

**NORTHERN NEVADA
PLUMBERS & PIPEFITTERS
VARIABLE DEFINED BENEFIT PLAN
(For members of U.A. Local 350)**

SUMMARY PLAN DESCRIPTION

2020 Edition

**Keep this Summary Plan Description
For Future Reference**

NORTHERN NEVADA PLUMBERS & PIPEFITTERS VARIABLE DEFINED BENEFIT PLAN

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NORTHERN NEVADA PLUMBERS & PIPEFITTERS VARIABLE DEFINED BENEFIT PLAN

445 Apple Street, Suite 109
Reno, Nevada 89502

To All Covered Employees:

This new booklet was written and designed to provide you with an up-to-date summary of the Pension Plan. Be sure to read this booklet and keep it for future reference. You should also share it with your family since some of the benefits described may directly affect them.

This booklet summarizes the key provisions of the Plan and describes how you earn benefits, when you may commence receiving your benefits and the choices you have when your benefits are paid to you. The formal text of the Plan controls eligibility, benefit payments, and other aspects of the Plan. **In the event of any ambiguity or conflict between this booklet and the Plan, the Plan will govern.**

You should read this booklet carefully. If you are married you should discuss the Plan's benefits, options and other rules with your spouse. **KEEP THIS BOOKLET FOR FUTURE REFERENCE.**

If you have any questions, please contact the Fund Office where the staff will be happy to answer them.

Sincerely,

BOARD OF TRUSTEES

NORTHERN NEVADA PLUMBERS & PIPEFITTERS VARIABLE DEFIND BENEFIT PLAN

SUMMARY PLAN DESCRIPTION

LIMITATION UPON RELIANCE ON BOOKLET AND STATEMENTS

This explanation of the Pension Plan is no more than a brief and very general statement of the most important provisions of the Pension Plan. No general statement such as this can adequately reflect all of the details of the Plan. Nothing in this statement is meant to interpret or extend or change in any way the provisions that are expressed in the Plan itself. The rights of a Participant or Beneficiary can only be determined by consulting the Plan Document. If you would like a copy of the Plan Document, please contact the Fund Office.

Only the full Board of Trustees is authorized to interpret the Plan or benefits described in this booklet. No employer, nor any representative of any employer or union, is authorized to interpret this Plan on behalf of the Board - nor can such person act as an agent of the Board of Trustees.

You are not entitled to rely upon oral statements of representatives of the Fund Office, Trustees, an employer, any union officer, or any other person. If you wish an interpretation of the Plan, you should address your request in writing to the Board of Trustees at the Fund Office. To make its decision, the Board of Trustees must be furnished with full and accurate information concerning your situation.

As a courtesy to you, the Fund Office may respond orally to questions; however, oral information and answers are not binding upon the Plan and cannot be relied upon in any dispute concerning your benefits and/or the Plan.

You should further understand that, from time to time, there may be an error in a statement, letter or other communication that you receive which may be corrected upon an audit or review. The Board of Trustees reserves the right to make corrections whenever any error is discovered.

C A U T I O N: FUTURE PLAN AMENDMENTS

Future amendments to the Plan may have to be made from time to time to comply with Congressional action, rulings by federal agencies, and/or courts and other changes deemed necessary or prudent by the Board of Trustees. You will be notified when important amendments to the Plan are made. Before you decide to retire, you should contact the Fund Office to determine if there have been Plan changes or other developments that may affect your retirement benefits.

CONSULT WITH TAX ADVISOR

The Fund Office does not provide tax advice or suggest how you should receive your benefits. **You should discuss with a tax advisor the tax consequences of any selection of a benefit option.**

ONE YEAR TO FILE A LAWSUIT

If a claim for benefits has been denied and you filed an appeal which is also denied or you have a different type of adverse determination, you have one year from the date of the denial of the appeal or the adverse determination to file a lawsuit seeking to overturn the appeal and/or adverse determination. **Failure to do so means that you will not be able to file your lawsuit. Any such lawsuit has to be filed in federal district court in Reno, Nevada.**

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I. HOW YOU BECOME A PARTICIPANT IN THE PLAN

You become a Participant in this Plan (no earlier than August 1, 2019) when you work in a job category covered by a Collective Bargaining Agreement between U.A. Local 350 and your current Employer or a Subscription Agreement (non-bargaining) between your Employer and the Board of Trustees ("Agreement"). You shall continue to be a Participant until such time that You incur a One-Year Break in Service or all benefits due under the Plan have been paid to You or Your beneficiaries. Also see Article III below titled, "CAN YOU LOSE YOUR VESTING SERVICE AND BENEFIT CREDITS".

Certain full-time employees of the Union, the Joint Apprenticeship Trust and other entities are also allowed to participate in the Plan under rules approved by the Board of Trustees pursuant to a Subscription Agreement with the Plan. Certain employees who previously participated in the Plan in a position covered by a Collective Bargaining Agreement are eligible to participate as "alumni" pursuant to governmental regulations.

II. HOW WORKING TIME COUNTS

The amount of time you work in a job covered by an Agreement ("Covered Service") counts in several important ways. It determines whether you are eligible for retirement income and how much your retirement income will be. For these purposes, the time you work as a Participant in the Plan is measured in two ways - in **years of Vesting Service and Benefit Credits**.

Beginning August 1, 2019, after you become a Participant in the Plan, you receive both years of Vesting Service and Benefit Credits for each calendar year based on the number of hours you work in Covered Service. You may also receive years of Vesting Service for work performed before August 1, 2019.

In general, Vesting Service is used in determining your vesting status with the Plan and your eligibility for Rule of 85 Early Retirement. Benefit Credits are used to determine the amount of your retirement income. In addition, Vesting Service earned as of August 1, 2019 is used to determine whether you are eligible for Transition Benefits. See Article V below titled, "RETIREMENT INCOME AND WHEN YOU ARE ELIGIBLE FOR A PENSION" for more information on how your retirement income is determined.

A. Years of Vesting Service

Beginning in 2019, you receive one year of Vesting Service for each Calendar Year during which you work at least 750 hours in Covered Service. No Vesting Service will be earned in Calendar Years where you work less than 750 hours.

A Calendar Year is the 12-month period from January 1 to December 31.

Past Vesting Service:

As of August 1, 2019, you may receive years of Vesting Service for hours worked prior to August 1, 2019. In this case, one year of Vesting Service (which has not been forfeited as a result of a Permanent Break in Service) shall be granted for each 12-month period prior to August 1, 2019 (measured August 1 – July 31) in which you worked at least 750 hours for U.A. Local 350 in a job and with an Employer currently covered by an Agreement.

Your total Years of Vesting Service will equal your Past Vesting Service plus Years of Vesting Service earned starting January 1, 2019.

B. Benefit Credits

Beginning August 1, 2019, you will earn an Annual Accrual each year based on the number of hours you work during the year in Covered Service and the hourly contribution rate made to the Plan on your behalf. It will take 1,500 hours to earn a full Benefit Credit; partial Benefit Credits are granted for each 75-hour increment worked. There is no limit on the number of Benefit Credits you can earn in a year, therefore, the more you work, the bigger the benefit you will earn. The table below shows how many Benefit Credits you will earn each calendar year based on the number of hours you work during the year.

Benefit Credits (there is no limit on the benefit credits you can earn each year)

Hours Worked Each Calendar Year			Benefit Credits	Hours Worked Each Calendar Year			Benefit Credits
0	-	74	0	1575	-	1649	1.05
75	-	149	0.05	1650	-	1724	1.10
150	-	224	0.10	1725	-	1799	1.15
225	-	299	0.15	1800	-	1874	1.20
300	-	374	0.20	1875	-	1949	1.25
375	-	449	0.25	1950	-	2024	1.30
450	-	524	0.30	2025	-	2099	1.35
525	-	599	0.35	2100	-	2174	1.40
600	-	674	0.40	2175	-	2249	1.45
675	-	749	0.45	2250	-	2324	1.50
750	-	824	0.50	2325	-	2399	1.55
825	-	899	0.55	2400	-	2474	1.60
900	-	974	0.60	2475	-	2549	1.65
975	-	1049	0.65	2550	-	2624	1.70
1050	-	1124	0.70	2625	-	2699	1.75
1125	-	1199	0.75	2700	-	2774	1.80
1200	-	1274	0.80	2775	-	2849	1.85
1275	-	1349	0.85	2850	-	2924	1.90
1350	-	1424	0.90	2925	-	2999	1.95
1425	-	1499	0.95	3000	-	3074	2.00
1500	-	1574	1.00	3075	-	3149	2.05

Benefit Credits continue to be earned in 75-hour increments if you work 3,150 or more hours in a year.

III. CAN YOU LOSE YOUR VESTING SERVICE AND BENEFIT CREDITS?

You cannot lose your Years of Vesting Service and Benefit Credits once you have attained vested status, (see "How you Achieve Vested Status" in Article IV below). However, you may permanently lose your Years of Vesting Service and all benefits earned if you are not vested and you do not work the required number of hours in a covered job for a certain number of years, thus incurring a Break in Service. A Break in Service (temporary or permanent) is determined by the Break in Service rule, as explained below.

A. Break in Service

If you are not vested in this Plan and work less than 500 hours of service in a calendar year, you incur a One-Year Break in Service unless you have been granted a Leave of Absence. If you are not vested in this Plan and have five consecutive One-Year Breaks in Service, you incur a Permanent Break in Service and all Vesting Service and any benefit earned are forfeited.

Below is an example of the Break in Service rules.

Year	Employee Works	Total Years of Vesting Service	One-Year Breaks in Service
1	1,400 Hours	1	0
2	1,500 Hours	2	0
3	1,100 Hours	3	0
4	1,300 Hours	4	0
5	100 Hours	4	1
6	0 Hours	4	2
7	125 Hours	4	3
8	0 Hours	4	4
9	190 Hours	0	5 (Permanent)

The Employee in the above example has a Permanent Break in Service at the close of the ninth year because the number of consecutive One-Year Breaks in Service equals or exceeds five years. Even if you become vested in this Plan at a later date, previously forfeited service and contributions cannot be counted toward your retirement income.

IMPORTANT: A One-Year Break in Service can be repaired so long as the Break in Service is not permanent. All previous One-Year Breaks in Service are disregarded after a Calendar Year in which an employee has worked at least 500 hours in Covered Service and/or Non-Covered Service in this Plan or a Related Plan, provided there was no Permanent Break in Service.

Break in Service years are not added together unless they come one right after the other without interruption, by years of less than 500 hours of work in Covered Service or Non-Covered Service.

B. Leave of Absence

You may avoid a break in service if you were unable to work in Covered Service for one of the following four reasons and for a period of time not to exceed the maximum described:

- Certain Military service for such period as required by law. You may receive Vesting Service and Benefit Credits for qualifying military service.

