



**Mechanical Contractors Association
WESTERN WASHINGTON**

Washington State Plumbing and Pipefitting Industry Pension Plan

PLAN DOCUMENT

AS REVISED, JANUARY 1, 2026

PLAN DOCUMENT OF THE WASHINGTON STATE PLUMBING AND PIPEFITTING INDUSTRY PENSION PLAN

Including Amendments Adopted Through January 1, 2026.

This booklet summarizes the Pension Plan of the Washington State Plumbing and Pipefitting Industry Pension Plan as of January 1, 2026. If you ended covered employment or retired before January 1, 2026 different rules may apply to you. You may contact the Trust Administrative Office for a copy of the Plan Document and amendments in effect at the time of your retirement.

WASHINGTON STATE PLUMBING AND PIPEFITTING INDUSTRY PENSION PLAN

PLAN DOCUMENT

Restated and Adopted as of January 1, 2026

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SECTION 1.
Name and Effective Date

1.01 NAME

The name of this Pension Plan is the Washington State Plumbing and Pipefitting Industry Pension Plan. For brevity, the term "Plan" is used herein to refer to such pension plan.

1.02 RESTATED PLAN.

This Plan Document, effective January 1, 2026, is a restated and revised pension plan which amends a Plan originally established as of January 1, 1962, and which has been subsequently amended from time to time after that date.

1.03 EFFECTIVE DATE.

The Plan commenced on, and its original Effective Date is January 1, 1962. The Plan has been amended and restated at various times since its commencement. The most recent Restatement of the Plan prior to this Restatement was January 1, 2018. A Participant's participation, eligibility for benefits, benefits, and other rights under the Plan shall be determined by the provisions of the Plan that are in effect at the date his/her rights under the Plan are to be determined, which generally will be the date of his/her termination of employment, retirement or death.

SECTION 2.
General Definitions

2.01 BENEFICIARY means any person who is receiving any benefits under the Plan.

2.02 BOARD means the Board of Trustees of the Washington State Plumbing and Pipefitting Industry Pension Trust.

2.03 COLLECTIVE BARGAINING AGREEMENT means any labor agreement between a Union and an Employer, which requires or has required the Employer to make contribution to the Trust Fund for the benefit of its employees.

2.04 CONTIGUOUS NON-COVERED SERVICE means service by a Participant for an Employer in a work category for which no Contributions are required to be made to the Plan, and that non-covered service precedes or follows Covered Employment with that particular Employer and no quit, discharge or retirement occurs between such Covered Employment and non-covered service with that particular Employer.

2.05 CONTRIBUTIONS mean the amounts payable to the Plan by Employers.

2.06 COVERED EMPLOYMENT means:

(a) Prior to January 1, 1962:

- (i) Employment in the Industry as defined in the Collective Bargaining Agreement; or
- (ii) Employment by the Union or its affiliated Locals as provided herein; or
- (iii) Service in the Armed Forces of the United States under Selective Service, or during a war, or international police action, if service was entered from Covered Employment as defined herein.

(b) After January 1, 1962: Employment by an Employer, as defined herein, who has satisfied the requirements of participation as established by the Board and who has expressly or impliedly agreed to be bound by the terms of the Plan and Trust Agreement and who is paying into the Trust Fund for the benefit of Employees under the terms and provisions of the Plan and Trust Agreement.

2.07 EMPLOYER means any corporation, business organization, individual or association who has duly executed a Collective Bargaining Agreement with the Union, who was as of January 1, 1962, required, or has since become and is now required, or who hereafter may be required, to make payments into the Trust Fund or who satisfies requirements for participation herein as established by the Board and agrees to be bound by the terms of the Plan and Trust Agreement.

2.08 EMPLOYEE means any employee of any Employer whose work or work classification is covered by a Collective Bargaining Agreement with the Union and for whom Contributions are made to this Plan. The Trustees shall have the authority to establish the rules and regulations to determine when, and to what extent, Employees who are stockholders, officers or directors of closely-held corporations are working in classifications covered by a Collective Bargaining Agreement. The term shall also include employees of any of the following if their employers elect to include such employees as Participants in this Plan: full time salaried employees of the Union, Health and Welfare Trust, the Apprentice Training Fund, the Vacation Trust, the Washington State Association of the U.A., this Trust or any other council, group or board established or formed as a result of a Collective Bargaining Agreement between any one or all of the Unions and any Employer, any full time salaried Coordinator of the Seattle Area Joint Apprenticeship and Training Fund; and at the discretion of the Trustees, any other employee working in a capacity that associates the Employee with the plumbing and pipefitting industry. If the Union, this Trust or other above-named entity makes contributions for those employees based on their salaries or wages, those contributions shall be on the same basis as provided for other Employees in the Plan and Trust Agreement.

2.09 HOUR OF SERVICE means the following:

- (a) Each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the Employer during the applicable computation period.
- (b) Each hour for which an Employee is paid, or entitled to payment, by the Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. Notwithstanding the preceding sentence,
 - (i) Except for qualified military service in conformity with Section 13.11 of the Plan, no more than 501 Hours of Service are required to be credited under this paragraph to an 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);
 - (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 solely for the purpose of complying with applicable workmen's compensation, or unemployment compensation or disability insurance laws; and

- (iii) Hours of Service are not required to be credited for a payment which solely reimburses an Employee for medical or medically related expenses incurred by the Employee.

For purposes of this paragraph, a payment shall be deemed to be made by or due from an Employer regardless of whether such payment is made by or due from the Employer directly, or indirectly through, among others, a trust fund, or insurer, to which the Employer contributes or pays premiums and regardless of whether contributions made or due to the trust fund, insurer or other entity are for the benefit of particular Employees or are on behalf of a group of Employees in the aggregate.

- (c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. The same Hours of Service shall not be credited both under Paragraph (a) or Paragraph (b), as the case may be, and under this paragraph.
- (d) Each hour of Contiguous Non-Covered Service.

The determination of Hours of Service for reasons other than the performance of duties, and the crediting of Hours of Service to computation periods shall be in accordance with the Department of Labor Regulations 2530.200b-2(b) and (c).

No Hours of Service prior to January 1, 1962, shall be granted to any Participant except for periods for which a Past Service Credit is awarded.

2.10 NORMAL RETIREMENT AGE means the earlier of:

- (a) The time a Participant attains 65 years of age and is Vested; or
- (b) The later of:
 - (i) The time a Participant reaches age 65, or
 - (ii) The fifth anniversary of the time a Participant began participation in the Plan; or
- (c) The time when a Participant has reached 65 years of age and has earned five or more Service Credits, not taking into consideration any Service Credits that have been forfeited prior to the effective date of this subparagraph (c) which is January 1, 1994.

The beginning date for calculating a Participant's anniversary of participation in the Plan, shall be the later of (A) his/her initial participation date in the Plan, or (B) his/her reentry date as a Participant after a Break in Service being established as set forth in Section 9.02.

2.11 **PARTICIPANT** means any Employee, or anyone else, either of whom has accumulated at least one Hour of Service under the Plan. A person shall first become a Participant when he/she performs an Hour of Service for an Employer which obligates that Employer to make Contributions for him/her to the Plan under the terms of a Collective Bargaining Agreement. However, subject to the exception below, no one shall be deemed a Participant at the end of any Plan Year if he/she has not to that date accumulated at least 300 Hours of Service in any one Plan Year which have not been lost because of a Break in Service.

If any person's Hours of Service were earned while a Visitor, as that term is defined below, then he/she shall not be deemed a Participant until he/she has accumulated in any one Plan Year, which have not been lost because of a Break in Service, at least 870 Hours of Service.

"Visitor" shall be defined as a person who is working in the jurisdiction of the Union under dispatch from a local other than those set forth in Section 2.21.

2.12 **PLAN** means this Pension Plan, together with all amendments which hereafter may be adopted by the Trustees.

2.13 **PLAN YEAR** means any calendar year subsequent to the calendar year 1961.

2.14 **RETIRED EMPLOYEE OR PARTICIPANT** means any Participant who has terminated his/her employment and is receiving retirement benefits under the Plan.

2.15 **SERVICE CREDITS** means the sum of an Employee's Past Service Credits, if any, and the Employee's Future Service Credits.

2.16 **TRUST** means the Washington State Plumbing and Pipefitting Industry Pension Trust, as originally established on December 31, 1961, pursuant to an amendment to a Collective Bargaining Agreement on September 9, 1961, between certain Employers and the Union, and as from time to time subsequently amended and as hereafter may be amended.

2.17 **TRUSTEES** means the trustees of the Trust identified in Section 2.16.

2.18 **TRUST AGREEMENT** means that certain agreement executed on December 31, 1961, effective as of January 1, 1962, between the Board of Negotiators of the Washington State Plumbing and Pipefitting Industry and the Washington State Association of the U.A., and as from time to time subsequently amended and as hereafter may be amended.

2.19 **TRUST FUND** means all property and money held by the Board pursuant to the Trust Agreement.

2.20 **U.A.** means, and is the abbreviation for, the United Association of Journeymen and Apprentices of the Plumbing & Pipefitting Industry of the United States and Canada, AFL-CIO.

2.21 **UNION** means Local 32, Local 598 and the Plumbing & Pipefitting Council of the Northwest ("PPC") representing Locals 26 and 44. All those Locals are affiliated with the U.A.

2.22 **WASHINGTON STATE ASSOCIATION** means that certain organization of Local Unions of the U.A. that have, or have had, their home offices in the State of Washington.

2.23 YEAR OF SERVICE after December 31, 1961 means a Plan Year in which a Participant earns at least 870 Hours of Service and Year of Service prior to January 1, 1962, means a calendar year for which a Participant has earned a Past Service Credit. Whole or fractional Years of Service shall be earned on the basis of earning the following Hours of Service in a Plan Year:

Hours of Service Earned <u>During the Plan Year</u>	<u>Years of Service</u>
Less than 300	.00
300 but less than 500	.25
500 but less than 870	.50
870 or more	1.00

2.24 OMITTED CONTRIBUTIONS means:

- (a) Prior to January 1, 1982: OMITTED CONTRIBUTIONS means a Contribution that should have been made to the plan by an Employer for a Participant while that Participant was working in Covered Employment after December 31, 1979, and prior to January 1, 1982, but was not made because the Employer was deemed to be insolvent. Only those Hours of Service incurred within three months before an Employer is deemed to be insolvent shall be "Omitted Contributions." If any Participant consents to, or has knowledge of, a method of payment of compensation or fringe benefits to him/her which is contrary to the terms of any applicable Collective Bargaining Agreements, then the Participant will have no right to later claim that as a result he/she should be credited with Omitted Contributions from that Employer.
- (b) After December 31, 1981: OMITTED CONTRIBUTIONS means a Contribution that should have been made to the Plan by an Employer for a Participant while that Participant was working in Covered Employment after December 31, 1981, but for any reason was not made by that Employer.

2.25 QUALIFIED DOMESTIC RELATIONS ORDER means a domestic relations order of a state court that conforms to the requirements of Section 414(p) of the Internal Revenue Code and any regulations thereunder and which provides for child support, alimony payments or marital property rights to a spouse, former spouse, child or other dependent of a Participant and which recognizes the existence of an Alternate Payee's right to, or assigns to an Alternate Payee the right to, receive all or a portion of the benefits payable to a Participant under the Plan, contains certain required information, does not alter the amount or form of benefits otherwise payable under the Plan, and does not require the payment of benefits to an Alternate Payee which are required to be paid to another Alternate Payee under a previous Qualified Domestic Relations Order.

2.26 ALTERNATE PAYEE means a person who is entitled to payment of benefits under the Plan in conformity with the provisions of a Qualified Domestic Relations Order.

2.27 PRESENT VALUE means:

- (a) For benefits earned before January 1, 2018, the actuarial equivalent of a payment or series of payments of equal present value, when computed on the following basis. The interest rate used shall be the "applicable interest rate" described in subparagraph 417(e)(3)(C) of the Internal Revenue Code for the month of November immediately preceding the calendar year in which the distribution is made, and the mortality table shall be the "applicable mortality table" described in subparagraph 417(e)(3)(B) of the Code.

(b) For benefits earned on and after January 1, 2018, the actuarial equivalent of a payment or series of payments of equal present value, when computed on the following basis. The interest rate shall be the Hurdle Rate, and the mortality table shall be the “applicable mortality table” described in subparagraph 417(e)(3)(B) of the Code.

2.28 **SPOUSE** means a person to whom a Participant is legally married. Spouse shall include an individual married to a person of the same sex if the individuals are legally married under a state law authorizing the marriage of the two individuals of the same sex, even if the married couple is domiciled in a state that does not recognize the validity of same sex marriages.

2.29 **INDUSTRY** means any type of work in which signatory employers are engaged.

2.30 **TRADE OR CRAFT** means the skill or skills learned during a significant period of training or practice and is/are applicable to an occupation or job classification.

SECTION 3.
Definitions of Past and Future Service Credits

3.01 PAST SERVICE CREDIT.

(a) Eligibility.

Any Participant shall be eligible to receive Past Service Credit, if he/she has completed one hour of Covered Employment after December 31, 1959, and before January 1, 1962, for an Employer who had in effect a Collective Bargaining Agreement with a Local which was a member of the Washington State Association and if at the time of completion of that one hour, he/she was a member of a Local affiliated with the Washington State Association, or he/she was a non-Union employee whose work or work classification was covered by a Collective Bargaining Agreement with a Local affiliated with the Washington State Association.

(b) Computation.

Any Participant who has satisfied the eligibility requirements set forth in Paragraph (a) above shall receive one Past Service Credit for each calendar year that he/she satisfied both Paragraphs (i) and (ii) below:

- (i) The Participant was a member of a Local affiliated with the Washington State Association, or if a non-Union employee, the Participant was employed by an Employer in a work classification which was covered by a Collective Bargaining Agreement with the Union; and
- (ii) The Participant worked at least one day for any Employer in the Industry in a work category covered by a Collective Bargaining Agreement whether or not such Employer had in effect a Collective Bargaining Agreement with a Local which was a member of the Washington State Association.

In making this computation, an Employee shall only receive credit for his/her last period of

continuous Covered Employment. For this purpose, continuous Covered Employment means Covered Employment prior to January 1, 1962, that is not interrupted by a calendar year during which such Participant failed to work in Covered Employment one full day unless that failure was for either of the causes set forth in Section 9.03(a) or 9.03(b). No Participant shall receive more than ten Past Service Credits.

(c) "Collective Bargaining Agreement".

As used in this Section 3.01 "Collective Bargaining Agreement" shall be defined as a collective bargaining agreement in the building and construction trades only.

3.02 FUTURE SERVICE CREDIT.

Future Service Credit shall be credit earned for a period of service of an Employee beginning on or after January 1, 1962. For each Plan Year in which an Employee has earned Hours of Service he/she shall receive, for vesting purposes and for the purposes of calculating eligibility for retirement benefits, the whole or fractional Future Service Credits determined under Schedule 1 below; or in the alternative, his/her Future Service Credits may be calculated in accordance with Schedule 2 below.

(a) Schedule 1.

Hours of Service Earned <u>During the Plan Year</u>	<u>Future Service Credit</u>
Less than 300	.00
300 but less than 500	.25
500 but less than 870	.50
870 or more	1.00

(b) Schedule 2.

- (i) All Hours of Service earned during the calendar years 1962 through 1968 shall be added together and divided by 1,500.
- (ii) All Hours of Service earned on or after January 1, for 1969 and subsequent years shall be added together and divided by 1,400.
- (iii) The quotients obtained in sub-paragraphs (i) and (ii) above shall be added together to determine a Participant's Future Service Credits under this alternative method of computation.
- (iv) Provided, this Schedule 2 method of computing eligibility for retirement benefits and for vesting may only be used when a Participant, who is otherwise eligible for benefits as set forth in Section 4 of this Plan, has:
 - (1) If applying for Disability Retirement Benefits because of a disability incurred after January 1, 1981, at least five years of continuous service, or
 - (2) If applying for other retirement benefits,

- (A) at least ten years of continuous service; or
- (B) at least five (5) years of continuous service ending after December 31, 1993.

Continuous service shall be defined for this sub-paragraph as five or ten calendar years, as the case may be, which have not been interrupted by a Break in Service as defined in the Plan, made up of Years of Service prior to January 1, 1962, and/or Plan Years after December 31, 1961, in which the Participant has earned at least one Hour of Service.

SECTION 4. **Eligibility for Retirement Benefits**

4.01 NORMAL RETIREMENT BENEFITS.

(a) Eligibility.

A vested Participant shall be eligible for Normal Retirement Benefits the first day of the month next following the month in which he/she retires or the first day of the month following the month in which he/she files application with the Board, whichever is later, and provided he/she has then attained Normal Retirement Age as defined in Section 2.10 of this Plan.

(b) Commencement - Participant Who Has Retired.

A Participant who has retired shall begin to receive his Normal Retirement Benefits as of the month in which he/she is eligible as set forth above in (a).

