

Summary Plan Description

of the

Southern California Pipe Trades

RETIREMENT FUND





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SECTION

1. INTRODUCTION

The Southern California Pipe Trades Retirement Fund (“Fund” or “Plan”) was established in 1957 through the negotiating efforts of District Council No. 16 of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States, and Canada (“United Association”) and Employers in the plumbing and pipefitting industry in Southern California. Union and Employer Trustees manage the Fund.

A) This Summary Plan Description

This Summary Plan Description (“SPD”) summarizes the provisions of the Southern California Pipe Trades Retirement Plan. It applies on and after September 1, 2025. You must read this SPD carefully to understand how the Plan works. Please keep this SPD for future reference.

This summary is not meant to interpret, extend or change the Plan Document or the Trust Agreement in any way. If there is a conflict between this summary and the actual provisions of the Plan Document, your rights and benefits will be governed by the Plan Document. Plan rules may change from time to time, in which case a written notice explaining any important change will be sent to all covered households. Please read all Plan communications and keep them with this SPD.

B) Purpose of the Plan

The Plan was set up to provide retirement, death, and disability benefits. The Plan is funded by Employers who make contributions on behalf of their Employees on a per-hour basis under a Collective Bargaining Agreement or a Participation Agreement. Covered Employees do not, themselves, make contributions to the Plan and do not have individual accounts in the Fund. Employees accumulate credit under the Plan based on hours worked and their years of employment covered by the Plan. Qualification for benefits and the amount of those benefits are based upon an Employee's years of service with Contributing Employers, Pension Credits, Pension Hours, and age at retirement.

C) Role of the Board of Trustees

The Board of Trustees is authorized to interpret all Plan rules and documents, including the Plan Document, the Trust Agreement, and this SPD. The Board of Trustees has discretion to decide all questions about the Plan including, but not limited to, questions about eligibility for participation in the Plan, rights to benefits, the amount of benefits that are payable, the information and proof necessary to substantiate a claim for benefits, and the definition of any Plan term. The Board of Trustees also has the authority to make any factual determinations concerning claims. No individual Trustee, Employer, or Union representative has the authority to interpret any Plan document on behalf of the Board of Trustees or to act as an agent of the Board of Trustees. The Board of Trustees may delegate its authority to a subcommittee or other subset of the Board of Trustees.

The Trustees intend to continue the Fund indefinitely. However, the Board of Trustees has the authority to amend or terminate the Plan as they deem appropriate.

D) Role of the Fund Office

The Board of Trustees has authorized the Fund Office to respond in writing to your written questions. As a courtesy, the Fund Office may also respond informally to questions by telephone, email, or in person at the Fund Office. However, such information and answers are not binding upon the Board of Trustees and cannot be relied upon in any dispute. Remember that in all matters communicated to you, verbal or written, the Board of Trustees will have the ultimate authority and discretion to interpret the Plan documents and independently determine your entitlement to benefits.

NOTE

If you have any questions regarding eligibility, benefits, or procedures, contact the Fund Office.

Southern California Pipe Trades Administrative Corporation
501 Shatto Place, Suite 500
Los Angeles, CA 90020

Toll-Free: (800) 595-7473 / Outside U.S.: (213) 385-6161
Website: www.scptac.org / Email: pension@scptac.org

Change of Address Form submission: coa@scptac.org

NOTE

Capitalized terms are defined in Section 18, page 41.

SECTION

2. PARTICIPATION IN THE PLAN

A) Initial Participation

You become a Participant in the Plan on the following January 1st or July 1st after any 12 consecutive month period during which you first complete 1,000 Hours of Service in Covered Employment. Hours worked in a job not covered by this Plan also count if such non-Covered Employment comes immediately before or after Covered Employment and is with the same Employer. Once you become a Participant, all your Hours of Service in Covered Employment will count toward eligibility for a benefit under the Plan, including any Hours of Service before you become a Participant if those Hours of Service were not previously canceled by a Permanent Break in Covered Employment.

B) Ongoing Participation

You are an Active Participant so long as you have not experienced a One-Year Break in Covered Employment. A One-Year Break in Covered Employment occurs if you fail to complete more than 500 Hours of Service in a Calendar Year. The break in covered employment rules are described in Section 5, page 7.

C) Loss and Reinstatement of Participation

If you experience a One-Year Break in Covered Employment, you cease to be an Active Participant at the end of the Calendar Year in which the One-Year Break in Covered Employment occurs. You may again become an Active Participant upon re-employment in Covered Employment. However, if you have incurred a Permanent Break in Covered Employment, you must again establish participation under the initial participation rules described above. The break in covered employment rules are described in Section 5, page 7.

D) Covered Employment

Covered Employment is generally work you perform that is covered under a District Council No. 16 Collective Bargaining Agreement or Participation Agreement and for which your Employer is required to contribute to this Plan. You are not eligible to participate in the Plan if you are a sole proprietor or a partner in a partnership. Participation in the Plan is available to eligible Employees of District Council No. 16, its affiliated local unions, and other organizations related to the Union, provided there is a Participation Agreement between the employing organization and the Plan.

SECTION

3. PENSION CREDIT

Hours of Service are hours for which you are paid or entitled to be paid for work performed for an Employer. Hours of Service are mainly used to determine your Vesting Credits described in Section 4, page 6.

If you work in Covered Employment, your Employer is required to make contributions to the Fund based on your Hours of Service, and you will therefore earn Pension Hours. You may also earn Pension Hours for certain periods of absence from Covered Employment, such as Qualified Uniformed Service, and periods covered by the weekly accident and sickness benefit from the Southern California Pipe Trades Health & Welfare Fund. For more information about the weekly accident and sickness benefit, see the Southern California Pipe Trades Health & Welfare SPD or contact the Fund Office.

Currently, Pension Hours determine the amount of your benefit. The number of Pension Hours you earn will determine the number of your Pension Credits.

Your Pension Credits determine the following:

- The number of your Pension Credits;
- Whether you are eligible for a benefit;
- The type of benefit; and
- The amount of your benefit (for Covered Employment before 1999).

Pension Credit is also used in part to determine whether you can become eligible for coverage under the Southern California Pipe Trades Pensioners and Surviving Spouses Health Plan and the amount of your Premium in that plan.

Pension Credit is divided into two categories: Past Service Credit (for periods before July 1, 1957) and Future Service Credit (for periods after July 1, 1957).

