

**AMENDMENT NO. 1
TO THE FIFTH REVISED MONEY PURCHASE PENSION PLAN
FOR THE LOCAL 595 PENSION TRUST**

WHEREAS, Article XI, Section 11.01, permits the Trustees to amend or modify this Plan; and

WHEREAS, the Trustees, at a meeting held on November 16, 2015, and upon written agreement herein, decided to amend the Plan with respect to Participant Loans.

NOW THEREFORE, effective January 1, 2016, Article Six of the Fifth Revised Money Purchase Pension Plan shall be amended as follows:

ARTICLE 6

PARTICIPANT LOANS

SECTION 6.01 LOANS TO PARTICIPANTS OR BENEFICIARIES (OTHER THAN SURVIVING SPOUSES)

- (A)** Subject to the approval of the Trustees, the Fund Manager will establish and administer a Participant Loan Program complying with Federal law and regulations applicable to loan provisions in a Defined Contribution Plan.
- (B)** Specific additional rules applicable to the Participant Loan Program will be distributed in a supplementary notice to the Participant supplied at the same time of loan approval. These additional rules will be considered a part of the Plan.

SECTION 6.02 ELIGIBILITY

The Participant Loan Program:

- (A)** Will be available to all Participants and Beneficiaries (other than surviving spouses) for whom an Individual Account has been established and not withdrawn or terminated.
- (B)** Will not be made available to highly compensated employees or officers in an amount greater than the amount made available to other Participants with comparable Individual Account balances.
- (C)** Will provide that any loan requires payment of a reasonable rate of interest. A loan will be considered to bear a reasonable rate of interest if the interest rate produces a return comparable to the interest rate charged by banks in the business of lending money in the local area for loans of a similar type and in similar circumstances in effect within a reasonable period (not more than two months) prior to the effective date of the loan, renewal of the loan, or extension of a loan period. Unless otherwise determined by action of the Board of Trustees, the loan rate will be based upon the (prevailing "prime rate") published in Reuters or the Wall Street Journal on the first Friday of the month prior to the month in which the loan is payable, plus 1 percent (100 basis points).
- (D)** Will provide that any loan:

- 1) Must be adequately secured by the balance in the Participant's Individual Account and such Individual Account may be sold, foreclosed upon or otherwise disposed of upon default or repayment of the loan; and
- 2) The value and liquidity of such security is such that it may reasonably be anticipated that loss of principal or interest will not result from the loan.
- (3) Will reduce the balance of a Participant's Individual Account balance by an amount equal to the amount of such loan.

(E) Will be administered in accordance with this Article 6, any Plan rules or procedures adopted by the Trustees and applicable law.

SECTION 6.03 MINIMUM BALANCE

Loans will only be available to Participants who have a minimum Individual Account balance of at least \$5,000.

SECTION 6.04 ADDITIONAL CONDITIONS

The Fund Manager will not approve any loan if:

- (A) There is a reasonable possibility the loan will not be repaid;
- (B) The purpose of the loan is to transfer proceeds to a party in interest under circumstances that would render the loan a prohibited transaction; or
- (C) Such loan would violate applicable provisions of the Internal Revenue Code and/or regulations promulgated thereunder.

SECTION 6.05 CREDITING OF INTEREST ON ACCOUNT

The Plan will credit to the Individual Account of the borrower any interest received as a result of the loan.

SECTION 6.06 APPLICATIONS

- (A) Loan Applications submitted with all necessary supporting documentation by the 10th calendar day of any month generally will be payable on the first business day of the following month. Only one loan will be permitted to be outstanding at one time.
- (B) Upon making an application for a loan, the Participant shall represent to the Trust that any payment made by the Board of Trustees pursuant to this Article 6 constitutes a bona fide loan and not a distribution of money from the Individual Account.

SECTION 6.07 LOAN PAYMENT SCHEDULE AND TERM

Repayment of any loan with interest will be on a regular basis not less frequently than monthly. The total period for repayment of the loan will be determined by the Fund Manager according to rules established by the Board of Trustees. The minimum loan period will be one (1) year and the maximum loan period will be five (5) years, except that any loan that is for the purpose of assisting in the purchase of a primary residence (for the Participant) may provide for a maximum loan period of ten (10) years. The minimum loan term may be modified by resolution of the Board of Trustees to be applied in a uniform and nondiscriminatory basis. All monthly loan payments (including both principal and interest) will be credited to the Participant's Individual Account. All loan payments are due by the first of the month and shall be

considered late after the 10th of the month and shall be subject to a late payment fee of \$15.00. The postmark date of the payment shall apply for purposes of application of a late payment penalty but for purposes of valuation the date the payment is received shall apply.

SECTION 6.08 PRIOR JUDGMENTS

No loan will be granted to any Participant against whom a court judgment has been rendered for failure to pay court ordered alimony or child support within the preceding five (5) years. A loan will not be granted in an amount or under circumstances that will impair the ability of the Plan to meet the requirements of a Qualified Domestic Relations Order, judicial restraining order or injunction, or order of attachment or execution.