- Service as an official of the U. A. international union for up to three years. You do not receive Vesting Service or Benefit Credits for service with the international union.
- Disabling condition that prevents gainful employment in any trade for up to two years, subject to further consideration after that time if the disabling condition continues. To qualify, you must submit satisfactory proof of your disability to the Board of Trustees. You do not receive Vesting Service or Benefit Credits for a disability leave.
- Maternity or paternity leave. You may receive up to a maximum of 501 hours of Covered Service in the year of the leave, if needed to prevent a break, or else in the following year contingent on returning to work after the leave. These hours only apply for Vesting Purposes and preventing a break. This means that you do *not* receive any Benefit Credits for a maternity or paternity leave.

If you need to apply for a leave of absence, please contact the Fund Office.

IV. HOW YOU ACHIEVE VESTED STATUS

A. Vesting Status

The Plan is designed to provide benefits that begin on your Normal Retirement Date if you are Vested when you stop working. You may choose to begin receiving benefits before Normal Retirement Date if you are eligible (see “When you are eligible for a pension” in Article V below).

You have achieved Vested status if:

- You have accumulated 5 Years of Vesting Service (including Past Vesting Service) without a Permanent Break in Service; or
- You attain Normal Retirement Age (at least age 65) while you are actively working in Covered Service.

If you are not Vested in the Plan when you stop working, you will not be entitled to any benefits from the Plan unless you rejoin the Plan, meet the requirements described in the “Can You Lose Your Vesting Service and Benefit Credits?” in Article III above and meet the requirements above.

If you never Vest under the rules of the Plan, neither you, nor your spouse or designated beneficiary(ies) will be entitled to any benefits. Neither you nor your employer is entitled to a return of contributions made to the Plan nor any interest thereon.

B. Annual Statement of Your Benefits

Each year the Plan will send a statement showing your hours of Covered Employment worked in the prior Plan Year, accumulated Pension Credits, and anticipated monthly pension amount at Normal Retirement Age (age 65) as of the end of the prior calendar Plan Year. The Participant should review this statement for accuracy and notify the Trust Fund Office in writing immediately if corrections are needed or if any questions should arise. If a Statement is not received by June 30 of each year, please contact the Trust Fund Office.

ALERT: IF YOU FIND ERRORS IN YOUR STATEMENT

Notify the Fund Office immediately if you notice any errors on your hours, rates, and/or benefit or if you have any questions.

C. Employer Contributions

Your pension benefit is funded by Employer contributions made on your behalf pursuant to collective bargaining agreements with U.A. Local 350. The contribution rates for each hour of your employment are set, from time to time, by the parties to such agreements. The current Employer contribution rate may vary depending upon the classification that you are working in under the Collective Bargaining Agreement. You should contact U.A. Local 350 for information on these classifications. For example, Employers may contribute a lower amount an hour to the Retirement Plan for each hour worked in Covered Employment by an apprentice. Moreover, the contribution rates could change in the future. The Employer contributions to the Plan are not subject to withholding for FICA, FUTA or state or federal taxes.

Your Employer is required to make contributions for your hours of work by the 15th day of the month following the month in which your hours of work were performed. Your Employer forwards to the Fund Office a transmittal form that contains the name and hours of work performed by each Covered Employee together with the amount of contributions made to the Plan on your behalf. The number of hours you work each year and the hourly contribution rate made to the Plan on your behalf are used to calculate your benefit under the Plan.

**ALERT: IF YOU BELIEVE YOUR EMPLOYER IS NOT CONTRIBUTING
THE FULL AMOUNT TO THE PLAN**

You **should notify the Union and the Fund Office immediately** if you are aware or suspect that your Employer has not contributed to the Plan on your behalf the full amount required under your collective bargaining agreement. If you fail to do so, you may not receive the correct benefit. **Contact Benefit Plan Administrators, Inc. at (775) 826-7200 if you have concerns or questions.**

The Fund Office reviews your Employer's transmittal report for mathematical accuracy and notifies the Employer if there is an error in the Employer's contributions which requires correction.

The amount of Employer contributions made to the Plan for non-bargaining unit employees will be governed by individual Subscription Agreements entered with the Plan and any rules adopted by the Board of Trustees.

D. Benefits for Certain Military Service

Pursuant to various military veterans' laws including the Veterans' Reemployment Rights Act and USERRA (Uniformed Service Employment and Reemployment Rights, Act), an authorized leave of absence due to certain military service in the United States Armed Forces is considered Covered Employment provided that you comply with the requirements of applicable federal law, the Plan and any rules established by the Board of Trustees. **This Plan provides benefits only for military service for which the Plan is required to provide under applicable federal law.**

To be entitled to such benefits, you must have been working as a Covered Employee during the 90 days prior to your commencement in the Armed Forces, have returned to work as a Covered Employee within the time required by federal law following your discharge from the Armed Forces, have been honorably discharged, and served no more than five years in such military service. The Board of Trustees has the absolute discretion to determine whether you meet the military service requirements and may require that you certify periods of employment if the Plan is unable to determine your beginning and ending dates of employment. USERRA applies to persons who perform duty, voluntarily or involuntarily, in the "uniformed services." These services include the Army, Navy, Marine Corps, Air Force, Coast Guard, and Public Health Service Commissioned Corps. Federal training or service in the Army National Guard and Air National Guard also provide rights under USERRA. Uniformed service includes active duty, active duty for training (such as drills), and initial active duty training.

In determining your Employer contributions and hours worked for the period you were in such military service, the Plan will calculate the Employer contributions that were made to the Plan on your behalf and hours worked based on the average of the contributions made on your behalf and hours worked during the twelve (12) month period immediately preceding the date you commenced such service, or if shorter, the period of employment immediately preceding such service. Such amounts shall be considered an expense of the Plan.

V. RETIREMENT INCOME AND WHEN YOU ARE ELIGIBLE FOR A PENSION

This section describes the types of retirement income and the service, age and other requirements for each form of retirement income. The amount of your monthly retirement income will vary with each type of retirement income according to a number of factors. Information concerning the amount and duration of payments can be found in this section as well as in the sections entitled "Standard Payment Methods at Retirement" and "Optional Payment Methods at Retirement".

The amount of your monthly income at retirement is primarily determined by five factors:

- Your Benefit Credits earned each year in this Plan (as described in Article II above);
- The Accrual Rate for each year you earn Benefit Credits;
- The investment performance of the Plan;
- Your age and service activity at retirement; and
- The payment method you select at retirement.

The starting point for determining your monthly retirement income is to multiply the **Benefit Credits** earned in a calendar year by the appropriate **Accrual Rate**, which results in a benefit earned during that year. This amount is called your **Annual Accrual**.

A. Accrual Rate

Your Accrual Rate depends on your age, service and participant status on August 1, 2019. Your accrual rate also depends on the hourly contribution rate made to the Plan on your behalf. The Accrual Rates shown below are based on a contribution rate of \$3.00 per hour made to the Plan. Because the hourly contribution rate is collectively bargained, your contribution rate might be different than \$3.00 per hour.

Accrual Rate in Effect for the period August 1, 2019 through July 31, 2029			
Participant on August 1, 2019?	Vesting Service on August 1, 2019	Age on August 1, 2019	Accrual Rate¹
Yes	Less than 10 Years	Any age	\$54.00
Yes	10 or More Years	At least 50 but less than 55	\$72.00
Yes	10 or More Years	55 or older	\$81.00
No	N/A	N/A	\$54.00

¹ These Accrual Rates assume a contribution rate of \$3.00 per hour is made to the Plan. Accrual Rates will be prorated, up or down, to reflect the actual hourly contribution rate.

If your hourly contribution rate is different than \$3.00 per hour, the Accrual Rates shown below will be prorated, up or down, in relation to \$3.00 to reflect the actual hourly contribution rate. For example, if the collective bargaining agreement requires an hourly contribution of \$1.50, then the Accrual Rates shown in the table below would be decreased by 1.50 / 3.00, or a factor of 50%.

Starting August 1, 2029, all Participants will receive an Accrual Rate of \$63.00¹ for Benefit Credits earned after July 31, 2029.

B. Variable Benefit and Investment Returns

In general, once earned, your retirement income will adjust on January 1st each year based on the Plan's investment return. Investment related adjustments occurring each January 1st are made to your Variable Benefit earned through December 31st of the prior calendar year, excluding any benefit restoration approved by the Board. The adjustment is based on the Plan's investment return for the Reference Year.

If the Plan's investment return is more than 5% (the Plan's "Hurdle Rate"), your Variable Benefit will increase based on the Plan's investment return in excess of the Hurdle Rate. The maximum annual increase in your Variable Benefit is 8% (the Plan's "Cap Rate").

If the Plan earns less than the Hurdle Rate, your Variable Benefit decreases. However, the Board of Trustees have established a reserve fund to allow the Board to restore benefits to a High-Water mark benefit. If a "restore" is needed, it is never automatic, instead any periodic "restore" must be approved by the Board of Trustees. Once you Retire or leave Covered Service, your Variable Benefit will continue to be subject to the Plan's investment performance as described in this section.

How Your Benefit Adjusts on January 1 Each Year

Variable Benefit Adjustment				
12/31 Benefit (Pre-adjustment)	x	$\frac{1 + \text{Plan's Investment Return (not to exceed 13.40\%)}}{1 + \text{Hurdle Rate}}$	=	01/01 Benefit (Post-adjustment)

C. Save and Restore Reserve

To reduce the impact of investment downturns on participants' retirement income, the Board of Trustees has established a reserve that can be used to prevent your retirement income from decreasing whenever investment returns are less than the Hurdle Rate (leading to your Variable Benefit being less than the High-Water Mark). In years when investment returns are particularly high (above 13.40%), benefit increases will be limited to the Cap Rate of 8%. The excess returns will help build the Save and Restore Reserve. That reserve money is intended to be used to restore benefits in years when investment returns are less than 5%. If a "restore" is needed, it is never automatic, instead any periodic "restore" must be approved by the Board of Trustees.

Although it is unlikely, if the Save and Restore Reserve is not sufficient, your retirement income may decrease due to a market downturn.

D. Variable Benefit Definitions

The following definitions apply to variable Plan benefits:

- **Annual Accrual** – The benefit you earn for each year you work in covered service, based on the Benefit Credits earned each year and the Accrual Rate for the year. Once earned, your Annual Accruals are added to your Variable Benefit, which is adjusted each January 1st based on the Plan's investment performance for the Reference Year.
- **Reference Year** – The second calendar year prior to the current year. So for any day in 2022, the Reference Year is 2020.
- **Variable Benefit** – Your benefit earned based on your Annual Accruals, and adjusted each January 1st based on the Plan's investment performance for the Reference Year. Your Variable

Benefit excludes any benefit restoration that may be provided through the Save and Restore Reserve.

