

**PLUMBERS AND STEAMFITTERS
LOCAL NO. 166
AFL-CIO PENSION PLAN**

SUMMARY PLAN DESCRIPTION

2016

To All Participants:

We are pleased to provide you with this Summary Plan Description. As a Summary Plan Description (SPD), this document summarizes the terms of the Plumbers and Steamfitters Local No. 166 AFL-CIO Pension Plan (Plan). It is designed to help you understand how the Plan works, your rights and benefits and those of your beneficiaries, and how to obtain these benefits. Please note that the use of any word in this SPD in the masculine gender is also intended to be in the feminine gender, and vice versa, where appropriate.

This SPD is not intended to cover every detail of the Plan or every situation that might occur. It is simply a summary. The complete Plan is available for inspection at any time at the Fund Office. If there is any conflict between this SPD and the Plan, the Plan controls. For a more detailed statement of your rights, benefits, and obligations consult the Plan document.

The Trustees reserve the right to amend the Plan at any time. However, no amendment can or will decrease benefits already accrued.

Please read this SPD carefully and keep it for future reference. If you have any questions, please contact the Fund Office.

Board of Trustees

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ARTICLE 1 – DEFINITIONS

The following is a summary of the definitions pertinent to this Summary Plan Description and is not a complete list of all of the definitions included in the Plan.

Actuarial Present Value means the value of a monthly benefit determined as of a given date by the application of a particular set of actuarial assumptions with regard to future events, observations or market or other data, or a combination of assumptions and observations.

Annuity Starting Date means, in general, the date as of which benefits are calculated and paid under the Plan and shall be the first day of the first month on or after the later of: (a) the first day of the month following submission by the Participant of a completed application for benefits, or (b) 30 days after the Plan advises the Participant of the available benefit payment options.

Beneficiary means any person or persons designated by a Participant to be his or her Beneficiary as shown on the beneficiary designation form maintained in the records of the Fund. Upon becoming a Participant, the Employee shall designate, on a form provide by the Trustees, the Beneficiary. Death benefits shall be paid in accordance with the terms of a valid beneficiary designation form completed by the Participant and filed with the Board of Trustees and/or Fund Office. If the Participant designates as a primary Beneficiary a person other than (or in addition to) the person to whom the Participant is married at the date of the Participant's death, such designation shall not be effective unless the person to whom the Participant is married at the date of the Participant's death has consented in writing to such designation, such Spouse's consent acknowledges the effect of such designation, and such consent is witnessed by a representative of the Plan or by a notary public. The consent of such Spouse shall be irrevocable by such Spouse in connection with the beneficiary designation with respect to which such consent is given. (To the extent the designation of a non-Spouse beneficiary is not effective, the primary beneficiary shall be the Spouse to whom the Participant is married at the date of the Participant's death.)

Collective Bargaining Agreement or Agreement means an agreement between the Union and an Employer which requires contributions to the Fund.

Continuous Employment means any period of Work not separated by quit, discharge or other termination of employment between the periods.

Contribution Employer or Employer means an employer which is represented by the Mechanical Contractors Association of Indiana, Inc., Fort Wayne area, or which is bound to a Collective Bargaining Agreement with the Union requiring contributions to this Fund or an employer signatory to any other agreement requiring contributions to this Fund provided: (a) the employer has been accepted as a Contributing Employer by the Trustees, and (b) the Trustees have not, by resolution, terminated the employer's status as a "Contributing Employer" because the employer has failed, for a period of 120 days after the due date, to make contributions to the Fund as provided for in its agreement. "Employer" shall also include this Pension Fund and the Union. An Employer shall not be deemed a Contributing Employer simply because it is part of a controlled group of corporations or of a trade or business under common control, some other part of which is a Contributing Employer.

Contribution Period means with respect to a category of employment, the period during which the employer is a Contribution Employer with respect to the category of employment. The term "Contribution Period" shall also mean the period beginning in 1961 when Employee contributions were paid to the Fund until such Employee contributions were replaced by Employer contributions.

Covered Employment means employment of an Employee by an Employer for which the Employer is obligated by its agreement to contribute to the Plan, including such employment prior to the Contribution Period

which if performed during the Contribution Period would have resulted in contributions being paid to the fund. Covered Employment shall also include Work for a Contributing Employer as a first year apprentice during the Contribution Period, notwithstanding that contributions are not required after June 1, 1991 for such Work. However, Covered Employment shall not include employment by an employer, after termination for failure to pay contributions due, of that employer's status as a Contributing Employer, pursuant to the provisions of Article 1.

Employee Contributions means the contributions paid to the Plan by Employees from June 1961 through June 19, 1972. Employee Contributions are not permitted or required after June 19, 1972.

Employee means:

- (a) A person who is an employee of an Employer and is covered by a Collective Bargaining Agreement. The "alumni rule" as set forth in 26 CFR §1.410(b)-6(d)(2)(ii) is adopted for the purpose of defining a "collectively bargained employee" under the IRC.
- (b) A Non-bargained Employee whose participation is not covered by a Collective Bargaining Agreement but is covered by a written agreement requiring contributions to the Pension Fund. Such Non-bargained Employees include employees of this Trust Fund and the Union for whom the Trustees or Union agree in writing to contribute to the Trust Fund at the rate fixed for contributions for any other Employer.
- (c) Any person who worked as a collective bargaining employee and a non-collective bargaining employee for employers under the Collective Bargaining Agreement if more than one-half of the person's work during the plan year was as a collectively bargained employee.
- (d) Any person who had been covered by a Collective Bargaining Agreement and who continues to work for employers party to a Collective Bargaining Agreement if the employer has entered into a Participation Agreement with the Trust Fund covering such persons.
- (e) Any leased employee, pursuant to the terms of the Plan.

The term "Employee" shall not include: (1) a sole proprietor who is a Contributing Employer; (2) a partner who is a Contributing Employer, regardless of the size of the partnership interest; or (3) anyone else whose ownership would, in the opinion of the Trustees, jeopardize the tax-exempt status of the Fund or violate provisions of ERISA.

Normal Retirement Age means

- (a) For a Participant who does not have an hour of Work after May 31, 1989, age 62 or, if later, the age of the Participant on the tenth anniversary of his participation.
- (b) For a Participant with an hour of Work after May 31, 1989, age 62 or, if later, the age of the Participant on the fifth anniversary of his participation.

However, participation before a Permanent Break in Service shall not be counted.

Participant means a Pensioner or an Employee who meets the requirements for participation in the Plan as set forth in Article 3, or a former Employee who has acquired a right to a pension under this Plan.

Pension Fund, Trust Fund or Fund means the Plumbers and Steamfitters of Local No. 166 AFL-CIO Pension Plan established under the Trust Agreement.

Pension Plan or Plan means the Plumbers and Steamfitters of Local No. 166 AFL-CIO Pension Plan document.

Pensioner means a person to whom a pension under this Plan is being paid or to whom a pension would be paid but for time for administrative processing.

Plan Administrator means the Board of Trustees.

Plan Credit Year means the 12-month period from June 1 to the May 31. For purposes of ERISA regulations, the Plan Credit Year shall serve as the vesting computation period, the benefit accrual computation period, and after the initial period of employment the computation period for eligibility to participate in the Plan.

Spouse means a person who is recognized as the lawful wife or husband of the Participant and who has not been declared legally separated or divorced from the Participant by any judicial order. A Spouse is an **Eligible Spouse** if the Participant and Spouse have been married to each other throughout the year immediately before his death, or if the couple were divorced after being married for at least one year and the former Spouse is required to be treated as a Spouse or surviving Spouse under a Qualified Domestic Relations Order within the meaning of ERISA §206(d)(3) and IRC §414(p).

Trust Agreement means the Agreement and Declaration of Trust establishing the Plumbers and Steamfitters of Local No. 166, AFL-CIO Pension Plan dated effective as of June 1, 1961, and as thereafter amended.

Trustees means the Board of Trustees as established and constituted from time to time in accordance with the Trust Agreement.

Union means the Plumbers and Steamfitters Local Union No. 166.

Work means:

- (a) Each hour for which an Employee is directly or indirectly compensated or entitled to compensation from the Employer for the performance of duties during the applicable computation period.
- (b) Each hour for which an Employee is directly or indirectly compensated or entitled to compensation from the Employer (irrespective of whether the employment relationship is terminated) for reasons other than performance of duties (such as vacation, holidays, sickness, disability, lay-off, military duty or leave of absence) during the applicable computation period. Notwithstanding the preceding sentence:
 - (i) No More than 501 hours of Work are required to be credited under this subsection (b) to Employee on account of any single continuous period during which the Employee performs no duties (whether or not such period occurs in a single computation period), and
 - (ii) An hour for which an employee is directly or indirectly paid, or entitled to payment on account of a period during which no duties are performed is not required to be credited to the Employee if such payment is made or due under a plan maintained by the Employer solely for the purpose of complying with applicable workers' compensation, unemployment compensation or disability insurance laws; and
 - (iii) In addition, hours of Work are not required to be credited for a payment which solely reimburses an Employee for medical or medically related expenses incurred by the Employee.
- (c) Each hour for which back pay is awarded or agreed to by the Employer, without regard to mitigation of damages.
- (d) Each hour (not to exceed 40 hours during any work week) for any Employee on layoff; leave of absence or away from work due to illness or injury on whose behalf the Employer or the Employee has contributed to this Plan in accordance with the Collective Bargaining Agreement or other written agreement.
- (e) For participation and Vesting for an Employee who is absent on a Qualified Maternity/Paternity Absence under the Family and Medical Leave Act, each hour which would have been credited to the Employee if he had continued to work his normal schedule as in effect prior to his absence or, if a normal work schedule cannot be determined, eight hours per day of absence. No more than 501 hours of Work are required to be credited under this subsection (e) to an individual on account of absence due to any single pregnancy or placement.

The rules for crediting hours of Work set forth in of DOL Regulation 2530.200b-2 are incorporated herein by reference.

The same hours of Work shall not be Credited under subsection (a), (b), (c), (d), or (e).

Year of Participation means a Plan Credit Year in which a Participant has completed 2,000 hours of Work in Covered Employment during the Contribution Period.

ARTICLE 2 – CREDITED AND VESTING SERVICE

2.1. Pension Credits.

(a) For Employment before the Contribution Period.