SECTION 6.09 DEFAULT (DEEMED DISTRIBUTION)

A loan will be in default if any required payment on the loan is not received by the last day of the calendar quarter following the calendar quarter in which the required installment payment was due. The Fund Manager will immediately recover any remaining charges attributable to the breach of the terms of the loan and the Participant's Individual Account shall be reduced by such amounts. In the event any Participant defaults on any loan and it is necessary for the Fund Manager to notify the Internal Revenue Service of a distribution, the Participant will not again be eligible for a loan under the provisions of this Plan until both of the following happen:

- (A) the expiration of ten (10) years from the date of default on a prior loan; and
- (B) The Participant repays to the Plan any amount treated as a distribution under Internal Revenue Code Section 72(p) as a result of the prior default, plus interest at the original loan rate on that amount from the date on which the loan defaulted and that amount is deemed to have been distributed.

SECTION 6.10 MINIMUM AND MAXIMUM LOAN AMOUNT

- (A) The minimum loan that may be granted will be \$2,500, provided that this requirement may be modified by resolution of the Board of Trustees to be applied in a uniform and nondiscriminatory basis.
- (B) No loan will be made in excess of fifty percent (50%) of a Participant's Individual Account balance.
- (C) No loan amount shall exceed the lesser of:
 - 1) \$50,000 reduced by the highest outstanding balance of a loan from the Plan during the one (1) year period ending on the day before the date on which such loan was made, or
 - 2) The greater of fifty percent (50%) of Participant's Individual Account balance or \$10,000.

For purposes of the above limitation, the rules of subsection (b), (c) and (m) of Code Section 414 shall apply.

- (D) Multiple concurrent loans to any Participant are not permitted.

SECTION 6.11 ADDITIONAL SECURITY

The Fund Manager has the authority to demand security in addition to a Participant's Individual Account balance.

SECTION 6.12 CONSENT TO LOANS

- (A) A Participant must obtain the consent of his or her Spouse, if any, to use the account balance as security for the loan. Spousal consent must be in writing, acknowledge the effect of the loan, be witnessed by a Plan representative or acknowledged before a Notary Public and be obtained during the period beginning on the 90th day prior to the date on which the loan is to be secured by the account balance. A consent may be withdrawn at any time up to the 30th day before the securing of the loan by the account balance. If not so withdrawn, the consent will thereafter be binding upon the consenting Spouse or any subsequent Spouse with respect to the loan and the security therefore. A new consent will be required if the loan for which the account balance has been given as security is renegotiated, extended, renewed or otherwise revised.
- (B) When a distribution is to be made while the Participant's Individual Account secures the unpaid balance of a loan, including unpaid interest, the balance of the Individual Account first will be reduced to the extent of the security interest. No benefit will be payable until the account balance is adjusted as provided in this paragraph.

SECTION 6.13 INDIVIDUALS WHO REACH REQUIRED COMMENCEMENT DATE

When a distribution commences because the Participant or Beneficiary has reached the Required Commencement Date or because a distribution is otherwise required to be made to a Participant or Beneficiary (other than the surviving spouse) pursuant to Section 401 (a) (9) of the Code, the Participant or Beneficiary shall be required, as a condition to the continued distribution of funds, to maintain an account-balance-to-loan ratio of 1.2. If at any time the account-balance-to-loan ratio falls below 1.2, the Fund Manager shall make a written call for funds to the Participant to reduce the loan balance. If, thirty (30) days following written notice to the Participant's last known address in the records of the Plan, the Participant has not provided the required funds to reduce the loan balance, the loan will become immediately due and payable. The Participant may not supply the funds by taking a further distribution from the Individual Account. No distribution shall be made while the account-balance-to-loan ratio is below 1.2.

- (A) The account-balance-to-loan ratio shall be the value of the Individual Account divided by the loan balance, including interest accrued to date. The value of the Individual Account shall be the value as determined under Section 2.05 as of the most recent Valuation Date, less the amount of any distributions made since the Valuation Date.
- (B) Upon a transfer of account balances to another plan under Section 2.15, a request for termination of an Individual Account under Section 3.02(b), or the death of a Participant, and prior to the transfer of funds or distribution of benefits to the terminating Participant or the Spouse or Beneficiary of the deceased Participant, the loan shall be due and payable.

SECTION 6.14 BOARD OF TRUSTEES AS SOLE JUDGE OF STANDARDS

Except as delegated to the Fund Manager, the Board of Trustees shall have absolute discretion to determine whether or not the conditions of this Article 6 are met.

IN WITNESS WHEREOF, this Amendment has been executed by the Trustees on this _____ day
of _____, 2015.



Holly A. Johnson

Co-Chair, Board of Trustees



Daniel Q. Deville

Co-Chair, Board of Trustees