- **High-Water Mark Benefit** – This is your highest retirement income paid or payable to date.
- **Hurdle Rate** – The investment return threshold of 5% that must be reached to increase your Variable Benefit.
- **Cap Rate** – The Cap Rate is 8%, which means your Variable Benefit will not be increased by more than 8% in a year, even when investment returns are greater than 13.40%.
- **Save and Restore Reserve** – The money the Plan holds in reserve that is intended to be used to “restore” your retirement income following years with investment returns of less than 5%.
- **Restoration Payment** – A temporary payment intended to prevent your retirement income from decreasing in a down market. Restoration Payments are subject to sufficient funds in the Save and Restore Reserve and must be approved by the Board of Trustees.

E. Benefit Adjustment Date

On January 1 every year, your Variable Benefit earned through December 31st of the prior calendar year will be adjusted based on the investment returns from two years ago (the Reference Year). For example, the January 1, 2022 adjustment will be based on the Plan’s 2020 investment return. These benefit adjustments will occur each year before and after you retire. Retirees will receive advance notice before their benefit changes on January 1. The first adjustment was on January 1, 2020 and was a 2% increase.

EXAMPLE:

Joe became a participant in the Plan on January 1, 2020. He works 1,500 hours each year and his contribution rate is \$3.00/hr. His Accrual Rate is \$54.00. The table below shows how Joe’s benefit is earned, and adjusted, during his first 5 years of work based on the hypothetical investment returns shown:

Year	01/01 Benefit	Accrual Rate	Benefit Credit	Investment Return from Reference Year	Variable Benefit Adjustment	12/31 Benefit (Pre-adjustment)	01/01/Year+1 Benefit (Post-adjustment)
2020	\$0.00	\$54.00	1.0	5.00%	1.00	$\$0 + \$54.00 = \$54.00$	$\$54.00 \times 1.00 = \54.00
2021	\$54.00	\$54.00	1.0	8.15%	1.03	$\$54.00 + \$54.00 = \$108.00$	$\$108.00 \times 1.03 = \111.24
2022	\$111.24	\$54.00	1.0	2.90%	0.98	$\$111.24 + \$54.00 = \$165.24$	$\$165.24 \times 0.98 = \161.94
2023	\$161.94	\$54.00	1.0	15.00%	1.08*	$\$161.94 + \$54.00 = \$215.94$	$\$215.94 \times 1.08 = \233.22
2024	\$233.22	\$54.00	1.0	7.10%	1.02	$\$233.22 + \$54.00 = \$287.22$	$\$287.22 \times 1.02 = \292.96

*The Cap Rate of 8% applies

F. Normal Retirement

Eligibility

Under Normal Retirement, you are eligible to receive your monthly retirement income when:

- You have attained age 65
- Are Vested (as described above)
- You must cease working in the building and construction industry in the geographic area covered by this Plan for 40 hours or more during a calendar month or during a four- or five-week payroll period ending in a calendar month. If you retire and subsequently work anywhere for wages or profit in the building and construction industry your benefits are subject to suspension.

Your Normal Retirement Date is the first of any month following your 65th birthday and satisfaction of the eligibility requirements.

Normal Retirement Income

The monthly amount of a Normal Retirement Income is equal to your Variable Benefit (as described above), less the appropriate reduction for a Joint & Survivor Benefit or a Certain & Life Benefit. More information on the standard and optional payment methods can be found in Article VI and Article VII below.

Your retirement income will continue to be subject to change each January 1st based on the Plan's investment performance. If the Plan's investment return is less than the Hurdle Rate, your Normal Retirement Income could include a Restoration Payment but only if approved by the Board of Trustees.

EXAMPLE:

Tom worked for 20 years and is ready to retire at age 65. His Normal Retirement Income amount calculated on his Normal Retirement Date is \$1,500 per month payable as a single life benefit guaranteed for five years. The table below shows how Tom's retirement income may change during retirement based on hypothetical investment returns.

Age	Year	Normal Retirement Income Paid	Variable Benefit	Investment Return for Prior Year	Benefit Adjustment	01/01/Year+1 Benefit (Post-adjustment)
65	2040	\$1,500.00	\$1,500.00	5.00%	1.00	$\$1,500.00 \times 1.00 = \$1,500.00$
66	2041	\$1,500.00	\$1,500.00	7.10%	1.02	$\$1,500.00 \times 1.02 = \$1,530.00$
67	2042	\$1,530.00	\$1,530.00	10.25%	1.05	$\$1,530.00 \times 1.05 = \$1,606.50$
68	2043	\$1,606.50	\$1,606.50	2.90%	0.98	$\$1,606.50 \times 0.98 = \$1,574.37$
Using the Save and Restore Reserve, the Board approves to restore benefits following the investment return of 2.90%, which is less than the Hurdle Rate. Tom's benefit paid at age 69 will equal his High-Water Mark benefit of \$1,606.50.						
69	2044	\$1,606.50	\$1,574.37	8.15%	1.03	$\$1,574.37 \times 1.03 = \$1,621.60$
70	2045	\$1,621.60	\$1,621.60	6.05%	1.01	$\$1,621.60 \times 1.01 = \$1,637.82$

While benefits are only shown to age 70, the benefit adjustments would continue until Tom is no longer receiving retirement income.

G. Regular Early Retirement

Eligibility

You are eligible to receive a Regular Early Retirement Income when:

- You are at least age 55, but have not attained age 65;
- Are Vested (as described above); and
- Are no longer working in any type of work for an employer that contributes to the Plan. If you retire and subsequently work anywhere for wages or profit in the building and construction industry your benefits are subject to suspension.

Regular Early Retirement Income

The amount of your Regular Early Retirement Income is reduced from the amount of the Normal Retirement Income because you are younger when your retirement income begins, and you will be paid retirement income for a longer period of time. The reduction factors for Regular Early Retirement are shown below (Early Retirement factors for ages in between whole ages are interpolated using completed months).

Age Retirement	Regular Early Retirement Reduction Factor
55	50%
56	53%
57	56%
58	60%
59	65%
60	70%
61	75%
62	80%
63	86%
64	93%
65	100%

The amount of the Regular Early Retirement Income is equal to your Variable Benefit (as described above), reduced by the appropriate reduction for Early Retirement and reduced by the appropriate reduction for a Joint & Survivor Benefit or a Certain & Life Benefit.

Your retirement income will continue to be subject to change each January 1st based on the Plan's investment performance. If the Plan's investment return is less than the Hurdle Rate, your Early Retirement Income could include a Restoration Payment but only if approved by the Board of Trustees.

EXAMPLE:

Scott works for 12 years then decides to stop working in Covered Employment at age 52. Three years later he is ready to retire at age 55 and his Variable Benefit at his retirement date is \$800 per month. Because he is retiring early at age 55 (10 years before Normal Retirement age of 65), his retirement income will be reduced based on the Regular Early Retirement Reduction Factor at age 55.

$$\begin{array}{rcl}
 \text{Variable Benefit} & & \text{Regular Early} \\
 \text{at Retirement} & & \text{Retirement Factor} \\
 \$800.00 & \times & 50\% \\
 & & = \\
 & & \text{Regular Early} \\
 & & \text{Retirement Income} \\
 & & \$400.00
 \end{array}$$

Scott's Regular Early Retirement Income is \$400 per month starting at age 55 payable as a single life benefit guaranteed for five years. The table below shows how Scott's retirement income may change during retirement based on hypothetical investment returns.

Age	Year	Early Retirement Income Paid	Variable Benefit	Investment Return for Prior Year	Benefit Adjustment	01/01/YY+1 Benefit (Post-adjustment)
55	2034	\$400.00	\$400.00	7.10%	1.02	$\$400.00 \times 1.02 = \408.00
56	2035	\$408.00	\$408.00	5.00%	1.00	$\$408.00 \times 1.00 = \408.00
57	2036	\$408.00	\$408.00	11.30%	1.06	$\$408.00 \times 1.06 = \432.48
58	2037	\$432.48	\$432.48	1.85%	0.97	$\$432.48 \times 0.97 = \419.51
Using the Save and Restore Reserve, the Board approves to restore benefits following the investment return of 1.85%, which is less than the Hurdle Rate. Scott's benefit paid at age 59 will equal his High-Water Mark benefit of \$432.48.						
59	2038	\$432.48	\$419.51	9.20%	1.04	$\$419.51 \times 1.04 = \436.29
60	2039	\$436.29	\$436.29	6.05%	1.01	$\$436.29 \times 1.01 = \440.65

While benefits are only shown to age 60, the benefit adjustments would continue until Scott is no longer receiving retirement income.

H. Special Early Retirement

Eligibility

You are eligible to receive a Special Early Retirement Income when:

- You are at least age 55, but have not attained age 65;
- Are Vested (as described above);
- You have at least 750 hours of service in this Plan in three of the last four calendar years immediately preceding your retirement effective date; and
- Are no longer working in any type of work for an employer that contributes to the Plan. If you retire and subsequently work anywhere for wages or profit in the building and construction industry your benefits are subject to suspension.

Special Early Retirement Income

Depending on the age you retire, the amount of your Special Early Retirement Income may be reduced from the amount of the Normal Retirement Income because you are younger when your retirement income begins and you will be paid retirement income for a longer period of time. The reduction factors for Special Early Retirement are shown below (factors for ages in between whole ages interpolated using completed months).

Age Retirement	Special Early Retirement Reduction Factor
55	67%
56	73%
57	79%
58	85%
59	91%
60	97%
61	98.5%
62	100%
63	100%
64	100%
65	100%

The amount of the Special Early Retirement Income is equal to your Variable Benefit (as described above), reduced by the appropriate reduction for Early Retirement and reduced by the appropriate reduction for a Joint & Survivor Benefit or a Certain & Life Benefit.

Your retirement income will continue to be subject to change each January 1st based on the Plan's investment performance. If the Plan's investment return is less than the Hurdle Rate, your Special Early Retirement Income could include a Restoration Payment but only if approved by the Board of Trustees.

EXAMPLE:

John works steadily for 15 years, then decides to retire at age 60. He meets all of the eligibility requirements for Special Early Retirement and his Variable Benefit when he retires is \$1,000 per month. Because he is retiring early at age 60 (5 years before Normal Retirement age of 65), his retirement income will be reduced based on the Special Early Retirement Reduction Factor at age 60.

<u>Variable Benefit</u>		<u>Special Early</u>		<u>Special Early</u>
<u>at Retirement</u>		<u>Retirement Factor</u>		<u>Retirement Income</u>
\$1,000.00	x	97%	=	\$970.00

John's Special Early Retirement Income is \$970.00 per month starting at age 60 payable as a single life benefit guaranteed for five years.