- (i) Members of Local Union No. 166: A Participant who performed continuous hours of Work in Covered Employment before June 1, 1961, under the jurisdiction of Local Union No. 166 shall be credited with Pension Credits for such continuous Work in accordance with the following schedule:

<u>Hours of Work in Covered Employment during Plan Credit Year</u>	<u>Number of Pension Credits</u>
Less than 900 hours	0
900 to 1,399 hours	½ credit
1,400 or more hours	1 full credit

- (ii) Former Members of Local Union No. 278: A Participant who performed continuous hours of work in Covered Employment under the jurisdiction of Local Union No. 278 of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry, AFL-CIO before the contribution date June 1, 1977, and who before that time had earned no Pension Credits under this Pension Plan shall be credited with Pension Credits for such continuous Work in accordance with the schedule in Section 2.1(a)(i). The maximum number of Pension Credits that may be received for such Covered Employment prior to the contribution date June 1, 1977, is ten. In addition, to be eligible for Pension Credit for the period of time before June 1, 1977, such Participant must earn at least one full Pension Credit in the two year period from June 1, 1977, to May 31, 1979. Effective February 1, 1992, to be eligible for Pension Credit for the period of time before June 1, 1977, such Participant must have at least one hour or Work during the five year period from June 1, 1977, to May 31, 1982.
- (iii) Former Members of Local Union No. 689: A Participant who performed continuous hours of Work in Covered Employment under the jurisdiction of Local Union No. 689 of the United Association of Journeymen and Apprentices of the Plumbers and Pipefitting Industry, AFL-CIO, before the contribution date June 1, 1981, and who before that time had earned no Pension Credits under this Pension Plan shall be credited with Pension Credits for such continuous work in accordance with the schedule in Section 2.1(a)(i). The maximum number of Pension Credits that may be received for such Covered Employment prior to the contribution date June 1, 1981, is ten. In addition, to be eligible for Pension Credit for the period of time before June 1, 1981, such Participant must earn at least one full Pension Credit in the three year period from June 1, 1981, to May 31, 1984. Effective February 1, 1992, to be eligible for Pension

Credit for the period of time before June 1, 1981, such Participant must have at least one hour of Work during the five year period from June 1, 1981, to May 31, 1986.

- (iv) New Contributing Employers: Effective January 1, 1996, the Trustees reserve the right to grant Employees of new Contributing Employers Pension Credit for hours of Work in continuous Covered Employment prior to the Contribution Period. Such Pension Credit shall be granted if: (A) the Union provides necessary data for each Employee of the new Contributing Employer; (B) the cost of granting the Pension Credit is determined by the Fund actuary; and (C) the Board of Trustees votes to award such service.
- (v) Hours of Employment before Contribution Period: It is recognized that it may be difficult or impossible to obtain reliable records of hours of employment before the Contribution Period and, therefore, the Trustees shall determine the amount of Pension Credits for the years before the Contribution Period, in accordance with nondiscriminatory procedures and policies, on the basis of the best available evidence which may be obtained from Employer records, Union records, Social Security records, Welfare Fund records, or other evidence found acceptable by the Board of Trustees. The decisions of the Trustees as to the amount of pension Credits granted to any Employee for the years before the Contribution Period shall be final and binding.

(b) For Employment during Contribution Period.

A Participant shall be credited with Pension Credits on the basis of his hours of Work in Covered Employment in accordance with the following schedules:

➤ **For Employment before June 1, 1976:**

<u>Hours of Work in Covered Employment during Plan Credit Year</u>	<u>Number of Pension Credits</u>
Less than 900 hours	0
900 to 1,399 hours	½ credit
1,400 or more hours	1 full credit

➤ **For Employment after May 31, 1976, and before June 1, 1988:**

<u>Hours of Work in Covered Employment during Plan Credit Year</u>	<u>Number of Pension Credits</u>
Less than 870 hours	0
870 to 999	5/10 credit
1,000 to 1,099	6/10 credit
1,100 to 1,199	7/10 credit
1,200 to 1,299	8/10 credit
1,300 to 1,399	9/10 credit
1,400 or more hours	1 full credit*

➤ **For Employment after May 31, 1988, and before June 1, 2006:**

<u>Hours of Work in Covered Employment during Plan Credit Year</u>	<u>Number of Pension Credits</u>
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0 to 199 hours	0
200 to 399 hours	1/10 credit
400 to 599 hours	2/10 credit
600 to 739 hours	3/10 credit
740 to 869 hours	4/10 credit
870 to 999 hours	5/10 credit
1,000 to 1,099 hours	6/10 credit
1,100 to 1,199 hours	7/10 credit
1,200 to 1,299 hours	8/10 credit
1,300 to 1,399 hours	9/10 credit
1,400 or more hours	1 full credit*

If in a Plan Credit Year a Participant completes a Year of Vesting Service but less than 870 hours or Work in Covered Employment, he shall be credited with a pro-rated portion of a full Pension Credit in the ratio of his hours of Work in Covered Employment to 2,000.

➤ **For Employment after May 31, 2006:**

<u>Hours of Work in Covered Employment during Plan Credit Year</u>	<u>Number of Pension Credits</u>
0 to 199 hours	0
200 to 399 hours	1/10 credit
400 to 599 hours	2/10 credit
600 to 739 hours	3/10 credit
740 to 869 hours	4/10 credit
870 to 999 hours	5/10 credit
1,000 to 1,124 hours	6/10 credit
1,125 to 1,249 hours	7/10 credit
1,250 to 1,374 hours	8/10 credit
1,375 to 1,499 hours	9/10 credit
1,500 or more hours	1 full credit

(c) **For Employment in the Jurisdiction of Reciprocal Pension Funds.** The Trustees may, at any time and in their sole and absolute discretion, enter into a reciprocity agreement with the trustees of any other tax-qualified pension plan. Reciprocated money received by the Fund under any such agreement, whether from a defined benefit or defined contribution fund, shall be allocated pursuant to policies and procedures adopted by the Trustees. Where reciprocated contributions are received by the Fund pursuant to such policies and procedures, Pension Credit shall be granted on the basis of the appropriate schedules appearing in Section 2.1(b), with such Pension Credit to be multiplied by a fraction where the numerator is the hourly rate of contribution actually remitted to the Fund for such hours of work and the denominator is the hourly rate of contribution required to be paid by Contributing Employers to this Fund in accordance with a Collective Bargaining Agreement (such fraction not to exceed one). For each hour for which reciprocated contributions are received, a Participant shall receive a full hour of credit for vesting purposes under Section 2.2.

(d) **Credit for Qualified Military Service.** Pension Credit, Contribution Credit, and Years of Vesting Service shall be granted to a Participant for time spent in “qualified military service” in

accordance with federal law. A Participant shall be credited with an average monthly amount of hours for each month of qualified military service, which shall equal the average hours worked by the Participant in Covered Employment during the preceding 12 months (or the actual number of months worked by the Participant in Covered Employment if the Participant's period of Covered Employment is less than 12 months) prior to the month of qualified military service. In the case of a Participant who dies while performing qualified military service on or after January 1, 2007, Pension Credit, Contribution Credit, and Years of Vesting Service shall be provided as required by USERRA and the HEART Act.

- (e) **Credit for First year Apprentice.** Pension Credit, Contribution Credit and Years of Vesting Service shall be granted to a Participant for time spent as a first year apprentice during which time contributions are not required to be made. A Participant shall receive an amount of hours equal to the actual amount of hours worked during such period.

2.2. Vesting Service.

- (a) **General Rule.** A Participant shall be credited with one Year of Vesting Service for each Plan Credit Year during the Contribution Period (including periods before he became a Participant) in which he completed at least 870 hours of Work in Covered Employment, subject to (b) and (c), below.
- (b) **Additions.** If a Participant works for a Contributing Employer in a job not covered by this Plan and such employment is Continuous with his Employment with that Employer in Covered Employment, his hours of Work in such non-covered job during the Contribution Period and after May 31, 1976, shall be counted toward a Year of Vesting Service.
- (c) **Exceptions.** A Participant shall not be entitled to credit for a Year of Vesting Service for the following periods: (i) years preceding a Permanent Break in Service as defined in Section 2.3(f) for periods after May 31, 1976; and (ii) years before January 1, 1976, unless the Participant earned at least three Years of Vesting Service after December 31, 1970.
- (d) **Vested Status** is earned as follows: A Participant's right to his normal retirement benefit shall become non-forfeitable upon his attainment of Normal Retirement Age, and a Participant acquires Vesting Status after completion of five Years of Vesting Service (ten Years of Vesting Service prior to June 1, 1997). A Participant who performs Work in non-covered Employment acquires Vested Status in accordance with Article 8. Years of Vesting Service that are not taken into account because of a Permanent Break in Service shall not count in determining a Participant's Vested Status.

2.3. Breaks in Service.

- (a) **General.** If a person has a Break in Service before he acquires a right to a pension, it may effect his participation, previously credited Years of Vesting Service, and previous Pension Credits, as set forth below.
- (b) **One Year Breaks in Service.**
 - (i) A person has a One Year Break in Service in any Plan Credit Year after May 31, 1989, in which he fails to complete at least 200 hours of Work in Covered Employment or at least 435 hours of Work, which may include Continuous Employment and Covered Employment.
 - (ii) A person has a One Year Break in Service in any Plan Credit Year after May 31, 1976, and before June 1, 1989, in which he fails to complete at least 435 hours of Work in Covered Employment.

- (iii) Time of employment with a Contributing Employer in non-covered employment after May 31, 1976, if creditable under Section 2.2(b), shall be counted as if it were Covered Employment in determining whether a Break in Service has been incurred.
 - (iv) The effects of a One Year Break in Service are eliminated if before incurring a Permanent Break in Service, the Employee subsequently earns one Year of Vesting Service. In such case, previously earned Years of Vesting Service and Pension Credits are restored. Nothing in this paragraph (iv) shall change the effect of a Permanent Break in Service.
 - (v) In the event that a Participant returns to Work in Covered Employment, the amount of his benefit based on the Pension Credit earned before the separation from Covered Employment shall be determined in accordance with Section 5.2 (Application of Accrual Rate Increases).
- (c) **Maternity Leave.** Solely for the purpose of determining whether a One Year Break in Service has occurred, the absence of an Employee from work by reason of her pregnancy, birth of a child of the Employee, placement of a child with the Employee in connection with his or her adoption of the child, or care for such child for a period beginning immediately after such birth or placement shall be credited as hours of Work to the extent that hours of Work would have been credited but for such absence (or, where that cannot be determined, eight hours of Work per day of absence) to a maximum of 501 hours for each such pregnancy, childbirth, or placement. The hours so credited shall be applied to the Plan Credit Year in which such absence begins, if doing so will prevent the Employee from incurring a One Year Break in Service in that Plan Credit Year; otherwise, they shall be applied to the next Plan Credit Year. The Trustees may require as a condition for granting such credit that the Employee establish, in timely fashion and to the satisfaction of the Trustees, that the Employee is entitled to such credit. In order for the Participant's status to be protected, the Plan Administrator must be notified of the qualifying circumstances in a form satisfactory to the Trustees. In all cases, hours credited or exceptions granted are only for the purpose of preventing a Break in Service and shall not affect a Participant's benefit accrual or vesting status.
- (d) **Family Medical Leave Act.** Solely for the purpose of determining whether a One Year Break in Service has occurred, any leave of absence granted by an Employer, up to 12 weeks, that qualifies under the Family and Medical Leave Act shall not be counted as Break in Service for purposes of determining eligibility and vesting.
- (e) **Military Leave.** Notwithstanding any provision of this plan to the contrary, "qualified military service" as set forth in USERRA shall not be counted as a Break in Service.
- (f) **Permanent Break in Service.**
- (i) For Plan Credit Years between June 1, 1977, and May 31, 1986, a person has a Permanent Break in Service if he has consecutive One Year Breaks in Service that equal or exceed the number of full years of Vesting Service with which he had been Credited.
 - (ii) For Plan Credit Years beginning on or after June 1, 1986, a person has a Permanent Break in Service if he has consecutive One Year Breaks in Service that equal or exceed the greater of the number of full Years of Vesting Service with which he had been credited or five.
- (g) **Effect of Permanent Break in Service.** If a person has a Permanent Break in Service before he acquires a right to a pension his previous Pension Credits, Years of Vesting Service and participation are cancelled and new participation will be subject to the provisions of Section 5.2.

