thereby, the next meeting thereafter, and shall notify the grievant of the date of the meeting. The grievant may submit written material in support of his or her grievance.

6. After receipt of the appeal, the Trustees or its committee shall decide the matter as soon as possible but in no event more than 120 days from receipt of the appeal.

7. The decision of the Board of Trustees or its committee shall be in writing, and shall state the specific reasons for the decision with specific references to the Trust or Plan on which the decision is based. The decision of the Board of Trustees shall be final and binding on all parties, including the grievant and any person claiming under the grievant.

8. Claims and appeals for Disability Benefits received on or after January 1, 2002, but prior to May 8, 2008, shall be governed by the "Special Claims and Appeals Procedures for Disability Benefits," set out in Section 9, below.

9. Special Claims and Appeals Procedures for Disability Benefits.

These special claims and appeals procedures shall apply to all claims for Disability Benefits received on or after January 1, 2002, but prior to May 8, 2008.

a. Filing a Claim for Disability Benefits

- (1) To file a claim for Disability Benefits, the participant must submit a completed application form, with proof of disability, to the Administration Office. Along with the claim form, the claimant may submit written comments, documents, records or other information relating to his or her claim. The Plan will provide access to and/or copies of all documents, records and other information relevant to the claim, upon request and free of charge. An authorized representative may act on behalf of the claimant in filing a claim for Disability Benefits under this Plan.

b. Notification Rules If The Claim For Benefits is Denied

- (1) Time Limits and Requests for Additional Information. If a claim for Disability Benefits is denied, the Plan will notify the claimant as soon as reasonably possible, but no later than 45 days after the Plan received the claim. That time period may be extended for up to two additional 30-day periods, but only due to matters beyond the Plan's control. If the Plan needs a 30-day extension, it will notify the claimant, within 45 days of receiving the claim, of the following:

- (A) the reason for the delay,
- (B) the expected date of decision,
- (C) the basis on which the decision will be made,
- (D) any unresolved issues preventing a decision now, and
- (E) any additional information the Plan needs to make the decision.

The claimant will then have up to 45 days to provide the specified information. The Plan's response period will be extended by any additional time it takes for the claimant to provide the requested information.

- (2) Contents of Notice. The Plan will provide the claimant with written notice if his or her claim for Disability Benefits is denied. The notice will include the following information:

- (A) a statement of the specific reason(s) for the denial;
- (B) reference to the specific Plan provision(s) on which the denial was based;
- (C) if the Plan's decision relied upon an internal Plan rule, guideline, protocol or similar criterion, either the specific rule, or a statement

- that the specific rule was relied upon and that a copy of such rule will be provided free of charge upon request;
- (D) a description of any additional information or documents that the claimant will need to submit if he or she wants the claim to be reconsidered, and an explanation of why that information is necessary;
 - (E) a description of the Plan's appeal procedures. These will be found in a document separate from the Notice, and must be followed in appealing the denial of benefits; and
 - (F) a statement of the claimant's right to bring a civil action under ERISA § 502(a), if the appeal is unsuccessful.

c. Appeal Procedures

- (1) If a claim for Disability Benefits has been denied, the claimant may appeal the denial to the Board of Trustees. Appeals must be in writing, and state in detail the matter or matters involved. To submit an appeal, the claimant must send a letter with any documents and information that he or she wants the Board to consider, to:

Northern California Tile Industry Pension Trust Fund
c/o BeneSys Administrators
P.O. Box 1607
San Ramon, CA 94583

Claimants must submit their appeals within 180 days of receiving a denial of benefits. If a claimant does not submit an appeal within 180 days of receiving a denial, he or she will be deemed to have waived any objection to the denial. Failure to submit an appeal within 180 days shall not, however, preclude the claimant from establishing eligibility for benefits at a later date based on additional information and evidence which was not available to the claimant at the time of the initial decision.

- (2) After receipt of a timely filed appeal, the Administrator shall place the matter on the agenda of a meeting of the Board of Trustees, and shall notify the claimant of the time and place of the meeting. The claimant may appear in person and/or by his or her representative and may submit written material or oral testimony in support of his or her appeal.
- (3) The Board of Trustees has full discretionary authority to decide upon Plan benefits, to interpret the Plan language conclusively and to make a final determination of the rights of any participant, beneficiary, assignee, or other person with respect to Plan benefits.