(c) Commencement - Non-Retired Participant – Required Minimum Distributions.

(i) Five Percent Owner.

If a Participant is a 5% owner as defined in Section 416 of the Internal Revenue Code and is eligible to receive his Normal Retirement Benefits, and has reached age 70.5 before January 1, 2020 but has not retired, then the Participant's benefits shall commence as of the first day of the month following the month in which he/she reaches 70.5 years of age. If a Participant does not reach age 70.5 before January 1, 2020 then the Participant's benefits shall commence no later than April 1 of the year after the Participant reached age 72. Effective January 1, 2023, a Participant's benefits shall commence no later than April 1 of the year following the year in which the Participant reaches age 73. Effective January 1, 2033, a Participant's benefits shall commence no later than April 1 of the year following the year in which the Participant reached age 75.

(ii) Non-Five Percent Owner.

If a Participant who is not receiving benefits under the Plan, is eligible to receive his/her Normal Retirement Benefits, and has reached the age of 70.5 years between December 31, 1995 and January 1, 2020, but has not retired, then he/she shall have

the option to begin receiving benefits beginning as of the first day of the month following the month in which he/she reaches 70.5 years of age or to defer those benefits to no later than the first day of the month following the month in which he/she retires. Once a Participant who has not retired, has elected to begin to receive those benefits he/she may not elect to defer payment of those benefits in the future. If a Participant is not age 70.5 before January 1, 2020, then this paragraph shall apply beginning April 1 following the year in which the Participant reaches age 72. Effective January 1, 2023, this paragraph shall apply beginning April 1 of the year following the year in which the Participant reaches age 73. Effective January 1, 2033, this paragraph shall apply beginning April 1 of the year following the year in which the Participant reaches age 75.

4.02 EARLY RETIREMENT BENEFITS.

A Participant shall be eligible for Early Retirement Benefits on the first day of the month next following the month in which he/she retires or the first day of the month following the month in which he/she files application with the Board, whichever is later, and provided he/she has:

- (a) Reached 55 years of age, and
- (b) Earned 5 or more Service Credits, not taking into consideration any Service Credits that have been forfeited prior to the effective date of this subparagraph (b) which is January 1, 1994.

4.03 DISABILITY RETIREMENT BENEFITS.

(a) Eligibility.

After May 31, 2005, a Participant must be under 55 years of age to be eligible for Disability Retirement Benefits and once he reaches 55 years of age, he/she will be treated as an Early Retiree. Any Participant who is otherwise eligible for Disability Retirement Benefits and is 55 years of age or older must apply for Early Retirement benefits.

A Participant shall be eligible for Disability Retirement Benefits if he/she has made application therefore, sustained a total and permanent disability accepted as such by the Board and satisfied the requirements of subparagraph (i). The Participant must also satisfy the requirements of either subparagraph (ii) or (iii), and also (iv) or (v), below:

- (i) the Participant has earned 5 or more Service Credits; and,
- (ii) If the Participant has submitted his/her application for Disability Retirement after December 31, 2003, the following shall apply to determine eligibility:
 - (1) The Participant has worked in Covered Employment (including working outside the area under the terms of a reciprocal agreement and contributions on his/her behalf are received by the Plan) and/or Contiguous Non-Covered Service and earned at least one Year of Service in the twenty-four-month period prior to the date in which he/she first applies for Disability Retirement Benefits; or

- (2) The Board of Trustees shall have the authority to waive Section (1) above if in their absolute judgment, based upon the submission of medical evidence, determine the Participant's disability during the twenty-four month period prior to the date in which he/she first applies for benefits prevented him/her from earning one Year of Service, and the Participant has earned any Hours of Service during the forty-eight month period prior to the date in which he/she first applies for Disability Retirement Benefits.
- (3) The Participant first applies for disability benefits within three months after a period of qualified military service.
- (iii) After February 15, 2014, the following shall also apply to determine eligibility for a Disability Retirement Benefit. A participant may be eligible for a Disability Retirement Benefit if, the Participant worked in the geographic area of this Plan, under any United Association agreement or in other employment for the Union or other Union affiliated organization, for at least 500 hours in the twenty-four month period prior to the date on which the participant first applied for Disability Retirement Benefits under this Plan, or, if the Participant was unable to meet this requirement due to the disability, if the Participant worked at least one hour of such work in the 48-month period prior to first applying for Disability Retirement Benefits.
- (iv) The disability must last for at least a six-month period ending at the later of the following times:
 - (1) Six months after the date of the occurrence of disability; or
 - (2) A six-month period ending at the time the Participant first filed application for disability benefits; or
- (v) The Participant dies within the six-month period set forth in subparagraph (iv).

No Participant shall be eligible to apply for and receive Disability Retirement Benefits if he/she is drawing Early or Normal Retirement Benefits under the Plan; and no Participant shall be eligible to apply for and receive Disability Retirement Benefits if he/she is eligible to receive Normal Retirement Benefits under the Plan.

(b) Definition of Disability.

For the purpose of determining eligibility for total and permanent Disability Retirement Benefits, the term "Total and Permanent Disability" shall mean inability to work in the trade or within a Closely Related Industry, by reason of a medically determinable impairment that may be expected to be of long, continued or indefinite duration. As used in this paragraph, working as a plumbing inspector, mechanical inspector or training instructor shall not be classified as working within a Closely Related Industry.

(c) Accrual of Disability Benefits.

Disability Retirement Benefits shall accrue as of the first day of the month next following the month in which disability occurred or as of the first day of the twelfth (12th) month prior to the month in which a Participant first filed application for Disability Retirement Benefits, whichever is later. That accrual date shall be referred to as the "effective date of disability".

(d) Commencement of Disability Retirement Benefits.

A Participant who has met the requirements entitling him/her to Disability Retirement Benefits and has filed application therefore shall be required, before receiving any Disability Retirement Benefit payments, to wait a period of six (6) months from the effective date of his/her disability (the "6-month waiting period") or if the Participant's effective date of disability is prior to the date on which he/she first made application for benefits, then upon the later of six (6) months from the effective date of disability or the time required after application to receive all documentation in order to approve eligibility for Disability Retirement Benefits. There shall be an exception if the Participant has a terminal condition which will probably result in death before the end of the 6-month waiting period. In the latter event, the Board, in its discretion, may waive the 6-month waiting period and immediately commence Disability Retirement payments based on the effective date of disability.

(e) Commencement After Qualified Military Service.

Notwithstanding the language set forth above in Sections 4.03(c) and (d), if a Participant first applies for Disability Retirement Benefits within three months after a period of qualified military service, the effective date of disability shall be as of the later of the first day of the month next following the month in which disability occurred or the first day of the month following the month in which he/she was discharged from qualified military service.

(f) Initial Review of Disability Cases.

The Board shall require that each Participant applying for Disability Retirement Benefits provide medical certification at the time of submitting application for total and permanent disability. The Plan may require the Participant, at the Plan's expense, to submit to an examination by a physician, surgeon or psychiatrist designated by the Board. As of the end of the six month waiting period the Board may again require medical certification as to the Participant's total and permanent disability at that date.

(g) Certification of Continued Disability.

Once the Board has approved a Participant's application for Disability Retirement Benefits, and the Participant is receiving those benefits, the Board may, at its option, require one or both of the following from the disabled Participant:

- (i) Medical certification by a physician, surgeon or psychiatrist of the continuance of the disability, but that proof shall not be required more frequently than once every twelve months.
- (ii) A certification by the Participant, but not more frequently than every three months, that he/she is still totally and permanent disabled and setting forth the details of any gainful employment.

The payment of benefits may be suspended when either of the foregoing reports have not been timely furnished by the Participant. In addition, the Board may require the Participant to submit to a physical examination to be given by a physician, surgeon or psychiatrist designated by the Board at the expense of the Plan. In the event that the Board finds that the disabled

Participant has recovered from the disability prior to his/her Normal Retirement date - to the extent that the Participant may engage in substantial, gainful activity - the Board shall determine the month in which he/she has so recovered. The Participant's entitlement to Disability Retirement Benefits shall then terminate as of the last day of the month in which the disability no longer exists and any payments received by a Participant for a period beyond that date shall be returned to the Trust Fund.

The term "medical certification" as used in this Section 4.03 shall mean certification by a physician, surgeon or psychiatrist who is a qualified specialist in the illness, disorder or injury which is the cause of Participant's disability.

(h) Return to Disability Retirement.

If Disability Retirement Benefits to a Participant are suspended, then if the Participant within three (3) years after the date of such suspension once again applies for Disability Retirement Benefits, and is then under 55 years of age or applied for Disability Retirement Benefits before June 1, 2005, and is eligible to receive such benefits, based on the primary cause of his/her disability being the same disability for which he/she was formerly eligible for benefits, then,

- (i) The Participant will not be required, as a part of his eligibility requirements, to have been disabled for a period of six months after the date of the reoccurrence of that same disability, or for a six-month period ending at the time he/she again filed application for Disability benefits, whichever occurs later; and
- (ii) The Participant will not be required to wait six months from and after the date of the reoccurrence of that same disability before receiving any Disability Retirement Benefit Payments.

The Participant shall be required to submit a new application with a medical certification and to otherwise qualify for Disability Retirement Benefits as anyone first applying for those benefits; provided, however, the Participant shall not be able to change his form of benefit unless he/she has worked at least 500 hours in the period prior to reapplication for benefits or has been gainfully employed during a period of at least twelve months prior to reapplication for benefits and for that twelve-month or more period has not received any Disability Retirement Benefits.

4.04 FORFEITED SERVICE CREDITS.

No service credits which have been forfeited as the result of a Break in Service being established as set forth in Section 9.02 shall be used in calculating eligibility for Normal, Early or Disability Retirement Benefits.

SECTION 5.
Computation of Monthly Benefit Base

5.01 MONTHLY BENEFIT BASE.

A Participant's Monthly Benefit Base as that term is used in this Plan shall be equal to the sum of:

Paragraphs (a), (b), (c), (d), (e), (f), (g), (p), (q) and (r) below and shall be adjusted in accordance with:

Paragraphs (h), (i), (j) (k) (l) (m) and (n) below.

(a) \$3.00 per month per year of Past Service Credit, but not to exceed ten years of Past Credit Service.

(b) For Plan Years 1962 through 1968:

A monthly amount for each year based on the amount of hours worked in each Plan Year beginning with the year 1962 and ending with the year 1968, while a Participant under the Plan. That monthly amount for each Plan Year shall be computed as follows:

Number of Hours Worked by a Participant in a Plan Year	Monthly Amount for Each Plan Year		
	For each of the Following Plan Years: 1962 1963, and 1964	For each of the Following Plan Years: 1965, 1966, 1967 and 1968	
		None	None
Less than 300	None		
300 but less than 700	\$0.94		\$ 1.40
700 but less than 1100	1.88		2.80
1100 but less than 1500	2.82		4.20
1500 but less than 1900	3.75		5.60
1900 or more	3.75		7.00

(c) For Plan Years 1969 through 1978:

A monthly amount computed by multiplying the dollar amount of all Contributions made to the Plan on behalf of a Participant for Hours of Service earned from January 1, 1969, to January 1, 1979, by a factor of .0210.

(d) For the Plan Year 1979:

A monthly amount computed by multiplying the dollar amount of all Contributions made to the Plan on behalf of a Participant for Hours of Service earned from January 1, 1979, to January 1, 1980, by a factor of .0225.

(e) For the Plan Year 1980:

A monthly amount computed by multiplying:

(i) The dollar amount of all Contributions made to the Plan on behalf of a Participant, and

(ii) The dollar amount of all Omitted Contributions relating to a Participant for Hours of Service earned from January 1, 1980, to January 1, 1981, by a factor of .0225.

(f) For the Plan Years 1981 through 1989:

A monthly amount computed by multiplying:

- (i) The dollar amount of all Contributions made to the Plan on behalf of a Participant, and
- (ii) The dollar amount of all Omitted Contributions relating to a Participant for Hours of Service earned from January 1, 1981 to January 1, 1990, by a factor of .023.

(g) For the Plan Year 1990 through June 30, 2003:

A monthly amount computed by multiplying:

- (i) The dollar amount of all Contributions made to the Plan on behalf of a Participant, and
- (ii) The dollar amount of all Omitted Contributions relating to a Participant for Hours of Service earned beginning January 1, 1990 through June 30, 2003, by a factor of .025.

(h) All benefits earned by Participants through December 31, 1982, as computed in Paragraphs (a) through (f) above, shall be increased by 18%.

(i) All benefits earned by Participants through December 31, 1985, as computed in Paragraphs (a) through (f) above and in Paragraph (h), shall be increased by 8%. The increase set forth in this Paragraph (i) shall be in addition to the increase set forth in Paragraph (h).

(j) All benefits earned by Participants through December 31, 1989, as computed in Paragraphs (a) through (f) above and in Paragraphs (h) and (i) above, shall be increased by 5%. The increase set forth in this Paragraph (j) shall be in addition to the increases set forth in Paragraphs (h) and (i).

(k) All benefits earned by Participants through December 31, 1993, as computed in Paragraphs (a) through (j) above, shall be increased by 5%. The increase set forth in this Paragraph (k) shall be in addition to the increases set forth in Paragraphs (h), (i) and (j).

(l) All benefits earned by Participants through December 31, 1996, as computed in Paragraphs (a) through (k) above, shall be increased by 3%. The increase set forth in this Paragraph (l) shall be in addition to the increases set forth in Paragraphs (h), (i), (j) and (k).

(m) All benefits earned by Participants through December 31, 1998, as computed in Paragraphs (a) through (l) above, shall be increased by 3%. The increase set forth in this Paragraph (m) shall be in addition to the increases set forth in Paragraphs (h), (i), (j), (k) and (l).

(n) All benefits earned by Participants through December 31, 1999, as computed in Paragraphs (a) through (m) above, shall be increased by 3%. The increase set forth in this Paragraph (n) shall be in addition to the increases set forth in Paragraphs (h), (i), (j), (k), (l) and (m).

- (o) A Participant shall receive no benefits for Service Credits, Hours worked in any Plan Year or Contributions which have been forfeited as the result of a Break in Service having occurred as set forth in Section 9.02.
- (p) Beginning July 1, 2003 and subsequently thereafter:
 - A monthly amount computed by multiplying:
 - (i) The dollar amount of all Contributions made to the Plan on behalf of a Participant; and
 - (ii) The dollar amount of all Omitted Contributions relating to a Participant for Hours of Service earned beginning July 1, 2003, by a factor of .015.
- (q) For the Plan Year 2006, the benefit accrual factor in paragraph (p) above shall be increased from 1.5% to 2%.
- (r) For the period July 1, 2003 through December 31, 2003, the benefit accrual factor in paragraph (p) above shall be increased from 1.5% to 2.5%.
- (s) For hours of service earned beginning June 1, 2009 and ending December 31, 2017:
 - (i) A monthly amount computed by multiplying, by a factor of 1.0%:
 - (1) The dollar amount of all Contributions made to the Plan on behalf of a Participant; and
 - (2) The dollar amount of all Omitted Contributions relating to a Participant for Hours of Service earned beginning June 1, 2009.
- (t) Effective June 1, 2009, through December 31, 2023, 33% of the contributions based on the contribution rate effective immediately before June 1, 2009 will be excluded for benefit accrual purposes.
- (u) Subject to subparagraph (t), for hours of service earned beginning January 1, 2018:
 - (i) A monthly amount for contribution rates in effect as of December 31 2017 computed by multiplying, by a factor of 0.60%:
 - (A) The dollar amount of all Contributions made to the Plan on behalf of a Participant; and
 - (B) The dollar amount of all Omitted Contributions relating to a Participant for Hours of Service earned beginning January 1, 2018; and
 - (ii) A monthly amount for contribution rate increases taking effect on or after January 1, 2018 computed by multiplying the rate increase by a factor of 0.80%:
 - (A) The dollar amount of all Contributions made to the Plan on behalf of a Participant; and
 - (B) The dollar amount of all Omitted Contributions relating to a Participant for Hours of Service earned beginning January 1, 2018.
- (v) For Retirees, surviving spouses and Alternate Payees in monthly pay status in calendar year 2023,

a Thirteenth (13th) monthly benefit payment will be made, equivalent to the monthly benefit earned up to December 31, 2017 under the traditional, or legacy, plan design. This is a one-time, non-recurring benefit increase.

(w) Effective on and after January 1, 2024, the 33% of the contribution rate previously excluded from the accrual in subparagraph (t) is restored, and subject to Section 5.02, the benefit accrual is determined by multiplying the dollar amount of Contributions and Omitted Contributions earned by a Participant by:

- (i) A monthly amount based on the contribution rates in effect as of December 31, 2017 minus 33% of the contributions based on the contribution rate effective immediately before June 1, 2009, multiplied by a factor of 0.60%, and
- (ii) A monthly amount based on contribution rate increases taking effect on or after January 1, 2018 plus 33% of the contributions based on the contribution rate effective immediately before June 1, 2009, multiplied by a factor of 0.80%.