2.4. Separation from Covered Employment.

- (a) For Pension Credit earned prior to May 31, 1995, a Participant shall be deemed to have separated from Covered Employment on the last day of Work which is followed by a Plan Credit Year in which such Participant failed to earn 200 hours of work in Covered Employment or 435 hours of Work which may include Continuous Employment and Covered Employment in accordance with the provisions of Section 2.3(b).
- (b) In the event that a Participant returns to Work in Covered Employment, the amount of his benefit based on the Pension Credit earned before the separation of Covered Employment shall be determined in accordance with Section 5.2.

ARTICLE 3 – PARTICIPATION

- **Participation.** An Employee who is engaged in Covered Employment during the Contribution Period shall become a Participant in the Plan on the earliest June 1 or December 1 following completion of a 12 consecutive-month period, beginning on the date the Employee first engages in Covered Employment and ending 12 months from that date during which he completed at least 870 hours of Work in Covered Employment. The required 870 hours may also be completed with any hours of Work in other employment with an Employer if that employment is Continuous Employment with the Employee's Covered Employment with that Employer.
- **Termination of Participation.** A person who incurs a One Year Break in Service (defined in Section 2.3(b)) shall cease to be a Participant as of the last day of the Plan Credit Year which constituted the One Year Break, unless such Participant is a Pensioner or has acquired the right to a pension (other than for disability). An Employee whose participation has terminated in accordance with this Article shall become a Participant when he satisfies the requirements of this Article. Such Participation shall be retroactive to the date of rehire.

ARTICLE 4 – PENSION ELIGIBILITY FOR BENEFITS

- 4.1. **Retirement.** To be considered retired, a Participant must have separated from Covered Employment and not be engaged in Disqualifying Employment as defined in Section 6.6(a) and (b).
- 4.2. **Regular Pension.** A Participant may retire on a Regular Pension if he meets the following requirements:
 - (a) He has attained age 62 if his Annuity Starting Date is on or after October 1, 1986; and
 - (b) He meets the requirements of (i), (ii) or (iii) below:
 - (i) For an employee who was a Participant in the Plan prior to November 1, 1995, he has: (A) at least ten Pension Credits; or (B) at least five years of Vesting Service, effective June 1, 1997, provided that the Participant has not incurred a Permanent Break in Service as of May 31, 1997; or
 - (ii) For an employee who becomes a Participant in the Plan on or after November 1, 1995, he has: (A) at least ten Pension Credits for which contributions were required to be made to the Fund; or (B) at least five years of Vesting Service effective June 1, 1997 provided the Participant has not incurred a Permanent Break in Service as of May 31, 1997; or
 - (iii) Attainment of Normal Retirement Age.

4.3. Early Retirement Pension. A Participant may retire on an Early Retirement Pension if he meets the following requirements:

- (a) He has attained age 55 if his Annuity Starting Date is on or after June 1, 1997; and
- (b) He satisfies the requirements of (i) or (ii) below:
 - (i) For an employee who was a Participant in the Plan prior to November 1, 1995, he has: (A) at least ten Pension Credits; or (B) at least five years of Vesting Service effective June 1, 1997, provided the Participant has not incurred a Permanent Break in Service as of May 31, 1997; or
 - (ii) For an employee who becomes a Participant in the Plan on or after November 1, 1995, he has: (A) at least ten Pension Credits for which contributions were required to be made to the Fund; or (B) at least five years of Vesting Service, provided the Participant has not incurred a Permanent Break in Service as of May 31, 1997.

4.4. Deferred Pension. For retirements on or after October 1, 1986, a Participant may retire on a Deferred Pension if he has attained Vested Status as defined in Section 2.2. A Deferred Pension shall be payable to an eligible retired Participant after the Participant has attained Normal Retirement Age or earlier if he meets the requirements for an Early pension. A Non-Bargained Employee shall be entitled to a Deferred Pension provided he meets the vesting requirements in Article 8.

4.5. Disability Pension.

- (a) For retirements on or after June 1, 1992, a Participant may retire on a Disability Pension if he meets the following requirements:
 - (i) He meets the requirements of (A) or (B) below:
 - (A) For an employee who is a Participant in the Plan prior to November 1, 1995, he has: (1) at least ten Pension Credits; or (2) at least five years of Vesting Service effective June 1, 1997, provided the Participant has not incurred a Permanent Break in Service as of May 31, 1997; or
 - (B) For an employee who becomes a Participant in the Plan on or after November 1, 1995, he has: (1) at least ten Pension Credits for which contributions were required to be made to the Fund; or (2) at least five years of Vesting Service effective June 1, 1997, provided the Participant has not incurred a permanent Break in Service as of May 31, 1997; and
 - (ii) He worked in Covered Employment for at least 870 hours over the course of the Plan Credit Year in which he became disabled and the two previous Plan Credit Years; and
 - (iii) He has applied for a disability benefit under the Social Security Act as provided for in Subsection (b) below.
- (b) A Participant may apply for disability payments if he has not reached early retirement age under the Plan and only if an application is on file with the Social Security Administration (SSA) for such benefits.
 - (i) A Participant applying for disability benefits (“applicant”) shall submit the following to the Fund Office:
 - (A) An application for disability benefits on a form provided by the Fund.
 - (B) Copies of all applications and supporting documents which have been submitted to the SSA.
 - (C) Evidence satisfactory to the Trustees that all avenues of appeal are being pursued in the event of an adverse finding. Disability applicants shall have a continuing duty to submit to the Trustees all documents received by the applicant relating to the appeal.

- (D) Reports from at least two attending physicians detailing the nature of the disability and stating their opinion as to whether the disability incurred by the Participant prevents the Participant from pursuing substantial gainful employment and that the disability is expected to last more than one year or result in death. The terms “disability” and “substantially gainful employment” shall have the meanings as stated in the Social Security Disability Act and Regulations.
- (ii) The Trustees shall consider the application and supporting evidence. If the Trustees find that the applicant meets the qualifications for disability under the Social Security Act, then the Trustees shall award a Disability Pension. The Trustees reserve the right to have the applicant submit to an independent medical evaluation by physician or physicians of the Trustees’ choosing. Such independent medical evaluation shall be at the expense of the Fund.
- (iii) In the event the applicant is found not to be disabled by the SSA after the exhaustion of all appeal rights, both administrative and judicial, then the disability benefits under the Fund shall terminate. If the applicant receives a favorable decision, then the applicant shall continue to receive permanent and total disability benefits under the Plan so long as he or she is found to meet the disability eligibility requirements of the SSA. A Participant receiving such benefits shall be under an obligation to provide the Fund with continuing evidence of disability under the SSA.
- (iv) In the event a Participant has received disability benefits from the Fund for the period from the alleged onset of such disability to such time as the SSA has determined that the Participant is not eligible for Social Security benefits, then the Participant shall be obligated to reimburse the Fund such amounts as have been wrongfully received by the Participant. If the Participant does not make direct payment of such reimbursement, then upon retirement, the Fund shall withhold 25% of such Participant’s monthly retirement benefits until such time as the Fund has been reimbursed.
- (v) For the purposes of disability payments, the date of onset of disability shall be the date of onset as found by the SSA. The date of payment commencement shall be the same date as determined by the SSA. No disability payments shall be made until the first month after six months past the date of onset.

4.6. Lump-Sum Retirement Benefit. An Employee who; (a) has not met the service requirements for any pension under the Plan; (b) has at least five Pension Credits earned during the Contribution Period; and (c) has not incurred a Permanent Break in Service; may be entitled to a Lump-Sum Retirement Benefit under Section 5.6.

4.7. Death Benefit prior to the Commencement of a Pension Benefit.

- (a) If a Participant dies prior to retirement, a Death Benefit shall be payable to his designated Beneficiary if: (i) the Participant had at least ten Pension Credits; and (ii) the Participant has at least five years of Vesting Service effective June 1, 1997 (ten years of Vesting Service prior to June 1, 1997), provided the Participant has not incurred a Permanent Break in Service as of May 31, 1997; and (iii) the Pre-Retirement Surviving Spouse Benefit set forth in Article 5 is not payable or in effect.
- (b) Effective June 1, 1992, a Non-Vested Death Benefit shall be payable to a Participant’s designated Beneficiary if: (i) the Participant dies prior to attaining Vested Status as defined in Section 2.2; and (ii) the Participant has not incurred a Permanent Break in Service.

4.8. Non-Duplication of Pensions and Death Benefits. A person shall be entitled to only one pension or death benefit under this Plan, except that a Disability Pensioner who recovers may be entitled to a

different type of pension, and a Pensioner may also receive a pension as the Spouse of a deceased Pensioner.

ARTICLE 5 – AMOUNT OF BENEFITS

5.1. Regular Pension.

- (a) For benefits accrued during the period June 1, 1995, through May 31, 2006, the Regular Pension Amount shall be based on the highest accrual rate for which the Participant qualifies as follows:
- (i) Total contributions required to be made on the Participant's behalf during the period June 1, 1995, through May 31, 2006, multiplied by 1.8%. However,
 - (ii) (A) Total contributions required to be made on the Participant's behalf during the period June 1, 1997, through May 31, 2006, multiplied by 2.0%.
(B) The 2.0% accrual rate shall apply to contributions during the period June 1, 1995, through May 31, 1997, provided that the Participant works at least 870 hours in Covered Employment during a Pension Credit Year beginning on or after June 1, 1996.
 - (iii) Total contributions required to be made on the Participant's behalf during the period June 1, 1995, through May 31, 2006, multiplied by 2.2%, provided the Participant works at least 870 hours in Covered Employment during a Pension Credit Year beginning on or after June 1, 1998.
 - (iv) Total contributions required to be made on the Participant's behalf during the period June 1, 1995, through May 31, 2006, multiplied by 2.3%, provided the Participant retires on or after June 1, 2000, and the Participant works at least 870 hours in Covered Employment during a Plan Credit Year beginning on or after June 1, 2000.
 - (v) Total contributions required to be made on the Participant's behalf during the period June 1 1995, through May 31, 2006, multiplied by 2.4%, provided the Participant retires on or after June 1, 2011, and the Participant works at least 870 hours in Covered Employment during a Plan Credit year on or after June 1, 2000.

The benefits payable under this Section 5.1(a) are in addition to any benefits payable under Section 5.1(b) and 5.1(c).