- (4) **Standard for Review.** In deciding the appeal, the Board of Trustees will take into account everything that the claimant submitted, even material that was submitted or considered in the initial benefit determination. The Board of Trustees will not give deference to the initial determination. Neither a person who made the initial determination nor such a person's subordinate will take part in the decision on appeal.
- (5) In deciding an appeal that is based in whole or in part on a medical judgment, the Board of Trustees will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment. Upon request, the Board of Trustees will identify to the claimant any medical or vocational experts whose advice was obtained by the Plan in connection with the decision, whether or not the advice was relied upon in making the decision. The health care professional consulted on appeal will not be an individual who was consulted in connection with the initial benefit denial, or such a person's subordinate.

d. **Notification of the Board's Decision on Appeal**

- (1) **Time Limits.** The Board of Trustees will render a decision on appeal at the meeting immediately following the filing of the appeal, unless the appeal is filed within 30 days of the meeting, in which case the decision may be made at the second meeting following the appeal.
- (2) If special circumstances require further extension, the decision will be made no later than the third meeting following the filing of the appeal. In such cases, the Plan will notify the claimant in writing of the extension, describing the special circumstances and the date the determination will be made, before the extension begins.
- (3) The Plan will notify the claimant of the decision as soon as possible, but no later than 5 days after the decision is made. The Plan's response period will be extended by any additional time it takes for the claimant to provide the requested information.
- (4) **Contents of Notice.** The Plan will send the claimant written notice of the Board of Trustees' decision on appeal. If the appeal has been denied, the notice will include the following information:
 - (A) the specific reason(s) for the denial;

- (B) reference to the specific Plan provision(s) on which the denial is based;
 - (C) if the decision relied upon an internal Plan rule, guideline, protocol or similar criterion, either the specific rule, or a statement that the specific rule was relied upon and that a copy of such rule will be provided free of charge upon request;
 - (D) a statement that the claimant may view and receive copies of documents, records or other information relevant to the claim, upon request and free of charge; and
 - (E) a description of any further appeal procedures, and the claimant's right to receive information about the procedures, and the claimant's right to bring a civil action under ERISA § 502(a).
- (5) The procedures specified in this Section shall be the sole and exclusive procedures available to any such individual who is dissatisfied with an eligibility determination or benefit award, or who is adversely affected by any action of the Trustees, the Administration Office or any other Plan fiduciary. The Board of Trustees shall have full discretionary authority to interpret Plan language and to decide all claims or disputes regarding right, type, amount or duration of benefits, or claim to any payment from this Trust. The decision of the Board of Trustees on any matter within its discretion shall be final and binding on all parties.

10. A civil action arising from the denial of benefits must be filed within one year from the date on which the Board of Trustees provides notice that the claimant's appeal has been denied, regardless of any state or federal statutes establishing provisions relating to limitations of actions.

11. Waiver of Class, Collective and Representative Actions. By participating in the Plan, Participants waive, to the fullest extent permitted by law, whether or not in court, any right to commence, be a party in any way, or be an actual or putative class member of any class, collective, or representative action arising out of or relating to any dispute, claim or controversy relating to the Plan, and Participants agree that any dispute, claim or controversy may only be initiated or maintained and decided on an individual basis.

12. Applicable Venue

A participant or beneficiary shall only bring an action in connection with the Plan in the United States District Court in the Northern District of California.

ARTICLE XI. RECIPROCITY AND PAYMENT OF PRO RATA RETIREMENT BENEFITS

1. The Trustees may, in their sole discretion, enter into, maintain, or terminate reciprocity

agreements for eligibility purposes with the Trustees or similar governing body of other retirement trusts covering workers in the Tile Industry. Each such reciprocity agreement shall be individually and specifically approved by the Trustees upon such facts after such investigation and upon such terms and conditions as they shall determine to be desirable and actuarially acceptable. Each such trust so approved shall be known as a Related Plan.

2. For participants who are active on or after the effective date of this Plan in accordance with rules established by the Trustees, Pro Rata retirement benefits shall be provided under this Fund, upon completion and filing of an application addressed to the Trustees upon a form provided by the Administration Office, to employees, upon their Retirement Effective Date, who would not otherwise qualify for retirement benefits when their years of employment without a break in service have been divided between the jurisdiction of this Fund and the jurisdiction of one or more other pension funds approved by the Trustees and known as a Related Plan.