(x) Thirteenth (13th) Benefit Payment - 2024

For the Retirees and their Spousal Beneficiaries in monthly pay status in calendar year 2024, a Thirteenth (13th) monthly benefit payment will be made to each Retiree and Beneficiary, equivalent to their current monthly benefit earned up to December 31, 2017 under the traditional plan design. This is a one-time, nonrecurring benefit increase.

(y) Effective on and after January 1, 2026, the benefit accrual is determined by multiplying the monthly dollar amount of Contributions earned by a Participant by a factor of .85%.

(z) Thirteenth (13th) Benefit Payment - 2025

For Retirees, Surviving Spouses and Alternate Payees in monthly pay status in calendar year 2025, a Thirteenth (13th) monthly benefit payment will be made, equivalent to the monthly benefit earned up to December 31, 2017 under the traditional plan design. This is a one-time, non-recurring benefit increase.

5.02 SUSTAINABLE INCOME PLAN DESIGN BENEFITS.

(a) Sustainable Income Plan or SIP

Refers to the variable annuity benefit formula that applies to benefits earned on or after January 1, 2018. Consistent with IRS Revenue Ruling 185, 1953-2 CB 202, benefits earned on or after January 1, 2018 are provided based on a definitely determinable number of “shares” or “units” of interest (referred to as SIP Units) in the subset of assets from which the SIP Benefits are to be paid (referred to as SIP Assets), where the dollar amount of the benefit payable is periodically adjusted by reference to one plus the rate of return (referred to as the SIP Asset Return) divided by one plus the specified assumed interest rate (referred to as the Hurdle Rate), as described in IRS Regulation 1.411(a)(13)-1(d)(6).

(b) Hurdle Rate

The Hurdle Rate of 4% is the specified assumed interest rate to which the SIP Asset Return is compared in order to determine the SIP Unit Value Adjustment for a given year.

(c) SIP Contributions

Contributions annually allocated to SIP benefits, SIP reserves, and SIP operating expenses.

(d) SIP Assets

The accumulation of SIP Contributions with actual SIP Asset Returns and offset by any SIP benefit payments and any expenses allocated to the SIP portion of the Plan.

(e) SIP Asset Return

The market value investment return on Plan Assets for a Plan Year is determined using the following formula:

$$(2 \times I) / (A + B - I), \text{ where:}$$

“I” is the dollar amount of the investment return on Plan Assets for the Plan Year as calculated for Schedule MB purposes;

“A” is the market value of the Plan Assets on the first day of the Plan Year; and

“B” is the market value of Plan Assets on the first day of the following current Plan Year.

In the event that the asset allocation for the traditional and SIP benefits are different:

The SIP Asset Return will be determined using the market value investment return on SIP Assets for a Plan Year and the following formula:

$$(2 \times I) / (A + B - I), \text{ where:}$$

“I” is the dollar amount of the investment return on SIP Assets for the Plan Year;

“A” Is the market value of the SIP Assets on the first day of the Plan Year; and

“B” is the market value of SIP Assets on the first day of the following current Plan Year.

(f) SIP Unit Value

Effective January 1, 2018, the SIP Unit Value is \$10.0000. Each January 1 thereafter, the SIP Unit Value is adjusted by the SIP Unit Value Adjustment for the Plan Year:

SIP Unit Value for Plan Year = SIP Unit Value for the Prior Plan Year x SIP Unit Value Adjustment for the Plan Year

(g) SIP Unit Value Adjustment

(i) Annual SIP Unit Value Adjustment

Each January 1, the SIP Unit Value is adjusted by multiplying by the SIP Unit Value Adjustment which is equal to:

$$[(1 + \text{SIP Asset Return}) / (1 + \text{Hurdle Rate})]$$

For purposes of the above equation, the SIP Asset Return for the second Plan Year preceding the January 1 on which the SIP Unit Value is adjusted is used. For example, for a January 1, 2025, adjustment in SIP Unit Value the SIP Return for the Plan Year ending December 31, 2023, would be used.

The **Annual** SIP Unit Value Adjustment shall not exceed 8%.

(ii) January 1, 2026 Special SIP Unit Value Adjustment

Effective January 1, 2026, the SIP Unit Value will be increased by an additional adjustment of 15%. Therefore, the January 1, 2026, SIP Unit Value is equal to:

The December 31, 2025, SIP Unit Value x Annual SIP Unit Value Adjustment x 1.15.

(h) SIP Units

A Participant's SIP Units accrued in Plan Years beginning January 1, 2018 and later are equal to the Participant's Monthly Benefit Base earned in that year divided by the SIP Unit Value as of the first day of the Plan Year.

(i) SIP Benefit

A Participant's SIP Benefit on a given date is the accumulation of all SIP Units earned on and after January 1, 2018 multiplied by the SIP Unit Value on that date.

(j) SIP High Water Mark

As of January 1, 2018, the High Water Mark Benefit is \$0 for all participants. On any January 1, subsequent to January 1, 2018, the High Water Mark Benefit is the maximum of:

- (i) The current SIP Benefit, or
- (ii) The SIP Benefit on the prior January 1 plus any accruals for the Plan Year just ended (before the SIP Adjustment occurs), or
- (iii) The High Water Mark Benefit as of the prior January 1.

On any date other than January 1, the High Water Mark Benefit is the maximum of:

- (i) The current SIP Benefit, or
- (ii) The High Water Mark Benefit as of the preceding January 1.

(k) Annual SIP Benefit Determination

- (i) For the Plan Year commencing January 1, 2020 and ending December 31, 2020, in order to maintain High Water Mark benefit levels, a shore-up payment will apply for all participants receiving SIP benefits in the 2020 Plan Year.
- (ii) For the Plan Year commencing January 1, 2024, and ending December 31, 2024, in order to maintain High Water Mark benefit levels, a shore-up payment will apply for all participants receiving SIP benefits in the 2024 Plan Year.
- (iii) For the Plan year commencing January 1, 2025, and ending December 31, 2025, in order to maintain High Water Mark benefit levels, a shore-up payment will apply for all participants receiving SIP benefits in the 2025 Plan Year.

5.03 ADJUSTMENT TO MONTHLY BENEFIT.

If a Participant is receiving a benefit under the Plan, is over 65 years of age and earns Hours of Service, then as of the first day of the succeeding calendar year, the Participant's monthly benefit shall be adjusted to reflect any additional benefits earned during the past calendar year because of those Hours of Service. The Participant's retirement benefit shall then be adjusted to reflect those additional benefits earned by the Participant. If the Participant is receiving a joint and survivor annuity, then the additional benefit earned shall be calculated by taking into consideration the ages of the Participant and his/her spouse as of his original retirement date.

5.04 ACCRUAL ADJUSTMENT FOR DEFERRED BENEFIT.

The accrued benefit of a Participant who has not retired at Normal Retirement Age and continues to work, or returns to work after Normal Retirement Age, shall be the greater of the following:

- (a) An amount that is actuarially equivalent to the Monthly Benefit Base payable at Normal Retirement Age determined as of the deferred retirement date reduced by an amount that is actuarially equivalent to any benefits already paid after the Normal Retirement Age; or
- (b) The Monthly Benefit Base determined by taking into account all service and Contributions as of the deferred retirement date.

SECTION 6.
Amount and Form of Retirement Benefits

6.01 NORMAL RETIREMENT BENEFIT.

Upon Normal Retirement, a Participant will be entitled to a Normal Retirement Benefit which will be a monthly annuity equal to the actuarial equivalent of the Participant's Monthly Benefit Base and payable in the form of a 100% joint and survivor annuity during the life of the Participant with a survivor annuity for the life of his/her spouse. If the Participant is not married at the date of retirement, then he/she shall be entitled to a monthly annuity which will be equal to his/her Monthly Benefit Base.

6.02 EARLY RETIREMENT BENEFIT.

Upon Early Retirement, a Participant will be entitled to an Early Retirement Benefit which will be a monthly annuity, equal to the Normal Retirement Benefit earned to the date of such Early Retirement, reduced as follows:

(a) First Benefit Payment Prior to January 1, 1986.

If a Participant's first monthly benefit from Early Retirement is payable for a month beginning prior to January 1, 1986, then his monthly annuity shall be calculated as follows:

(i) Early Retirement Before Age 60.

If a Participant is under the age of 60 at the time of Early Retirement, then the Normal Retirement Benefit earned to the date of such Early Retirement, shall be reduced by the amount of 33-1/3% plus 5/18 of 1% for each calendar month by which such Participant is under the age of 60 at the time of Early Retirement.

(ii) Early Retirement After Age 60.

If a Participant is over the age of 60 at the time of Early Retirement, then the Normal Retirement Benefit earned to the date of such Early Retirement, shall be reduced by 5/9 of 1% for each calendar month by which such Participant is under the age of 65 at the time of Early Retirement.

(b) First Benefit Payment After December 31, 1985 and Prior to January 1, 1992.

If a Participant's first monthly benefit payment from Early Retirement is payable for a month beginning after December 31, 1985 and prior to January 1, 1992, then the Participant will receive a monthly annuity, based upon age at Early Retirement, which shall be equal to the following percentage of a Normal Retirement Benefit:

Early Retirement Age	Percentage of Normal Retirement Benefit
65	100.00%
64	100.00
63	100.00
62	100.00
61	93.33
60	86.67
59	83.33
58	80.00
57	76.67
56	73.33
55	70.00

The foregoing percentages will be interpolated to the exact monthly age of a Participant at the date of Early Retirement.

(c) First Benefit Payment After December 31, 1991 and Prior to January 1, 1994.

If a Participant's first monthly benefit payment from Early Retirement is payable for a month beginning after December 31, 1991 and prior to January 1, 1994, then the Participant will receive a monthly annuity, based upon age at Early Retirement, which shall be equal to the following percentage of a Normal Retirement Benefit:

Early Retirement Age	Percentage of Normal Retirement Benefit
65	100.00%
64	100.00
63	100.00
62	100.00
61	97.00
60	94.00
59	91.00
58	88.00
57	85.00
56	82.00
55	79.00

The foregoing percentages will be interpolated to the exact monthly age of a Participant at the date of Early Retirement.

(d) First Benefit Payment After December 31, 1993 and Prior to January 1, 2001.

If a Participant's first monthly benefit payment from Early Retirement is payable for a month beginning after December 31, 1993 and prior to January 1, 2001, then the Participant will receive a monthly annuity, based upon age at Early Retirement, which shall be equal to the following percentage of a Normal Retirement Benefit:

Early Retirement Age	Percentage of Normal Retirement Benefit
65	100.00%
64	100.00
63	100.00
62	100.00
61	97.50
60	95.00
59	92.50
58	90.00
57	87.50
56	85.00
55	82.50

The foregoing percentages will be interpolated to the exact monthly age of a Participant at the date of Early Retirement.

(e) First Benefit Payment After December 31, 2000.

If a Participant's first monthly benefit payment from Early Retirement is payable for a month beginning after December 31, 2000, then the Participant will receive a monthly annuity, based upon age at Early Retirement, which shall be equal to the following percentage of a Normal Retirement Benefit:

Early Retirement Age	Percentage of Normal Retirement Benefit
65	100.00%
64	100.00
63	100.00
62	100.00
61	98.00
60	96.00
59	93.50
58	91.00
57	88.50
56	86.00
55	83.50

The foregoing percentages will be interpolated to the exact monthly age of a Participant at the date of Early Retirement.

(f) Monthly Benefit Base Upon Subsequent Employment.

Any Participant who has retired Early, is subsequently employed, and subsequently earns Hours of Service, will accrue additional retirement benefits under Section 5.01 if those Hours of Service were earned after January 1, 1984. In addition, the Monthly Benefit Base upon which the Participant's most recent Early Retirement Benefit was based will be redetermined by dividing the amount of the Early Retirement Benefit he/she was receiving (life annuity form) by the Early Retirement factor applicable to his/her age at the time he returns to employment (when benefits are suspended). The Early Retirement factor used in this calculation shall be derived from whichever of Sections 6.02(a), (b), (c), (d) or (e) applied at the Participant's most recent Early Retirement date. The Participant's total Monthly Benefit Base will be the sum of the redetermined Monthly Benefit Base from prior employment and any additional accrued benefits after reemployment.

(g) Computation of Benefit Accrual Upon Subsequent Retirement.

When a Participant who is covered under Section 6.02(f) retires for the second or any later time, the Participant's monthly retirement benefits shall be equal to the Monthly Benefit Base as determined under Section 6.02(f), multiplied by the applicable reduction factor from Section 6.02(a), (b), (c), (d) or (e), whichever applies at the time of said second or later retirement.

(h) Restrictions Upon Subsequent Retirement.

The following restrictions shall apply when a Participant who has taken Early Retirement returns to Covered Employment and then subsequently retires:

- (i) The Participant must reapply for retirement benefits in order to cause payments to recommence; and
- (ii) If the form of benefit received at the time the Participant initially took Early Retirement was a joint and survivor annuity of some type, then the form of retirement benefit received at the time he/she initially took Early Retirement shall be the only form of benefit that he/she shall be entitled to upon subsequent retirement and the same person must be the named Beneficiary upon such subsequent retirement. The joint and survivor reduction factor used in calculating the amount of the Participant's new benefit shall be based on the ages of the Participant and his/her spouse at the original retirement date. If that Beneficiary is not then living and the Participant is not then married, or that Beneficiary was formerly the Participant's spouse, then the payments to the Participant shall be an annuity based only on his/her life; or
- (iii) If at the time the Participant returns to Covered Employment, he/she is married to a spouse who was not the Participant's spouse upon taking prior Early Retirement, then the Participant can elect any form of retirement benefits for that portion of benefits not payable to an Alternate Payee under the terms of a Qualified Domestic Relations Order.

6.03 DISABILITY RETIREMENT BENEFIT.

(a) Prior to June 1, 2005:

The Disability Retirement Benefit for a Participant who applies for those benefits prior to June 1, 2005 shall be a monthly annuity equal to such disabled Employee's Normal Retirement Benefit earned to the Participant's effective date of disability.

(b) After May 31, 2005:

The Disability Retirement Benefit for a Participant who applies for those benefits after May 31, 2005 and who is under 55 years of age at that time shall be a monthly annuity equal to the Early Retirement benefit he/she would have been eligible to receive if he/she had taken Early Retirement at age 55 based on benefits earned to the Participant's effective date of disability.

6.04 MINIMUM MONTHLY BENEFIT.

(a) Amount and Effective Date.

Effective June 1, 1977, each eligible retired Participant who is receiving, or thereafter will receive, a monthly retirement benefit shall receive at least \$100 per month. If an eligible retired Participant's form of benefit is a joint and survivor annuity, and/or if an eligible retired Participant elects, or has elected, Early retirement, then this \$100 minimum monthly benefit shall be actuarially adjusted to reflect that choice. If a retirement benefit is being paid to the spouse or dependent of a deceased eligible Participant, then this \$100 minimum monthly retirement benefit shall be actuarially adjusted to reflect that it is a joint and survivor annuity.

(b) Definition of Eligible Participant.

An eligible retired Participant, or eligible deceased Participant, shall be defined for the purposes of this Section 6.04 as a Participant who has, or had, at the time of his retirement:

- (i) If the Participant's retirement was Normal or Early Retirement, carried ten or more Service Credits, one of which was a Future Service Credit, or
- (ii) If the Participant's retirement was a Disability Retirement, earned ten or more Service Credits, five of which were Future Service Credits.

The definition of Past or Future Service Credit as used in this Section 6.04 shall be the definition as in effect at the Participant's date of retirement.

6.05 OPTIONAL FORMS OF RETIREMENT BENEFITS.

(a) Elective Forms.

In lieu of the normal forms of retirement benefits provided in Sections 6.01, 6.02 and 6.03, a retiring Employee may elect any of the following options on an actuarially equivalent basis:

(i) **Benefit Equal to Monthly Benefit Base.**

In lieu of the 100% joint and survivor annuities provided in Sections 6.01, 6.02 and 6.03, an Employee may elect a monthly annuity payable at retirement which will be payable for his/her life only in an amount equal to his/her Monthly Benefit Base.

(ii) **50% Joint and Survivor Annuity With a Participant's Spouse (Qualified Optional Spouse Annuity).**

A Participant may elect a monthly annuity commencing upon the date of retirement and continuing after death to the Participant's surviving spouse in an amount that is equal to 50% of the monthly annuity that he/she was receiving during his/her lifetime.

(iii) **Joint and Survivor Annuity With Other Than a Participant's Spouse.**

A Participant may elect a monthly annuity commencing upon the date of retirement and continuing after death to a designated Beneficiary in one of the following forms:

- (1) An annuity payable to a designated Beneficiary in the same monthly amount that the Participant was receiving during his/her lifetime (a "100% Joint and Survivor Annuity"); or
- (2) An annuity payable to a designated Beneficiary that is equal to 50% of the monthly payments that the Participant was receiving during his/her lifetime (a "50% Joint and Survivor Annuity").