- (b) For benefits accrued prior to June 1, 1995, the Regular Pension amount shall be determined by multiplying the Participant's Pension Credit by the accrual rate in effect at the time of retirement or at the time the individual separates from the Covered Employment (as defined in Article 1), whichever occurs first. Application of accrual rate increases will be determined in accordance with Section 5.2. The schedules of the benefit accrual rates follow.
- (i) The monthly amount of the Regular Pension for a Participant who last worked in Covered Employment before June 1, 1976, is determined in accordance with the Plan in effect at the time he left Covered Employment.
 - (ii) The monthly amount of the Regular Pension for a Participant who retired or last worked in Covered Employment on or after June 1, 1976, is determined by multiplying \$8.00

times the number of the Participant's Pension Credits; provided, however, the Participant does not meet the requirements of any other subsection of this Section 5.1.

- (iii) The monthly amount of the Regular Pension for a Participant who retired or last worked in Covered Employment on or after January 1, 1982, and before June 1, 1989, is determined by:
 - (A) multiplying \$16.66 times the number of the Participant's Pension Credits; provided, however, the Participant is credited with at least 870 hours of Work for which contributions are paid to the Fund at a rate of at least \$.85 per hour in the period beginning December 1, 1981, and ending May 31, 1985; or
 - (B) if the Participant is not credited with 870 or more hours of Work between December 1, 1981, and May 31, 1985, multiplying \$16.66 by the number of Pension Credits earned after May 31, 1985, and \$8.00 by the number of Pension Credits earned prior to June 1, 1985; provided, however, the Participant is credited with at least 870 hours of Work for which contributions are paid to the Fund at a rate of at least \$.85 per hour after May 31, 1985.
- (iv) The monthly amount of the Regular Pension for a Participant who retired or last worked in Covered Employment on or after June 1, 1989, and before June 1, 1990, is determined by multiplying \$19.70 times the number of the Participant's Pension Credits; provided, however, the Participant meets the requirements of (A) or (B) below:
 - (A) The Participant is credited with at least 870 hours of Work in Covered Employment for which contributions are paid to the Fund at a rate of at least \$1.00 per hour and earns at least Pension Credit and one Year of Vesting Service between June 1, 1988, and May 31, 1990; or
 - (B) The Participant retires on or after January 1, 1993, and is credited with at least 870 hours of Work in Covered Employment or any employment with a Contributing Employer during the two year period between June 1, 1988, and May 31, 1990.
- (v) The monthly amount of the Regular Pension for a Participant who retired or last worked in Covered Employment on or after June 1, 1990, and before June 1, 1992, is determined by multiplying \$23.00 times the number of the Participant's Pension Credits; provided, however, the Participant meets the requirements of (A) or (B) below:
 - (A) The Participant is credited with at least at least 870 hours of Work in Covered Employment for which contributions are paid to the Fund at a rate of at least \$1.00 per hour and earns at least 1/2 Pension Credit and one Year of Vesting Service between June 1, 1989, and May 31, 1991; or
 - (B) The Participant retires on or after January 1, 1993, and is credited with at least at least 870 hours of Work in Covered Employment or any employment with a Contributing Employer during the two year period between June 1, 1989, and May 31, 1991.
- (vi) The monthly amount of the Regular Pension for a Participant who retired or last worked in Covered Employment on or after June 1, 1992, and before June 1, 1993, is determined by multiplying \$24.00 times the number of the Participant's Pension Credits; provided, however, the Participant meets the requirements of (A) or (B) below:

- (A) The Participant is credited with at least 870 hours of Work in Covered Employment for which contributions are paid to the Fund at a rate of at least \$1.00 per hour and earns at least 1/2 Pension Credit and one Year of Vesting Service Between June 1, 1991, and May 31, 1993; or
 - (B) The Participant retires on or after January 1, 1993, and is credited with at least 870 hours of Work in Covered Employment or any employment with a Contributing Employer during the two year period between June 1, 1991, and May 31, 1993.
- (vii) The monthly amount of the Regular Pension for a Participant who retired or last worked in Covered Employment on or after June 1, 1993, is determined by multiplying \$25.00 times the number of the Participant's Pension Credits; provided, however, the Participant meets the requirements of (A) or (B) below:
- (A) The Participant is credited with at least 870 hours of Work in Covered Employment for which contributions are paid to the Fund at a rate of at least \$1.00 per hour and earns at least 1/2 Pension Credit and one Year of Vesting Service between June 1, 1992, and May 31, 1994; or
 - (B) The Participant retires on or after January 1, 1993, and is credited with at least 870 hours of Work in covered Employment or any employment with a Contributing Employer during the two year period between June 1, 1992, and May 31, 1994.
- (viii) The monthly amount of the Regular Pension for a Participant who retired or last worked in Covered Employment on or after June 1, 1996, is determined by multiplying \$28.00 times the number of the Participant's Pension Credits; provided, however, the Participant meets the requirements of (A) or (B) below:
- (A) The Participant is credited with at least 870 hours of Work in Covered Employment for which contributions are paid to the Fund at a rate of at least \$1.00 per hour and earns at least 1/2 Pension Credit and one Year of Vesting Service between June 1, 1995, and May 31, 1997; or
 - (B) The Participant retires on or after January 1, 1997, and is credited with at least 870 hours or Work in Covered Employment or any employment with a Contributing Employer during the two year period between June 1, 1995, and May 31, 1997.
- (ix) The monthly amount of the Regular Pension for a Participant who retired or last worked in Covered Employment on or after June 1, 1999, is determined by multiplying \$30.00 times the number of the Participant's Pension Credits; provided, however, during a Pension Credit Year beginning on or after June 1, 1998, the Participant is credited with at least 870 hours of: (A) Work in Covered Employment; or (B) any employment with a Contributing Employer.
- (x) The monthly amount of the Pension for a Participant who retired or last worked in Covered Employment on or after June 1, 2000, is determined by multiplying \$32.00 times the number of the Participant's Pension Credits; provided, however, during a Pension Credit Year beginning on or after June 1, 1999, the Participant is credited with at least 870 hours of: (A) Work in Covered Employment; or (B) any employment with a Contributing Employer

- (xi) The monthly amount of the Pension for a Participant who retired or last worked in Covered Employment on or after June 1, 2001, is determined by multiplying \$34.00 times the number of the Participant's Pension Credits; provided, however, during a Pension Credit Year beginning on or after June 1, 2000, the Participant is credited with at least 870 hours of: (A) Work in Covered Employment; or (B) any employment with a Contributing Employer

The benefits payable under this Section 5.1(b) are in addition to any benefits payable under Sections 5.1(a) and 5.1(c).

- (c) For benefits accrued on or after June 1, 2006, the monthly amount the Regular Pension shall be determined by multiplying \$45.00 times the number, of the Participant's Pension Credits on or after June 1, 2006. The benefits payable under this Section 5.1(c) are in addition to any benefits payable under Sections 5.1(a) and 5.1(b).
- (d) For benefits accrued on or after June 1, 2014, the monthly amount of the Regular Pension shall be determined by multiplying \$51.00 times the number of the Participant's Pension Credits on or after June 1, 2014. The benefits payable under this Section 5.1(d) are in addition to any benefits payable under Sections 5.1(a), 5.1(b), and 5.1(c).
- (e) For benefits accrued on or after June 1, 2015, the monthly amount of the Regular Pension shall be determined by multiplying \$57.00 times the number of the Participant's Pension Credits on or after June 1, 2015. The benefits payable under this Section 5.1(e) are in addition to any benefits payable under Sections 5.1(a), 5.1(b), 5.1(c), and 5.1(d).
- (f) For benefits accrued on or after June 1, 2016, the monthly amount of the Regular Pension shall be determined by multiplying \$60.00 times the number of the Participant's Pension Credits on or after June 1, 2016. The benefits payable under this Section 5.1(f) are in addition to any benefits payable under Sections 5.1(a), 5.1(b), 5.1(c), 5.1(d), and 5.1(e).
- (g) Benefits may be subject to applicable rate increases outlined in Appendix A, attached.

5.2. Application of Accrual Rate Increases. For Pension Credit earned prior to May 31, 1995, the pension to which a Participant is entitled shall be determined under the terms of the Plan as in effect at the time the Participant separates from Covered Employment or retires, whichever occurs first. When applying an accrual rate increase for purposes of determining pension amounts pursuant to Section 5.1 (regular pension amount), the following rules shall apply:

- (a) All Pension Credits earned after the effective date of an accrual rate increase shall be earned at that higher accrual rate.
- (b) If a Participant meets the eligibility requirement to qualify for the higher accrual rate by working 870 hours during a specified two-year period, then all Pension Credits that have not been frozen will be increased to the higher accrual rate.
- (c) If a Participant fails to Work the required 870 hours during a specified two-year period, Pension Credits (not previously frozen) earned prior to the two-year eligibility period will be frozen at the accrual rate in effect when the Participant last worked 870 hours during a two-year eligibility period.
- (d) For Participants who retired or separated from Covered Employment on or after January 1, 1982, and prior to June 1, 1989, the eligibility period for accrual rate increases is the period beginning December 1, 1981, and ending May 31, 1985.

5.3. Early Retirement Pension. For retirements on or after June 1, 1997, the amount of the Early

Retirement Pension is the amount of the Regular Pension multiplied by the age factor in Table 2, attached.

5.4. Deferred Pension. For retirements with an Annuity Starting Date on or after November 1, 2009, the amount of the Deferred Retirement Pension is as follows:

- (a) For Participants who have completed at least 200 Hours of Work during, the 36 month period preceding retirement, the amount of the Deferred Retirement Pension is the amount of the Regular Pension Multiplied by the age factor in Table 2, attached.
- (b) For Participants who have completed fewer than 200 Hours of Work during the 36 month period preceding retirement, the amount of the Deferred Retirement Pension is the amount of the Regular Pension multiplied by the age factor in Table 3, attached.

5.5. Disability Pension. For retirements with an Annuity Starting Date on or after November 1, 2009, the monthly amount of the Disability Pension is the amount of the Regular Pension multiplied by the age factor in Table 2, attached, with a maximum reduction of 14% for retirement at age 55 or earlier.

5.6. Lump-Sum Retirement Benefit

- Payment will be made on or after age 62, provided the Trustees are able to verify that the Employee has incurred a One Year Break in Service which is subsequently not repaired. However, if the Employee leaves Covered Employment as a result of retirement for which he is awarded a Social Security pension, first payable at age 62, payment of the Lump-Sum Retirement Benefit shall be made within 30 days of the date he first receives his Social Security benefit payment or makes written application for the Lump-Sum Retirement Benefit, whichever is later.
- The amount of the Lump-Sum Retirement Benefit will be 50% of the contributions required to be made into the fund on the Employee's behalf up to a maximum of \$2,500.
- If an Employee returns to Covered Employment before incurring a Permanent Break in Service and after receiving a Lump-Sum Retirement Benefit, he shall be entitled to repay to the Trust Fund within 90 days of his return to Covered Employment an amount equal to the Lump-Sum Retirement Benefit received by him, together with interest at the rate used in the then current actuarial valuation, computed from the date such lump-sum payment was received by him to the date repaid into the Trust Fund, in which case all the Pension Credits that were forfeited by reason of receipt of the Lump-Sum Retirement Benefit will be reinstated. In the event such Employee does not repay such amount, any pension to which he is entitled to receive, or may become entitled to receive in the future, will be reduced by the actuarial equivalent of the lump-sum payment.