3. To receive credit for all combined Credited Benefit Service earned or accrued under two (2) or more Related Plans, the employee must meet the requirements of the Fund having the most stringent rules using the combined years of service of the Related Plans without a break in service.

4. The amount of Pro Rata benefit payable from this Fund to an Employee qualifying under this Article shall be determined under the formula set out in Article VII, except that:

a. No Pro Rata benefit shall be payable for any credited Benefit Service earned under any other Plan.

b. No Pro Rata benefit shall be payable unless the Employee has earned two (2) or more years of Credited Benefit Service under this Plan.

c. Each Related Plan shall pay its benefits, if any, based solely on credits earned under that Plan.

d. Entitlement to Pro Rata retirement benefits may be lost, and regained as provided in Article III, Section 2 and Article IX hereof.

5. The Trustees may also, in their sole discretion, enter into, maintain or terminate reciprocity agreements under the Western States Brick and Tile Pension Reciprocity Agreement whereby whenever an eligible employee works in the jurisdiction of a participating trust which is other than this Trust and contributions are made on his behalf to such participating trust, such contributions shall be transferred, upon the written request of such employee to this Trust, and such employee shall receive credited benefit service by this Trust for the transferred contributions.

ARTICLE XII. MISCELLANEOUS RULES

1. Cash-Out of Benefits

a. Whenever an Employee has terminated participation in the Plan, the Trustees may order distribution of his or her entire non-forfeitable benefit in the Plan with or without his or her consent, if not in excess of \$1,000 in Actuarial Equivalent value. Similarly, a qualified Joint and Survivor benefit or pre-retirement annuity may be distributed with or without the consent of the Employee, spouse or contingent annuitant, if \$1,000 or less in value.

b. If the Plan Pre-Retirement Death Benefit is payable to two or more eligible beneficiaries and the present value of each beneficiary's share is less than \$1,000, the Trustees may order distribution of the present value of each beneficiary's share of the Plan Pre-Retirement Death Benefit in a lump sum, with or without the consent of the beneficiaries.

c. The present value of an Employee's or beneficiary's benefit under this Section 1 shall be calculated using the applicable interest rate under Internal Revenue Code § 417(e)(3)(C) and the applicable mortality table shall be the table prescribed by Secretary of the Treasury under Internal Revenue Code § 417(e)(3)(B).

2. Qualified Domestic Relations Orders

a. The benefits provided by this Plan are subject to any qualified domestic relations order which creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to, receive all or a portion of the benefits payable with respect to a participant under the Plan. It includes any judgment, decree or order (including approval of a property settlement agreement) which relates to the provision of child support, alimony or marital property rights to a spouse, child or other dependent of a participant and is made pursuant to a State Domestic Relations Law (including a community property law).

b. In the event that the Plan should be served with an order, it shall promptly notify the participant and any other alternate payee of the order and of the Plan Administrator's procedures for determining the qualified or unqualified status of the order.

3. Assignment of Benefits

Benefits under this Plan may not be assigned or alienated except as provided under a Qualified Domestic Relations Order.

4. Correction of Erroneous or Fraudulent Reports

The eligibility record of any person, improperly made eligible by erroneous or fraudulent

reporting by an employer of fictitious hours not worked, or hours worked but not required to be reported under the Collective Bargaining Agreement, shall be corrected retroactively to reflect the facts. The Trustees shall deny to any person and his or her beneficiaries any present or prospective benefits for which that person is not eligible on the basis of the facts, and the Trustees may recover from any person the cost of any benefits already provided erroneously.

5. Rights of Participants

Nothing herein contained shall be deemed to give any participant the right to be retained in the service of an employer or to interfere with the right of an employer to discharge such participant at any time, nor shall it be deemed to give an employer the right to require the participant to remain in its service, nor shall it interfere with the participant's right to terminate his service at any time.

6. Effect of Incompetence of a Participant or Beneficiary

In the event of the legally determined incompetency of any person otherwise entitled to benefits under this Plan, the Trustees shall have discretion to pay any benefits due such incompetent to the legal guardian, husband, wife, parent or child, as in their discretion seems just, equitable and proper.