A) Past Service Credit

Past Service Credit is credit for work performed at or after the age of seventeen, between January 1, 1937, and July 1, 1957 (before the Plan was established and Employers were required to contribute to the Plan) in job classifications subsequently covered by the Plan. To Qualify as Past Service Credit:

- i) The classification must now be included in a District Council No. 16 Collective Bargaining Agreement;
- ii) The work must have been in the geographical jurisdiction of District Council No. 16; and
- iii) The work must have been for a Contributing Employer (or an entity that later became a Contributing Employer).

B) Future Service Credit

You generally receive Future Service Credit for work in Covered Employment according to the following schedules:

| Effective July 1, 1957 | |
|---------------------------------|-----------------------|
| Hours Worked in a Calendar Year | Future Service Credit |
| Less than 350 | None |
| 350 – 699 | One Quarter |
| 700 - 1,049 | Two Quarters |
| 1,050 - 1,399 | Three Quarters |
| 1,400 or more | One Year |

| Effective January 1, 1971 | |
|---------------------------------|-----------------------|
| Hours Worked in a Calendar Year | Future Service Credit |
| Less than 315 | None |
| 315 - 629 | One Quarter |
| 630 - 944 | Two Quarters |
| 945 - 1,259 | Three Quarters |
| 1,260 or more | One Year |

However, note that:

- i) Beginning April 1, 1965, if the hourly contribution rate paid on your behalf is less than the journeyman rate required under the Master Labor Agreement (or, if applicable, a predecessor or successor agreement) in effect at the time the contribution was paid, then the hours credited to you will be reduced proportionately, and your Future Service Credit will be based on the number of hours credited after the reduction is made. This reduction is not made in determining your Vesting Credits or Breaks in Covered Employment.
- ii) Beginning January 1, 1976, if you work fewer than 315 hours in Covered Employment in a Calendar Year but earn a Vesting Credit, you will be credited with a portion of a full year of Future Service Credit determined by dividing the hours of work in Covered Employment by 1,000.
- iii) A special proration rule was in effect from July 1, 2006, through July 1, 2008, because of a series of contribution rate increases under the Master Labor Agreement. The additional contribution rate increases sometimes did not apply immediately for an Employer's earmarked jobs that were started or bid before July 1, 2006. If your Employer had one of these earmarked jobs but had otherwise agreed to the additional contribution rate increases, your pension hours were still prorated for hours worked at the lower rate on the earmarked jobs, but the hours credited were the same as they would have been based on the proration in effect immediately before July 1, 2006.
- iv) Hours may also be prorated for hours reciprocated to this Plan from another plan if these hours were worked under a contribution rate that is higher or lower than the rate set forth in the Master Labor Agreement. See Section 6, page 18, for a description of the reciprocity rules.

If the hourly contribution rate is 75% of the hourly rate paid under the Labor Agreement, then 75% of an hour will be credited for each hour worked at the lower rate. Below are various examples.

EXAMPLE

| Plan Year | Worked Hours | Pension Hours | Pension Credit | Job Class | Contribution Rate | Journeyman Contribution Rate* |
|-----------|--------------|---------------|----------------|--------------|-------------------|-------------------------------|
| 2018 | 800 | 0 | 0 | Apprentice 2 | \$0.00 | \$8.00 |
| 2019 | 1,000 | 474.12 | 0.25 | Apprentice 3 | \$4.03 | \$8.50 |
| 2020 | 1,500 | 794.21 | 0.50 | Apprentice 4 | \$5.03 | \$9.50 |
| 2021 | 2,000 | 1,165.48 | 0.75 | Apprentice 5 | \$5.74 | \$9.85 |
| 2022 | 2,040 | 2,040 | 1 | Journeyman | \$10.35 | \$10.35 |
| 2023 | 2,040 | 2,040 | 1 | Journeyman | \$10.45 | \$10.45 |
| 2024 | 2,040 | 2,040 | 1 | Journeyman | \$10.45 | \$10.45 |

Because this Participant worked in a job class with a lower rate than the standard Journeyman rate during the first four years of their career, their Pension Hours were reduced proportionately.

*Rates have been simplified for illustrative purposes.

C) Carryover of Excess Pension Hours

i) Effective for the Period January 1, 1971, through December 31, 1998:

Once you reach age 52, if you work in Covered Employment for more hours in a Calendar Year than are needed to establish a quarter-year multiple of Future Service Credit, the excess Pension Hours you earn in that Calendar Year will be carried forward to succeeding year(s) to provide additional Pension Credit.

Excess Pension Hours carried forward will only be used to produce additional Pension Credit, if needed, in a Calendar Year in which you worked sufficient hours in Covered Employment to earn at least one-quarter of Future Service Credit. In no event, however, will you receive more than a full year of Future Service Credit in any one Calendar Year as a result of Pension Credit you earned under this provision.

There is an exception to this rule. Beginning with the first day of the Calendar Year in which you attain age 62, all hours you worked in Covered Employment for which Pension Credit is not received will be carried forward and added to any hours worked in such succeeding years to produce additional Pension Credit, if needed. In no event, however, will you receive more than a full year of Future Service Credit in any one Calendar Year as a result of Pension Credit you earned under this provision.

Once you have accumulated 25 Pension Credits, you will not be allowed to carry over excess Pension Hours. Moreover, you may not apply carryover hours to any hours earned after your Annuity Starting Date.

ii) Effective for Periods after December 31, 1998:

No excess Pension Hours earned after December 31, 1998, can be applied to determine the amount of your pension. However, if you were age 52 or older on December 31, 1998, and if the use of your remaining excess Pension Hours ending on that date provides additional Future Service Credits for a succeeding Plan Year(s), the value of the resulting total Future Service Credit for the succeeding year(s) (at a rate of \$25.00 for each complete quarter of Future Service Credit) will be compared to the value of the pension hours for that year, multiplied by the rate(s) per hour as applicable during the year; the greater benefit amount shall apply for the given Plan Year.

D) Credit for Non-Working Periods

You may receive Pension Hours for certain periods when you are not working in Covered Employment. If your absence from Covered Employment is due to one of the following reasons:

- i) If you were in Covered Employment when you left for Qualified Uniformed Service under the Uniformed Services Employment and Reemployment Rights Act (“USERRA”), you will be entitled to credit for time spent in such service if you timely report back to work after discharge. When you return from Qualified Uniformed Service, you must register for work at the union hiring hall within the time frames set forth in USERRA and be available to accept referrals to receive Pension Hours for the period of Qualified Uniformed Service. The time frames set forth in USERRA are as follows:
 - a) Qualified Uniformed Service of fewer than 31 days (or for any length for a fitness for duty examination) – you must register for work on the first regularly-scheduled workday that begins at least eight hours after you arrive home from the service. If it is impossible or unreasonable to register for work within that time period through no fault of your own, you must register for work as soon as possible.