5.7. Death Benefit prior to the Commencement of Pension Benefit. Effective August 1, 1994, the amount of such Death Benefit shall equal 50% of the contributions which the Pension Plan has received on behalf of such Participant. In no event, however, shall the Death Benefit be less than the contributions as of July 31, 1994, plus 3.5%.

5.8. Maximum Annual Benefit. Notwithstanding the foregoing explanation of benefit amounts, no benefit shall exceed maximum benefit amounts for qualified plan as set forth in the Internal Revenue Code.

5.9. 50% Husband and Wife Pension at Retirement.

- (a) The pension of a Participant who is married to an Eligible Spouse on the date his pension payments start shall be paid in the form of a 50% Husband and Wife Pension, unless a valid waiver of that form of payment has been filed with the Plan.

- (b) A 50% Husband and Wife Pension means that the Participant will receive an adjusted monthly amount for life and, if the Participant dies before his Eligible Spouse, the latter will receive a Monthly benefit for her lifetime of 50% of the Participant's adjusted monthly amount. The 50% Husband and Wife Pension for distributions with an Annuity Starting Date on or after November 1, 2009, shall be actuarially equivalent to the amount payable under the Single-Life Annuity.
- (c) A 50% Husband and wife Pension, once payments have begun, may not be revoked nor the Pensioner's benefits increased by reason of subsequent divorce of the Spouse and Participant or death of the Spouse before that of the Participant, except as provided in accordance with Article 20. If a Participant retires with a 50% Husband and Wife Pension and subsequently divorces, the former Spouse will receive the survivor benefit upon the Participant's death unless the former Spouse consents or a Qualified Domestic Relations Order provides otherwise.
- (d) The 50% Husband and Wife Pension may be waived in favor of another form of distribution. For information regarding such waivers, please contact the Fund Office.

5.10. Optional Forms of Distribution at Retirement.

- (a) If a Participant is married to an Eligible Spouse on the date his pension payments start and properly waives the 50% Husband and Wife Pension, he may elect to have his pension paid in the following optional forms:
 - (i) a 100% Husband and Wife Pension, or
 - (ii) a 75% Husband and Wife Pension; or
 - (iii) a Single-Life Annuity with 120 Month Guarantee of Pension Payments as defined under Section 5.13.
- (b) Under a 75% or 100% Husband and Wife Pension, the Participant shall receive an adjusted monthly amount for life and, if the Participant dies before his Eligible Spouse the Eligible Spouse shall receive a monthly benefit for her lifetime of 75% or 100%, as applicable, of the Participant's adjusted monthly amount.
- (c) The Participant's monthly benefit under the 75% Husband and Wife Pension or the 100% Husband and Wife Pension be a percentage of the full monthly amount otherwise payable as a single-life pension (after adjustment if any, for early retirement). Effective for distributions with an Annuity Starting Date on or after November 1, 2009, the 75% and 100% Husband and Wife Pension shall be actuarially equivalent to the amount payable under the Single-Life Annuity.
- (d) A 75% or 100% Husband and Wife Pension once payments have begun may not be revoked, nor may the Pensioner's benefits be increased, by reason of the subsequent divorce of the Spouse and the Participant or the Spouse's death before the Participant's death, except as provided in accordance Section 5.13.

If a Participant retires with a 75% Husband and Wife Pension or a 100% Husband and Wife Pension and subsequently divorces, the former Spouse shall receive the survivor benefit upon the Participant's death unless the former Spouse consents or a Qualified Domestic Relations Order provides otherwise.

- (e) For distributions within Annuity Starting Date on or after November 1, 2009, if a Participant is not married to an Eligible Spouse on the date his pension payments start and waives the Single-Life Annuity, he may elect to have his pension paid as a Single-Life Annuity with 120 Month Guarantee of Pension Payments. Under a Single-Life Annuity with 120 Month Guarantee of

Pension Payments, the Participant shall receive an adjusted monthly benefit for life, and if the Participant dies before 120 monthly payments have been made, the monthly pension payments shall be continued to his Beneficiary, if living, until 120 monthly payments have been made to the Participant and his designated Beneficiary.

5.11. Pre-Retirement Surviving Spouse Pension.

- (a) If a Participant who has an Eligible Spouse dies before his pension payments start, a Pre-Retirement Surviving Spouse Pension shall be paid to his surviving Spouse provided: (i) he had met the service requirements for a pension, whether immediate or deferred, and (ii) he had at least one hour of Work after May 31, 1976.
- (b) If the Participant died at a time when he would have been eligible to begin receiving payment of a pension (other than a Disability Pension) had he retired, the surviving Eligible Spouse shall be entitled to a lifetime Pre-Retirement Surviving Spouse Pension determined as if the Participant had retired the day before he died with a 50% Husband and Wife Pension per Section 5.9.
- (c) If the Participant died before he would have been eligible to begin receiving pension payments had he retired, (other than a Disability Pension), the Pre-Retirement Surviving Spouse Pension begins when the Participant would have attained the earliest retirement age for which he would have qualified and the amount is 50% of what the Participant's pension amount would have been, after adjustment, if any, for the early retirement and for the 50% Husband and Wife Pension form. The Pre-Retirement Surviving Spouse Pension shall be equal in value to no less than 50% of the contributions made on the Participant's behalf.

Notwithstanding, if such Pre-Retirement Surviving Spouse Pension under this provision would not otherwise start until at least one year after the Trustees learn of the Participant's death, the surviving Spouse may elect to have payments start earlier, but no earlier than 60 days after the surviving Spouse applies for benefits, on whatever form the Trustees may prescribe. In such case, the monthly benefits shall be adjusted so that the Actuarial Present Value of the pension payable to the surviving Spouse is equivalent to the Actuarial Present Value of the pension that would have been payable if commenced as of the date the Participant would have attained earliest retirement age. No election for early commencement may be made if the resulting pension payable to the surviving Spouse would be less than \$25 per month.

- (d) Notwithstanding any other provision of this Article, a Surviving Spouse may elect to defer commencement of payment until a specified date that is no later than the first of the month following the date the Participant would have reached 70½, with the benefit amount payable determined as if the Participant survived to the age as of the date the surviving Spouse elected to begin receiving the benefit, retired at that age with an immediate 50% Husband and Wife Pension, and died the next day. If the deceased Participant's Surviving Spouse dies before the date such Spouse elected to begin receiving the Pre-Retirement Surviving Spouse Pension, the Pre-Retirement Surviving Spouse Pension will be forfeited and there will be no payments to any other Beneficiary.
- (e) Benefit Adjustments if Payment of Pre-Retirement Surviving Spouse Pension Postponed.

Notwithstanding any other provisions of the Plan, if the Annuity Starting Date for the Pre-Retirement Surviving Spouse Pension is after the Participant's earliest early retirement date, the benefit will be determined as if the Participant had died on the surviving Spouse's Annuity Starting Date after retiring with a 50% Husband and Wife Pension the date before, taking into account any actuarial adjustments to the Participant's accrued benefit that would have been applied as of that date. If a surviving Spouse dies before the Annuity Starting Date for the Pre-Retirement Surviving Spouse Pension, that benefit will be forfeited and unless an alternate Beneficiary has been designated by the Participant, with the acknowledgement and consent of the Participant's Spouse, under Section 5.9, there will be no payments to any other party.

5.12. Pop-Up Provision. For retirements with an Annuity Starting Date on or after November 1, 2009, the following "pop-up" provisions apply if so elected by the Participant the Participant's Spouse consents to such election, and the Participant's benefit is actuarially adjusted to reflect such election.

- (a) If a Spouse predeceases a Participant after August 1, 1994, and after the 50% Husband and Wife Pension has commenced, the 50% Husband and Wife Pension shall cease to be effective as of the date of the Spouse's death. The Pensioner shall then have his monthly pension amount increased to the amount that would have been payable had the Pensioner and his Spouse waived the 50% Husband and Wife Pension at the time of his retirement. This increase occurs in the month following the month in which proof of the Spouse's death has been filed with the Trustees.
- (b) Effective on or after August 1, 1994, if the Participant's benefit is paid in the form of a 50% Husband and Wife Pension and the Participant and spouse subsequently divorce, the Spouse on the Annuity starting Date will continue to be entitled to such benefit unless a Qualified Domestic Relations Order provides otherwise, in which case his monthly pension amount will be increased to the amount that would have been payable had the Participant and his spouse waived the 50% Husband and Wife Pension at the time of his retirement. This increase shall apply to divorces which occurred before and after August 1, 1994, and shall begin with the month following the month in which proof of the divorce is filed with the Trustees.
- (c) If a Spouse predeceases a Participant on or after June 1, 1999, and after the 75% or 100% Husband and Wife Pension has commenced, the 75% or 100% Husband and Wife pension shall cease to be effective as of the date of the Spouse's death. The Pensioner shall then have his monthly pension amount increased to the amount that would have been payable had the Pensioner and his Spouse waived the 75% or 100% Husband and Wife Pension, as applicable, at the time of his retirement in favor of the Single-Life Annuity with 120 Month Guarantee of Pension Payments or the Single-Life Annuity, as applicable. This increase shall occur in the month following the month in which proof of the Spouse's death has been filed with the Trustees.
- (d) Effective on or after June 1, 1999, if the Participant's benefit is paid in the form of a 75% or 100% Husband and Wife pension and the Participant and Spouse subsequently divorce, the spouse on the Annuity Starting Date of the 75% or 100% Husband and Wife Pension will continue to be entitled to the 75% or 100% Husband and Wife Pension benefit unless a Qualified Domestic Relations Order provides otherwise, in which case his monthly pension amount will be increased to the amount that would have been payable had the Participant and his spouse waived the 50% Husband and Wife Pension at the time of his retirement in favor of the Single-Life Annuity, as applicable. This increase shall apply to divorces which occurred on and after June 1, 1999, and shall begin with the month following the month in which proof of the divorce is filed with the Trustees.

5.13. 120 Month Guarantee of Pension Payments.

- (a) General Conditions.

- (i) 120 Month Guarantee of pension payments shall not apply if the 50%, 75% or 100% Husband and Wife Pension is in effect for a Participant.
 - (ii) For retirements with an Annuity Starting Date before November 1, 2009, if a Pensioner dies before 120 monthly payments have been made, the monthly pension payments shall be continued to his Beneficiary, if living, until 120 monthly payments have been made to the Pensioner and his designated Beneficiary.
 - (iii) For retirements with an Annuity Starting Date on or after November 1, 2009, if a Pensioner has elected to receive his Pension in the form of an actuarially equivalent Single-Life Annuity with 120 Month Guarantee of Pension Payments and the Pensioner dies before 120 monthly payments have been made, the monthly Pension payments shall be continued to his Beneficiary, if living, until monthly payments have been made to the Pensioner and his designated Beneficiary. The amount payable under the Single-Life Annuity with 120 Month Guarantee of Pension Payments shall be actuarially equivalent to the amount payable as a Single-Life Annuity.
- (b) If, following the death of the Participant, payment to a non-Spouse Beneficiary would continue for more than five years, the Actuarial Present Value of such payments as of the death of the Participant shall be paid in 60 equal monthly amounts.