This amount will continue to be subject to change each January 1st based on the Plan's investment performance (as described above in the Plan's rules) also as shown in the examples for Normal Retirement and Regular Early Retirement above.

I. Rule of 85 Early Retirement

Eligibility

You are eligible to receive a Rule of 85 Early Retirement Income when:

- You are at least age 55, but have not attained age 65;
- Are Vested (as described above);
- You have at least 750 hours of service in this Plan in three of the last four calendar years immediately preceding your retirement effective date;
- Your age plus years of Vesting Service equals at least 85; and
- Are no longer working in any type of work for an employer that contributes to the Plan. If you retire and subsequently work anywhere for wages or profit in the building and construction industry your benefits are subject to suspension.

Rule of 85 Early Retirement Income

Depending on the age you retire, the amount of your Rule of 85 Early Retirement Income may be reduced from the amount of the Normal Retirement Income because you are younger when your retirement income begins and you will be paid retirement income for a longer period of time. The reduction factors for Rule of 85 Early Retirement are shown below (factors for ages in between whole ages are interpolated using completed months).

Age Retirement	Rule of 85 Retirement Reduction Factor
55	79%
56	85%
57	91%
58	97%
59	98.5%
60	100%
61	100%
62	100%
63	100%
64	100%
65	100%

The amount of the Special Early Retirement Income is equal to your Variable Benefit (as described above), reduced by the appropriate reduction for Early Retirement and reduced by the appropriate reduction for a Joint & Survivor Benefit or a Certain & Life Benefit.

Your Rule of 85 Early Retirement Income will continue to be subject to change each January 1st based on the Plan's investment performance. If the Plan's investment return is less than the Hurdle Rate, your Rule of 85 Early Retirement Income could include a Restoration Payment but only if approved by the Board of Trustees.

EXAMPLE:

Linda works steadily for 25 years, then decides to retire at age 60. She meets the eligibility requirements for Rule of 85 Early Retirement and her Variable Benefit when she retires is \$1,800 per month. Because she is retiring early at age 60 and meets the Rule of 85, her retirement income will not be reduced.

<u>Variable Benefit at Retirement</u>		<u>Rule of 85 Early Retirement Factor</u>		<u>Special Early Retirement Income</u>
\$1,800.00	x	100%	=	\$1,800.00

Linda's Rule of 85 Early Retirement Income is \$1,800.00 per month starting at age 60 payable as a single life benefit guaranteed for five years.

This amount will continue to be subject to change each January 1st based on the Plan's investment performance (as described above in the Plan's rules) also as shown in the examples for Normal Retirement and Regular Early Retirement above.

J. Disability Retirement

Eligibility

If you become "totally disabled", you are eligible for a Disability Retirement income if:

- You have not reached age 65; and
- You have at least five Years of Vesting Service with at least one Benefit Credit; and
- You have at least 750 hours of service in this Plan in three of the last four Plan years immediately preceding the onset of the disability

Total Disability

You are considered "totally disabled" upon determination by the Social Security Administration that you meet the requirements for a Social Security Disability Benefit. Proof of total disability must be shown by submitting a copy of your Social Security Disability Award, or a letter from the Social Security Administration that states you have been awarded a Social Security Disability Benefit and notes the effective date of such benefit.

At any time, the Board of Trustees may ask for proof that you continue to qualify for these benefits.

Disability Retirement Income

The monthly amount of your Disability Retirement Income is equal to your Variable Benefit (as described above), less the appropriate reduction for a Joint & Survivor Benefit or a Certain & Life Benefit.

You should file an application for a Disability Benefit with the Fund Office when you apply for your Social Security Disability Benefit to make sure that Plan benefits become payable as soon as possible.

Disability Benefit payments shall cease the earliest of:

1. The expiration of the Participant's payments based on the Optional Payment form elected; or
2. The date the Participant is no longer Totally Disabled;

Your Disability Retirement Income will continue to be subject to change each January 1st based on the Plan's investment performance. If the Plan's investment return is less than the Hurdle Rate, your Disability Retirement Income could include a Restoration Payment but only if approved by the Board of Trustees.

K. Reciprocal Pension

If you have worked under this Plan and other pension Plans related to it through a Reciprocal Agreement ("Related Plan"), you might be entitled to a Reciprocal Pension. A Reciprocal Pension is provided for those who may not be eligible for benefits under any one pension Plan or would receive less than the full benefit amount because their working time was divided between two or more Plans.

You may be eligible for a Reciprocal Pension if:

- You would be entitled to retirement income if your Combined Service Credit (service earned under this Plan for hours worked after August 1, 2019 are added to service earned under a Related Plan for hours worked after August 1, 2019) were treated as Vesting Service under this Plan;
- You have met the age requirements for the type of pension you are applying for under each applicable Related Plan. (If applying for a Disability Benefit, you are sufficiently disabled to meet each applicable Related Plans' definition of total disability.); and
- You have at least one Benefit Credit based on actual employment after August 1, 2019 for which contributions have been made to this Plan.

Hours earned after August 1, 2019 under any Related Plan will be taken into account when determining:

- Whether or not you have incurred a Permanent Break in Service and a possible loss of Benefit Credits under this Plan;
- Whether or not you meet the Vesting requirements for this Plan; and
- Eligibility for Normal Retirement, Early Retirement, Special Early Retirement, Rule of 85 Early Retirement, Disability Retirement, and pre-retirement death benefits.

If you want to find out if your service under other Plans can be applied to this Plan under the Reciprocal Agreement, please contact the Fund Office.

Reciprocal Pension Amount

The amount of the Reciprocal Pension is determined in the same way as the Normal Retirement, Early Retirement, Special Early Retirement, Rule of 85 Early Retirement, Disability Retirement, and pre-retirement death benefits are determined in this Plan.

The amount of a Reciprocal Pension payable from this Plan shall be based on the Benefit Credits earned under this Plan.

L. Money-Follows-the-Employee-Pension

Money-Follows-the-Employee-Pension allows you to have hours and contributions transferred to your Home Fund when you temporarily work in the jurisdiction of a reciprocal trust. A request to transfer contributions must be made in writing on a form approved by the Board of Trustees within 60 days from the start of employment.

Upon a timely request, this Plan will accept contributions and hours made to a Reciprocal Plan for hours worked on and after August 1, 2019. You will earn a pension from this Plan based on the contributions and hours transferred from a Reciprocal Plan.

Upon a timely request, contributions made to this Plan for hours worked on and after August 1, 2019 shall be transferred to your Home Fund, provided the Home Fund is a Reciprocal Plan which has adopted this money-follows-the-employee provision.

Eligibility and benefits payable from transferred contributions into this Plan will be determined by the provisions of this Plan.

For more information please contact the Fund Office.

VI. STANDARD PAYMENT METHODS AT RETIREMENT

When you Retire, you will be asked to choose the way you want your retirement income to be paid. The standard forms of payment available to you are described in this section and the optional forms of payment available to you are described starting in Article VII.

No matter which form of payment you choose, your Retirement Income will continue to be subject to change each January 1st based on the Plan's investment performance. If the Plan's investment return is less than the Hurdle Rate, your Retirement Income could include a Restoration Payment but only if approved by the Board of Trustees.

A. Standard Form of Retirement

Married Participants. If you are married when you Retire, you will automatically receive a 50% Joint & Survivor Benefit unless you and your Spouse reject this form of payment, in writing, prior to pension payments beginning.

Under this form of payment, you will receive a fixed monthly amount for your lifetime and after your death, your surviving Spouse will receive 50% of the amount you were receiving for the rest of your Spouse's life. However, should your Spouse predecease you and if you notify the Fund Office of your Spouse's death, your benefit will be increased to the Single Life Benefit amount effective the month following your Spouse's death. In this case, the Single Life Benefit shall not be guaranteed for 60 months.

The amount of the Joint & Survivor Benefit you receive will be reduced to take into account your expected life span as well as that of your Spouse.

For Example: Assume that you are retiring at age 65 and your Normal Retirement Income is \$1,500.00 per month. You elect the 50% Joint & Survivor Benefit option. The monthly benefit you and your surviving spouse will receive is based on each of your ages at retirement:

You are age 65 and your Spouse is:	Monthly Benefit to Pensioner	Monthly Benefit to Spouse if Pensioner Dies First	Monthly Benefit to Pensioner if Spouse Dies First
10 years younger	\$1,321.20	\$660.60	\$1,500.00
5 years younger	\$1,352.70	\$676.35	\$1,500.00
Same Age	\$1,383.90	\$691.95	\$1,500.00
5 years older	\$1,412.85	\$706.43	\$1,500.00
10 years older	\$1,437.60	\$718.80	\$1,500.00

Some Important Facts Concerning the 50% Joint & Survivor Benefit

- The 50% Joint & Survivor Benefit protects only the Spouse married to you on your Annuity Starting Date. If you divorce and remarry after your Annuity Starting Date, your new Spouse will not be entitled to any benefits under the 50% Joint & Survivor Benefit option.

- For you and your Spouse to receive the 50% Joint & Survivor Benefit option, you and your Spouse must have been legally married to each other on your Annuity Starting Date.
- After payments begin, the 50% Joint & Survivor Benefit option cannot be cancelled or increased because you and your Spouse are divorced. However, if your Spouse relinquishes all interest in benefits from the Plan pursuant to a Qualified Domestic Relations Order dated on or after August 1, 2019, your benefit shall be increased to the Single Life Benefit amount. In this case, the Single Life Benefit shall not be guaranteed for 60 months.
- In order to reject the 50% Joint & Survivor Benefit, both you and your Spouse must sign waiver forms provided by the Fund Office. The signatures must be witnessed by a Plan representative or a Notary Public. A rejection of the 50% Joint & Survivor Benefit is effective only if given within 90 days of the Annuity Starting Date. Signed waiver forms are not required if you elect a 75% or 100% Joint & Survivor Benefit instead of the 50% Joint & Survivor Benefit.
- The rights of a former Spouse as outlined in a "Qualified Domestic Relations Order" may reduce or eliminate benefits due to your current Spouse.

Single Participants. If you are single when you Retire, you will **automatically** receive a Single Life Benefit Guaranteed for Five Years (60 months), unless you choose a different payment option.

If you are married when you Retire, you and your Spouse can reject a Joint & Survivor Benefit and receive a Single Life Benefit Guaranteed for Five Years (60 months). In order to reject the Joint & Survivor Benefit, both you and your Spouse must sign waiver forms provided by the Fund Office. The signatures must be witnessed by a Plan representative or a Notary Public.

Under the Single Life Benefit Guaranteed for Five Years option, benefits are paid to you for your lifetime, but if you die before 60 monthly pension benefits have been paid, the monthly payments will continue to your named Beneficiary until a total of 60 monthly payments have been made. No payments are made to your Beneficiary after the 60th monthly payment.