ARTICLE XIII. AMENDMENT AND TERMINATION OF THE PLAN

1. Amendment of the Plan

a. It is intended that this Pension Plan shall constitute a qualified Pension Plan meeting the requirements of the applicable provisions of the United States Internal Revenue Code and federal tax laws, as now in effect or hereafter amended or adopted, and the regulations issued thereunder, and thereby insure that employer contributions will be deductible as an item of expense by the employer for income tax purposes.

b. Subject to the terms and conditions of this Plan, the Trust Agreement and any applicable laws or regulations, the Trustees may at any time or times amend or modify the Plan, retroactively or otherwise, in any respect consistent with the intent of the Plan, and shall amend the Plan as necessary as to conform with the applicable requirements of the Labor-Management Relations Act of 1947, as amended, the Employee Retirement Income Security Act of 1974, as amended, and the Internal Revenue Code of 1986, as amended, and any other applicable law, federal, state or local.

c. In the event payment is required to be made under a Collective Bargaining Agreement into this Fund with respect to classifications of employees other than those now covered, or with respect to a new group of employees performing work of the type already

covered under a Collective Bargaining Agreement, the provisions of this Plan shall, if necessary, be amended as they apply to such newly covered employees so as to make the Plan actuarially acceptable as to all Covered Employees.

d. Notwithstanding the foregoing, no amendment shall contravene, amend or add to the terms of any collective bargaining agreement then in effect between any employer and any union, or change the obligations of the parties in such collective bargaining agreements; nor shall any amendment permit any part of the assets of the Fund to be used for, or diverted to, purposes other than for the exclusive benefit of participants or retired participants or their beneficiaries, or to revert to any employer or union; nor shall such amendment or amendments, except to the extent required to permit the Plan to meet the applicable legal, funding or actuarial requirements, reduce the accrued benefits of the participants, retired participants, or their beneficiaries.

2. Pension on Termination, Merger or Consolidation of the Plan

a. In the event of a termination or partial termination of this Plan, the benefits of the Employees and beneficiaries of the Plan shall be nonforfeitable to the extent funded, and the Fund as then constituted shall be operated in accordance with Section 4041A of ERISA.

b. Subject only to the extent determined by the Pension Benefit Guaranty Corporation, the following shall apply: In the case of any merger or consolidation of this Plan with any other plan, or transfer in whole or in part of the assets and liabilities of the Trust Fund to any other Trust Fund, after September 2, 1974, each participant shall (if the Plan then terminated) receive a benefit immediately after the merger, consolidation or transfer which is at least equal to the benefit he would be entitled to receive immediately before such merger, consolidation or transfer as if this Plan had terminated.

IN WITNESS of the adoption of this restated Plan effective January 1, 2023, the Chairman and Secretary hereby subscribe their names, on the dates indicated.

Richard Romanick
Chairman

Date: 1-18-23

DocuSigned by:
Richard Hill
BE97E4C79AC840B
Secretary

Date: 1/19/2023 | 8:47 PM EST

APPENDIX A
SURVIVOR ANNUITY OPTION FACTORS
(Applies to Joint and Survivor and Contingent Annuitant Benefits Prior to January 1, 2021)

Beneficiary's Age In Relation To <u>Retiree's Age</u>	<u>50% Joint Option</u>	<u>50% Pop-Up Option</u>	<u>75% Joint Option</u>	<u>100% Joint Option</u>
Each additional year older	+ .005	+ .005	+ .007	+ .008
+ 10 years	.930	.910	.899	.869
+ 9 years	.925	.905	.892	.860
+ 8 years	.920	.900	.885	.852
+ 7 years	.915	.895	.878	.843
+ 6 years	.910	.890	.871	.835
+ 5 years	.905	.885	.864	.826
+ 4 years	.900	.880	.857	.818
+ 3 years	.895	.875	.850	.810
+ 2 years	.890	.870	.844	.802
+ 1 year	.885	.865	.837	.794
Same age	.880	.860	.830	.786
- 1 year	.875	.855	.824	.778
- 2 years	.870	.850	.817	.770
- 3 years	.865	.845	.810	.762
- 4 years	.860	.840	.804	.754
- 5 years	.855	.835	.797	.747
- 6 years	.850	.830	.791	.739
- 7 years	.845	.825	.784	.732
- 8 years	.840	.820	.778	.724
- 9 years	.835	.815	.771	.717
- 10 years	.830	.810	.765	.709
Each additional year younger	- .005	- .005	- .007	- .008