5.14 50% Husband and Wife Pension or Pre-Retirement Surviving Spouse Pension Not Effective and No Beneficiary.

In the event that the 50% Husband and Wife Pension or the Pre-Retirement Surviving Spouse Pension is not effective and no Beneficiary has been designated or the Beneficiary predeceases the Participant, payment of a Death Benefit or the 120 Month Guarantee shall be made to the Participant's surviving Spouse, if any. Notwithstanding anything to the contrary, the Spouse of a married Participant shall be a Beneficiary, provided the Participant and Spouse were married to each other throughout the 12 month period preceding the date on which benefits became payable and the Spouse has not filed with the Trustees a written waiver.

If there is no Spouse surviving the Participant, payment shall be made to the Participant's surviving dependent child or children, equally, if any. For this purpose, a "dependent child" shall be considered a Beneficiary eligible for payment of a Death Benefit or the 120 Month Guarantee if the child would satisfy the eligibility requirements for status as an eligible Dependent under the Plumber and Steamfitters Local 166 Health and Welfare Plan at the time of the Participant's death.

If no dependent child survives the Participant, payment shall be made to the Participant's surviving dependent parent or parents equally, if any. A "dependent parent" shall be considered a Beneficiary eligible for payment of a Death Benefit or the 120 Month Guarantee if the parent(s) is dependent upon the Eligible Employee for primary support and maintenance based upon proof which is satisfactory to the Board of Trustees. Primary support and maintenance means the Participant had directly provided at least 51% of the financial support of the parent. The parent shall provide such proof of dependency as is requested by the Board of Trustees, including, but not limited to, tax returns or written affidavits. If no dependent parent survives the Participant, no payments shall be made to anyone.

If the Beneficiary receiving the balance of the 120 guaranteed payments in accordance with Section 5.13 dies before the full guaranteed value of benefits has been paid, including the payments to the Pensioner and Beneficiary, no further payments shall be made to anyone. In any case, any death benefits payable to a Beneficiary must be distributed within five years after

the Participant's death. To the extent provided in a qualified Domestic Relations Order, the former Spouse of a Participant shall be treated as such person's Spouse.

5.15 Qualified Domestic Relations Order. Notwithstanding any of the foregoing, benefits shall be paid in accordance with the applicable requirements of any Qualified Domestic Relations Order as defined by ERISA §206(d)(3). Any rights of a former Spouse or other alternate payee under a Qualified Domestic Relations Order, with respect to a Participant's pension, shall take precedence over those of any later Spouse of the Participant under this article.

ARTICLE 6 – PAYMENT OF BENEFITS

6.1. Applications. A pension must be applied for in writing and filed with the Trustees in advance of the date pension payments commence. A Participant must notify the Trustees in writing of the first month after retirement or other work cessation that would entitle the Participant to pension payments. Notice must be given during or before such month, except to the extent that the Trustees find that failure to make timely application was due to extenuating circumstances.

6.2. Payment of Benefits.

- (a) A Participant who is eligible to receive benefits under this Plan and who submits application in accordance with the rules of the Plan shall be entitled on the Annuity Starting Date to receive the monthly benefits provided for the remainder of his life, subject to the provisions of this Plan.
- (b) If the Annuity Starting Date is after the Participant's Normal Retirement Age, the monthly benefit will be the accrued benefit at Normal Retirement Age, actuarially increased for each complete calendar month between Normal Retirement Age and the Annuity Starting Date for which benefits were not suspended pursuant to the provisions of this Plan.
 - (i) If a Participant first becomes entitled to additional benefits after Normal Retirement Age, whether through additional service or because of a benefit increase, the actuarial increase in those benefits shall start from the date such benefits would first have been paid rather than Normal Retirement Age.
 - (ii) The actuarial increase will be 1% per month for the first 60 months after Normal Retirement Age and 1.5% per month for each month thereafter.
- (c) Pension payments shall end with the payment for the month in which the death of the Pensioner occurs except as provided in accordance with a 50%, 75% or 100% Husband and Wife Pension or any other provision of this Plan for payments after the death of the Pensioner.

6.3. Required Distributions. The Fund will make required minimum distributions as required by and subject to the provisions of the Internal Revenue Code. Such distributions generally apply to Participants age 70½ and above (the Required Beginning Date). A Participant who earns additional service credit and who is being paid a pension because he has attained the Required Beginning Date will have his pension recalculated each June 1 for additional credit earned during the Plan Year.

6.4. Disability Pension Payments. The Disability Pension is payable the first month for which the Participant is eligible for payment of a Social Security Disability Benefit; provided, however, that if a Participant fails to file an application for a Disability Pension prior to this date, any retroactive Disability Pension benefits payable from the Plan shall be limited to six months of payments. Any retroactive payments will be paid as a lump sum and will be considered an auxiliary disability benefit under 26 CFR §1.401(a)-20. The Disability Pension shall continue during total disability for life. No pension benefits shall be payable for any month for which the Participant or Pensioner receives wages indemnification for disability from the Plumbers Local 166 Health and Welfare Fund. This provision shall, however, be subject to the provisions of Section 6.6(e).

6.5. Cessation of Total and Permanent Disability. Any Participant retiring under the disability Pension provisions of the Plan who subsequently ceases to be totally and permanently disabled may: (a) apply for a Regular, Early Retirement, or Deferred Pension provided he has fulfilled the requirements for such benefit. Any benefit for which the Participant is eligible may not become payable sooner than the month immediately following the month in which the Disability Pension shall terminate, and the amount shall be based on the then attained age of the Pensioner, or (b) return to Covered Employment and resume accrual of Pension Credits.

6.6. Suspension of Benefits.

- (a) Definition of Suspension. “Suspension of benefits” for a month means non-entitlement to benefits for the month. If benefits were paid for a month for which benefits were later determined to be suspendable, the overpayment shall be recovered through deductions from future pension payments, pursuant to Section 6.6(f), and in accordance with Article 10.
- (b) Before Normal Retirement Age. The monthly benefit shall be suspended for any month in which the Participant is employed in Disqualifying Employment before he has attained Normal Retirement Age. “Disqualifying Employment,” for the period before Normal Retirement Age, is:
- (i) employment with any Contributing Employer;
 - (ii) employment with any employer in the same or related business as a Contributing Employer;
 - (iii) self-employment in the same or related business as any Contributing Employer; and
 - (iv) employment or self-payment in any form for any business employing plumbers or steamfitters.
- There shall be no limit to the geographic area for Disqualifying Employment described above.
 - In addition, the monthly benefit shall be suspended for up to 12 consecutive months after any consecutive period of one or more months during which the Participant was engaged in Disqualifying Employment. However, any portion of the 12 month period remaining at the time a Participant becomes totally and permanently disabled will be waived by the Trustees.
 - If the Participant has failed to notify the Plan of employment that may be the basis for suspension of benefits in accordance with the notification requirements of Section 6.6(d), or willfully has misrepresented to the Plan with respect to Disqualifying Employment, the monthly benefit shall be suspended for an additional period of six months.
- (c) After Normal Retirement Age. If the Participant has attained Normal Retirement Age, his monthly benefit shall be suspended for any month in which he worked for at least 40 hours in Disqualifying Employment. After attainment of Normal Retirement Age, “Disqualifying Employment” means employment or self-employment that is:
- (i) in an industry covered by the Plan when the Participant’s pension payments began,
 - (ii) in the geographic area covered by the Plan when the Participant’s pension began, and
 - (iii) in any occupation in which the Participant worked under the Plan at any time or any occupation covered by the Plan at the time the Participant’s pension payments began.
- However, if a Participant worked in Covered Employment only in a skilled trade or craft, that is, as a plumber or steamfitter, employment or self-employment shall be disqualifying only if it is in a work that involves the skill or skills of that trade or craft directly or, as in the case of supervisory work, indirectly. In any event, any

Work for at least 40 hours in a month for which contributions are required to be made to the Plan shall be disqualifying.

- The term “industry covered by the Plan” means the plumbing and steamfitting industry and any other industry in which employees covered by the Plan were employed when the Participant’s pension began or, but for suspension under this Article, would have begun.
- The geographic area covered by the Plan in the State of Indiana and all of any Standard Metropolitan Statistical Area which falls in part within Indiana and any other area covered by the Plan when the Participant’s pension began or, but for suspension under this Article, would have begun.
- The geographic area covered by the Plan shall also include any area covered by the Plan which, under a reciprocal agreement in effect when the Participant’s pension began, had forwarded contributions to this Plan on the basis of which this Plan accrued benefits for the Participant.
- If a retired Participant reenters Covered Employment to an extent sufficient to cause a suspension of benefits, and his pension payments are subsequently resumed, the industry and geographic area covered by the Plan “when the Participant’s pension began” shall be the industry and geographic area covered by the Plan when his pension is resumed.
- Paid non-work time shall be counted toward the measure of 40 hours if paid for vacation, holiday, illness or other incapacity, layoff, jury duty, or other leave of absence. However, time compensated under a Workers’ Compensation or temporary disability law shall not be counted.
- Notwithstanding the provisions of this subsection, no monthly benefit shall be suspended for work in Disqualifying Employment beyond the Participant’s Required Beginning Date (generally age 70½ and above).

(d) Notices.

- Upon commencement of pension payments, the Trustees shall notify in writing the Pensioner of the Plan rules governing suspension of benefits, including identity of the industries and area covered by the Plan.
- A Pensioner shall notify the Plan in writing within 21 days after starting any work of a type that is or may be disqualifying under the provisions of the Plan no matter how many hours he is working or intends to work (that is, whether or not less than 40 hours in a month). If a Pensioner has worked in disqualifying employment in any month and has failed to give timely written notice to the Plan of such employment, the Trustees shall presume that he worked for at least 40 hours in such month and any subsequent month before the Participant gives notice that he has ceased disqualifying employment. The Participant shall have the right to overcome such presumption by establishing to the satisfaction of the Trustees that he was not engaged in Disqualifying Employment.
- If a Pensioner has worked in Disqualifying Employment for any number of hours for a contractor at a building or construction site and has failed to give timely written notice to the Plan of such employment, the Trustees shall presume that he has engaged in such work for as long as the contractor has been and remains actively engaged at that site. The Participant shall have the right to overcome such presumption by establishing to the Trustees’ satisfaction that he was not engaged in Disqualifying Employment.
- The Trustees shall inform in writing all retirees at least once every 12 months of the re-employment notification requirements and the presumptions set forth in this paragraph.
- A Pensioner whose pension has been suspended shall notify the Plan in writing when Disqualifying Employment has ended. The Trustees shall have the right to continue to suspend payments until such notice is provided.