A Participant who elects a form of payment under this Section may not change the designated Beneficiary later than the date retirement benefits commence.

(iv) **Single Life Pension with Ten Year Certain Payments.**

A Participant who is eligible for Normal, Early or Disability Retirement may elect to receive, in lieu of other forms of benefit payments, a monthly annuity payable at retirement which will be payable for the Participant's life but if he/she dies before receiving one hundred twenty (120) monthly payments, payments will continue to be made to the designated Beneficiary at the same rate until a total of 120 payments in all have been paid. If monthly payments are suspended and the Participant subsequently retires again or is eligible to again receive payments, those payments shall be calculated and made in conformity with this Section 6.05(a)(iv) and the total guaranteed payments shall never exceed 120 payments.

If a Participant's designated Beneficiary dies before the Participant, then the Participant shall be entitled to name another designated Beneficiary. If the Participant and the Participant's designated Beneficiary die before a total of 120 payments have been received, then the remaining guaranteed payments shall be made to the estate of the designated Beneficiary, if he/she was the last to die. If the Participant was the last to die, then the remaining guaranteed payments shall be payable in accordance with the terms of Section 12.06(c) and (d).

(v) **Discretionary Distribution.**

If the present value at retirement of a Participant's accrued benefit under the Plan does not exceed \$5,000, and has never exceeded \$5,000 at the time of any prior distribution, then at the election of the Participant, such benefit may be distributed to the Participant in one lump sum, or be paid by the Plan directly to another qualified plan or IRA for the benefit of the Participant. Present value shall be determined as set forth in Section 2.27 of this Plan.

6.06 PROVISIONS PERTAINING TO ALL JOINT AND SURVIVOR ANNUITY PAYMENTS OR OTHER OPTIONS.

- (a) Monthly benefit payments shall terminate with the payment for the month in which the last of the following occurs: The death of the Retired Participant or the death of the joint annuitant.
- (b) If the joint annuitant of a Retired Participant who has elected a joint and survivor annuity, dies after May 31, 1989, predeceasing the Retired Participant, then beginning with the month subsequent to the month in which the joint annuitant died, the Retired Participant shall receive a monthly annuity which will be equal to the Participant's Monthly Benefit Base. If the joint annuitant of a Retired Participant who has elected a joint and survivor annuity, died before June 1, 1989, predeceasing the Retired Participant, then beginning January 1, 1993, the Retired Participant shall receive a monthly annuity which will be equal to the Participant's Monthly Benefit Base. Provided, if the retiree had taken Early retirement, his Monthly Benefit Base will be reduced to take into consideration the date of his Early retirement in accordance with Section 6.02 of the Plan. Under no circumstances may a Participant name a second Beneficiary to replace the deceased joint annuitant. If a joint annuitant has predeceased a Participant after he/she has retired, then all benefit payments shall cease upon the Participant's death.
- (c) A Participant cannot select a 100% joint and survivor annuity with a non-spouse beneficiary who is more than ten years younger than the Participant.
- (d) Determination of the amount of the benefit payments to be made under any of the options contained in this Plan shall be made by the Board on the basis of the advice of an enrolled actuary, taking into account all pertinent factors such as age and sex of the Employee and (if applicable) the Employee's contingent annuitant and using generally accepted mortality tables and actuarial assumptions.
- (e) Any joint and survivor annuity payable under this Plan may be reduced by an amount which takes into account in any equitable manner (as determined by the Secretary of the Treasury or his delegate) any increased costs resulting from providing joint and survivor annuity benefits.
- (f) If a Participant, who has made application for retirement dies before the date benefits commence, then the Beneficiary shall receive the benefit that he or she would be entitled to receive as if a Pre-Retirement Annuity or Optional Annuity Benefit were payable under Section 7.01, 7.02 or 7.03.
- (g) If the contingent Beneficiary named by a Participant who has elected a joint and survivor annuity dies before benefits commence, the election of said benefits shall be void and said Participant upon retirement shall be entitled to receive, during the Participant's lifetime, retirement benefits as though no election had been filed.
- (h) If a Participant first retires after December 31, 1981, and:

- (i) After reaching the age of 65; or
- (ii) If a working Participant who has reached age 70.5 before January 1, 2020 first receives a benefit after age 70.5; or
- (iii) If a working Participant is not age 70.5 before January 1, 2020 and has reached age 72.
- (iv) Effective January 1, 2023, until December 31, 2032 if the Participant has reached age 73; or
- (v) Effective January 1, 2033 if Participant has reached age 75.

(except a Disability Retirement Benefit that was terminated before the Participant reached age 65), and elects a joint and survivor annuity with his/her spouse, then for purposes of calculating the amount of the annuity payable to the Participant, it will be assumed that the Participant was 65 years of age and his/her spouse was the same age that she/he was when the Participant was 65 year of age; provided, however, if the Participant married his/her spouse after reaching the age of 65, then the terms of this Paragraph (h) shall not apply in calculating the joint and survivor annuity.

- (i) All joint and survivor annuity payments or other options described in Section 6.05 shall be calculated, without regard to the sex of the Participant or other Beneficiary.
 - i. For benefits earned before January 1, 2018, the 1971 Group Annuity Mortality Table for Males shall be used when calculating joint and survivor annuity payments, other joint and survivor options or any other calculations of actuarial equivalency for male Participants, spouses or other Beneficiaries, and the 1971 Group Annuity Mortality Table for Females shall be used when calculating the joint and survivor annuity payments, other joint and survivor annuity options or any other calculations of actuarial equivalency for female Participants, spouses or other Beneficiaries. An interest rate of 6% shall be used under those 1971 mortality tables.
 - ii. For benefits earned on and after January 1, 2018, the Present Value basis specified in Section 2.27(b) will be used.
- (j) If a Retired Participant has elected a joint and survivor annuity with his/her spouse and the parties subsequently divorce or are legally separated and a Qualified Domestic Relations Order awards to the Participant's spouse, former spouse or another Alternate Payee an interest in the Participant's benefits under the Plan, then the Participant's benefits shall be recalculated, considering actuarial factors and benefits previously paid, to recognize that the Participant and his/her spouse, former spouse or other Alternate Payee will each be receiving an annuity from the Plan based on their lives only.
- (k) If a Participant names a Beneficiary under the Plan in accordance with Sections 6.05(a)(iii), 6.05(a)(iv) or 7.02, that designated Beneficiary cannot be more than one person.
- (l) If a Retired Participant who has elected a joint and survivor annuity is divorced, or has been divorced, and if in the divorce decree the former spouse relinquishes, or has relinquished all interest in benefits and rights under the Plan, then the retired Participant shall receive a monthly annuity for life which will be equal to the Monthly Benefit Base which begins at the later of the following time:

- (iv) The month subsequent to the month in which the divorce decree was entered in court; or
- (v) December 1, 1998.

Provided, if the retiree had taken Early Retirement, the Monthly Benefit Base will be reduced to take into consideration the date of Early Retirement in accordance with Section 6.02 of the Plan. Under no circumstances may a Participant name a second Beneficiary to replace his/her former spouse as a joint annuitant.

- (m) For benefits subject to Section 417(e), participants will be supplied with a notice as to the relative value of optional forms of benefits, under 417(a)(3).

6.07 SUSPENSION OF BENEFIT PAYMENTS.

(a) Normal Age Retirees.

Retirement benefits will be suspended for any month in which a Normal Retirement Age Retiree works 40 or more hours in Post Retirement Service.

Post Retirement Service is defined as employment:

- (i) Within the geographic area of the Plan which for purposes of this Section shall consist of the State of Washington, the State of Oregon and the State of Idaho;
- (ii) In a Trade or Craft in which the Retiree worked while in Covered Employment or in a supervisory position over the Trade or Craft in which the Retiree worked while in Covered Employment; and
- (iii) In the Industry, which includes work for or within the jurisdiction of the U.A. or its Local Unions and/or any business activity of the type in which contributing employers engage, whether or not the retiree's employer is contributing to the Plan.

(b) Early Retirees (Retired Prior to Age 65).

Early Retirement benefits will be suspended for any month in which an Early retiree works 40 or more hours in Post-Retirement Service, in any geographical area. For Early Retirees, this includes work:

- (i) In a Trade or Craft in which the retiree worked while in Covered Employment or in a supervisory position over a Trade or Craft in which the retiree worked while in Covered Employment;
- (ii) In the Industry as defined in Section 2.29 and 6.07(a)(iii); or
- (iii) In a Closely-Related Industry. Work in a Closely Related Industry is work for a governmental or quasi-governmental agency which is of the type of work which would otherwise be within the jurisdiction of the U.A. and/or work for a U.A. affiliated Local Union.

A disabled Retired Employee shall also be subject to the additional limitations set forth in

Sections 4.03(b), (f) and (g).

(c) Retirees Who Are Over Age 70.5.

The above notwithstanding, if the Retiree is over age 70.5, these suspension rules do not apply to the working Retiree.

(d) Disabled Retirees.

If a Participant has retired because of disability and is receiving a Disability Retirement Benefit, the Disabled Retiree shall not be entitled to retirement income payments for each month in which:

- (i) The disabled retiree works and earns an income, whether the income-producing work is inside or outside of the Trade of Craft, and/or within the Industry; or
- (ii) The Disabled Retiree has earnings from performing work as a plumbing inspector, mechanical inspector or training instructor, in or outside of the Trade, the Industry or a Closely-Related Industry which exceed a level as from time to time established by the Board.

A disabled retiree shall also be subject to the additional limitations set forth in Sections 4.03(b), (f) and (g).

(e) Notices and Verification of Status.

(i) Notice to Plan From Retired Employee.

A Retired Employee who is under 70.5 years of age must notify the Plan whenever he/she becomes employed, and must provide relevant information about his/her employment, so that the Trustees may determine if the Retiree's benefits should be suspended in accordance with this Section 6.07.

(ii) Request for Verification of Employment Status.

At such times and with such frequency as may be reasonable, the Board of Trustees may request that a Retired Employee certify that he/she is unemployed or provide factual information sufficient to establish that employment is not of the type that could result in suspension of benefit payments. If such information is not forwarded to the Administrative Office within 30 days after the request therefor, then future benefit payments may be withheld until such information is received.

(iii) Notice to Plan After Suspension of Benefits.

If a Retired Employee has had benefit payments suspended because of employment, then when he/she ceases to be so employed, he/she shall notify the Administrative Office of termination of such employment. The Plan shall have no obligation to resume benefit payments until after receipt of such notice.

(iv) **Notice to Retired Employee of Suspension of Benefits.**

No benefit payment shall be withheld unless the Retired Employee is notified by personal delivery or first class mail during the first calendar month in which the Plan withholds payments that the Employee's benefits are suspended. Such notification shall contain the following information:

- (1) A description of the specific reasons why benefit payments are being suspended;
- (2) A general description of the Plan provisions relating to the suspension of payments;
- (3) A copy of such provisions;
- (4) A statement to the effect that the applicable Department of Labor regulations may be found in Section 2530.203-3 of the Code of Federal Regulations;
- (5) The Plan's procedure for affording a review of the suspension of benefits;
- (6) The procedure for notifying the Administrative Office of termination of employment; and
- (7) If any suspendible amounts were actually paid during a period of employment, the suspendible amounts which are subject to offset, and the manner in which the Plan intends to offset those suspendible amounts.

(f) **Resumption of Payments.**

Payments shall resume no later than the later of the following dates:

- (i) The first day of the third calendar month after the calendar month in which the Retired Employee ceases to be employed in the type of employment for which benefits have been suspended; or
- (ii) Within thirty (30) days after the Retired Employee has notified the Administrative Office of termination of such employment in conformity with Section 6.07(e)(iii).

The initial payment upon resumption shall include the payment scheduled to occur in the calendar month when payments resume and any amounts withheld during the period between the cessation of employment and the resumption of payments, less any amounts which are subject to offset in accord with ERISA §206(h).

6.08 TERMINATION OF BENEFITS.

Pension benefits shall terminate in each of the following instances:

- (a) Upon the death of a Retired Employee or the death of the contingent Beneficiary if the Beneficiary is receiving or is entitled to receive benefits, but a full month's pension shall be paid for the month in which death occurs.

- (b) In the case of a Retired Employee receiving Disability benefits, upon failure to provide requested continued medical certification, or the last day of the month of recovery prior to Normal Retirement date.
- (c) In the event of a complete termination of the Plan upon exhaustion of the Trust Fund, subject, however, to the provisions of Article VI, Section 4 of the Trust Agreement.

6.09 RETROACTIVE PENSION PAYMENTS.

No Retired Employee shall be entitled to payment of benefits for any period commencing earlier than is provided in this Section 6.

6.10 LIMITATIONS ON BENEFITS UNDER THE PLAN.

(a) Effective Date.

This Section shall be effective for limitation years ending after December 31, 2001.

(b) Effect on Participants.

Benefit increases resulting from the increase in the limitations of section 415(b) of the Code will be provided to all Participants in the Plan who have one Hour of Service on or after the first day of the first limitation year ending after December 31, 2001.

(c) Definitions.

- (i) **Defined Benefit Dollar Limitation.** The "defined benefit dollar limitation" is \$160,000, as adjusted, effective January 1 of each year, under section 415(d) of the Code in such manner as the Secretary shall prescribe, and payable in the form of a straight life annuity. A limitation as adjusted under section 415(d) will apply to limitation years ending with or within the calendar year for which the adjustment applies.
- (ii) **Maximum Permissible Benefit.** The "maximum permissible benefit" is the defined benefit dollar limitation (adjusted where required, as provided in (1) and, if applicable, in (2) or (3) below).
 - (1) If the Participant has fewer than 10 years of participation in the Plan, the defined benefit dollar limitation shall be multiplied by a fraction, (i) the numerator of which is the number of years (or part thereof) of participation in the Plan and (ii) the denominator of which is 10.
 - (2) If the benefit of a Participant begins prior to age 62, the defined benefit dollar limitation applicable to the Participant at such earlier age is an annual benefit payable in the form of a straight life annuity beginning at the earlier age that is the actuarial equivalent of the defined benefit dollar limitation applicable to the Participant at age 62 (adjusted under (1) above, if required). The defined benefit dollar limitation applicable at an age prior to age 62 is determined as the lesser of (i) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in Section 2.27 of the Plan and (ii) the actuarial equivalent (at such

age) of the defined benefit dollar limitation computed using a 5% interest rate and the applicable mortality table as defined in Section 2.27 of the Plan. Any decrease in the defined benefit dollar limitation determined in accordance with this paragraph (2) shall not reflect a mortality decrement if benefits are not forfeited upon the death of the Participant. If any benefits are forfeited upon death, the full mortality decrement is taken into account.

- (3) If the benefit of a Participant begins after the Participant attains age 65, the defined benefit dollar limitation applicable to the Participant at the later age is the annual benefit payable in the form of a straight life annuity beginning at the later age that is actuarially equivalent to the defined benefit dollar limitation applicable to the Participant at age 65 (adjusted under (1) above, if required). The actuarial equivalent of the defined benefit dollar limitation applicable at an age after age 65 is determined as (i) the lesser of the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in Section 2.27 of the Plan and (ii) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using a 5% interest rate assumption and the applicable mortality table as defined in Section 2.27 of the Plan. For these purposes, mortality between age 65 and the age at which benefits commence shall be ignored.

(d) Maximum Benefits

For benefits accrued or payable before January 1, 2008, the limitations of IRC Section 415 will be applied with respect to a Participant on an Individual Employer by Individual Employer basis. For benefits accrued on or after January 1, 2008, the limitations of IRC Section 415 will be applied with respect to a Participant taking all of the Individual Employers into account. Notwithstanding the foregoing, a Participant shall not be entitled to accrual of additional benefits on or after January 1, 2008, unless such additional benefits, together with the benefits accrued before January 1, 2008, satisfy the requirements of the Treasury Regulations in effect as of January 1, 2008.

This Plan shall not be combined or aggregated with a single employer plan when applying the limitations under Internal Revenue Code Section 415(b)(1)(A) shall be applied by aggregating the Participant's benefits under the Employer's single employer plan with the Participant's benefits under this Plan that are based solely upon employment under this Plan with that Employer.

If a Participant's benefit exceeds the maximum limitation as allowed in Section 415, the plan shall provide for an annual cost of living adjustment until the benefit is equal to the original accrued benefit plus any applicable increases, at which time the annual cost of living adjustment shall cease. The cost of living adjustment shall be applied to the annual benefit as provided for in Section 415(d) and applicable regulations.

Notwithstanding any provisions to the contrary, no provision of this Section as applied in accordance with final Treasury Regulations effective for limitation years beginning on or after January 1, 2008, will result in a limitation lower than a Participant's benefits accrued or payable prior to January 1, 2008.