- b) Qualified Uniformed Service of more than 30 days but fewer than 181 days – you must register for work within 14 days after completion of service. If it is impossible or unreasonable to register for work within that time period through no fault of your own, you must register for work as soon as possible.
- c) Qualified Uniformed Service of more than 180 days – you must register for work within 90 days after completion of the service.
- d) The deadlines for reporting for work are extended if you are hospitalized for, or convalescing from, an illness or injury incurred or aggravated during your period of Qualified Uniformed Service. Generally, this period of recovery may not last more than two years.

When you return from Qualified Uniformed Service, you must work in Covered Employment within twelve months after you return in order to be awarded Pension Credit for the period of Qualified Uniformed Service.

If you are not actively employed at the time you enter Qualified Uniformed Service and you have not yet incurred a One-Year Break in Covered Employment and/or were still eligible for coverage under the Southern California Pipe Trades Health and Welfare Plan, then you will be treated as if you were employed in Covered Employment at the time of leaving for Qualified Uniformed Service for the purpose of being eligible to have Pension Hours awarded for the period of Qualified Uniformed Service under USERRA. If you are entitled to credit for Qualified Uniformed Service, you will be provided with credit based on the average number of hours worked during the 12 months of work (or less if you have not yet worked 12 months) immediately preceding the Qualified Uniformed Service.

- ii) Disability for a period in which you received weekly accident and sickness benefits from the Southern California Pipe Trades Health & Welfare Fund. You will receive Pension Hours based on a 40-hour workweek. This provision does not apply if at the time contributions to the Southern California Pipe Trades Health & Welfare Fund were made, the Participant was not earning Future Service Credit in the Retirement Fund for a prior period, as determined by the Fund Office.

E) Quarterly Statement

The Fund Office issues quarterly statements that you should carefully review. Any hours worked and prorated Pension Hours will appear on these statements. The “Quarterly Statement Schedule” set forth below summarizes the statement cycle.

| Quarterly Statement Schedule | | |
|---|---|-----------------------------|
| Hours Worked During:* | Deposits Processed During: | Date of Quarterly Statement |
| January 1 st through March 31 st | February 1 st through April 30 th | May 1 |
| April 1 st through June 30 th | May 1 st through July 31 st | August 1 |
| July 1 st through September 30 th | August 1 st through October 31 st | November 1 |
| October 1 st through December 31 st | November 1 st through January 31 st | February 1 |

* Delinquent reporting by the Employer will affect the work months that appear on the statement.

F) Your Obligation to Timely Inform the Fund that Your Credited Hours are Incorrect

You must promptly inform the Fund Office:

- i) If you believe the hours reported by the Fund Office are incorrect;
- ii) If you have non-work periods for which the Plan provides credit; or
- iii) If you have reason to believe that an Employer has incorrectly reported your hours to the Fund Office.

You are responsible for closely reviewing the periodic statements you receive from the Fund Office to confirm the accuracy of the hours and credit reported. You must notify the Fund Office of incorrect hours or additional hours for which you seek credit within 24 months from the date you knew or should have known that the hours were not correctly reported to the Fund or, in the case of non-work period credit, within 24 months from the end of the non-work period. Failure to timely notify the Fund Office about these hours may result in the permanent loss of these hours and your losing entitlement to any credit for these hours.

SECTION

4. VESTING CREDIT

Vesting Credit is another measure of your work used to establish your right to a benefit. Vesting Credit differs from Pension Credit in several respects:

- i) It is earned only for work after January 1, 1959;
- ii) It is calculated by a different formula than Pension Credit; and
- iii) It is only used to establish your right to a benefit and not the amount and type of your benefit.

A) Earning Vesting Credit

- i) You earn one Vesting Credit for each Calendar Year following January 1, 1959, in which you earn at least 1,000 Hours of Service.
- ii) If you complete fewer than 1,000 Hours of Service in a Calendar Year, you will not earn a Vesting Credit for that year (you may, however, earn a partial Pension Credit).
- iii) If you complete more than 1,000 Hours of Service in a Calendar Year, you will still receive only one Vesting Credit for that Calendar Year.

B) Hours of Service

Hours of Service include:

- i) Hours in Covered Employment for which you are paid for the performance of duties for an Employer; and
- ii) Vacation, holiday, illness, other leave and incapacity (including disability) for which you are paid or entitled to payment by an Employer for work in Covered Employment to a maximum of 501 hours for a single continuous period.

However, under no circumstances will you be entitled to credit for more than one Hour of Service for the same hour of work, pay, or benefits, even if you receive duplicate payment or benefits.

C) Other Service Counted for Vesting Credit

- i) Hours in a job not covered by this Plan will be used to calculate Vesting Credit if such non-Covered Employment comes immediately before or after Covered Employment and is with the same Employer.
- ii) Periods of disability for which you earn Future Service Credit will be used to calculate Vesting Credit.
- iii) Periods of Qualified Uniformed Service will be used to calculate Vesting Credit as required by federal law.

D) Vesting Rule for the Period Beginning January 1, 1999

You will be a vested Participant in a benefit when you have earned five Vesting Credits, provided you have at least one Hour of Service on or after January 1, 1999, before incurring a Permanent Break in Covered Employment.

E) Vesting Rule Before January 1, 1999

If you have not met the five Vesting Credits rule in Section 4(D) above, you may still be a vested Participant if you meet one of the following requirements:

- i) You have earned ten Vesting Credits before incurring a Permanent Break in Covered Employment; or
- ii) You have earned at least 25 Pension Credits and have worked at least 5,000 hours in Covered Employment since July 1, 1957; or
- iii) You attain age 50 with at least 12 Pension Credits and have worked at least 5,000 hours in Covered Employment since July 1, 1957; or
- iv) You attain Normal Retirement Age; or
- v) You are a non-bargaining unit employee covered by a Participation Agreement and not covered under a Collective Bargaining Agreement who has at least five Vesting Credits and have earned at least one Hour of Service on or after January 1, 1989.

F) Effect of Being Vested

Once you are a vested Participant, you cannot lose your accumulated Pension Credit or Vesting Credit through a break in covered employment. You will be entitled to receive a benefit starting at the permitted retirement age, provided you satisfy other eligibility requirements, even if you leave Covered Employment or earn no additional Pension Credit or Vesting Credit.

This chart shows how you can become a vested Participant.

This Participant started Covered Employment in 2019 and only earned 750 Hours of Service that year. The Participant did not have at least 1,000 Hours of Service that Calendar Year, so they did not receive a year of Vesting Credit. But during the next five years (2020 through 2024), this Participant earned at least 1,000 Hours of Service each year. Once the Participant completed 1,000 Hours of Service in 2024, they had five Vesting Credits and became a vested Participant.