- A Participant may ask the Plan in writing whether a particular employment will be disqualifying. The Plan shall provide the Participant with its determination in writing.
 - The Plan shall inform a Participant in writing of any suspension of his benefits by notice given by personal delivery or first class mail during the first calendar month in which his benefits are withheld.
- (e) Review. A Participant shall be entitled to a review a suspension of benefits by written request filed with the Trustees within 180 days of the notice of suspension. A Participant shall be entitled to a review determination that particular employment will be disqualifying by written request filed with the Trustees within 180 days of such determination. Any such request will be treated as a claim subject to the terms of Article 7.
- (f) Resumption of Benefit Payments Following Suspension of Benefits.
- (i) Benefits shall be resumed for the month after the last month for which benefits were suspended, with payments for Participants who have attained Normal Retirement Age beginning no later than the third month after the last calendar month for which the Participant's benefit was suspended, provided the Participant has complied with the notification requirements of Subsection (d) above.
 - (ii) Overpayments attributable to payments made for any month for which the Participant had Disqualifying Employment shall be deducted from resumed pension payments. Such deduction after the Participant attained Normal Retirement Age shall not exceed 25% of the pension amount (before deduction), except that the Plan may withhold up to 100% of the first resumed pension payment. A Participant who resumes retirement before Normal Retirement Age shall have 100% of his benefit withheld until the amount of overpayment is recovered or, if earlier, until he reaches Normal Retirement Age at which time a monthly deduction of 25% shall apply. If a Pensioner dies before recovery of overpayments has been completed, deductions shall be made from the benefits payable to his Beneficiary or Spouse receiving a pension subject to the percentage limitation on the rate of deduction.

6.7. Benefit Accruals Following Suspension of Benefits.

- (a) The accrued benefit of a Pensioner whose benefit payments resume following a suspension of benefits shall be calculated as follows:
- (i) A Pensioner (except a Disability Pensioner) who returns to Covered Employment and earns an additional accrual shall have his pension recalculated as of the following June 1.
 - (ii) Each June 1 the benefit calculation will be based on the Employee's then attained age and will include any additional accruals earned during the prior Plan Credit Year, reduced by the actuarial equivalent of any pension payments made prior to Normal Retirement Age. The amount of such reduction shall be calculated by dividing the amount of the Pensioner's payments prior to Normal Retirement Age by the factor in Table 1 of the Plan document that corresponds to the Participant's age when payments resume (available upon request from the Fund Office). In no event shall the new monthly benefit be less than the prior monthly amount.
- (b) A 50% Husband and Wife Pension in effect immediately prior to suspension of benefits, and any other benefit following the death of the Pensioner, shall remain effective if the Pensioner's death occurs while his benefits are in suspension.

- (c) A Pensioner who returns to Covered Employment and earns additional accrual shall be entitled to a new election as to form of benefit payment for such additional accrual; provided, however, that the first election on or after Normal Retirement Age shall apply for any subsequent accrual earned.

6.8. Incompetence or Incapacity of a Pensioner or Beneficiary. In the event it is determined that a Pensioner or Beneficiary is unable to care for his affairs because of mental or physical incapacity, any payment due will be applied to the maintenance and support of such Pensioner or Beneficiary or to such legally appointed guardian, committee or other legal representative appropriate in the sole discretion of the Trustees to receive such payments on behalf of the Pensioner or Beneficiary.

6.9. Payment of Small Amounts. Notwithstanding any other provision of this Plan, if the Actuarial Present Value of a benefit payable under the Plan is \$1,000 or less, for distributions with an Annuity Starting Date on or after March 28, 2005, the Trustees shall pay such benefit in a single sum equal to that value. This Section shall not apply after payment of the Participant's pension has commenced unless the Participant or Beneficiary consents in writing to the single-sum distribution.

6.10. Outstanding Payments. If any benefit payment made by the Trustees out of the Fund is unclaimed for a period of two years, it shall revert to and become part of the Fund free from any claim, provided that any unclaimed benefit or a benefit which has been forfeited due to the inability of the Plan to find a Participant or beneficiary shall be reinstated in the event a claim is by a Participant or a beneficiary entitled to the benefit. In the event any other payment issued by the Fund, for any reason, has not been redeemed by the payee for a period of 24 months, or such lesser time set forth on the payment issued by the Fund, such payment is void and reverts to the Plan as a Plan asset.

6.11. Rollover Distribution.

- (a) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect 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) An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under IRC §(401)(a)(9); any distribution upon the hardship of an employee; and 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).
- (c) An eligible retirement plan is an individual retirement account described in IRC §408(a), an individual retirement annuity described in IRC §408(b), an annuity plan described in IRC §403(a), a Roth IRA, or a qualified trust described in IRC §401(a), that accepts the distributee's eligible rollover distribution. An eligible retirement plan shall also mean an annuity contract described in IRC §403(b) and an eligible plan under IRC §457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this plan. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in IRC §414(p). For a designated nonspouse beneficiary, an eligible retirement plan is an inherited IRA under IRC §408(d)(3)(C).

- (d) 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 are distributees with regard to the interest of the spouse or former spouse. A distributee also includes a designated nonspouse beneficiary.

ARTICLE 7 – CLAIMS AND APPEAL PROCEDURE

7.1. Right to Appeal. An employee who believes he has been denied benefits provided for under the Plan shall be entitled to a full and fair review of his claim under the following appeal procedure.

- (a) Upon denial of an Employee's application for benefits, the Employee shall be furnished a written statement of the specific reason or reasons for denial including reference to the specific Plan provisions on which the denial is based, a description of any additional material or information necessary for the Employee to establish his right to benefits and an explanation of why such material or information is necessary. This written notice shall also contain an explanation of the appeal procedure which the Employee can follow to have his claim for benefits reviewed.
- (b) An Employee who has been denied benefits, or his duly authorized representative, shall have the following rights in appealing the initial decision:
 - (i) The right to submit additional proof of entitlement to benefits.
 - (ii) The right to examine any document in possession of the Plan related to the application.
 - (iii) The right, within 60 days (180 days for appeals involving disability benefits) following receipt of the notice of the denial of benefit, to appeal the decision to the Board of Trustees by submitting a written statement setting forth which of the reasons for denial of the application he disagrees with along with any supporting documents or additional comments related to his appeal. The written statement is to be submitted to the Board of Trustees at the Fund Office address.
 - (iv) The Trustees shall make their determination on the basis of the supporting file documents and the Employee's written statement as submitted. However, the Trustees may require the Employee to submit additional written information or to appear before the Trustees for oral examination, or both. In the event the Employee is required to appear before the Trustees, the hearing shall be held at the next regular meeting of the Trustees or at such other time as may be determined by the Board of Trustees with reasonable notice of the date and place of the hearing given to the Employee.
- (c) The Board of Trustees shall make a full and complete review of each appeal and issue its decision in writing within 60 days after receipt of the written request for an appeal unless such circumstances require an extension of time for processing, in which case the decision shall be rendered as soon as possible, but not later than 120 days after receipt of a request for review.

The decision of the Board of Trustees on the appeal shall be written in a clear and understandable manner and shall include the specific reasons for the decision.

7.2. Information and Proof. Every Participant, Beneficiary or Pensioner shall furnish, at the request of the Trustees, any information or proof reasonably required to determine his benefit rights. If the claimant makes a willfully false statement, material to an application, or furnishes fraudulent information or proof material to his claim, benefits not properly vested in this Plan may be denied, suspended or discontinued.

- 7.3. Action of Trustees. The Trustees shall, subject to the requirements of the law, be the sole judges of the standard of proof required in any case and the application and interpretation of this Plan. The decisions of the Trustees shall be final and binding on all parties. All questions or controversies character arising in any matter or between any parties or persons in connection with this Plan or its operation, shall be submitted to the Board of Trustees for decision.
- 7.4. **Discretion of Trustees. The Trustees have full discretionary authority to determine eligibility for benefits, interpret plan documents, and determine the amount of benefits due. Their decision, if not in conflict with any applicable law or government regulations, shall be final and conclusive.**
- 7.5. **Limitation of Action. No action may be brought to recover benefits allegedly due under the terms of the Plan more than 180 days following the Notice of Decision on Appeal.**

ARTICLE 8 – NON-BARGAINED EMPLOYEES

- **Employer.** For purposes of identifying Highly Compensated Employees and applying the rules on participation, vesting and statutory limits on benefits under the Fund for such employees, but not for determining covered service, the term “Employer” includes all members of an affiliated service group with the Employer within the meaning of IRC §414(m) and all other businesses aggregated with the Employer under IRC §414(o). For this purpose, an “Employer” also includes all corporations, trades or businesses under common control with the Employer within the meaning of IRC §§414(b) and (c). For all other purposes, the term “Employer” shall have the meaning stated at Article 1.
- **Non-Bargained Employees.** A “Non-Bargained Employee” means a person who is employed by an Employer and who is not covered by a Collective Bargaining Agreement, but is covered by another written agreement requiring Employer contributions on his or her behalf.
- **Highly Compensated Employee.** In general, a highly compensated active employee is an employee of the Employer who performs service for the Employer and received compensation from the Employer in excess of \$120,000 (as adjusted under IRC §414(q)) and, if the Employer so elects, was in the top-paid group of employees for such preceding year as determined by applicable provisions of the IRC.
- **Vesting for Non-Bargained Employees.**
 - (a) Non-Bargained Employees. A Non-Bargained Employee who has at least one hour of Work after May 31, 1988 attains Vested Status after accumulating five years of Vesting Service in Non-bargained Work, as defined below.
 - (b) Transfer between Bargained and Non-Bargained Status. If a Participant has worked at different times in employment covered by a Collective Bargaining Agreement (“Bargained Work”) and leaves such Bargained Work and continues to work for an Employer in Continuous Employment (“Non-Bargained Work”) the following rules apply:
 - (i) The maximum credit a Participant may receive for any Plan Credit Year is one Year of Vesting Service. If a Participant works part of a Plan Credit Year in Non-bargained Work and part of a Plan Credit Year in Bargained Work, the Participant will receive credit for the Plan Credit Year as a Bargained Year if the majority of the hours of Service were in Bargained Work; and conversely, the Participant will receive credit for the Plan Credit Year as a Non-bargained Year if the majority of hours of Service were in Non-bargained Work; provided, however, an Employee works 1,000 hours of Service in Non-bargained Work in a Plan Credit Year the Employee shall receive credit for that year as a Year of Vesting Service in Non-bargained Work.

- (ii) Prior to June 1, 1997, a Participant to whom this Subsection (b) applies acquires Vested Status when the Participant's combined Years of Vesting Service for Bargained Work and Non-bargained Work equal ten, or if sooner, when the Participant's Years of Vesting Service attributable to Non-bargained Work equal five.
 - (iii) Effective June 1, 1997, a Participant to whom this Subsection (b) applies acquires Vested Status when the Participant's combined Years of Vesting Service for Bargained Work and Non-bargained Work equal five, or if sooner, when the Participant's Years of Vesting Service attributable to either Bargained Work or Non-bargained Work equal five.
 - (c) Break in Service. Years of Vesting Service that are not taken into account because of a Permanent Break in Service shall not count in determining a Participant's Vested Status.
- **Nondiscrimination, Coverage and Participation.** Effective June 1, 1989, participation in the Plan by Non-Bargained Employees shall be in compliance with IRC §§401(a)(4) (nondiscrimination rules), 410(b) (coverage rules), and 401(a)(26) (minimum participation rules).
 - **Alumni Coverage.** Notwithstanding the above, the "alumni rule" as set forth in 26 CFR §1.410(b)-6(d)(2)(ii) is adopted for the purpose of defining a "collectively bargained employee" under the IRC.