6.11 PAYMENTS TO AN ALTERNATE PAYEE.

(a) Any Monthly Annuity.

Unless a Qualified Domestic Relations Order provides otherwise, any monthly annuity payment from the Plan to an Alternate Payee shall be payable over the lifetime of the Alternate Payee; with the exception that any monthly annuity payment to the Alternate Payee, which includes a subsidy, because of the disability of the Participant, shall be paid over the lifetime of the Participant. The monthly amount payable to the Alternate Payee over his/her lifetime shall be actuarially determined based on that person's expected mortality. Any monthly annuity payments to an Alternate Payee shall terminate when the Alternate Payee dies; or if the Alternate Payee is receiving Disability payments, which include a subsidy, because of the disability of the Participant, then upon the first to occur of the termination of payments to the Participant or the Alternate Payee's death.

(b) Monthly Annuity Payable Prior to Retirement of the Participant.

If the benefits to an Alternate Payee commence before the Participant actually retires, then the amount payable to the Alternate Payee shall not include any subsidy provided by the Plan for a Participant who has taken Early Retirement. If the Participant subsequently takes Early Retirement under the Plan, the benefit payable to the Alternate Payee, beginning with the month for which the Participant first receives an Early Retirement benefit, shall be recalculated to include any subsidy provided by the Plan for the Participant.

(c) Mandatory Lump Sum Distribution.

If the present value of any monthly annuity payments to an Alternate Payee, which are payable over the Alternate Payee's lifetime, does not exceed \$5,000 at the time that benefits would otherwise commence to be paid, then such benefit shall be distributed, without the Alternate Payee's consent, to the Alternate Payee in one lump sum. Present value shall be determined as set forth in Section 2.27 of this Plan.

6.12 NOTICES AND DELAY IN PAYMENT OF BENEFITS.

(a) Notices.

The Plan must provide to a retiring married Participant an explanation of the 100% qualified joint and survivor annuity and other optional forms of benefits under the Plan (including a statement as to their relative value and the financial effect, in terms of dollars per monthly payment to the Participant and his or her spouse) of electing a form of payment other than the 100% Joint and Survivor Annuity, as well as a description of the consequences of failing to defer commencement of benefit payments if the participant is retiring as of an Early Retirement Date (the "Notice"). The Plan must provide a beneficiary other than a Participant an explanation of the forms of benefits under the Plan.

(b) Delayed Payment of Benefits.

If through administrative processing the first payment of a benefit is delayed more than ninety (90) days, then interest at the rate of six percent (6%) per annum shall be paid from the date the first payment was to be made through the date the delayed payments are transmitted to the

recipient.

(c) Disability Payments.

Payments of Disability benefits shall bear interest at the rate of six percent (6%) per annum from the effective date of the disability to the date the delayed payments are transmitted to the recipient.

6.13 MINIMUM REQUIRED DISTRIBUTIONS

Distributions to Participants and beneficiaries will be made in accordance with Code Section 401(a)(9) and the regulations thereunder, including Treasury Regulation Section 1.401(a)(9)-2. Provisions in this Plan reflecting Code Section 401(a)(9) override any distribution options or terms of the Plan that are inconsistent with Code Section 401(a)(9). For purposes of determining all distributions required under Code Section 401(a)(9), life expectancies will be determined without regard to the permissive recalculation rule of Code Section 401(a)(9)(D).

SECTION 7. **Death Benefits**

7.01 PRE-RETIREMENT ANNUITY BENEFIT FOR SPOUSE.

If a Participant is Vested and dies before retirement benefits commence as set forth in Section 4, then his/her spouse shall be eligible for a Pre-Retirement Annuity Benefit as follows:

(a) Death of a Participant Before Reaching Age 55.

If a Participant dies before reaching age 55, his surviving spouse, who the Participant has been married to for at least one full year immediately preceding death, shall receive a monthly Pre-Retirement Annuity Benefit equal to the amount that would have been payable to the surviving spouse if the Participant had retired at age 55 and elected a 100% joint and survivor annuity. That monthly benefit shall begin to be paid at the date the Participant would have reached 55 years of age.

(b) Death of a Participant at or After Age 55.

If a Participant is 55 years of age or older when he/she dies, then the Participant's surviving spouse shall receive a monthly Pre-Retirement Annuity Benefit equal to the amount that would have been payable to the surviving spouse if the Participant had retired on the first day of the month following the month in which he/she died with a 100% joint and survivor annuity in effect reduced to reflect his age at that date.

(c) Optional Lump Sum Benefit.

In lieu of the monthly Pre-Retirement Annuity Benefit set forth in Paragraph (a) above, the surviving spouse may elect in writing to receive immediately after the death of the Participant a lump sum payment which is equal to the greater of the following:

- (i) The present value as of the Participant's date of death of the benefit payable under Paragraph (a) above, or
- (ii) The lump sum death benefit otherwise payable under Section 7.04(a).

Present value shall be calculated by using the actuarial equivalency basis set forth in Section 2.27.

7.02 PRE-RETIREMENT BENEFIT.

If a Participant is Vested and dies before retirement benefits commence as set forth in Section 4, and no beneficiary is eligible for benefit payments under Section 7.01, then the designated Beneficiary shall receive a lump sum death benefit computed as follows:

- (a) If the Participant dies before reaching age 55, the designated Beneficiary shall receive a sum equal to the greater of the total amount of the Contributions made to the Plan on the Participant's behalf

or the lump sum death benefit otherwise payable under Section 7.04(a).

- (b) If the Participant is age 55 or older when he/she dies, the designated Beneficiary shall receive a sum equal to the total amount of the Contributions made to the Plan on the Participant's behalf plus the lump sum death benefit otherwise payable under Section 7.04(a).
- (c) If the Participant has failed to name a Beneficiary, then any amount otherwise payable under this Section 7.02 shall be payable in accordance with the terms of Section 12.06(c) and (d), as applicable.
- (d) As used in this Section 7.02, the term "total amount of the Contributions made to the Plan on the Participant's behalf" shall not include that portion of those Contributions that have funded, or will fund, benefits to an Alternate Payee.

7.03 MISCELLANEOUS PROVISIONS APPLYING TO THE PRE-RETIREMENT AND OPTIONAL ANNUITY BENEFITS.

(a) Death of Beneficiary.

If the Participant's spouse, other designated Beneficiary or if he/she has elected the Optional Annuity Benefit, the dependent, predeceases the Participant, then the Participant shall be entitled to name another Beneficiary in conformity with Section 7.01.

(b) Commencement of Benefits.

Monthly benefit payments for a Beneficiary who qualifies under Section 7.01 shall commence as of the first day of the month following the month in which the Participant died.

(c) Elections and Revocations.

Any election or revocation of any election must be in writing and in such form as may be required by the Board and shall not be effective unless filed with the Board.

(d) Mandatory Lump Sum Distribution.

If the present value of any benefit payable under Section 7.01, at the time that benefits would otherwise commence to be paid, does not exceed \$7,000, then that benefit shall be distributed, without the Beneficiary's consent, to that Beneficiary in one lump sum. Present value shall be determined as set forth in Section 2.27 of this Plan.

7.04 LUMP SUM DEATH BENEFIT.

(a) Death Benefit Before Retirement.

A lump sum death benefit of \$600.00 for each Death Benefit Credit earned by a Participant under the Plan, as defined in Paragraph (d) below, up to and including the month preceding the Participant's death, shall be paid as a result of his/her death if he/she dies before the date retirement benefits commence as set forth in Section 4; provided, however, if the Participant is less than 55 years of age at death, and if the

Participant's surviving spouse will receive a Pre-Retirement Annuity Benefit under the terms of Section 7.01, then no lump sum death benefit shall be paid under this paragraph as the result of the death of the Participant. [NOTE: If a Participant or a Retired Participant dies before January 1, 1982, each Death Benefit Credit earned by that person will be equal to \$200; and if a Participant or Retired Participant dies after December 31, 1981 and before July 1, 1988, each Death Benefit Credit earned by that person will be equal to \$400.]

(b) Death Benefits After Retirement.

(i) Eligibility.

If no death benefit is payable under Paragraph (a) above, then a lump sum death benefit shall be paid as the result of (1) the death of a Retired Participant who had retired subsequent to June 30, 1965, or (2) the death of a Participant who dies having received retirement benefits.

(ii) Amount of Death Benefit.

(1) Death of a Participant who is not receiving benefits under a joint and survivor annuity:

Upon the death of any Participant who is not receiving benefits as part of a joint and survivor annuity under the Plan, the accumulated retirement benefits that have been paid to the Participant at death shall be computed. If that amount is less than the death benefit that would have been payable under Paragraph (a) above had he/she died at the date of retirement or the date retirement benefits commenced, then that difference shall constitute the death benefit payable because of the Participant's death.

(2) Death of a Participant who is receiving benefits under a joint and survivor annuity:

Upon the death of any Participant who is receiving benefits as a part of a joint and survivor annuity under the Plan, the accumulated retirement benefits that would have been paid to the Participant at death, had he not elected the joint and survivor annuity under the Plan shall be computed. If that amount is less than the death benefit that would have been payable under Paragraph (a) above had he/she died at the date of retirement or the date retirement benefits commenced, then that difference shall constitute the death benefit payable because of the Participant's death. (If the joint annuitant survives the Retired Participant, the monthly retirement benefit payable under the joint and survivorship annuity shall be continued to be paid until the death of the joint annuitant.)

(c) Recipient of Death Benefits.

(i) The death benefit under this Section 7.04 shall be payable within ninety (90) days after the Participant's death in one lump sum to the Participant's designated Beneficiary. If the Participant has failed to designate a Beneficiary, or if the

Participant's designated Beneficiary does not survive the Participant, then the lump sum death benefit shall be paid in accordance with the terms of Section 12.06(c) and (d) of this Plan.

(ii) The total Death Benefit Credits paid or payable on the death of a Participant to the Participant's designated Beneficiary shall be reduced by any portion of those Credits that have been paid, or will be paid, to an Alternate Payee.

(d) Definition of Death Benefit Credit.

Death Benefit Credits shall be the total of an Employee's Past Service Credits (that have not been lost because of a Break in Service) and those credits earned for a period of service of an Employee beginning on or after January 1, 1962, and through December 31, 1979, for which Employer Contributions have been made for the purposes of this Plan, and those credits earned for a period of service of an Employee beginning after December 31, 1979, for which Employer Contributions have been made to the Plan or for which Omitted Contributions should have been made to the Plan, but not continuing beyond the date the Employee received any Normal Retirement Benefits. Provided, an Employee who has retired before January 1, 1979, under Early or Normal Retirement, shall not earn any Death Benefit Credit subsequent to attaining age 65 and having earned ten Service Credits, one of which is a Future Service Credit. For each Plan Year in which an Employer has made contributions on his/her behalf, an Employee shall receive the following whole or fractional Death Benefit Credit:

(i) For each of the years 1962 through 1968:

Hours for Which Payment Made During the Plan Year	Death Benefit Credit
Less than 300	.00
300 but less than 700	.25
700 but less than 1100	.50
1100 but less than 1500	.75
1500 or more	1.00

(ii) For each of the years 1969 through 1979:

Hours for Which Payment Made During the Plan Year	Death Benefit Credit
Less than 300	.00
300 but less than 700	.25
700 but less than 1100	.50
1100 but less than 1400	.75
1400 or more	1.00

(iii) For each of the years 1980 through 1989:

Hours of Service During the Plan Year	Death Benefit Credit
Less than 300	.00
300 but less than 700	.25
700 but less than 1100	.50
1100 but less than 1400	.75
1400 or more	1.00

(iv) For each subsequent year:

Hours of Service During the Plan Year	Death Benefit Credit
Less than 300	.00
300 but less than 600	.25
600 but less than 900	.50
900 but less than 1200	.75
1200 or more	1.00

Upon a Break in Service being established as set forth in Section 9.02 of this Plan, and a Participant's right to benefits is not Vested under Section 8.01(c), then such Participant shall have no Death Benefit Credits under this Plan. If a non-vested Participant has a Break in Service and re-enters Covered Employment, he/she will not be entitled to any Death Benefit Credits earned before that Break in Service.

SECTION 8. **Vesting**

8.01 PARTICIPANT WHO LEAVES COVERED EMPLOYMENT AFTER DECEMBER 31, 1975.

A Participant who leaves Covered Employment after December 31, 1975, shall have a 100% fully Vested, non-forfeitable right to benefits under this Plan if he/she satisfies the provisions below of Paragraph (a), (b), (c), (d), (e), (f) or (g).

- (a) The Participant has attained Normal Retirement Age.
- (b) The Participant has earned ten or more Years of Service, at least five of which are Years of Service after January 1, 1962.
- (c) The Participant has earned ten or more Service Credits, at least five of which are Future Service Credits.
- (d) The Participant is at least 55 years of age and has earned ten or more Service Credits, at least one of which is a Future Service Credit.
- (e) The Participant has at least five Future Service Credits which were earned while working in a work classification not covered by a Collective Bargaining Agreement and leaves Covered Employment after December 31, 1988.
- (f) The Participant has at least five (5) Service Credits, not taking into consideration any Service Credits that have been forfeited prior to the effective date of this subparagraph (f) which is January

1, 1994.

(g) The Participant has at least three (3) Service Credits, not taking into consideration any Service Credits that have been forfeited prior to the effective date of this subparagraph (g) which is January 1, 2018, and including at least one hour on or after January 1, 2018.

8.02 PARTICIPANT WHO LEAVES COVERED EMPLOYMENT PRIOR TO JANUARY 1, 1976.

A Participant who leaves Covered Employment prior to January 1, 1976, and who, in at least 15 years of continuous service, has earned 15 or more Service Credits, at least five of which are Future Service Credits, shall have a 100% fully Vested, non-forfeitable right to benefits under this Plan. Fifteen (15) years of continuous service shall be defined for this paragraph as 15 calendar years, which have not been interrupted by a Break in Service, made up of Years of Service prior to January 1, 1962, and/or Plan Years after December 31, 1961, in which the Participant has earned at least one Hour of Service.

**SECTION 9.
Termination of Participation**

9.01 TERMINATION OF PARTICIPATION.

Upon a Break in Service being established as set forth in Section 9.02 below, and a Participant's right to benefits is not Vested under Section 8, then such Participant shall have no rights under the Plan nor receive any payments from the Trust Fund.

9.02 BREAK IN SERVICE.

(a) Participant Who Leaves Covered Employment Prior to January 1, 1976.

If a non-vested Participant leaves Covered Employment before January 1, 1976, and has failed to earn one Hour of Service in any two or more consecutive calendar years prior to January 1, 1976, he/she shall have a Break in Service and all Service Credits earned prior to that break shall be forfeited.

(b) Participant Who Leaves Covered Employment After December 31, 1975 and Before January 1, 1985.

If a non-vested Participant leaves Covered Employment after December 31, 1975 and before January 1, 1985, he/she shall have a Break in Service and all Service Credits earned prior to that break shall be forfeited, under the following circumstances:

- (i) If the Participant has failed to earn one Hour of Service in any period of two consecutive calendar years; and
- (ii) If the length of time between the end of the last Plan Year in which he/she earned at least 300 Hours of Service and the beginning of the next Plan Year in which he/she has earned at least 300 Hours of Service (that period being hereinafter referred to as the "Preliminary Break in Service") is greater than, or equal to, total Years of Service (accumulated fractional and whole Years of Service as computed in accordance with Section 2.23 of the Plan) earned prior to the beginning of that Preliminary Break in Service.

(c) Participant Who Leaves Covered Employment After December 31, 1984.

If a non-vested Participant leaves Covered Employment after December 31, 1984, he/she shall have a Break in Service and all Service Credits earned prior to that break shall be forfeited, under the following circumstances:

- (i) If the Participant has failed to earn one Hour of Service in any period of two consecutive calendar years; and
- (ii) If the length of time between the end of the last Plan Year in which he/she earned at least 300 Hours of Service and the beginning of the next Plan Year in which he/she has earned at least 300 Hours of Service (that period being hereinafter referred to as the "Preliminary Break in Service") is greater than, or equal to, the greater of the following:
 - (1) The Participant's total Years of Service (accumulated fractional and whole Years of Service as computed in accordance with Section 2.23 of the Plan) earned prior to the beginning of that Preliminary Break in Service; or
 - (2) Five years.

9.03 POSTPONEMENT OF TERMINATION.

(a) Postponement Because of the Birth or Adoption of a Child or Leave Taken Under the Family and Medical Leave Act.

If a Participant leaves Covered Employment for any of the reasons that follow, then he or she shall be treated as having completed eight Hours of Service for each normal work day during that leave. The reasons for the leave are as follows:

- (i) The pregnancy of the Participant,
- (ii) The birth of a child of the Participant,
- (iii) The placement of a child with the Participant in connection with the adoption of the child by the Participant,
- (iv) For purposes of caring for such child for the period immediately following the child's birth or placement, or
- (v) If a Participant leaves Covered Employment and is otherwise eligible under the Family and Medical Leave Act of 1993 for the leave taken. (See Appendix A for an overview of the provisions of that Act.)