EXAMPLE

| Year | Hours | Vesting Credit | Total Vesting Credit | Vested? |
|------|-------|----------------|----------------------|------------|
| 2019 | 750 | 0 | 0 | NO |
| 2020 | 1000 | 1 | 1 | NO |
| 2021 | 1500 | 1 | 2 | NO |
| 2022 | 2000 | 1 | 3 | NO |
| 2023 | 2250 | 1 | 4 | NO |
| 2024 | 2250 | 1 | 5 | YES |

SECTION 5. BREAKS IN COVERED EMPLOYMENT

This Plan was created to help provide financial security for eligible Participants who spend a significant portion of their career in the plumbing and pipefitting industry in Southern California. For this reason, the Plan provides certain reasonable standards for continuity of service. This is the basis for the rules concerning Breaks in Covered Employment.

If you do not earn the required number of Pension Credits or Vesting Credits over a specified time, you may incur a break in covered employment. If you incur too many One-Year Breaks in Covered Employment, you may lose your previously earned Pension Credits and Vesting Credits unless you are already a vested Participant. The rules regarding breaks in covered employment are set forth below.

A) Break in Covered Employment Before January 1, 1976

You must have earned at least one-quarter of Future Service Credit in any one Calendar Year during any period of five consecutive years after January 1, 1967, to keep your years of previously accumulated Pension Credit. If you do not satisfy this requirement, then you have a “break in covered employment”, and all the Pension Credits (Past and Future) earned before the “break in covered employment” will be canceled.

NOTE

Once you are vested, you cannot lose your right to a benefit.

B) One-Year Break in Covered Employment After January 1, 1976

- i) On or after January 1, 1976, a One-Year Break in Covered Employment occurs if you fail to complete more than 500 Hours of Service in a Calendar Year. This break can be permanent, depending on how many Vesting Credits you have accumulated.
- ii) When counting Hours of Service, the Plan counts the hours you performed work in Covered Employment and the following additional hours:
 - a) Paid vacations, holidays, and disability time covered by certain disability benefits;
 - b) Periods you were in Qualified Uniformed Service and then returned to Covered Employment within the time prescribed by law;
 - c) Periods of employment not covered by the Plan if such employment is continuous with your Covered Employment and with the same Employer; and
 - d) Periods you are away from Covered Employment because of:

- 1) Your pregnancy;
- 2) The birth of your child;
- 3) The placement of a child with you in connection with adoption;
- 4) The care for such child for a period beginning immediately after such birth or placement. (You will be credited with a maximum of 501 Hours of Service for parental leave to prevent a One-Year Break in Covered Employment.); or
- 5) Approved Family and Medical Leave absences.

iii) Repairing a One-Year Break in Covered Employment

A One-Year Break in Covered Employment can be repaired if, before you incur a Permanent Break in Covered Employment, you earn a Vesting Credit (1,000 Hours of Service in a Calendar Year).

C) Permanent Break in Covered Employment After January 1, 1976

Beginning January 1, 1976, a Permanent Break in Covered Employment is based on two factors: First, the number of Consecutive One-Year Breaks in Covered Employment you have incurred, and second, the number of Vesting Credits you have earned.

- i) Between January 1, 1976 and January 1, 1987, you have a Permanent Break in Covered Employment if the number of Consecutive One-Year Breaks in Covered Employment you have incurred equals or exceeds the number of Vesting Credits you have previously accrued.

| | |
|----------------|---|
| EXAMPLE | If you earned three Vesting Credits and then have three Consecutive One-Year Breaks in Covered Employment, you will incur a Permanent Break in Covered Employment. |
|----------------|---|

- ii) Beginning January 1, 1987, if you have not vested, you have a Permanent Break in Covered Employment if you have at least five Consecutive One-Year Breaks in Covered Employment and the number of these One-Year Breaks in Covered Employment equals or exceeds the number of Vesting Credits you previously accrued.

| | This chart shows an example of how a Participant can incur a Permanent Break in Covered Employment. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----------------|---|-----------------|-----------------------|------------------|-----------------------|------------------|------|------|---|---|----|------|------|---|---|----|------|------|---|---|----|------|------|---|---|----|------|-----|---|---|----|------|-----|---|---|----|------|-----|---|---|----|------|-----|---|---|----|------|-----|---|----------|------------|
| | Assume a Participant previously had four years with at least 1,000 Hours of Service from 2016 through 2019. They then had five successive One-Year Breaks in Covered Employment (because in each of these years, they did not earn more than 500 Hours of Service). They suffer a Permanent Break in Covered Employment in 2024 because they have five Consecutive One-Year Breaks in Covered Employment. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EXAMPLE | <table border="1" style="width: 100%; border-collapse: collapse; margin: 0 auto;"> <thead> <tr> <th style="text-align: left;">Year</th> <th style="text-align: left;">Hours</th> <th style="text-align: center;">One-Year Breaks</th> <th style="text-align: center;">Total One-Year Breaks</th> <th style="text-align: center;">Permanent Break?</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td style="background-color: #d9ead3; text-align: center;">1000</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">NO</td> </tr> <tr> <td>2017</td> <td style="background-color: #d9ead3; text-align: center;">1000</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">NO</td> </tr> <tr> <td>2018</td> <td style="background-color: #d9ead3; text-align: center;">1500</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">NO</td> </tr> <tr> <td>2019</td> <td style="background-color: #d9ead3; text-align: center;">2000</td> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> <td style="text-align: center;">NO</td> </tr> <tr> <td>2020</td> <td style="background-color: #d9ead3; text-align: center;">325</td> <td style="text-align: center;">1</td> <td style="text-align: center;">1</td> <td style="text-align: center;">NO</td> </tr> <tr> <td>2021</td> <td style="background-color: #d9ead3; text-align: center;">480</td> <td style="text-align: center;">1</td> <td style="text-align: center;">2</td> <td style="text-align: center;">NO</td> </tr> <tr> <td>2022</td> <td style="background-color: #d9ead3; text-align: center;">325</td> <td style="text-align: center;">1</td> <td style="text-align: center;">3</td> <td style="text-align: center;">NO</td> </tr> <tr> <td>2023</td> <td style="background-color: #d9ead3; text-align: center;">325</td> <td style="text-align: center;">1</td> <td style="text-align: center;">4</td> <td style="text-align: center;">NO</td> </tr> <tr> <td>2024</td> <td style="background-color: #d9ead3; text-align: center;">475</td> <td style="text-align: center;">1</td> <td style="text-align: center; border: 2px solid black;">5</td> <td style="text-align: center; border: 2px solid black;">YES</td> </tr> </tbody> </table> | Year | Hours | One-Year Breaks | Total One-Year Breaks | Permanent Break? | 2016 | 1000 | 0 | 0 | NO | 2017 | 1000 | 0 | 0 | NO | 2018 | 1500 | 0 | 0 | NO | 2019 | 2000 | 0 | 0 | NO | 2020 | 325 | 1 | 1 | NO | 2021 | 480 | 1 | 2 | NO | 2022 | 325 | 1 | 3 | NO | 2023 | 325 | 1 | 4 | NO | 2024 | 475 | 1 | 5 | YES |
| Year | Hours | One-Year Breaks | Total One-Year Breaks | Permanent Break? | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 1000 | 0 | 0 | NO | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 1000 | 0 | 0 | NO | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 1500 | 0 | 0 | NO | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019 | 2000 | 0 | 0 | NO | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2020 | 325 | 1 | 1 | NO | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2021 | 480 | 1 | 2 | NO | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2022 | 325 | 1 | 3 | NO | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 | 325 | 1 | 4 | NO | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2024 | 475 | 1 | 5 | YES | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