For example: If your pension begins January 1, 2023 under the Single Life Benefit Guaranteed for Five Years option (60 months), and you die in June, 2025 (30 monthly payments into the guarantee period), your Beneficiary would receive payments under this method through the remaining guaranteed period, December, 2027 (30 monthly of payments after your death for a total of 60 monthly payments made under the Plan).

VII. OPTIONAL PAYMENT METHODS AT RETIREMENT

In lieu of the automatic methods of payment, you may elect to receive one of the following payment options:

A. 75% or 100% Joint & Survivor Benefit

These options are similar to the 50% Joint & Survivor Benefit described in Article VI, except under these forms of payment, you will receive a reduced amount for your lifetime and after your death, your surviving Spouse will receive 75% or 100% (whichever you elect) of the amount you were receiving for the rest of your Spouse's life.

Like the 50% Joint & Survivor Benefit, should your Spouse predecease you and if you notify the Fund Office of your Spouse's death, your benefit will be increased to a Single Life Benefit effective the month following your Spouse's death. In this case, the Single Life Benefit shall not be guaranteed for 60 months.

The amount of the 75% or 100% Joint & Survivor Benefit you receive will be reduced to take into account your expected life span as well as that of your Spouse. The amount of the reduction is based on the difference in the ages of you and your spouse. The amount of reduction will also depend on whether you elect the 75% or 100% Joint & Survivor Benefit option.

For Example: Assume that you are retiring at age 65 and your Normal Retirement Income is \$1,500.00 per month. You elect the 100% Joint & Survivor Benefit option. The monthly benefit you and your surviving spouse will receive is based on each of your ages at retirement:

You are age 65 and your Spouse is:	Monthly Benefit to Pensioner	Monthly Benefit to Spouse if Pensioner Dies First	Monthly Benefit to Pensioner if Spouse Dies First
10 years younger	\$1,173.90	\$1,173.90	\$1,500.00
5 years younger	\$1,224.45	\$1,224.45	\$1,500.00
Same Age	\$1,276.65	\$1,276.65	\$1,500.00
5 years older	\$1,326.60	\$1,326.60	\$1,500.00
10 years older	\$1,371.15	\$1,371.15	\$1,500.00

B. Non-Spouse Beneficiary 50% Joint & Survivor Benefit

This option is similar to the 50% Joint & Survivor Benefit described in Article VI, except under this form of payment, you will receive a reduced amount for your lifetime and after your death, your surviving Non-Spouse Beneficiary will receive 50% of the amount you were receiving for the rest of your Beneficiary's life.

Unlike the 50% Joint & Survivor Benefit that is only available to married participants, should your Beneficiary predecease you under this "Non-Spouse Beneficiary 50% Joint and Survivor Benefit", your benefit will NOT be increased to Single Life Benefit amount.

The amount of the Non-Spouse Beneficiary 50% Joint & Survivor Benefit you receive will be reduced to take into account your expected life span as well as that of your Beneficiary. The amount of the reduction is based on the difference in the ages of you and your Beneficiary.

If you are married when you Retire, you and your Spouse can reject a Joint & Survivor Benefit and receive a Non-Spouse Beneficiary 50% Joint & Survivor Benefit. In order to reject the Joint & Survivor Benefit, both you and your Spouse must sign waiver forms provided by the Fund Office. The signatures must be witnessed by a Plan representative or a Notary Public.

C. 10-Year Certain & Life Benefit

The 10-Year Certain Life Benefit pays benefits to you for your lifetime, but if you die before 120 monthly pension benefits have been paid, the monthly payments will continue to your named Beneficiary until a total of 120 monthly payments have been made. No payments are made to your Beneficiary after the 120th payment. Under this option, you will receive a reduced amount to reflect that payments are guaranteed for 10 years.

If you are married when you Retire, you and your Spouse can reject a Joint & Survivor Benefit and receive a 10-Year Certain & Life Benefit. In order to reject the Joint & Survivor Benefit, both you and your Spouse must sign waiver forms provided by the Fund Office. The signatures must be witnessed by a Plan representative or a Notary Public.

No matter which form of payment you choose, the Retirement Income paid to you and your Beneficiary will continue to be subject to change each January 1st based on the Plan's investment

performance. If the Plan's investment return is less than the Hurdle Rate, your Retirement Income could include a Restoration Payment but only if approved by the Board of Trustees.

D. Electronic Funds Transfer ("EFT") of Pension Payments

To increase efficiency and to reduce the possibility of theft, the Trust Fund Office strongly recommends that monthly benefit payments be electronically transferred into an account at a bank, savings and loan, credit union, or other financial institution. The Participant must complete the Trust Fund Office EFT Form and return it to the Trust Fund Office to identify the financial institution which will receive the electronic transfer.

A L E R T

YOU MUST RECEIVE A MANDATORY DISTRIBUTION AT AGE 72

Pursuant to Internal Revenue Code requirements, you must start receiving your benefit by April 1 of the year following the date you attain age 72 or stop working in Covered Service, whichever is later. Your monthly benefit may have to be increased to ensure that the payment period for your pension does not exceed your life expectancy or the joint life expectancies of you and a designated beneficiary.

VIII. OTHER SURVIVOR BENEFITS

A. Pre-Retirement Survivor Benefit for Spouse

If you are married, a Pre-Retirement Survivor Benefit protects your Spouse if you should die after you become vested and before you start receiving retirement income under the Plan. The Pre-Retirement Survivor Benefit is payable for your Spouse's lifetime.

If you die *after age 55 and after* becoming vested under the Plan, your surviving Spouse will receive 100% of your earned retirement income adjusted as though you had Retired on the day before your death and had elected the 100% Joint & Survivor Benefit. Benefits to your Spouse will begin on the first of the month following the month in which you died.

If you die *before age 55 and after* becoming vested under the Plan, your Surviving Spouse will receive the 100% Joint & Survivor Benefit as though you had:

- Separated from service on the date of death, or the date last worked in Covered Service, if earlier;
- Survived to age 55;
- Retired with a 100% Joint & Survivor Benefit; and
- Died on the day after the day you would have attained age 55.

Benefits will continue to be subject to change each January 1st based on the Plan's investment performance. Annual changes will be made before and after benefits commence. If the Plan's investment return is less than the Hurdle Rate, your Retirement Income could include a Restoration Payment but only if approved by the Board of Trustees.

B. Pre-Retirement Death Benefit for Unmarried Participant

If you are not married, a Pre-Retirement Death Benefit will be paid to your Beneficiary should you die after you become vested and before you start receiving retirement income under the Plan. The Pre-Retirement Death Benefit will be a lump sum payment equal to the total of the Employer Contributions paid into the Plan on your behalf for Hours of Service performed on or after August 1, 2019.

C. Pre-Retirement Death Benefit if there is no Beneficiary Designated

If Pre-Retirement Death Benefits would otherwise be payable but there is no valid beneficiary designation on file with the Fund Office as of your date of death, and you are survived either by a lawful Spouse or by any child, whether the child is a natural, adopted or stepchild, then the Trustees may, in their sole discretion, deem such surviving spouse, or if none, then such surviving child or children, to be your designated beneficiaries.

D. Naming a Beneficiary

You may designate a Beneficiary to receive payments due upon your death by completing a Beneficiary Designation card from the Fund Office. If you are married, your Spouse must be your designated Beneficiary. No Beneficiary designation other than your Spouse will be permitted unless:

- Your Spouse consents in writing to the designation; or
- Your Spouse cannot be located, with such proof of attempt to locate that is consistent with the rules of the Trust or federal regulations; or
- You have been legally abandoned by your Spouse

If a Beneficiary is not named and upon retirement you select the Single Life Benefit Guaranteed for Five Years (60 months) payment option, and you die before receiving 60 monthly payments, the remaining payments will be paid to the surviving person or persons in the following order:

- Spouse;
- Children, including natural, legally adopted and stepchildren;
- Parents;
- Brothers and sisters;
- Estate.

IMPORTANT: You should be sure that you have a Beneficiary Designation Card on file with the Fund Office and that it is up to date. You may obtain a Beneficiary Card from the Fund Office. If there is no beneficiary, then no death benefits are payable. [How do I designate my beneficiary?](#) If you experience a life changing event such as marriage, divorce, birth of a child, or a death in the family, you should consider making or changing your beneficiary designation. Pursuant to federal law, **if you designate your beneficiary online and are married and do not designate your spouse as your primary beneficiary, your spouse must provide notarized spousal consent.**

ALERT: Divorce Invalidates Beneficiary Designation

If you divorce, any previous designation of your former spouse as a beneficiary prior to your retirement is automatically revoked and is no longer valid. **Thus, when your divorce is final, you should immediately change your beneficiary.**

SECOND ALERT: Marriage Invalidates Beneficiary Designation

If you marry, any previous designation of a beneficiary other than your new spouse prior to your retirement is automatically revoked and is invalid. **Thus, upon becoming married, you should immediately change your beneficiary (subject to the Plan's spousal consent requirements).**

IX. LUMP SUM PAYMENT IN LIEU OF MONTHLY BENEFIT

If, at the time a monthly benefit becomes payable to you or your surviving Spouse, the actuarial present value of your monthly benefits is \$5,000 or less, the Board will pay you or your surviving Spouse a lump sum amount equal to the actuarial present value in lieu of the monthly benefit otherwise payable.

X. POTENTIAL LOSS OR DELAYED PAYMENT OF BENEFITS

You or your beneficiary could suffer a loss in the value of your benefit or have payments delayed in at least the following circumstances:

1. **Insufficient Credited Service or Pension Credit (Not Eligible for Benefit)**. To be eligible for benefits, a Participant must meet the eligibility requirements in the Plan. If a Participant should fail to accrue the minimum years of Vesting Credit (to become vested) for Normal, Early, or Disability Retirement, the Participant will not be entitled to a Pension.
2. **Inadequate or Improper Evidence**. The Plan grants the Board of Trustees the power to deny, suspend, or discontinue benefits to a Participant who fails to submit at the request of the Trust Fund Office any information or proof reasonably required to administer the Plan.
3. **Divorce or Child Support Order ("QDRO")**. Pursuant to a Qualified Domestic Relations Order, a Court may award a spouse, former spouse, child or other dependent a portion or all of your benefit. Payment may also be required by a Court order to be paid to a county or state child support agency.
4. **Break-in-Service (failure to work in Covered Employment)** . A Permanent Break in Service which occurs before you become vested has the effect of canceling your years of Vesting Credits and Benefit Credits.
5. **Prohibited Employment in the Pipe Trades Industry**. If after retirement a Participant should engage in certain kinds of work in the Pipe Trades Industry, known as Prohibited Employment, the benefits of the Participant will be suspended as described in this booklet. Other action taken or fail to take regarding your post-retirement employment could result in the suspension of Retirement Benefits. For example, Retirement Benefits may be suspended for failure to comply with a request from the Trust Fund Office for information promptly, completely and in good faith.