Those Hours of Service incurred for the foregoing reasons may be used only to prevent a one-year Break in Service. They may not be used to determine whether a Participant is Vested or to give a Participant any benefit accrual under the Plan. Those Hours of Service accumulated from such leave are to be used in the year the absence from work begins if they are needed in that year to prevent a Break in Service; or if not, they shall be used in the following year if needed to prevent a Break in Service. No more than 501 Hours of Service may be accumulated for this purpose. To be eligible for these Hours of Service, a Participant must provide the

Board within ninety (90) days after the end of such leave, with such proof as required by the Board in order to confirm the reason for, and the amount of, the leave.

(b) Postponement for Other Reasons.

An Employee's failure to earn Hours of Service shall not be counted for purposes of termination under Section 9.01 or 9.02 above during any period such failure is attributable to any of the following causes:

- (i) Disability as defined under the Plan;
- (ii) Military Service provided such Participant returns from military service within the period provided by statute for returning to employment without the loss of employment benefits; or
- (iii) If a Participant who leaves Covered Employment continuously remains in the Industry and subsequently returns to Covered Employment, he/she shall not be deemed to have had a Break in Service if subsequent to return, and before reaching the age of 65, he/she earns at least 1-1/4 Future Service Credits for which Contributions to the Plan were made or required. As used in this subparagraph, "continuously remains in the Industry" means a period of continuous years in which a Participant has worked at least 300 hours in the Industry in each of those years.

SECTION 10.
Top-Heavy Provisions

If the Plan is or becomes top-heavy in any plan year beginning after December 31, 1983, the provisions of this Section 10 will supersede any conflicting provisions in the Plan.

10.01 DEFINITIONS FOR TOP-HEAVY PROVISIONS.

(a) Key Employee.

Any Employee or former Employee (and the Beneficiaries of such Employee) who at any time during the determination period was an officer of an Employer if such individual's annual compensation exceeds fifty (50%) percent of the dollar limitation under Section 415(b)(1)(A) of the Internal Revenue Code, an owner (or considered an owner under Section 318 of the code) of one of the ten largest interests in an Employer if such individual's compensation exceeds one-hundred (100%) percent of the dollar limitation under Section 415(c)(1)(A) of the Internal Revenue Code, a five (5%) percent owner of an employer, or a one (1%) percent owner of an employer who has an annual compensation of more than \$150,000. Annual compensation means compensation as defined in Section 2 of the Plan, but including amounts contributed by an Employer pursuant to a salary reduction agreement which are excludable from the employee's gross income under Section 125, Section 402(e)(3), Section 402(h)(1)(B) or Section 403(b) of the Internal Revenue Code. The determination period is the Plan Year containing the determination date and the four preceding Plan Years. The determination of who is a Key Employee will be made in accordance with Section 416(i)(1) of the Internal Revenue Code and the regulations thereunder.

(b) Top-Heavy Plan.

For any Plan Year beginning after December 31, 1983, this Plan is top-heavy if any of the following conditions exists:

- (i) If the top-heavy ratio for this Plan exceeds sixty (60%) percent and this Plan is not part of any required aggregation group or permissive aggregation group of plans.
- (ii) If this Plan is a part of a required aggregation group of plans, but not part of a permissive aggregation group and the top-heavy ratio for the group of plans exceeds sixty (60%) percent.
- (iii) If this Plan is a part of a required aggregation group and part of a permissive aggregation group of plans and the top-heavy ratio for the permissive aggregation group exceeds sixty (60%) percent.

(c) Top-Heavy Ratio.

- (i) If an Employer maintains one or more defined benefit plans and such Employer has not maintained any defined contribution plan (including any simplified employee pension, as defined in Section 409(k) of the Internal Revenue Code) which during the 5-year period ending on the determination date(s) has or has had account balances, the top-heavy ratio for this Plan alone or for the required or permissive aggregation group as appropriate is a fraction, the numerator of which is the sum of the present value of accrued benefits of all Key Employees as of the determination date(s) (including any part of any accrued benefit distributed in the 5-year period ending on the determination date(s)), and the denominator of which is the sum of the present value of accrued benefits (including any part of any accrued benefits distributed in the 5-year period ending on the determination date(s)), determined in accordance with Section 416 of the Internal Revenue Code and the regulations thereunder.
- (ii) If an Employer maintains one or more defined benefit plans and such Employer maintains or has maintained one or more defined contribution plans (including any simplified employee pension) which during the 5-year period ending on the determination date(s) has or has had any account balances, the top-heavy ratio for any required or permissive aggregation group as appropriate is a fraction, the numerator of which is the sum of the present value of accrued benefits under the aggregated defined benefit plan or plans for all Key Employees, determined in accordance with (i) above, and the sum of account balances under the aggregated defined contribution plan or plans for all Key Employees as of the determination date(s), and the denominator of which is the sum of the present value of accrued benefits under the defined benefit plan or plans for all participants, determined in accordance with (i) above, and the account balances under the aggregated defined contribution plan or plans for all participants as of the determination date(s), all determined in accordance with Section 416 of the Internal Revenue Code and the regulations thereunder. The account balances under a defined contribution plan in both the numerator and denominator of the top-heavy ratio are increased for any distribution of an account balance made in the 5-year period ending on the determination date.
- (iii) For purposes of (i) and (ii) above, the value of account balances and the present value of accrued benefits will be determined as of the most recent valuation date that falls within or ends with the 12-month period ending on the determination date, except as provided in Section 416 of the Internal Revenue Code and the regulations thereunder for the first

and second plan years of a defined benefit plan. The account balances and accrued benefits of a participant (1) who is not a Key Employee but who was a Key Employee in a prior year, or (2) who has not been credited with at least one Hour of Service with any Employer maintaining the Plan at any time during the 5-year period ending on the determination date will be disregarded. The calculation of the top-heavy ratio and the extent to which distributions, rollovers and transfers are taken into account will be made in accordance with Section 416 of the Internal Revenue Code and the regulations thereunder. Deductible employee contributions will not be taken into account for purposes of computing the top-heavy ratio. When aggregating plans the value of account balances and accrued benefits will be calculated with reference to the determination dates that fall within the same calendar year.

The accrued benefit of a Participant other than a Key Employee shall be determined under (a) the method, if any, that uniformly applies for accrual purposes under all defined benefit plans maintained by the Employer, or (b) if there is no such method, as if such benefit accrued not more rapidly than the slowest accrual rate permitted under the fractional rule of Section 411(b)(1)(C) of the Internal Revenue Code.

(d) Permissive Aggregation Group.

The required aggregation group of plans plus any other plan or plans of the Employer which, when considered as a group with the required aggregation group, would continue to satisfy the requirements of Sections 401(a)(4) and 410 of the Internal Revenue Code.

(e) Required Aggregation Group.

(1) Each qualified plan of the Employer in which at least one Key Employee participates or participated at any time during the determination period (regardless of whether the plan has terminated), and (2) any other qualified plan of the Employer which enables a plan described in (1) to meet the requirements of Sections 401(a)(4) or 410 of the Internal Revenue Code.

(f) Determination Date.

For any Plan Year subsequent to the first Plan Year, the last day of the preceding Plan Year.

(g) Valuation Date.

The last day of each Plan Year.

(h) Present Value.

Present value shall be based on the interest and mortality rates specified in Section 2.27 of the Plan.

(i) Non-Key Employee.

In accordance with IRC § 416(i)(2), the term “non-key employee” means any employee who is not a Key Employee.

10.02 MINIMUM ACCRUED BENEFIT.

(a) In General.

Notwithstanding any other provision in this Plan except Paragraphs (c), (d) and (e) below, for any Plan Year in which this Plan is top-heavy, each Participant who is not a Key Employee and has completed 870 Hours of Service will accrue a benefit (to be provided solely by Employer Contributions and expressed as a life annuity commencing at Normal Retirement Age) of not less than three (3%) percent of his or her highest average compensation for the five (5) consecutive years for which the Participant had the highest compensation. The aggregate compensation for the years during such 5-year period in which the Participant was credited with a Year of Service will be divided by the number of such years in order to determine average annual compensation. The minimum accrual shall be determined without regard to any Social Security compensation. The minimum accrual shall apply even though under other Plan provisions the Participant would not otherwise be entitled to receive an accrual or would have received a lesser accrual for the year, for any reason.

(b) Compensation.

The term "Compensation" means wages within the meaning of Code Section 1.415(c)-2(d)(4).

Salary continuation payments for military service as described in Treasury Regulation Section 1.415(c)-2(e)(4) shall be included in Compensation. Compensation shall include any differential wage payment, as defined in Code Section 3401(h)(2). If an Employer makes such a differential wage payment during a Plan Year, all differential wage payments made by all Employers (determined under Code Section 414(b), (c), (m), or (o)) during that Plan Year must satisfy the nondiscrimination requirements of Code Section 414(u)(12)(C).

Except as otherwise provided below, in order to be included in Compensation under this Section 10.02(b), the amount must be paid or treated as paid to the Employee prior to the Employee's severance from employment (as defined in Treasury Regulation Section 1.401(k)-1(d)(2), except that, for purposes of determining the employer, the modifications provided under Code Section 415(h) apply).

Notwithstanding the foregoing, effective January 1, 2008, Compensation shall not exceed the amount permitted under Code Section 401(a)(17) as adjusted for cost of living in accordance with Code Section 401(a)(17), and includes regular pay and leave cashouts paid within 2½ months after severance from employment or, if later, by the end of the Plan Year that includes the severance date, as described in Treasury Regulation Section 1.415(c)-2(e)(3)(ii) and (iii)(A).

Back pay, within the meaning of Treasury Regulation Section 1.415(c) -2(g)(8), shall be included in Compensation for the Plan Year to which the back pay relates.

(c) No Additional Accruals.

No additional benefit accruals shall be provided pursuant to Paragraph (a) above to the extent that the total accruals on behalf of the Participant attributable to Employer Contributions will provide a benefit expressed as a life annuity commencing at Normal Retirement Age that equals or exceeds twenty (20%) percent of the participant's highest average compensation for the five consecutive years for which the participant had the highest compensation.

(d) Satisfaction in Other Plans.

The provision in Paragraph (a) above shall not apply to any Participant to the extent the Participant is covered under any other plan or plans of an Employer and such Employer has provided that the minimum allocation or benefit requirement applicable to top-heavy plans will be met in the other plan or plans.

(e) All Accruals Considered.

All accruals of Employer-derived benefits, whether or not attributable to years for which the Plan is top-heavy, may be used in computing whether the minimum accrual requirements of Paragraph (c) above are satisfied.

(f) Adjustment for Form of Benefit.

If the form of benefit is other than a straight life annuity, the Participant shall receive an amount that is the actuarial equivalent of the minimum straight life annuity benefit. If the benefit commences at a date other than at Normal Retirement Age, the employee must receive at least an amount that is the actuarial equivalent of the minimum straight life annuity benefit commencing at Normal Retirement Age.

(g) Non-Forfeitability.

The minimum accrued benefit required (to the extent required to be non-forfeitable under Section 416(b) of the Internal Revenue Code) may not be forfeited under Section 411(a)(3)(B) or 411(a)(3)(D) of the Internal Revenue Code.

(h) Vesting.

For any Plan Year in which this Plan is top-heavy, each non-key employee shall become totally Vested in his or her accrued benefit upon earning five (5) years of service without an intervening forfeiture of credit, under the Plan. The minimum vesting schedule applies to all benefits within the meaning of Section 411(a)(7) of the Internal Revenue Code, including benefits accrued before the effective date of Section 416 and benefits accrued before the Plan became top-heavy. Further, no decrease in a Participant's non-forfeitable percentage may occur in the event the Plan's status as top-heavy changes for any Plan Year. However, this section does not apply to the accrued benefit of any Employee who does not have an Hour of Service after the Plan has initially become top-heavy and such Employee's account balance attributable to Employer Contributions and forfeitures will be determined without regard to this section.

10.03 MODIFICATION OF TOP-HEAVY RULES.

(a) Effective Date.

This Section 10.03 shall apply for purposes of determining whether the Plan is a top-heavy plan under Section 416(g) of the code for Plan Years beginning after December 31, 2001, and whether the Plan satisfied the minimum benefits requirements of Section 416(c) of the Code for such years. This section amends the above Sections 10.01 and 10.02.

(b) Determination of Top-Heavy Status.

(i) Key Employee.

Key Employee means any Employee or former Employee (including any deceased Employee) who at any time during the Plan Year that includes the determination date was an officer of an Employer having annual compensation greater than \$130,000 (as adjusted under Section 416(i)(1) of the Code for Plan Years beginning after December 31, 2002), a five (5%) percent owner of an Employer or a one (1%) percent owner of an Employer having annual compensation of more than \$150,000. For this purpose, annual compensation means compensation within the meaning of Section 415(c)(3) of the Code. The determination of who is a Key Employee will be made in accordance with Section 416(i)(1) of the Code and the applicable regulations and other guidance of general applicability issued thereunder.

(ii) Determination of Present Values and Amounts.

This Paragraph (ii) shall apply for purposes of determining the present values of accrued benefits and the amounts of account balances of Employees as of the determination date.

(1) Distributions During Year Ending on the Determination Date.

The present values of accrued benefits and the amounts of account balances of an Employee as of the determination date shall be increased by the distributions made with respect to the Employee under the Plan and any plan aggregated with the Plan under Section 416(g)(2) of the Code during the one (1) year period ending on the determination date. The preceding sentence shall also apply to distributions under a terminated plan which, had it not been terminated, would have been aggregated with the Plan under Section 416(g)(2)(A)(i) of the Code. In the case of a distribution made for a reason other than severance from employment, death or disability, this provisions shall be applied by substituting a 5-year period for a 1-year period.

(2) Employees Not Performing Services During Year Ending on the Determination Date.

The accrued benefits and accounts of any individual who has not performed services for the Employer during the 1-year period ending on the determination date shall not be taken into account.

(3) Minimum Benefits.

For purposes of satisfying the minimum benefit requirements of Section 416(c)(1) of the Code and the Plan, in determining Years of Service with the Employer, any service with the Employer shall be disregarded to the extent that such service occurs during a Plan Year when the Plan benefits (within the meaning of Section 410(b) of the Code) no Key Employee or former Key Employees.

SECTION 11.
Elections Relating to Benefits and Applications for Benefits.

11.01 NOTICES.

(a) To a Participant Approaching Normal Retirement Age

The Trust shall provide a notice in writing to a Participant, who is about to reach his/her Normal Retirement Age, informing the Participant that he/she may be eligible for a Normal Retirement Benefit, summarizing the suspension rules and providing the Participant with a description of any steps necessary to commence receiving benefits.

(b) Notice to a Surviving Spouse.

The Trust, upon being informed of the death of a Participant, shall provide the following information to a surviving spouse of a Vested Participant in writing:

- (i) A general explanation of the terms and conditions of the Pre-Retirement Annuity Benefit; and
- (ii) If the Participant was less than 55 years of age at death, an explanation of the availability of an election to receive a lump sum benefit together with financial information as to the effect of such an election.

11.02 ELECTION OF TYPE OF BENEFITS AND CONSENT.

(a) Time of Election.

Any election or consent by a Participant or the Participant's spouse or Beneficiary under Section 6 to waive the Normal Retirement Benefit, and elect any other form of retirement benefit under the Plan, or once having made such an election to revoke that election and elect some other form of benefit, must be made in writing during the 180-day period ending on the date of the commencement of payment of benefits.

(b) Consent by Spouse.

Any election under Paragraph (a) above shall not be effective unless the spouse of the Participant consents to such election in writing, and the spouse's consent acknowledges the effect of such election and is witnessed by a Plan representative or notary public, unless it is established to the satisfaction of a Plan representative that there is no spouse, or that the spouse cannot be located.

11.03 APPLICATION FOR BENEFITS.

All Participants, and any Beneficiaries who may be eligible for benefits upon the death of a Participant, shall make application for benefits on such form or forms as may from time to time be required by the Board. Any application for Normal, Early or Disability Retirement Benefits must be filed with the Board while the Participant is living.

11.04 CHANGING FORM OF RETIREMENT BENEFITS OR BENEFICIARIES.

Any election of the form of retirement benefit may be made, or if previously made, changed, prior to commencement of an Employee's retirement benefits under this Plan. The consent of an Employee's Beneficiary need not be obtained to revoke or change an option previously elected unless the Participant is married and then the consent of the Participant's spouse shall be required to either change or revoke any election.

11.05 DESIGNATION OF BENEFICIARIES FOR DEATH BENEFITS.

All Participants shall designate their Beneficiaries for any Death Benefits under the Plan on such form or forms as may be required by the Board. If a Participant is married at the time of making such designation and he/she designates someone other than his/her spouse as Beneficiary, then such designation shall also require the spouse's written consent. Any designation may be later changed or revoked without the consent of the designated Beneficiary unless the Participant is then married, and then the consent of his/her spouse shall be required for such change or revocation.