D) Avoiding a One-Year Break In Covered Employment But Not Earning a Vesting Credit

For purposes of the Permanent Break in Covered Employment rule, Consecutive One-Year Breaks in Covered Employment means that there have been a sufficient number of One-Year Breaks in Covered Employment during which there has been no intervening year in which you have earned at least 1,000 Hours of Service.

You will not incur a One-Year Break in Covered Employment for a Calendar Year in which you earned more than 500 but fewer than 1,000 Hours of Service. If you had a One-Year Break in Covered Employment or Consecutive One-Year Breaks immediately preceding the year in which you had more than 500 but fewer than 1,000 Hours of Service, you will not have repaired the previous One-Year Break(s) in Covered Employment and the count of Consecutive One-Year Breaks will remain.

A year in which you have fewer than 1,000 but more than 500 Hours of Service does not repair preceding One-Year Breaks in Covered Employment; the previous One-Year Breaks in Covered Employment are repaired only when you have had 1,000 or more Hours of Service within a Calendar Year.

This chart shows an example of how a Participant can repair a One-Year Break(s) in Covered Employment.

This Participant previously had four years with at least 1,000 Hours of Service, then had three successive or Consecutive One-Year Breaks in Covered Employment. However, in 2023 they had a year in which they had at least 1,000 Hours of Service. This one year with at least 1,000 Hours of Service in 2023 cancels out or repairs the three previous One-Years Breaks in Covered Employment.

EXAMPLE

| Year | Hours | One-Year Breaks | Total One-Year Breaks | Break Repaired? | Permanent Break? |
|------|-------|-----------------|-----------------------|-----------------|------------------|
| 2016 | 1000 | 0 | 0 | | |
| 2017 | 1000 | 0 | 0 | | NO |
| 2018 | 1500 | 0 | 0 | | NO |
| 2019 | 2000 | 0 | 0 | | NO |
| 2020 | 325 | 1 | 1 | NO | NO |
| 2021 | 480 | 1 | 2 | NO | NO |
| 2022 | 325 | 1 | 3 | NO | NO |
| 2023 | 1500 | 0 | 0 | YES | NO |
| 2024 | 475 | 1 | 1 | NO | NO |

E) A Summary of Break in Covered Employment Rules after January 1, 1976

- i) You will incur a One-Year Break in Covered Employment if you do not have more than 500 Hours of Service within a Calendar Year.
- ii) Any One-Year Break in Covered Employment can be repaired, provided you do not accumulate so many Consecutive One-Year Breaks as to establish a Permanent Break in Covered Employment.
- iii) Between January 1, 1976 and January 1, 1987, a break becomes permanent when the number of Consecutive One-Year Breaks in Covered Employment equals or exceeds the number of Vesting Credits you have earned.
- iv) On and after January 1, 1987, a break becomes permanent when you have incurred five or more Consecutive One-Year Breaks in Covered Employment, and the number of consecutive One-Year Breaks equals or exceeds the number of Vesting Credits you have previously earned.
- v) Any time before a Break in Covered Employment becomes permanent, you can repair the Break with one Vesting Credit.
- vi) The Permanent Break in Covered Employment rules no longer apply once you are vested.

NOTE

If you incur a Permanent Break in Covered Employment, you will lose your previously earned Pension Credits and Vesting Credits unless you have already met the requirements for Vesting.

SECTION 6. PENSION TYPES AND AMOUNTS

The Plan provides several types of pension benefits. Requirements for the different types of pension generally vary depending on your age and your number of Pension Credits. In general, you must file an application for a pension benefit with the Fund Office. You may receive only one type of pension from the Fund and may not change from one type of pension to another unless the change is specifically allowed under the Plan rules. The Fund Office is available to answer your questions on eligibility and the Plan rules and to assist you when considering retirement. The pension amounts specified in this section will determine a Single Life Annuity With 60 Certain Payments. A Single Life Annuity With 60 Certain Payments will be reduced for the Qualified Joint and Survivor Annuity and the Joint and Survivor Options discussed in Section 7, page 20.

IMPORTANT

If you are under age 65, to be eligible for a service or early retirement benefit, you must intend to retire and have completely severed any employment with any Contributing Employer before your Annuity Starting Date. This includes employment in positions covered by a Collective Bargaining Agreement and non-bargaining unit positions.

NOTE

No Benefit Increases for Pensioners

Pensions will not automatically increase after retirement, even if the benefit accrual rate increases. The Trustees may provide benefit increases to pensioners, but they are not required to do so, nor are they required to provide an increase in any year merely because they have provided one or more increases in previous years.