6. **Fail to File Complete Application.** If you fail to file a completed application or other forms required by the Fund Office, there will be a delay in the payment of your benefits.
7. **Incomplete Information/False Statements.** If you fail to provide information or give false information to verify a disability, your age, beneficiary information, marital status or other vital information, payment of your pension will be delayed or stopped.

If you make a false statement regarding the payment of benefits or other issues related to the Plan, you will be liable to the Plan for any benefits paid in reliance on such false statements or information, and any attorney fees and costs incurred in effecting recovery or which were incurred as a result of the false statement or information. The Plan may deduct any such fees and costs from any benefits otherwise payable to you, a beneficiary, your estate or other persons.
8. **IRS Benefit Limits.** The annual pension benefit cannot exceed the maximum amount allowed by the Internal Revenue Code and applicable IRS regulations. Although the Trustees do not foresee this occurring, the Plan contains provisions to address this situation.
9. **Disappear/Returned Mail.** It is your responsibility to notify the Plan of any new mailing address. The Plan uses the address on file as the address of record for you and your beneficiaries. Failure to keep your address current could postpone payment of your benefits.
11. **Refund Overpayments.** If you or any beneficiary receives an overpayment of benefits, the Plan will reduce or offset any future benefits to recover the overpayment, unless other arrangements can be made to the satisfaction of the Board of Trustees for the recovery of the overpayment. See Section XII F. for more information on overpayments.

XI. RETIREMENT, WORKING AFTER RETIREMENT AND BENEFIT SUSPENSION

A. Retirement, Retiree or Retired

In order to receive monthly pension payments from this Plan, you must be Retired and not work during any calendar month in the type of employment described below:

1. **Before Normal Retirement Age (Age 65)**
To be considered Retired before Normal Retirement Age, you must complete a Pension Application and declare under penalty of perjury that you have withdrawn completely and refrained from any work with an Individual Employer that contributes to the Trust.
2. **After Normal Retirement Age (age 65) and Before your Required Beginning Date**
To be considered Retired after Normal Retirement Age, you must complete a Pension Application and declare under penalty of perjury that you will refrain from working in the building and construction industry 40 hours or more during any calendar month, or during a four or five week payroll period ending in a calendar month in the geographic area covered by the Plan.
3. **After the Required Beginning Date**
Your Required Beginning Date is the April 1 immediately following the calendar year in which you attain age 72 or stop working in Covered Service, whichever is later. The Fund must begin payment of your pension benefit no later than your Required Beginning Date.

Your retirement income will be suspended if you retire and subsequently work in Prohibited Post-Retirement Service, as described in more detail below.

B. Working After Retirement/Suspension of Benefits

If you decide to work in a job where your benefits would be suspended (“Prohibited Post-Retirement Service”), as described below, you must notify the Fund Office.

Steps to Notify the Fund Office of Prohibited Post-Retirement Service are as follows:

1. Prior to engaging in Prohibited Post-Retirement Service, you should contact the Fund Office in writing to request a determination on whether a particular employment will result in a suspension of pension payments.

A written request for a determination shall be submitted to the Fund Office which shall fully describe:

- i. the particular employment;
- ii. the duties and skills required and used in the particular employment;
- iii. the industry;
- iv. the geographic location of the particular employment; and
- v. the name and address of the anticipated employer and contact person.

The Plan shall provide the Pensioner with its determination.

2. You MUST notify the Fund office in writing during the first calendar month of starting any Prohibited Post-Retirement Service.
3. You MUST notify the Fund Office in writing of when you have stopped engaging in any Prohibited Post-Retirement Service so that benefits will no longer be suspended. Unless otherwise described below, and provided you provide notice, benefits will resume after the last month for which they were suspended.

If you fail to notify the Fund Office of starting Prohibited Post-Retirement Service, as required, and the Fund Office is made aware of such service, your retirement income will be suspended under the presumption that you worked at least 40 hours in each month prior to the Fund Office being made aware of such service and for as long as your employer has performed work at the construction site or employment location, unless and until you cease such employment and provide evidence to the contrary.

C. Certain Rules re: Working after Retirement

1. Written Request for Determination

Prior to commencing any work after retirement, one **must** request a determination from the Board of Trustees on whether such contemplated work after retirement will be prohibited under the Plan, by submitting a written request to the Fund Office. The written request must be submitted with a letter from the Employer outlining the job title and all the specific job duties required as a condition of employment. The Fund Office will notify the Participant with the determination of the Board of Trustees within a reasonable time, not to exceed ninety (90) days, unless the Board has not been provided with sufficient information to make such a determination or unless special circumstances exist.

Failure to request an advance determination from the Board of Trustees may result in a suspension of Retirement Benefits until such time as a review of the information can be made. It is the responsibility of the Participant to allow sufficient time for the Board of Trustees to review a request.

2. Plan Presumptions Allowed by Department of Labor (DOL) Regulations

Failure to report work in the Pipe Trades Industry and any Plan Representatives learn that a Retiree has performed or is performing such work, the Plan will act on the basis of a **rebuttable presumption** that at least 40 hours per month of work has been performed in such Prohibited Employment until notice

is given that such work in Prohibited Employment has ceased. Moreover, if Representatives of the Plan learn that a Retiree has performed or is performing such work at a construction site, the Plan will act on a **rebuttable presumption** that employment at that job site with the same employer for at least as long as that employer has worked at the job site is the time for which the Retiree has violated the provisions of this Plan. Any such Retiree, however, shall have the opportunity to prove that these presumptions are not true by establishing that the work being performed was not or is not an appropriate basis for suspension of Retirement Benefits. The Board of Trustees is the only entity that can make that determination.

3. Access to Information

If requested, the Plan must be provided with access to reasonable information for the purpose of verifying employment, such as time sheets, logs or records, income tax returns (including attachments), W-2 Forms, and any other employment or income-related records. The Plan may also require that one provide written authorization for the Trust Fund Office to obtain access to Social Security records, which will assist the Plan in determining work history.

4. Prohibited Post-Retirement Service

Prohibited Post-Retirement Service is work performed anywhere for wages or profit in the building and construction industry for 40 hours or more during any calendar month or during a four or five week payroll period ending in a calendar month. For retirements before Normal Retirement Age, work performed by a retiree for a Union Employer that is Non-Covered Service shall not count as Prohibited Post-Retirement Service.

“Building and Construction Industry” and “work in the building and construction industry” are defined as:

- Building and construction industry means business activities of the types engaged in by any employers maintaining the Plan
- Work means work of the type performed by Employees covered by the Plan or work which requires directly or indirectly the use of the same skills employed by an Employee at any time under the Plan.

5. After the Required Beginning Date

After your Required Beginning Date, you will continue to receive your pension payments from this Plan during any period of employment, even if you become employed in Prohibited Post-Retirement Service. If you earn additional benefits, your pension will be adjusted at the end of each Plan Year and paid to you on February 1 of the calendar year following the Plan Year in which you earned the additional benefit.

6. Notification of Suspension of Benefits

You shall be informed of any suspension of your benefits by notice given by personal delivery or first class mail during the first calendar month in which your benefits are withheld. Such notice shall include a description of the specific reasons for the suspension, copy of the relevant provisions of the Plan, reference to the applicable regulation of the U.S. Department of Labor, and a statement of the procedure for securing a review of the suspension. In addition, the notice shall describe the procedure for you to notify the Plan when your Prohibited Post-Retirement Service ends.

If the Plan intends to recover prior overpayments, the suspension notice shall explain the offset procedure and identify the amount expected to be recovered, and the periods of employment to which they relate.

7. Your Right to a Review of Suspension of Benefits

You are entitled to a review of a determination suspending your benefits by written request to the Fund Office within 60 days of the notice of suspension. The same right of review shall apply, under the same terms, to a determination by or on behalf of the Trustees that contemplated employment will be suspendable.

D. Retirement After Suspension of Benefits

If your retirement income is suspended, your retirement income will resume when you stop working in Prohibited Post-Retirement Service. Your payment amount and the form of payment will be the same as you received before your benefits were suspended.

If you earned additional benefits by working 75 or more Hours of Service in a Plan Year, these additional benefits will be payable, when you once again Retire, in the same benefit payment form you were receiving prior to your return to work. Additional benefits will be determined as of the end of the Plan Year in which they were earned. If your retirement income resumes before Normal Retirement Age (Age 65), additional benefits will be calculated using the current Early Retirement reduction factor based upon your age when your retirement income resumes.

In the event it is determined that you received retirement income payments during any month in which you performed Prohibited Post-Retirement Service, you shall forfeit all payments otherwise due during the first three (3) months following cessation of Prohibited Post-Retirement Service, until the full amount of such payments have been recovered. If the full amount has not been recovered from the first three (3) payments otherwise due, subsequent retirement income payments shall be reduced by an amount not to exceed twenty-five percent (25%) of the amount otherwise payable until the full amount is recovered.

**XII. APPLICATIONS, IRC SECTION 415 BENEFIT
LIMITATIONS & FEDERAL INCOME TAX WITHHOLDING**

A. How to Apply for Benefits

To apply for your pension, you must request an application from the Fund Office. The application with instructions for completing will be provided. Be sure to send the application, and any other documents needed (such as proof of age for yourself and your Spouse and proof of marriage) to the Fund Office so that it arrives before the month in which your benefit payments are due to begin.

To receive your benefits (once you are eligible), you should contact the Fund Office to confirm your eligibility for a distribution. To avoid delays, you should submit:

- your intended retirement date or benefit commencement date;
- proof of age (your birth certificate), and that of your spouse if you are married (if you desire a joint and survivor annuity form of benefit);
- your social security number, and if married, your spouse's social security number;
- proof of marriage, if applicable (marriage certificate);
- Court-approved copy of any marital Final Judgment in your divorce action, including any settlement agreement and/or other pertinent divorce papers.

If you will be receiving a monthly pension benefit from the Plan, your pension is effective the first day of the month following the date you file your completed pension application and you are eligible to receive your benefits. Benefit payments are prepared effective as of the first day of each month. Benefits are paid as soon as it is administratively feasible after all contributions are received and your application is processed. Thus, filing a timely application is important.

If you are applying for a Disability Benefit, you must submit proof that you have been awarded a Social Security Disability Benefit. You should indicate on your pension application whether you have applied for a Social Security Disability Benefit. If you get a Social Security Disability Benefit, you should send the notice of entitlement to the Fund Office within 60 days after you receive it, in order to have your Disability Benefit begin as early as possible.