11.06 ROLLOVERS.

This Section applies to distributions made on or after January 1, 2009. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Section, a Distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan in a direct rollover, or to a Roth IRA (as defined in Code Section 408A) in a qualified rollover, as specified by the Distributee in a direct rollover.

(a) Definitions.

- (i) Eligible Rollover Distribution:** An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the Distributee, except that an eligible rollover distribution does not include: any distributions that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Internal Revenue Code; and the portion of any distribution that is includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).
- (ii) Eligible Retirement Plan:** An eligible retirement plan is one that accepts the Distributee's eligible rollover distributions and is an individual retirement account

described in Section 408(a) of the Internal Revenue Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, or a qualified trust described in Section 401(a) of the Code; and after December 31, 2001, an eligible retirement plan also includes an annuity contract described in Section 403(b) of the Code, or an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state which agrees to separately account for amounts transferred into such plan from this Plan.

Effective on and after January 1, 2010, if the Distributee is a nonspouse beneficiary who is a designated beneficiary within the meaning of Code Section 401(a)(9)(E), “eligible retirement plan” includes only a plan described below in paragraph (a) that is established for the purpose of receiving the distribution on behalf of the Distributee and that will be treated as an inherited individual retirement account or individual retirement annuity pursuant to Code Section 402(c)(11). A nonspouse beneficiary may also make a qualified rollover to a Roth IRA.

- (iii) **Distributee:** A Distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving spouse and the Employee's or former Employee's spouse who is the Alternate Payee under a Qualified Domestic Relations Order, as defined in Section 414(p) of the Internal Revenue Code, and, on and after January 1, 2010 a nonspouse beneficiary of the Employee or former Employee, are Distributees with regard to the interest of the spouse or former spouse.
- (iv) **Direct Rollover:** A direct rollover is a payment by the Plan to the eligible retirement plan specified by the Distributee.

SECTION 12. Administrative Provisions

12.01 METHOD OF ADMINISTRATION.

This Plan is administered by a Board of Trustees, half of whom are appointed by the Unions, and half of whom are appointed by the Employers. Contributions and earnings shall be received and held in trust by the Trustees. Title to all of the assets of the Trust Fund shall be, and remain, in the name of the Trust, and managed by the Trustees. The Trustees may establish rules and regulations consistent with the provisions of the Plan and they shall have the exclusive right to construe the Plan and determine any and all questions arising thereunder or in connection with its administration, including, without limitation, the right to remedy all possible ambiguities, inconsistencies, and omissions. Any such determination by the Trustees made in good faith shall be conclusive and binding on all persons in the manner provided therein. The Trustees shall have the duty to make sure that all Contributions are used for the sole and exclusive benefit of the Employees and that no portion thereof reverts to any Employer, except in the case of refunds as may be allowable in conformity with Section 12.05.

12.02 DEDUCTION FOR TAXES AND AMOUNTS PAID IN ERROR.

The Board may withhold from any benefit payments, any taxes required by law, and may offset against any future pension payments, at its discretion, any payment made in error or any payment made for a month for which a benefit payment was not payable or was suspended or suspensible as provided by the Plan. Any such offset will be in accordance with the rules and limitations under ERISA § 206(h).

12.03 UNCLAIMED BENEFITS.

If the Board, whether before or after the termination of the Plan shall be unable to locate or determine the person or persons entitled to receive benefits under the Plan, a record shall be maintained of the accumulated amount of such benefits, hereinafter referred to as the "Unclaimed Benefits." In the event a Participant or Beneficiary makes a claim for such Unclaimed Benefits, they shall be payable to him or her without interest or any other earnings or increment in value. Unclaimed Benefits shall not escheat to any state or other governmental entity.

12.04 PRIOR PLANS.

This Plan has been amended from time to time. The benefits payable to any Participant at retirement or death shall be governed by the terms of the Plan as in effect at that date.

12.05 REFUNDS OF ERRONEOUS PAYMENTS.

The Board may refund, without interest, to any Employer Contributions made by that Employer because of a mistake of law or fact if all the following conditions are met:

- (a) In the Board's discretion, that refund will not undermine the stability of the Plan or create a financial hardship to the Plan;
- (b) Those Contributions were not made on behalf of a Participant who, or whose Beneficiary, has received benefits under the Plan;
- (c) That refund would, after taking all facts into consideration, be equitable to both the Employer and the Plan; and
- (d) That refund would not have been barred by any statute of limitations if the Employer had brought an action for refund against the Plan.

The amount to be refunded shall be the amount of the erroneous Contributions less (1) any investment losses incurred by the Plan which are attributable to those Contributions, and (2) any costs incurred by the Plan relating to the refund claim. If the erroneous Contributions qualify for refund, and the Employer makes a written request for the Contributions within six (6) months following confirmation from the Trust that Contributions were mistakenly made, then refund shall be made within a reasonable time after the request.

12.06 ALTERNATE PAYEES OF BENEFITS.

(a) Retirement Benefits Payable to Incompetent Persons.

All Retired Employees and other Beneficiaries receiving pension benefits shall be conclusively presumed to have been competent until the date upon which the Board shall have received written notice in a form and manner acceptable to it that such Retired Participant or Beneficiary is an incompetent person for whom a guardian or other person legally vested with his/her care shall have been appointed. From and after the date of an acceptance of such notice, all further Retirement Benefits to which such Retired Participant or Beneficiary is entitled

shall be payable to his/her guardian or other person legally liable for his/her care.

(b) Payment of Accrued Retirement Benefits at Death.

Any payment of Retirement Benefits accrued to a Retired Participant at his/her death and which have not been paid may be paid to the person designated by the Retired Participant. If the Retired Participant has failed to designate a Beneficiary or if the Retired Participant's designated Beneficiary does not survive the Retired Participant, then the benefits shall be paid in accordance with the terms of Section 12.06(c) and (d).

(c) Designation of Alternate Beneficiaries at Death.

In the event a Participant (that term as used in this paragraph shall also include a Retired Participant) does not designate a Beneficiary, or if the designated Beneficiary does not survive the Participant, then it shall be conclusively presumed that the Participant has designated that any accrued, unpaid retirement benefits or any lump sum death benefit will be paid as follows. They shall be paid to the Participant's spouse; if the Participant's spouse does not survive the Participant, then those benefits will be paid in equal shares to the Participant's children who survive the Participant; if none survive the Participant, then the benefits will be paid to the Participant's parents, equally, or to the survivor; if neither parent survives the Participant, then the benefits will be paid in equal shares to the Participant's brothers and sisters who survive the Participant or if none survive to the executor or administrator of the Participant's estate; or if no probate proceedings have been commenced those benefits will be paid to the person who is entitled to the Participant's net estate under the laws of intestate succession of the state of the Participant's residence at the time of his death, provided no payment shall escheat to any state. In the event there is no designated Beneficiary or heir who survives the Participant and makes claim within four (4) years of the Participant's death, there shall be no payment and the amount held for payment shall then be deemed contributed toward the cost and maintenance of the Plan.

(d) Elections and Revocations.

If a Participant marries or divorces after a written designation of beneficiary has been made, in the absence of a Qualified Domestic Relations Order to the contrary, all prior designations shall automatically be revoked and the unpaid benefits, death benefits or Survivor benefits, unless a new designation is filed in the Administration Office prior to Participant's death in a form acceptable to the Board of Trustees, shall be paid according to the following priorities:

- First: Qualified Surviving Spouse;
- Second: Surviving Children of the Participant;
- Third: Surviving Parent(s) of the Participant;
- Fourth: Surviving Siblings of the Participant;
- Fifth: Estate of the Participant.

12.07 VESTING UPON TERMINATION OR PARTIAL TERMINATION.

Upon termination or partial termination of the Plan, the right of all Participants to benefits accrued to the date of such termination or partial termination to the extent then funded shall be non-forfeitable.

In the event of partial termination, such non-forfeitable rights shall only apply to the benefits of Participants whose participation hereunder is terminated.

SECTION 13. **Miscellaneous Provisions**

13.01 INFORMATION TO BE FURNISHED.

A Participant shall furnish any information or proof that the Trustees deem necessary or reasonable to administer this Plan. Participants shall cooperate and comply with all reasonable requests of the Board.

13.02 CONTRIBUTIONS.

Contributions to this Plan will be made by the Employers and in amounts specified in their respective Collective Bargaining Agreements or by special agreement in writing between the Employer and the Board. Employees may not make voluntary contributions to the Plan.

13.03 INCREASED BENEFITS TO RETIRED PARTICIPANTS (APPLICABLE TO BENEFITS EARNED PRIOR TO January 1, 2018).

All benefits payable as a result of a Participant having retired or becoming disabled shall be increased as follows:

(a) Retirement Prior to January 1, 1971.

If the Participant retired prior to January 1, 1971, the Participant's retirement benefits shall be increased beginning with the monthly payment due for January 1971, by the amount of .003-1/3 for each month that the Participant has been retired or disabled since January 1, 1962 and prior to January 1, 1971.

(b) Retirement Prior to January 1, 1978.

If the Participant retired prior to January 1, 1978, the Participant's retirement benefits shall be increased, beginning with the monthly payment due for January 1978, by the amount of 10%. If the Participant retired prior to January 1, 1971, the increase set forth in this Paragraph (b) shall be in addition to the increase set forth in Paragraph (a).

(c) Retirement Prior to January 1, 1981.

If the Participant retired prior to January 1, 1981, the Participant's retirement benefits shall be increased, beginning with the monthly payment due for January 1981, by the amount of 10%. If the Participant retired prior to January 1, 1978, the increase set forth in this Paragraph (c) shall be in addition to the increases set forth in Paragraphs (a) and (b).

(d) Retirement Prior to January 1, 1983.

If the Participant retired prior to January 1, 1983, the Participant's retirement benefits shall be increased, beginning with the monthly payment due for January 1983, by the amount of 18%. If the Participant retired prior to January 1, 1981, the increase set forth in this Paragraph (d) shall be in addition to the increases set forth in Paragraphs (a), (b) and (c).

(e) Retirement Prior to January 1, 1986.

If the Participant retired prior to January 1, 1986, the Participant's retirement benefits shall be increased, beginning with the monthly payment due for January 1986, by the amount of 8%. If the Participant retired prior to January 1, 1983, the increase set forth in this Paragraph (e) shall be in addition to the increases set forth in Paragraphs (a), (b), (c) and (d).

(f) Retirement Prior to July 1, 1988.

If the Participant retired prior to July 1, 1988, the Participant's retirement benefits shall be increased, beginning with the monthly payment due for July, 1988, by the amount of 4%. If the Participant retired prior to January 1, 1986, the increase set forth in this Paragraph (f) shall be in addition to the increases set forth in Paragraphs (a), (b), (c), (d) and (e).

(g) Retirement Prior to January 1, 1990.

If the Participant retired prior to January 1, 1990, the Participant's retirement benefits shall be increased beginning with the monthly payment due for January 1990, by the amount of 7%. If the Participant retired prior to July 1, 1988, the increase set forth in this Paragraph (g) shall be in addition to the increase set forth in Paragraphs (a), (b), (c), (d), (e) and (f).

(h) Retirement Prior to January 1, 1992.

If the Participant retired prior to January 1, 1992, the Participant's retirement benefits shall be increased beginning with the monthly payment due for January, 1992, by the amount of 5%. If the Participant retired prior to January 1, 1990, the increase set forth in this Paragraph (h) shall be in addition to the increases set forth in Paragraphs (a), (b), (c), (d), (e), (f) and (g).

(i) Retirement Prior to January 1, 1994.

If the Participant retired prior to January 1, 1994, the Participant's retirement benefits shall be increased beginning with the monthly payment due for January, 1994, by the amount of 5%. If the Participant retired prior to January 1, 1992, the increase set forth in this Paragraph (i) shall be in addition to the increases set forth in Paragraphs (a), (b), (c), (d), (e), (f), (g) and (h).

(j) Special Payment to Retirees.

Each retiree shall receive a second benefit payment for the month of December 1993 equal to his/her retirement benefit otherwise payable for that month.

(k) Retirement Prior to January 1, 1997.

If the Participant retired prior to January 1, 1997, the Participant's retirement benefits shall be increased beginning with the monthly payment due for January 1997 by the amount of 3%. If the Participant retired prior to January 1, 1994, the increase set forth in this Paragraph (k) shall be in addition to the increases set forth in Paragraphs (a), (b), (c), (d), (e), (f), (g), (h) and (i).

(l) Special Payment to Retirees in 1996.

Each retiree shall receive a second benefit payment for the month of December 1996 equal to his/her retirement benefit otherwise payable for that month.

(m) Special Increase to Those Who Retired Prior to January 1, 1976.

Retirement benefits for all Participants, who retired prior to January 1, 1976 shall be increased beginning with the monthly payment due for January 1997 by the following respective amounts:

<u>If the Participant Retired:</u>	<u>Percentage Increase</u>
Before 1971	50%
In 1971 or in 1972	40%
In 1973	30%
In 1974	20%
In 1975	10%

(n) Special Payment to Retirees in 1997.

Each retiree shall receive a second benefit payment for the month of December 1997 equal to his/her retirement benefit otherwise payable for that month.

(o) Retirement Prior to January 1, 1999.

If the Participant retired prior to January 1, 1999, the Participant's retirement benefits shall be increased beginning with the monthly payment due for January 1999 by the amount of 3%. If the Participant retired prior to January 1, 1997, the increase set forth in this Paragraph (o) shall be in addition to the increases set forth in Paragraphs (a), (b), (c), (d), (e), (f), (g), (h), (i) and (k).

(p) Special Payment to Retirees in 1998.

Each retiree shall receive a second benefit payment for the month of December 1998 equal to his/her retirement benefit otherwise payable for that month.

(q) Special Payment to Retirees in 1999.

Each retiree shall receive a second benefit payment for the month of December 1999 equal to his/her retirement benefit otherwise payable for that month.

(r) Retirement Prior to January 1, 2000.

If the Participant retired prior to January 1, 2000, the Participant's retirement benefits shall be increased beginning with the monthly payment due for January 2000 by the amount of 3%. If the Participant retired prior to January 1, 1999, the increase set forth in this Paragraph (r) shall be in addition to the increases set forth in Paragraphs (a), (b), (c), (d), (e), (f), (g), (h), (i), (k) and (o).

(s) **Special Payment to Retirees in 2000.**

Each retiree shall receive a second benefit payment for the month of December 2000 equal to his/her retirement benefit otherwise payable for that month.

(t) **Special Payment to Retirees in 2001.**

Each retiree shall receive a second benefit payment for the month of December 2001 equal to his/her retirement benefit otherwise payable for that month.

(u) **Special Payment to Retirees and Other Beneficiaries in 2006.**

Each retiree and other beneficiary shall receive a second benefit payment for the month of December 2006, equal to 50% of the benefit otherwise payable for that month.

(v) **Special Payment to Retirees and Other Beneficiaries in 2007.**

Each retiree and other beneficiary receiving a monthly benefit in December 2007 shall receive an additional benefit payment equal to 3.5% of the monthly total payments made to that person for 2007 but not to exceed twelve monthly payments in 2007.

See also Section 5.01(x) and (z) regarding additional benefit payments for those in pay status in 2024 and 2025.

13.04 MERGER OR CONSOLIDATION.

This Plan shall not be merged or consolidated with, nor shall any assets or liabilities be transferred to, any other plan, unless the benefits payable to each Participant, if the Plan was terminated immediately after such action, would be equal to or greater than the benefits to which such Participant would have been entitled if this Plan had been terminated immediately before such action.

13.05 ASSIGNMENT.

(a) **No Right to Assign, etc.**

A Participant, or surviving Beneficiary or estate of a Participant, or a former Participant shall have no right to assign, transfer, hypothecate, encumber, or anticipate his interest in, or any payment payable to the Participant under this Plan; nor shall any such interest or payment be subject to garnishment, attachment, levy, execution, or other legal or equitable process. If any such person shall attempt to assign, transfer, or dispose of such right, or should such right be subjected to attachment, execution, garnishment, sequestration, levy, or other legal or equitable process, then such assignment, transfer, disposition, attachment, execution, garnishment, sequestration, levy or other legal or equitable process shall be null and void.

(b) **Exception for Qualified Domestic Relations Order.**

Notwithstanding the provisions of Paragraph (a) above, the Plan will pay benefits in accordance with the applicable requirements of any Qualified Domestic Relations Order.