A) Regular Pension

i) Eligibility

You will be eligible for a regular pension if you meet the following requirements:

- a) You have attained age 65 and have at least 10 Vesting Credits; or
- b) You have attained age 65 and have at least 12 Pension Credits, including at least 5,000 hours of Covered Employment since July 1, 1957.

ii) Regular Pension Amount

If you have at least one Hour of Service during 1999 (excluding hours in 1999 under the former Local Union No. 460 Pipe Trades Pension Plan), your regular pension, effective on or after January 1, 2000, will be calculated as follows:

\$6.00 multiplied by each quarter of Past Service Credit earned
plus
\$8.50 multiplied by each quarter of Future Service Credit earned before January 1, 1975
plus
\$12.50 multiplied by each quarter of Future Service Credit earned during
January 1, 1975 – December 31, 1996
plus
\$25.00 multiplied by each quarter of Future Service Credit earned during
January 1, 1997 – December 31, 1998
plus
6.25 cents for each hour worked in Covered Employment during
January 1, 1999 – December 31, 2001
plus

6.50 cents for each hour worked in Covered Employment during
January 1, 2002 – June 30, 2002
plus
6.75 cents for each hour worked in Covered Employment during
July 1, 2002 – June 30, 2003
plus
7.05 cents for each hour worked in Covered Employment during
July 1, 2003 – June 30, 2013
plus
9.35 cents for each hour worked in Covered Employment, in excess of 25 Pension Credits, during
January 1, 2006 – June 30, 2013
plus
7.55 cents for each hour worked in Covered Employment during
July 1, 2013 – June 30, 2015
or
9.85 cents per each hour worked in Covered Employment, in excess of 25 Pension Credits, during
July 1, 2013 – June 30, 2015
plus
7.91 cents for each hour worked in Covered Employment during
July 1, 2015 – August 31, 2018
or
10.21 cents per each hour worked in Covered Employment, in excess of 25 Pension Credits, during
July 1, 2015 – August 31, 2018
plus
8.41 cents for each hour worked in Covered Employment during
September 1, 2018 – August 31, 2021
or
10.71 cents per each hour worked in Covered Employment, in excess of 25 Pension Credits, during
September 1, 2018 – August 31, 2021
plus
8.97 cents for each hour worked in Covered Employment during
September 1, 2021 – August 31, 2022
or
11.27 cents for each hour worked in Covered Employment, in excess of 25 Pension Credits, during
September 1, 2021 – August 31, 2022
plus
9.24 cents for each hour worked in Covered Employment
on or after September 1, 2022
or
11.54 cents for each hour worked in Covered Employment, in excess of 25 Pension Credits,
on or after September 1, 2022

Important Note: If you do not have an Hour of Service during 1999, the benefit is calculated the same as above except for the following:

\$9.75 multiplied by each quarter of Future Service Credit earned during
January 1, 1975 – December 31, 1988
plus
\$12.50 multiplied by each quarter of Future Service Credit earned during
January 1, 1989 – December 31, 1998

Benefit rates for anyone not meeting the above requirements are described in Section 6(F), page 15.

NOTE

As of January 1, 1999, the benefit formula was modified from using Pension Credits to using Pension Hours multiplied by the accrual rate(s) in effect for the period specified.

**Treatment of Carryover Excess Pension Hours for
Periods after December 31, 1998**

NOTE

Generally, any balance of excess Pension Hours will not be used to determine the amount of your pension.

Effective for periods after December 31, 1998, if you were age 52 or older on December 31, 1998, and if the use of your remaining excess Pension Hours ending on that date provides additional Future Service Credits for a succeeding Plan Year(s), the value of the resulting total Future Service Credit for the succeeding year(s) (at a rate of \$25.00 for each complete quarter of Future Service Credit) will be compared to the value of the Pension Hours for that year multiplied by the rate(s) per hour as applicable during the year; the greater benefit amount shall apply for the given Plan Year.

Effective September 1, 2022, pension benefits accrued before September 1, 2022 were increased by 3%. Pension benefits payable to Pensioners, surviving spouses, or co-annuitants/beneficiaries with an Annuity Starting Date on or before September 1, 2022, and who were receiving a monthly benefit as of this date, increased by 3%. Whether this increase applied to any benefit subject to a Qualified Domestic Relations Order (“QDRO”) is governed by the terms of the QDRO. Therefore, Pensioners whose benefits are or may be affected by a QDRO may receive an additional adjustment to their monthly benefit.

B) Service Pension

i) Eligibility

If you earned at least one Hour of Service before July 1, 2006, you will be eligible to retire with a service pension under the following conditions:

- a) You have at least 25 Pension Credits; and
- b) You have worked at least 5,000 hours in Covered Employment since July 1, 1957.

ii) Service Pension Amount

The monthly amount of a service pension is calculated in the same manner as the regular pension.

iii) Service Pensions as of July 1, 2006

If you earned the first Hour of Service in the Plan on or after July 1, 2006, you are eligible for a Service Pension upon earning 30 Pension Credits. You will be considered to have earned the first Hour of Service in the Plan on or after July 1, 2006, if you worked in and then left Covered Employment before July 1, 2006, and before or upon your return to Covered Employment after July 1, 2006, either experienced a Permanent Break in Covered Employment or failed to work 1,000 hours to earn your initial eligibility to participate in the Plan.

C) Early Retirement Pension

i) Eligibility

If you wish to retire before age 65, an early retirement pension is available if you meet the following requirements:

- a) You must be at least age 55 but not yet 65;
- b) You must have at least 10 Pension Credits.

ii) Early Retirement Pension Amount

If you qualify for and elect to receive an early retirement pension, the amount of your early retirement pension is calculated as follows:

- a) Calculate the monthly pension amount you would receive under the regular pension formula if you retired at age 65; then
- b) Reduce the amount by $\frac{1}{4}$ of 1% for each month you are younger than age 65 but over age 60, and $\frac{1}{2}$ of 1% for each month you are younger than age 60; or
- c) If you retire on or after January 1, 2000, with 15 or more Pension Credits, the amount is reduced by $\frac{1}{2}$ of 1% for each month you are younger than 62.

D) Disability Pension

i) Eligibility

On or after January 1, 2000, if you are Totally Disabled, you will be eligible for a disability pension if you are an Active Participant at the time when you are deemed disabled by Social Security Administration and you have earned 12 Pension Credits or five Vesting Credits. For more information on Social Security and Medicare, contact the nearest Social Security Office and request a current booklet explaining the benefits.

Effective January 1, 2022, in addition to a Social Security disability determination, the Plan will also accept a determination of 100% disability from the Department of Veterans Affairs (VA).

ii) Disability Pension Amount

The monthly amount of a disability pension is calculated in the same manner as a regular pension.

iii) Proof of Disability

To prove Total Disability for the purpose of eligibility for a disability pension, you must submit a determination from the Social Security Administration that you are entitled to a Social Security disability benefit.

Effective January 1, 2022, the Plan will treat a determination by the U.S. Department of Veterans Affairs (VA) that an individual is entitled to VA disability benefits based on a 100% disability determination in the same way as the Plan treats a determination by the Social Security Administration that an individual is entitled to Social Security disability benefits.

iv) When Disability Payments Begin

Pension checks or direct deposits for a disability pension may begin as early as your Annuity Starting Date (generally the first day of the month after you apply for a disability pension), and it is determined that you are eligible. However, payments will not begin earlier than your Social Security “disability entitlement date”, which is usually six months after your Social Security “disability onset date”, which is the date the Social Security Administration determines that you first became Totally Disabled.