B. Internal Revenue Code (IRC) Section 415 Benefit Limitations

IRC Section 415 limits the amount of benefits that can be paid from pension Plans. Your pension benefit can be no more than a fixed amount set by the government, adjusted for each year you are younger or older than the Social Security Retirement Age at retirement.

The above amount is further reduced if you elect to receive a pension with a five-year guarantee option.

These limitations apply to the total benefits of all pension Plans you participate in with the same employer with some exceptions. These limitations will be adjusted annually for changes in the cost of living.

These benefit limitations are most likely to affect you if you Retire on a Service Pension at an early age and are receiving pensions from multiple sources on behalf of contributions from the same Employer.

C. Federal Income Tax Withholding

Federal income taxes will automatically be withheld from any benefits paid by the Plan unless you elect not to have income taxes withheld. You will be given complete information and the opportunity to elect or reject withholding when you apply for benefits.

Federal law requires that if you or your Spouse are receiving certain types of benefits from the Plan, 20% must be withheld for income tax purposes. These types of benefits are certain lump sum payments, installment payments over a period of less than 10 years, and certain death benefit payouts. However, these types of benefits are also eligible for a "rollover" into an IRA or other tax exempt retirement Plan. If you roll over your benefits, withholding is not mandatory. You will be given complete information when you apply for benefits and the opportunity to elect or reject rollover treatment if your benefit is subject to mandatory 20% withholding.

D. Your Benefits Cannot be Assigned in Most Situations (Exceptions: IRS Levy or QDRO)

Your creditors cannot garnish or levy upon your benefit except for a proper Internal Revenue Service tax levy. In addition, you cannot assign or pledge your benefit except as directed through a Qualified Domestic Relations Order (QDRO) as part of a divorce, child support or similar proceeding in which a court orders that all or part of your benefit be transferred to another person (such as your ex-spouse or your children). The Plan has procedures for processing QDROs, which you can obtain free of charge from the Fund Office or the Plan's legal counsel. See Section E below.

E. Rights of Former Spouse – Qualified Domestic Relations Orders

If you are divorced your former spouse may be entitled to a portion or your entire pension. The Plan is required by federal law to comply with a Court order that awards a portion or all of your pension benefits to a former spouse, child or other alternate payee if the order qualifies as a Qualified Domestic Relations Order ("QDRO") as defined in ERISA.

A QDRO is a Court order that creates or recognizes the existence of a former spouse's or child's right to receive all or a portion of your benefit with the Plan. This includes a child support order from a county child support agency. When you file your Pension application, you are required to provide information on any

pending or prior divorce action. This includes a Final and/or Interlocutory Judgment, marital settlement agreement and any related documents.

PENDING DIVORCE MAY DELAY OR AFFECT YOUR PENSION

Unresolved disputes regarding a divorce and your pension benefits may delay payment of your pension.

If the Plan is notified of a pending divorce action or receives a court pleading known as a "Joinder Request" or a similar document, the Plan has the discretion to delay paying your Plan benefits for a reasonable period to allow time for the parties to prepare a QDRO, even if your pension application is on file. If it appears that your former spouse or other alternate payee is seeking only a portion of your pension, the Plan may, at its discretion, distribute to you that portion of your pension benefit that is not addressed by the pending QDRO. Moreover, if a spouse or other person fails to pursue a QDRO in a timely manner, the Plan may proceed to pay your Plan benefits.

You, your spouse or former spouse may request the Plan's procedures for handling domestic relations orders which includes a sample order containing language acceptable to the Plan. **You or your former spouse (or an attorney) may submit a proposed QDRO to the Plan's legal counsel prior to submission to a Court. Counsel will provide notice of any required changes.**

F. Overpayments Recoverable by the Plan

As a Participant or beneficiary, you are entitled only to the amount and form of benefits described in the Plan document, as amended from time to time. If you receive an improper amount or benefit from the Plan and you become aware of that fact, the Plan requires that you notify the Fund Office of the overpayment and repay the excess amounts.

If you or any beneficiary receives an overpayment of benefits, the Plan will reduce or offset any future benefits to recover the overpayment, unless other arrangements can be made to the satisfaction of the Board of Trustees for the recovery of the overpayment. The Plan will withhold at least 25% of your pension payments until the overpayment is recovered by the Plan and to the extent permitted by law, the Plan may withhold up to 100% of your monthly payments until an overpayment is recouped. The Plan is also authorized to offset lost earnings on the overpayments and reimbursement to the Plan for any attorney fees and costs incurred by the Plan as a result of the overpayment. The Plan may also file a claim against your estate or any other person or entity if amounts are still owed at your death and there are insufficient funds, including any death benefits payable to your beneficiary, to recover the overpayment. Any funds owed by a Participant to the Plan will be deducted from any death benefits that is payable as a result of the Participant's death.

XIII. ADMINISTRATION OF THE PLAN/INVESTMENTS

A. Administration

The Plan is administered by a Board of Trustees comprised of seven Trustees, plus alternate Trustees. One-half of the Trustees, called "Employer Trustees," are selected by the Nevada Association of Mechanical Contractors, Inc. and one half of the Trustees, called "Union Trustees," are selected by U.A. Local 350. The current Trustees are listed in the front of this booklet.

The Board of Trustees has many powers and functions including without limitation, investing the Plan's assets, interpreting Plan provisions, amending the Plan, deciding policy questions, and appointing advisors and consultants, such as an auditor, legal counsel and investment consultant. The Board of Trustees has delegated the day-to-day administration of the Plan to Benefit Plan Administrators, Inc., a professional Plan administrative firm, located in Reno, Nevada.

Only the Board of Trustees and its authorized representatives are authorized to interpret the Plan of benefits described in this booklet. No one else can interpret this Plan or act as an agent for the Board of Trustees – this includes individual Trustees, Employers, unions and their representatives. The Board of Trustees (and persons or entities appointed or so designated by the Board) has the full discretionary authority to determine eligibility for benefits and to construe the terms of the Plan (and other documents pertaining to the Plan and Trust) and any rules adopted by the Trustees. Any questions you have about the Plan should be directed in writing to the Plan at 445 Apple Street, Suite 109, Reno, NV 89502.

B. Investments

The Board has contracted with an Investment Consultant (Michael Fleiner of the investment consultant firm, Andco) to assist in the preparation of an investment policy statement and select investment managers for the Plan. The Board of Trustees has contracted with different investment managers to prudently invest Pension Plan assets in accordance with the Investment Policy adopted by the Board of Trustees. Investments are diversified among fixed income securities, real estate, common stocks, and other types of assets.

C. Auditor

The Board of Trustees has contracted with Eide Bailly a certified public accounting firm, to audit the assets of the Plan each year (January-December Plan Year).

XIV. SOME QUESTIONS AND ANSWERS

WHO ADMINISTERS THE PLAN?

A Board of Trustees consisting of an equal number of Employee and Employer representatives, in accordance with the law.

WHO IS COVERED BY THE PLAN?

Only Employees of Contributing Employers who work under Collective Bargaining or Subscription (Non-Bargaining) Agreements between the Employer and the Local Union or the Board, respectively. Employees of the Local Union are covered by the Plan.

DO THE PENSION BENEFITS PROVIDED BY THE PLAN AFFECT SOCIAL SECURITY BENEFITS IN ANY WAY?

No. The benefits payable under this Plan are in addition to benefits paid under Social Security.

MAY PENSION BENEFITS BE ASSIGNED?

No, except to the extent provided in a qualified domestic relations order resulting from marriage dissolution proceedings.

ARE PLAN DOCUMENTS AVAILABLE TO PARTICIPANTS AND BENEFICIARIES?

Yes. Copies of the Trust Agreement, Pension Plan Document (and subsequent amendments) as well as other materials are available for inspection at the Fund Office during regular business hours and upon written request will be furnished by mail.

In addition, copies of the Collective Bargaining Agreements and a full annual report (Form 5500) are available for inspection at the Fund Office during regular business hours and upon written request will be furnished by mail upon payment of reasonable charges. You should therefore find out what that charge will be before writing and asking for copies of these documents.

XV. AMENDMENT, MERGER OR TERMINATION OF PLAN

A. Amendment of Plan

The Board of Trustees has the discretion to amend the Plan at any time. Moreover, if the Collective Bargaining Agreement is amended by the insertion or deletion of provisions relating to the Plan, the Board of Trustees will amend the Plan to effectuate the intent of the amendment to the Collective Bargaining Agreement, unless such amendment conflicts with applicable law or is actuarially unsound. Any amendment may apply to all groups and/or Participants covered by the Plan or only to certain groups of Participants. Retroactive amendments may be made to the extent permissible under ERISA. Except as is permitted or required by applicable law, no amendment may divest any accrued benefits which have previously been vested.

B. Merger or Consolidation

In the event of a merger or consolidation of the Plan with, or transfer in whole or in part, of the assets or liabilities of the Plan to any other Pension Plan, each Participant is entitled to a benefit immediately after the merger, consolidation or transfer which is at least equal to the benefit such Participant would be entitled to receive before such merger, consolidation, or transfer.

C. Termination of Plan

It is anticipated that the Plan is permanent and will continually be in operation. It is, however, legally necessary to consider the possibility of termination of the Plan and to state the rights of the Participants in such an unlikely event.

The parties to the Collective Bargaining Agreements between U.A. Local 350 and the various Employer Associations may terminate the Plan in whole or in part. Although there is no intent to terminate the Plan, there is no guarantee that the Plan will last in perpetuity.

D. Pension Benefit Guaranty Corporation Guarantees Certain Benefits

If the Plan were to terminate, Plan benefits are insured by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. Currently the Plan pays an annual insurance premium per Participant to the PBGC. The PBGC does not, however, guarantee all types of benefits and the amount of guaranteed benefit protection is limited.

Under PBGC's multiemployer Plan termination program, the PBGC provides financial assistance through loans to Plans that are insolvent. A multiemployer Plan, such as the Northern Nevada Plumbers & Pipefitters Variable Defined Benefit Plan, is considered insolvent if the Plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due. Before a Plan receives financial assistance from the PBGC, it must suspend payments in excess of the guarantee level.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a Years of Service of a Participant multiplied by (1) 100% of the first \$11 of the Plan's monthly benefit accrual rate and (2) 75% of the next \$33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee limit is \$35.75 per month times a Participant's Years of Credited Service. Thus, the maximum annual guarantee for a pensioner with 30 Years of Service would be \$12,870. **These amounts could change in the future.**

The PBGC guarantees vested benefits at the level in effect on the date of Plan termination subject to the maximum limits set forth above. If, however, benefits have been increased within the five years before Plan termination or insolvency, the whole amount of the Plan's vested benefits or the benefit increase that has been in effect for less than 12 full months before the Plan terminates may not be guaranteed.