13.06 CLAIMS REVIEW PROCEDURE.

- (a) No Employee, Retiree, Beneficiary or other person shall have any right or claim to benefits under the Plan, or any right or claim to payments from the Trust, other than as specified herein. Any dispute as to eligibility, type, amount or duration of benefits or any right or claim to payments from the Trust shall be resolved pursuant to the Plan and binding upon all parties thereto.
- (b) Any person whose application for benefits (other than Disability Retirement) under the Plan has been denied in whole or in part, or whose claim to benefits against the Trust is otherwise denied (claimant), shall be notified in writing of such denial within 90 days after receipt of such application or claim. An extension of time not exceeding an additional 90 days may be required by special circumstances. If so, notice of such extension, indicating what special circumstances exist therefore and the date by which a final decision is expected to be rendered, shall be furnished to the claimant prior to the expiration of the initial 90-day period. The notice of denial shall set forth in a manner calculated to be understood by the claimant:
 - (i) The specific reason or reasons for the denial;
 - (ii) Specific reference(s) to pertinent Plan provisions on which the denial is based;
 - (iii) A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and
 - (iv) Appropriate information as to the steps to be taken if the claimant wishes to submit his/her claim for review/appeal.
- (c) Any person whose application for a Disability Retirement is denied in whole or in part will be notified in writing of the denial within a reasonable period of time, but not later than 45 days after receipt of the claim. This period may be extended up to 30 days (to a total of 75 days) if the Plan determines that an extension of time for making a determination is necessary due to matters beyond the control of the Plan and notifies the claimant prior to the expiration of the initial 45-day period of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision.

If an additional extension of time is necessary due to matters beyond the control of the Plan, this period may be extended for an additional 30 days (to a total of 105 days). The claimant will be notified prior to the expiration for the first 30-day extension period of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision.

If an extension of time is due to a claimant's failure to submit the information necessary to decide a claim for a Disability Retirement, the claimant will be afforded at least 45 days within which to provide the specified information. The period for making a decision shall be tolled from the date on which notification of the extension is sent to the claimant until the date on which the claimant responds to the request for additional information.

If an extension is necessary to consider a claim for a Disability Retirement, the notification of extension will specifically provide: (1) an explanation of the standards on which entitlement to a benefit is based; (2) the unresolved issues that prevent a decision on the claim; and (3) the

additional information needed to resolve the issues.

- (d) If a claim is not acted upon within the time limits provided by this Section, the claimant may proceed to the appeal procedures.
- (e) The claimant may appeal to the Board of Trustees for a review of the denial. The notice of appeal must:
 - (i) Be in writing;
 - (ii) State in clear and concise terms the reasons for disputing the denial;
 - (iii) Be accompanied by any relevant documentary material not already furnished to the Plan; and
 - (iv) In the case of a denial of a Disability Retirement, be filed by the claimant or his/her duly authorized representative with the Administrator of the Trust within 180 days after receipt of the notice of denial, and in the case of all other adverse determinations, within 90 days after receipt of the notice of the determination.

The failure to file a notice of appeal within the time period prescribed constitutes a waiver of the claimant's right to a review of the denial.

The claimant or his/her duly authorized representative shall be permitted to review relevant documents and submit issues and comments in writing.

- (f) The appeal will be conducted by the Board of Trustees, or by the Appeals Committee of the Board of Trustees which has been allocated authority for making a final decision in connection with the appeal.

The Trustees will review a properly filed appeal at the next regularly scheduled quarterly meeting of the Board of Trustees or Appeals Committee (if so authorized) unless the request for review is received by the Trustees within thirty (30) days preceding the date of such meeting. In such a case, the appeal will be reviewed no later than the date of the second quarterly meeting following the Trustees' receipt of the notice of appeal, unless there are special circumstances requiring a further extension of time, in which case a benefit determination will be rendered no later than the third quarterly meeting following the Trustees' receipt of notice of appeal. If such an extension of time for review is required because of special circumstances, such as a request for a hearing on the appeal, then prior to the commencement of the extension, the Plan will notify the claimant in writing of the extension, describe the special circumstances and the date as to which the benefit determination will be made.

The claimant must introduce sufficient credible evidence on appeal to establish, *prima facie*, entitlement of the relief from the decision or other action from which the appeal is taken. The claimant will have the burden of proving his/her right to relief from the decision or action appealed, by a preponderance of the evidence. The Trustees will review all comments, documents, records and other information submitted by the claimant related to the claim, regardless of whether such information was submitted or considered in the initial benefit determination. The Trustees will not afford deference to the initial adverse benefit determination.

When deciding an appeal of a claim for a Disability Retirement that is based in whole or in

part upon a medical judgment, the Trustees will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment. Any medical or vocational expert whose advice was obtained on behalf of the Plan in connection with the adverse benefit determination will be identified to the claimant. Any health care professional engaged for the purpose of a consultation will not be an individual who was consulted in connection with the initial adverse benefit determination that is the subject of the appeal, nor a subordinate of such individual.

(g) The Trustees will issue a written decision on review as soon as possible, but not later than five days after the determination is made. The determination will include:

- (i) The specific reasons for the decision, written in a manner calculated to be understood by the claimant and including identification of missing information, if any;
- (ii) Specific references to relevant Plan provisions on which the decision is based;
- (iii) A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of all documents, records, and other information relevant to the claimant's claim for benefits;
- (iv) A statement of the claimant's right to bring a civil action under ERISA § 502(a); and
- (v) In the case of an appeal for a Disability Retirement, if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion, or a statement that such a rule, guideline, protocol, or other similar criterion that was relied upon in making the determination and that a copy of the same will be provided free of charge to the claimant upon request.

(h) Following issuance of the written decision of the Trustees on an appeal of a claim, there is no further right to appeal to the Trustees or right to arbitration. Instead, the claimant may bring a civil action under ERISA § 502(a) within 180 days following the written decision. The question for consideration for the Court will be whether, in the particular instance:

- (i) The Trustees were in error upon an issue of law;
- (ii) The Trustees acted arbitrarily or capriciously in the exercise of their discretion; or
- (iii) The Trustees' findings of fact were supported by substantial evidence.

Each party is responsible for its own attorney fees and expenses of litigation. A claimant shall be required to exhaust his/her remedies under the provisions of this Article XIII, Section 13.06, as a condition precedent to the commencement of any suit.

(i) The provisions of this Section shall apply to and include any and every claim or right asserted under the Plan against the Trust, regardless of when the act or omission upon which the claim is based occurred, and regardless of whether or not the claimant is an "Employee" or "Beneficiary" of the Plan within the meaning of those terms as defined under ERISA and the Plan.

13.07 PRONOUNS.

In many portions of this Plan a male pronoun may have been used to designate an Employee or a Participant and a female pronoun to designate a spouse or other Beneficiary. This has been done for convenience only. In all instances, male and female pronouns shall be used interchangeably in construing this Plan.

13.08 RECIPROCITY WITH THE NATIONAL PENSION PLAN.

If Contributions are received by this Plan for a Participant under a reciprocity agreement with another pension trust (the "visited trust") and no Contribution has been made directly from that visited trust on behalf of the Participant to the Plumbers and Pipefitters National Pension Fund (the "National Pension Plan"), then the Contributions sent to this Plan will be allocated between this Plan and the National Pension Plan in the same ratio as they would have been had the Participant been working in the jurisdiction of his own local.

13.09 BENEFITS FOR MEMBERS OF LOCAL 306.

(a) Termination and Restrictions Pertaining to This Plan.

Although Local 306 has been dissolved, that certain Reciprocity Agreement between the National Plan, Local 306 and this Plan (the "Reciprocity Agreement") remains in effect to administer benefits for former Local 306 members who are eligible to receive benefits from this Plan as set forth in this Section 13.09. If that agreement is terminated and as a consequence benefits are no longer available from this Plan to former members of Local 306, unless they qualify for benefits under the other terms of this Plan, then no former member of Local 306 or his Beneficiary shall have any recourse or cause of action against this Plan except to the extent that prior to such termination benefits have Vested under this Plan for that former member of Local 306. If there is any inconsistency between the terms of this Section 13.09 and the terms of the Reciprocity Agreement, the terms of this Section 13.09 shall prevail.

(b) Definitions.

As used in this Section 13.09, the following terms shall have the following meanings:

- (i) The term "former member of Local 306" or "former Local 306 member" refers to any person for whom Contributions were made to Local 306 and (1) who was a member of Local 598 and/or (2) for whom pension Contributions had been made to the Washington State Plan before January 1, 1986.
- (ii) "Retiree" refers to a member of Local 306 who is eligible for retirement under the National Pension Plan.
- (iii) "Beneficiary" refers to the beneficiary of a former member of Local 306.
- (iv) "The terms of the National Pension Plan" means the terms of the Plumbers & Pipefitters National Pension Fund as in effect at this date and as it may subsequently be amended from time to time.

(c) Vesting.

If a former member of Local 306 becomes vested under the terms of the National Pension Plan, then he/she shall be deemed Vested under this Plan with the result that all accrued benefits earned under this Plan shall then be non-forfeitable.

(d) Eligibility for Benefits.

When a former Local 306 member or his/her beneficiary applies for a benefit, and is eligible for a benefit under the National Pension Plan, that person shall then become eligible for the same type of benefit under the terms of this Plan if the National Pension Plan certifies to this Plan that the former Local 306 member or beneficiary has made application, and is eligible for, a certain type of benefit under the National Pension Plan.

(e) Requirements to Qualify for a Benefit Under This Plan.

The retiree or beneficiary so certified by the National Pension Plan must then apply for a benefit under this Plan and execute all application and election forms and provide such other information as may be required by the Administrative Office of this Plan. The retiree may select a whole life annuity or form of joint and survivor annuity payable under this Plan notwithstanding that under the National Pension Plan he has chosen another form of benefit payment. A beneficiary may select any form of benefit payment available under this Plan notwithstanding that under the National Pension Plan he or she has chosen some other form of benefit payment.

(f) Type of Retirement Benefits.

The retiree or beneficiary shall be eligible for the same type of benefit he or she has applied for under the National Pension Plan with the following qualifications or exceptions:

(i) Normal Retirement Benefits.

Normal Retirement Benefits under this Plan may not begin before the retiree reaches 65 years of age, or such earlier retirement age if the Normal Retirement Age under this Plan is subsequently lowered.

(ii) Early Retirement Benefits.

Early Retirement Benefits may not commence to a retiree before he reaches 55 years of age, or before such lower retirement age if this Plan is subsequently amended to provide for an earlier retirement age. The Early Retirement Benefit of any retiree shall be calculated in accordance with the reduction factors set forth in this Plan.

(iii) Disability Retirement Benefits.

The waiting period for commencement of Disability Retirement Benefits for a retiree shall be in accordance with the terms of this Plan. A retiree's eligibility for Disability shall be determined under the terms of the National Pension Plan and that plan shall certify to this Plan that a retiree is eligible for disability retirement under the National

Pension Plan. This Plan will not pay Early Retirement Benefits to any former Local 306 member who is awaiting determination of whether he is eligible for disability retirement benefits under the National Pension Plan. If that former Local 306 member who has filed an application for disability retirement under the National Pension Plan is not eligible for such benefits and then takes Early Retirement, he/she shall make an application to this Plan for Early Retirement Benefits.

(iv) Death Benefits.

Any death benefits or pre-retirement benefits payable to a beneficiary because of the death of a former Local 306 member will only be payable (1) in the event that the former Local 306 member is vested under the National Pension Plan, or (2) in the event the beneficiary is otherwise eligible to receive the benefits under the other terms of this Plan.

(g) Suspension of Benefits.

Payments under this Plan to a retiree shall be suspended as of the date benefits were suspended to that retiree by the National Pension Plan. If the National Pension Plan reinstates those benefit payments, then this Plan shall as of the same date, reinstate payments to the retiree.

(h) Payments, Benefits and Rights Under This Plan.

Except as modified by the terms of any agreement with the National Pension Plan, the terms of this Plan and the rules and regulations promulgated by its Board, shall govern all payments, benefits and rights of former Local 306 members and their Beneficiaries in relation to this Plan. Any benefits payable under this Plan shall be computed in accordance with the terms of this Plan and shall be based only on Contributions made to this Plan on behalf of the former Local 306 member.

(i) Independent Eligibility Under This Plan.

If a former Local 306 member is eligible for benefits under the terms of this Plan notwithstanding the terms of this Section 13.09 then, when eligible, he may make application for benefits to this Plan and shall not be bound by the limitations of this Section 13.09.

13.10 LIMITATIONS ON CONTRIBUTIONS FOR EMPLOYEES.

In addition to other applicable limitations set forth in the Plan, and notwithstanding any other provision of the Plan to the contrary, for Plan Years beginning on or after January 1, 1994, the annual compensation of each Employee on which Contributions to this Plan are based shall not exceed the Omnibus Budget Reconciliation Act of 1993 ("OBRA '93") annual compensation limit. Contributions received in excess of that limit shall not be accepted by the Plan. The OBRA '93 annual compensation limit is \$150,000, as adjusted by the Commissioner of Internal Revenue for increases in the cost of living in accordance with Section 401(a)(17)(B) of the Internal Revenue Code. The cost-of-living adjustment in effect for a calendar year applies to any period, not exceeding 12 months, over which compensation is determined (determination period) beginning in such calendar year. If a determination period consists of fewer than 12 months, the OBRA '93 annual compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the

denominator of which is 12.

For plan years beginning on or after January 1, 1994, any reference in this Plan to the limitation under Section 401(a)(17) of the Code shall mean the OBRA '93 annual compensation limit set forth in this provision.

If compensation for any prior determination period is taken into account in determining an employee's benefits accruing in the current Plan Year, the compensation for that prior determination period is subject to the OBRA '93 annual compensation limit in effect for that prior determination period. For this purpose, for determination periods beginning before the first day of the first Plan Year beginning on or after January 1, 1994, the OBRA '93 annual compensation limit is \$150,000.

13.11 QUALIFIED MILITARY SERVICE BENEFITS UNDER THE UNIFORM SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT.

Notwithstanding any provision of the Plan to the contrary, effective December 12, 1994, contributions, benefits, and Service Credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Internal Revenue Code. Funding to provide benefits attributable to periods of qualified military service will be based upon the Participant's average Hours of Service during the 12-month period immediately preceding qualified military service, or, if shorter, the period of employment immediately preceding the qualified military service.

Accordingly, as required under IRC § 401(a)(37), in the case of a Participant who dies while performing qualified military service (as defined in IRC § 414(u)), the Beneficiary of the Participant is entitled to any additional benefits provided under the Plan had the Participant resumed and then terminated employment as of Participant's date of death.

13.12 MINIMUM REQUIRED DISTRIBUTIONS

Effective on and after January 1, 2008, the Plan shall be administered in accordance with the requirements of Code section 432 insofar as they are or may become applicable.

SECTION 14.
Withdrawal Liability Rules

The purpose of this Section is to incorporate certain of the Trust's policies and procedures regarding employer withdrawal liability in this Plan, some of which are required to be included in the Plan under Sections 4210(a) and (b) of ERISA.

14.01 CALCULATIONS OF UNFUNDDED VESTED BENEFIT LIABILITIES

Unfunded vested benefit (UVB) liabilities, if any, shall be calculated using an interest rate based on the PBGC Annuity Basis for December of the year prior to the withdrawal. Other than the interest rate, the calculation shall be based on the same assumptions used in the annual actuarial valuations for valuing its liabilities.

14.02 ALLOCATION OF UVB LIABILITIES AMONG EMPLOYERS

The presumptive method is used. Because the UVB was equal to zero for all measurements before December 31, 2008, all UVB change allocation pools before December 31, 2008 under the presumptive

method were equal to zero. The initial UVB change allocation pool established at December 31, 2008 is equal to the UVB at December 31, 2008. At such time as there is no UVB, all allocation pools will be set to zero as allowed by the Pension Protection Act. As a result, the withdrawal liability assessment for a complete withdrawal will be zero for any year where the UVB at the end of the prior plan year is zero.

14.03 DE MINIMIS RULE

The Trust applies the “de minimis” rule set forth in subsection 4209(a) of ERISA, whereby the amount of UVB liability allocable to a withdrawn Employer is reduced by the lesser of (a) three quarters of one percent of the Trust’s total UVB obligations, or (b) \$50,000, reduced by the amount, if any, by which the UVB liability otherwise allocable to the Employer exceeds \$100,000. The “de minimis” rule shall not apply in the event of a “mass withdrawal” as described in ERISA subsection 4209(c).

14.04 FREE LOOK RULE

The Trustees have adopted the “free look” rule set forth in subsection 4209(a) of ERISA, whereby an Employer may withdraw from the Trust with no withdrawal liability if (a) the Employer had an obligation to contribute to the Trust for no more than five (5) Plan Years; (b) the Employer’s required contribution for each of the Plan Years prior to the withdrawal was less than two percent (2%) of the total contribution made by all Employers for each of those Plan Years; (c) the Employer had not previously avoided withdrawal liability under the “free look” rule, and (d) the Employer first had an obligation to the Trust after September 26, 1980.

14.05 PAYMENT SCHEDULE

Payments from withdrawing Employers shall be made on a quarterly basis, but the remaining withdrawal liability assessment can be pre-paid at any time.