ARTICLE 9 – TERMINATION OF PLAN

- **Termination or Merger of Plan.**
 - (a) Trustees' Right to Discontinue or Terminate Plan. The Board of Trustees shall have the right to discontinue or terminate this Plan in whole or in part. The rights of all affected Participants to benefits accrued to the date of termination, partial termination, or discontinuance, to the extent funded as of such date, shall be nonforfeitable.
 - (b) Trustees' Right to Merge or Consolidate Plan or Transfer Plan Assets. In addition to the right at any time to discontinue or terminate the Plan, the Board of Trustees shall also have the sole right at any time to merge or consolidate with, transfer the assets and liabilities of the Plan and Trust Fund to any other qualified plan and trust fund or receive the assets and liabilities of any other qualified plan and trust fund. All such actions shall be done by the Board of Trustees in its sole discretion and must be adopted in writing.
- **Merger and Consolidation of the Plan, Transfer of Plan Assets.** In the case of any merger or consolidation with, or transfer of assets and liabilities to any other plan, provisions shall be made so that each Participant in the Plan on the date of merger, etc. (if the Plan is then terminated) would receive a benefit immediately after the merger, consolidation or transfer which is equal to or greater than the benefit he or she would have been entitled to receive immediately prior to the merger, consolidation or transfer (if the Plan had then terminated).
- **Effect of Termination and Partial Termination.** On termination of the Plan or on partial termination of the Plan by operation of law, any adjustments required under the Plan as of the valuation date on or after the termination or partial termination shall be made and each affected Participant's benefits will be fully vested and nonforfeitable to the extent sufficient assets exist to pay these benefits after satisfaction of prior claims and to the extent benefits are guaranteed by the Pension Benefit Guaranty Corporation. To the extent sufficient and as otherwise set forth in the Plan and Trust, assets shall be used to pay vested Accrued benefits upon termination.

- **Limit on Employer Liability.** Subject to relevant provisions of ERISA, there shall be no liability expressed or implied, on the part of the Employers to provide any benefits or further contributions to the Trust fund after the date of termination of the Trust. The Trust fund shall be the sole source of benefit payments during continuance of the Pension Plan or after termination of the Trust, if any.

ARTICLE 10 – MISCELLANEOUS PROVISIONS

- **Trustees' Reliance.** The Trustees shall be entitled to rely on written representations, consents and revocations submitted by Participants, Spouses or other parties in making determinations and, unless such reliance is arbitrary or capricious, the Trustees' determinations shall be final and binding, and shall discharge the Fund and the Trustees from liability to the extent of the payments made.
- **Overpayments.** The Fund has the right to recover from any Participant, Pensioner, Spouse, Surviving Spouse, Beneficiary, or other payee any amounts paid by the Fund which were not properly owing under the terms of the Plan, whether such amounts were paid by mistake, fraud, or any other reason. The Fund has the right to pursue the payee (including the Participant/Pensioner and his/her Spouse jointly and severally), for the full amount due and owing under this provision. At the Fund's sole option, it may enforce this provision by offsetting future benefits until the amount owed has been recovered. In lieu of collecting the overpayment and appropriate interest from the Participant, Beneficiary, or Pensioner, the Plan may offset the overpayment plus interest against future benefits that are due and owing to the Participant, Beneficiary, or Pensioner under the Plan's terms. Any such offset shall be applied in accordance with the requirements of the Internal Revenue Service's Employee Plan Compliance Resolution System.
- **Amendments to the Plan.** This Plan may be amended at any time by the Board of Trustees, consistent with the provisions of the Trust Agreement. However, no amendment may deprive any Participant or Beneficiary of any of the benefits to which he or she is entitled with respect to benefits previously accrued, except: (a) as necessary to establish or maintain the qualification of the Plan or the Trust Fund under the Internal Revenue Code and to maintain compliance of the Plan with the requirements of ERISA; or (b) if the amendment meets the requirements of ERISA §302(c)(8) IRC §412(c)(8), and the Secretary of Labor has been notified of such amendment and has either approved of it, or within 90 days after the date on which such notice was filed, the Secretary of Labor failed to disapprove. All amendments approved by the Board of Trustees make must be adopted in writing.
- **Right to Plan Benefits.** No person other than the Trustees of the Pension Fund shall have any right, title or interest in any of the income, or property of any funds received or held by or for the account of the Pension Fund, and no person shall have any rights to benefits provided by the Pension Plan except as expressly provided herein.
- **Non-Assignment of Benefits.** No Participant, Pensioner or Beneficiary entitled to any benefits under this Pension Plan shall have the right to assign, alienate, transfer, encumber, pledge, mortgage, hypothecate, anticipate or impair in any manner his legal or beneficial interest, or any interest in assets of the Pension Fund, or benefits of this Pension Plan. Neither the Pension Fund nor any of the Pension Fund's assets shall be liable for the debts of any Participant, Pensioner or Beneficiary entitled to any benefits under this Plan, no be subject to attachment or execution or process in any court or action or proceeding.

ARTICLE 11 – REQUIRED PROVISIONS

The following information is required to be provided by law:

- (a) **Type of Administration/Plan Administrator/Plan Sponsor/Counsel:** The Board of Trustees of the Plumbers and Steamfitters Local No. 166 AFL-CIO Pension Fund is the Plan Administrator and Plan

Sponsor. As such, the Trustees are responsible for overall Plan administration. There are three Trustees appointed by the Union and three Trustees appointed by the Association. The current Trustees are:

Union Trustees

Kent Prosser, Chairman
Plumbers & Steamfitters Local 166
2930 W. Ludwig Rd.
Ft. Wayne, IN 46818

Jeff Coburn
Plumbers & Steamfitters Local 166
2930 W. Ludwig Rd.
Ft. Wayne, IN 46818

Lester Zimmerman
Plumbers & Steamfitters Local 166
2930 W. Ludwig Road
Ft. Wayne, IN 46818

To Be Appointed

Employer Trustees

Curt Mirwaldt, Secretary
Project Design & Piping, Inc.
3615 Transportation Dr.
Ft. Wayne, IN 46818

John Rayburn
Mechanical Contractors Association of Indiana
2509 E. 54th St.
Indianapolis, IN 46220

Tom Scare
Shambaugh & Son, LP
7614 Opportunity Dr.
Ft. Wayne, IN 46801

Jack Koehne, Alternate
A. Hattersley & Sons
3939 Mobile Avenue
Ft. Wayne, IN 46895

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Southfield, MI 48075
(248) 746-0700

Questions and inquiries may be directed to the Fund Office Liaison located at 2930 W. Ludwig Rd., Fort Wayne, Indiana 46818, (260) 497-0150, Fax (260) 490-5697). The Administrative Manager and Fund Office, BeneSys, Inc., is located at 700 Tower Dr., Ste. 300, Troy, Michigan 48098, (248) 813-9800, Fax (248) 813-9898. Office hours are Monday through Friday 7:30 a.m. to 5:30 p.m.

- (b) **Effective Date of Plan:** June 1, 1951
- (c) **Agent for Service of Legal Process:** Service of process should be made upon the Fund Office, BeneSys, Inc., 700 Tower Dr., Ste. 300, Troy, Michigan 48098, (248) 813-9800, Fax (248) 813-9898. Service of legal process may also be made upon any Trustee.
- (d) **Type of Plan/Employer Identification Number/Plan Year:** The Plan is a defined benefit pension plan. The employer identification number assigned by the IRS is 51-6132690. The Plan Number is 001. The Plan Year begins June 1st of each year and runs to the following May 31st.
- (e) **Collective Bargaining Agreements:** The Plan is maintained pursuant to collective bargaining agreements. Copies of such agreements may be obtained upon written request to the Fund Office, or are available for examination by participants and beneficiaries at the Fund Office. Alternatively, within 10 days of a written request, such agreements will be made available at the Union hall or at any employer

establishment where at least 50 or more participants are customarily working. The Plan may impose a reasonable charge for such copies.

- (f) **Source of Plan Contributions:** The primary source of financing for the benefits provided under the Plan and for the expenses of the Plan operations are employer contributions. The rate of contribution is set forth in the Collective Bargaining Agreement, or other written agreement requiring contributions to the Fund. A complete list of the employers contributing to the Plan may be obtained upon written request to the Fund Office and may be examined at the Fund Office. Additionally, plan assets are invested which results in investment income to the Plan.
- (g) **Pension Trust Assets and Reserves:** The Board of Trustees holds all assets in trust for the purpose of providing benefits to eligible participants and defraying reasonable administrative expenses.
- (h) **PBGC:** Benefits under this pension plan are guaranteed by the Pension Benefit Guaranty Corporation (“PBGC”). Your pension benefits under this multiemployer plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two or more unrelated employers, usually in a common industry.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC’s guaranteed benefit limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant’s years of service multiplied by (1) 100% of the first \$11 of the monthly benefit accrual rate and (2) 75% of the next \$33. The PBGC’s maximum guarantee limit is \$35.75 per month times a participant’s years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be \$12,870.00.

The PBGC guarantee generally covers: (1) Normal and early retirement benefits; (2) disability benefits if you become disabled before the plan becomes insolvent; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) Benefits greater than the maximum guaranteed amount set by law; (2) benefit increases and new benefits based on plan provisions that have been in place for fewer than five years at the earlier of: (i) The date the plan terminates or (ii) the time the plan becomes insolvent; (3) benefits that are not vested because you have not worked long enough; (4) benefits for which you have not met all of the requirements at the time the plan becomes insolvent; and (5) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC’s Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC’s pension insurance program is available through the PBGC’s website on the Internet at <http://www.pbgc.gov>.

- (i) **Statement of ERISA Rights:** As a participant in the Plumbers and Steamfitters Local No. 166 AFL-CIO Pension Fund you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan and Benefits:

- Examine, without charge, at the Fund Office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including collective bargaining agreements and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including collective bargaining agreements and copies of the latest annual report (Form 5500 Series) and an updated Summary Plan Description. The Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 62) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

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

Enforce Your Rights: If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions: If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

- (j) **Termination of the Plan:** If the Plan is terminated, Plan assets shall be used to pay benefits and expenses incurred prior to termination and expenses incident to the termination. Please see Article 9 for more information.

This Summary Plan Description is not intended to cover every detail of the Plan or every situation that might occur. It is simply a summary. The complete Plan is available for inspection at any time at the Fund Office. If there is any conflict between this summary and the Plan, the Plan controls. For a more detailed statement of your rights and obligations consult the Plan document.

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