The maximum PBGC guarantee is lower if benefits begin before age 65 if benefits are paid in a form other than a straight life annuity and for certain disability and survivor benefits. Non-vested Benefits are not guaranteed by the PBGC. For more information on PBGC insurance protection and its limitations, you may contact the PBGC as follows:

PBGC's Technical Assistance Division
1200 K Street, N.W., Suite 930
Washington, D.C. 20005-4026.

You may also phone the PBGC at 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

XVI. CLAIMS AND APPEAL PROCEDURES

A. Filing A Claim

Your application for benefits must be made in writing on an application established by the Board of Trustees and must be filed with the Fund Office prior to the payment of any benefits.

Your application will not be considered complete until all the information required by that application is received by the Fund Office.

Your claim will be considered filed when your application is received by the Fund Office, without regard to whether all information necessary to make a benefit determination accompanies your application. If all necessary information does not accompany your application, the Fund Office will notify you, in writing, of:

- The standards on which entitlement to benefits is based;
- The unresolved issues that prevent a decision on the claim; and
- The additional information needed to resolve those issues.

B. Determining Initial Claim

Benefits Other Than Disability Benefits

The initial determination of benefits will be made within a reasonable period of time but not longer than 90 calendar days after the Fund Office receives your application for benefits and all required information. (If all the required information is not received with your application, the 90 day period for making the initial determination will be suspended during the time you are obtaining the additional information.)

If the Fund Office determines that special circumstances require an extension of time for processing the claim, the Fund Office will notify you, in writing, prior to the expiration of the 90 days of the circumstances requiring the extension of time and the date by which the Plan expects to make a determination. The extension cannot be more than 90 calendar days from the end of the initial 90 day period.

Disability Benefits

The initial determination of benefits will be made within a reasonable period of time but not longer than 45 calendar days after the Fund Office receives your application for benefits and all required information. (If all the required information is not received with your application, the 45 day period for making the initial

determination will be suspended during the time you are obtaining the additional information.)

The initial 45 day period may be extended for up to 30 calendar days, to a total of 75 calendar days if an extension of time is necessary due to matters beyond the Plan's control. The Fund Office will notify you, in writing, 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 make a determination.

If the Plan needs a second extension of time to make a determination due to circumstances beyond its control, you will be notified of an extension of up to 30 calendar days, or a maximum of 105 calendar days after the initial receipt of your application. Before the end of the first 30 day extension period, the Fund Office will notify you, in writing, of the circumstances requiring the extension and will give you the new date by which a determination will be made.

If an application for benefits is not acted on within these time periods, you may proceed to the appeal procedures as if the claim had been denied.

C. Notice of Claim Denial

If the Plan denies your application for benefits, in whole or in part you will be notified in writing of the determination and be given the opportunity for a full and fair review of the benefit decision. The written notice of denial will include:

- The specific reason(s) for the denial;
- The specific reference to pertinent Plan provision(s) on which the denial is based;
- A description of any additional material or information necessary for you to perfect your claim and an explanation of why such material or information is necessary;
- A description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of your rights to bring civil action under 502(a) of ERISA following an adverse benefit determination on review; and
- For a claim for disability benefits, if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, a statement that such rule, guideline, protocol or other similar criterion was relied upon and that a copy of that document will be provided to you free of charge upon request.

D. Right to Appeal

If you apply for benefits and your claim is denied, or if you believe that you did not receive the full amount of benefits to which you are entitled, you have the right to petition the Board of Trustees for reconsideration of its decision. Your petition for reconsideration:

- Must be in writing; and
- Must state in clear and concise terms the reason(s) for your disagreement with the decision of the Board of Trustees; and
- Must include a list of the names and addresses of each person on whose testimony claimant will rely, in whole or in part, in support of the appeal, together with a short statement of the facts to which each such person is expected to testify; and
- Must include documents, records, and other information related to the claim for benefits; and
- Must be filed by you or your authorized representative with the Fund Office within 60 days after you received notice of denial. In the case of a claim for disability benefits under Subsection 6.06.a.(1) of the Plan, your petition for reconsideration must be filed with the Fund Office within 180 days after you received notice of denial. Failure to file an appeal within these time limits will constitute a waiver of your rights to review of the denial of your claim. A late application may be considered if the Board

of Trustees finds that the delay in filing was for reasonable causes.

Upon request, you will be provided, free of charge, reasonable access to and copies of all documents, records, and other information relevant to your claim for benefits; including, in the case of a claim for disability benefits, any statement of policy or guidance with respect to the Plan concerning the denial of such disability benefits, without regard to whether such advice or statement was relied upon in making the benefit determination.

E. Review of Appeal

A properly filed appeal will be reviewed by the Board of Trustees (or by a committee authorized to act on behalf of the Board of Trustees) at its next regularly scheduled quarterly meeting. However, if the appeal is received within 30 days prior to such meeting, the appeal may be reviewed at the second quarterly meeting following the receipt of your appeal. If special circumstances require an extension of time, the Board of Trustees will render a decision at the third scheduled quarterly meeting following the receipt of your appeal. The Fund Office will notify you, in writing, before the beginning of the extension of the special circumstances and the date that the Board of Trustees will make its decision.

The Board of Trustees will review all submitted comments, documents, records and other information related to your claim, regardless of whether the information was submitted or considered in the initial benefit determination. The Board of Trustees will not give deference to the initial adverse benefit determination.

You will receive written notification of the benefit determination on an appeal no later than 5 calendar days after the benefit determination is made.

In the case of an adverse benefit determination on the appeal, the written denial will include the reason(s) for the determination including references to the specific Plan provisions on which the determination is based. The written denial will also include a statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to your claim for benefits. The written notification of an adverse benefit determination in regard to disability benefits will also include the specific rule, guideline, protocol or other similar criterion relied upon in making the adverse determination.

The denial of a claim to which the right to review has been waived, or a decision of the Board of Trustees or its designated committee with respect to a petition for review, is final and binding upon all parties, subject only to any civil action you may bring under ERISA. Following issuance of the written decision of the Board of Trustees on an appeal, there is no further right of appeal to the Board of Trustees or right to arbitration.

VXII. INFORMATION REQUIRED BY THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

1. The Plan is administered and maintained by the Joint Board of Trustees at the following address:

Northern Nevada Plumbers & Pipefitters Variable Defined Benefit Plan
445 Apple Street, Suite 109
Reno, Nevada 89502

The Employer Identification Number (EIN) issued to the Board of Trustees by the Internal Revenue Service is 84-6537733.

The Plan Number is 001.

2. The Plan is a defined benefit pension Plan. For those members eligible for benefits under the Northern Nevada Plumbers & Pipefitters Variable Defined Benefit Plan, a defined benefit is payable

upon retirement.

3. The person designated as agent for service of legal process is the "Fund Manager" located at:

Benefit Plan Administrators, Inc.
Northern Nevada Plumbers & Pipefitters Variable Defined Benefit Plan
445 Apple Street, Suite 109
Reno, Nevada 89502
775-826-7200

Service of legal process may be made upon the Board of Trustees or a Plan Trustee.

If you have questions, please contact the Fund Manager at the address above or call 775-826-7200

4. The Board of Trustees is the Plan Administrator. This means that the Board of Trustees is responsible for seeing that information regarding the Plan is reported to government agencies and disclosed to Plan participants and beneficiaries in accordance with the requirements of the Employee Retirement Income Security Act of 1974.
5. The names and addresses of the Trustees are:

Employee Trustees

Mr. Chris Doris, Chairman
Randy Canale
Jason Stokes
U.A. Local Union No. 350
1110 Greg Street
Sparks, NV 89431

Employer Trustees

Mr. Craig Madole, Co-Chairman
Mike Scolari
Chuck Beaupre
Bob Gardner
John Madole, Jr. - Alternate
Nevada Assoc. of Mechanical Contractors, Inc.
5400 Mill Street
Reno, NV 89502

6. The Plan is maintained pursuant to Collective Bargaining Agreements and Subscription Agreements. A copy of these Agreements may be obtained upon written request to the Fund Manager.
7. Contributions to provide Plan benefits are paid by the contributing employers in accordance with their bargaining agreements at fixed rates per hour.

The Fund Manager will provide you, upon written request, a complete list of sponsors and with information as to whether a particular employer is contributing to this Plan on behalf of Participants working under the Collective Bargaining Agreement or under a Subscription Agreement.
8. The date of the end of the Plan Year is December 31.
9. The Plan's Normal Retirement Age is age 65.
10. Benefits are provided directly from the Fund's assets, which are accumulated under the Trust Agreement and held in trust solely for the purpose of providing benefits to participants and beneficiaries in accordance with the Plan and for paying reasonable administrative expenses.
11. Termination Insurance

Benefits to which you are entitled under the Pension Plan are insured by the U.S. Government's Pension Benefit Guaranty Corporation (PBGC). The insurance guarantees that those benefits will be paid if the Plan should terminate for some reason.

Generally, the PBGC guarantees most vested normal retirement age benefits, early retirement benefits and certain disability and survivor's pensions. However, PBGC does not guarantee all types of benefits under covered plans, and the amount of protection is subject to certain limitations.

The PBGC guarantees vested benefits at the level in effect on the date of Plan termination. However, if a Plan has been in effect less than five years before it terminates, or its benefits have been increased within the five years before Plan termination, the whole amount of the Plan's vested benefits or the benefit increase may not be guaranteed. In addition, there is a ceiling on the amount of monthly benefits that PBGC guarantees, a ceiling which is adjusted periodically.

For more information on the PBGC insurance protection and its limitations, ask your Plan Administrator (Fund Office) or the PBGC. Inquiries to the PBGC should be addressed to Pension Benefit Guaranty Corporation, 1200 K Street, N.W., Washington, D.C. 20005 (202) 326-4000.

12. Statement of Rights Under Employee Retirement Income Security Act of 1974

As a participant in the Northern Nevada Plumbers & Pipefitters Variable Defined Benefit Plan you are entitled to certain rights and protection under the Employee Retirement Income Security Act of 1974 (ERISA) which provides that all Plan participants shall be entitled to:

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including Collective Bargaining Agreements and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports and Plan descriptions. The Fund Office business hours are 8:00 a.m. to 12:00 noon and 1:00 p.m. to 5:00 p.m.

Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The administrator may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The Trustees are required by law to furnish each participant with a copy of the Annual Funding Notice.

Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age and, if so, what your benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge. The Plan will provide this information to the extent it is able to, based on available records.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who direct the operations or invest the assets of the employee benefit Plan. The people who operate your Plans, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a pension benefit is denied, in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits, which is denied or ignored, in whole or in part, you may file suit in a state or federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for

asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court may decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest area office of the U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Ave N.W., Washington D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration at (800) 998-7542.