Effective January 1, 2022, an individual’s date of entitlement to VA disability benefits based on a 100% disability determination will be treated the same way as an individual’s Social Security disability entitlement date.

Payments will continue for as long as you remain Totally Disabled and you provide evidence to the Board of Trustees annually, by completing an Annual Verification of Disability Statement, which will be used to certify that you continue to receive Social Security disability benefits or, effective January 1, 2022, VA benefits based on 100% disability. If this information is not provided by May 15, you will not receive your July pension payment, and payments will not resume until the Fund Office receives the information. Once you turn age 65, your disability pension will be continued regardless of whether or not you remain Totally Disabled.

If you file an application for a disability pension with a copy of your Social Security disability “notice of award” letter within one year after you receive your “notice of award” letter from Social Security (or, effective January 1, 2022, notice from the U.S. Department of Veterans Affairs of an individual’s entitlement to VA disability benefits based on a 100% disability determination) benefits from this Plan will be paid back to your Social Security or VA “disability entitlement date”. However, the amount of that benefit will still be based on your Annuity Starting Date (usually the first of the month after you submit your application). Otherwise, benefits will only be paid as of the first of the month following the date you both file the application and become entitled to Social Security or VA 100% disability benefits.

v) Early Retirement or Service Pensions: Awaiting Social Security or VA Disability Award

You may, if eligible, begin to receive an early retirement or service pension while waiting for a determination of your eligibility for a Social Security disability benefit or, effective January 1, 2022, a determination of 100% disability from the Department of Veterans Affairs.

If, while you are receiving an early retirement or service pension, you are awarded a Social Security, or VA 100%, disability benefit, you may elect to receive a disability pension from the Plan instead of the early retirement or service pension.

This change can only be made if you are Totally Disabled on the date your application for the early retirement or service pension is filed and if your Social Security or VA “disability entitlement date” is not more than six months after the month you filed the application for the early retirement or service pension.

Your request to change from an early retirement or service pension to a disability pension must be made in writing and filed with the Fund Office.

If your election to change from an early retirement or service pension to a disability pension is filed within one year of the date on your “notice of award” letter from the Social Security Administration or the VA, the conversion will be effective retroactive to your Social Security or VA “disability entitlement date”.

If your election to convert is filed more than one year after the date of your “notice of award” letter, the conversion to a disability pension will be effective the first of the month following the month in which the Fund Office receives the election and “notice of award” letter.

vi) Loss of Entitlement to a Disability Pension

If you are receiving a disability pension and you lose the entitlement to a Social Security or VA 100% disability benefit, your pension payments will stop. You may, however, be eligible for another type of pension benefit, such as an occupational disability pension, as explained in (E) below.

If you return to work in Covered Employment after losing your disability pension, you can earn additional Pension Credits.

If you are younger than 65 and receiving a disability pension, and you lose the entitlement to a Social Security or VA 100% disability benefit, you must report this fact to the Fund Office within 30 days after receiving notice from the Social Security Administration or the VA.

E) Occupational Disability Pension

i) Eligibility

You will be entitled to receive an occupational disability pension if you meet all the following requirements:

- a) You had been receiving a disability pension from this Plan and a Social Security or VA 100% disability benefit and lost entitlement to each;
- b) You have appealed the loss of your Social Security or VA 100% disability benefit to the Social Security Administration or the VA and lost the appeal;
- c) You have at least 12 Pension Credits;
- d) You have worked at least 5,000 hours in Covered Employment since July 1, 1957;
- e) You are not eligible for any other type of pension under this Plan; and
- f) You are Totally Disabled from performing work in the plumbing and pipefitting trades.

ii) Occupational Disability Pension Amount

The monthly amount of an occupational disability pension will be determined in the same manner as an early retirement pension. If you are younger than 55, the benefit will be calculated as if you were 55.

iii) Proof of Disability

Disability for the purpose of eligibility for an occupational disability pension means that you are totally unable, as a result of bodily injury or disease, to engage in any activity in the plumbing and pipefitting trade because of any medically determinable physical or mental impairment which can be expected to result in death or to be of long, continued, and indefinite duration. Whether or not you are disabled for this purpose will be determined by the Board of Trustees.

iv) Occupational Disability Payments

Payment of an occupational disability pension will start on the first of the month following the date on the notice to you from the Administrative Law Judge denying your appeal to the Social Security Administration or similar VA appeal process. Occupational disability pension payments will continue for as long as you remain disabled from performing work in the plumbing and pipefitting trades, except that upon attainment of age 65, your occupational disability pension will be continued regardless of whether or not you remain Totally Disabled from performing work in the plumbing and pipefitting trades.

v) Loss of Entitlement to an Occupational Disability Pension

If you receive an occupational disability pension and you recover from the disability, your pension payments will stop.

If you return to work in Covered Employment, you can earn additional Pension Credits.

If you are younger than 65 and receiving an occupational disability pension, and you recover from the disability, you must report this fact to the Fund Office within 30 days after the date of your recovery.

F) Vested Pension

i) Eligibility

You have the right to receive a vested pension if you meet one of the following requirements:

- a) You have at least five Vesting Credits (or at least ten Vesting Credits if you do not have at least one Hour of Service on or after January 1, 1999) before incurring a Permanent Break in Covered Employment; or
- b) You have at least 25 Pension Credits and have worked at least 5,000 hours in Covered Employment since July 1, 1957; or
- c) You are at least age 50, have at least 12 Pension Credits, and have worked at least 5,000 hours in Covered Employment since July 1, 1957; or
- d) You are a non-bargaining unit employee and have at least five Vesting Credits and at least one Hour of Service on or after January 1, 1989; or
- e) You have attained Normal Retirement Age, which is the latest of:

- 1) The date you reach age 65; or
- 2) The fifth anniversary of the date on which you began participating in the Plan, counting only years of participation after January 1, 1988; or
- 3) The tenth anniversary of the date you began participating in the Plan, including years before 1988.

(Participation before a Permanent Break in Covered Employment is not counted in determining Normal Retirement Age.)

ii) Payable Amount

Once one of the requirements in Subsection (F)(i) above has been met, the date your vested pension benefits become payable is determined based on the following rules:

- a) If you are eligible to receive a vested pension under Subsection (F)(i) items a, d, or e above, your benefits will become payable when you attain age 65 and retire.
- b) If you meet the requirements of Subsection (F)(i) item b, your benefits will be payable as soon as you retire, regardless of age.
- c) If you are eligible under Subsection (F)(i) item c above, pension payments can begin at any time after you attain age 55 and retire.

See also Section 14, page 32.

iii) Vested Pension Amount

The monthly amount of your vested pension is determined per the eligibility requirements described in Subsection (F)(i) above, your age on your Annuity Starting Date, and the amount of Pension Credit you have accrued and when it was earned.

If you meet the requirements set forth under Subsection (F)(i) item a (after January 1, 1976), or the requirements of Subsection(F)(i), items b, c, d, or e at any time, your benefits will be calculated as follows:

- a) If you have attained age 65, your vested pension will be calculated in the same manner as the regular pension.
- b) If you are at least 55 but less than 65 and have earned at least 12 but fewer than 25 Pension Credits, your vested pension will be calculated in the same manner as the early retirement pension.
- c) If you are younger than 65 and have earned 25 or more Pension Credits, your vested pension will be calculated in the same manner as the service pension.

G) Separation in Service Rules

The amount of your benefit is subject to the rules on separation in service:

- i) Before January 1, 1976, you have a separation in service when you would have incurred a One-Year Break in Covered Employment had you not been vested.
- ii) After January 1, 1976, you have a separation in service if you have two Consecutive One-Year Breaks in Covered Employment.
- iii) Effective January 1, 1996, if you are a non-bargained unit employee of an Employer, you will not incur a separation in service as a result of the cessation of your coverage, as long as you remain employed by that Employer, and provided the Employer remains signatory to a Collective Bargaining Agreement.
- iv) If you incur a separation, your benefit amount will be frozen at the benefit rate in effect at the time of your separation. If you later return to work in Covered Employment and earn additional Pension Credit, your pension amount for such additional credit will be calculated based on the benefit rate in effect at the time of your retirement or a subsequent separation, if any.
- v) You may eliminate the effect of a separation by returning to Covered Employment and earning more than 500 Hours of Service in each of two consecutive Calendar Years for each One-Year Break in Covered Employment.
- vi) To the extent a prior separation in service has not been eliminated as described directly above in paragraph (v), the Pension Credit you have accumulated before any separation in service will be multiplied by the benefit value in effect at the time of your separation. Refer to the charts below in Section (H)(ii).

H) Benefit Values and Accrual Rates

You must be a vested Participant to have a right to the benefit below.

i) Before January 1, 1976

Your benefit amount is determined based on when you would have incurred a break in employment. Contact the Fund Office for rates and rules before January 1, 1976.

ii) Beginning January 1, 1976

The amount of your benefit is determined based on the rate value in effect at the time of your separation, multiplied by each Past Service Credit and Future Service Credit for the periods below:

| Benefit Value for Past Service Credit Earned | |
|--|---------------|
| Period In Which Past Service Credit Earned | Benefit Value |
| Before July 1, 1957 | \$24.00 |

| Benefit Values for Full Future Service Credit Earned | | |
|--|---|---------------|
| Separation in Service Dates ¹ | Period In Which Full Future Service Credit Earned | Benefit Value |
| January 1, 1976 – December 31, 1976 | On or After January 1, 1976 | \$22.00 |
| January 1, 1977 – June 30, 1980 | On or After January 1, 1977 | \$24.00 |
| July 1, 1980 – June 30, 1981 | On or After July 1, 1980 | \$28.00 |
| July 1, 1981 – June 30, 1984 | On or After July 1, 1981 | \$30.00 |
| July 1, 1984 – June 30, 1989 | On or After July 1, 1984 | \$34.00 |
| July 1, 1989 – December 31, 1990 | Before January 1, 1975 | \$34.00 |
| | January 1, 1975 – January 1, 1989 | \$34.00 |
| | After January 1, 1989 | \$44.00 |
| January 1, 1991 – December 31, 1998 | Before January 1, 1975 | \$34.00 |
| | January 1, 1975 – January 1, 1989 | \$39.00 |
| | After January 1, 1989 | \$50.00 |
| On or After January 1, 1999 | Before January 1, 1975 | \$34.00 |
| | January 1, 1975 – December 31, 1988 | \$39.00 |
| | January 1, 1989 – December 31, 1998 | \$50.00 |
| On or After July 1, 2001 ² | Before January 1, 1975 | \$34.00 |
| | January 1, 1975 – December 31, 1996 | \$50.00 |
| | January 1, 1997 – December 31, 1998 | \$100.00 |

1. For rates and rules in effect before 1976, contact the Fund Office.
2. Applies only for pensioners with an Annuity Start Date on or after January 1, 2000, and at least one Hour of Service during the 1999 Plan Year (not counting hours under the Local 460 plan).

iii) Beginning January 1, 1999

The benefit formula was modified from using Pension Credits to using Pension Hours multiplied by the accrual rate(s) in effect for each Pension Hour worked during the period specified below. Beginning January 1, 2006, if you earned more than 25 Pension Credits, your pension hours earned in excess of 25 Pension Credits are multiplied by a higher accrual rate as shown below:

| Benefit Accrual Rate For Each Pension Hour Earned | | |
|---|-------------------------------|------------------------------|
| Period In Which Pension Hours Earned | Fewer Than 25 Pension Credits | More Than 25 Pension Credits |
| January 1, 1999 – December 31, 2001 | \$0.0625 | N/A |
| January 1, 2002 – June 30, 2002 | \$0.0650 | N/A |
| July 1, 2002 – June 30, 2003 | \$0.0675 | N/A |
| July 1, 2003 – December 31, 2005 | \$0.0705 | N/A |
| January 1, 2006 – June 30, 2013 | \$0.0705 | \$0.0935 |
| July 1, 2013 – June 30, 2015 | \$0.0755 | \$0.0985 |

Benefit Accrual Rate For Each Pension Hour Earned

| | | |
|-------------------------------------|----------|----------|
| July 1, 2015 – August 31, 2018 | \$0.0791 | \$0.1021 |
| September 1, 2018 – August 31, 2021 | \$0.0841 | \$0.1071 |
| September 1, 2021 – August 31, 2022 | \$0.0897 | \$0.1127 |
| On or After September 1, 2022 | \$0.0924 | \$0.1154 |

Participant enters the Plan on January 1, 2021

He works 600 Pension Hours during each of the following periods: January 1, 2021 - August 31, 2021, September 1, 2021 – December 31, 2021, and January 1, 2022 – August 31, 2022. He works 600 Pension Hours during September 1, 2022 – December 31, 2022 and 2,000 Pension Hours during 2023 and 2024.

He has fewer than 25 Pension Credits. Based on the above charts, his benefit is calculated as follows:

EXAMPLE

Benefits earned before September 1, 2022

| | |
|---|-----------------|
| • 600 hours x \$0.0841 = | \$50.46 |
| • Plus 1,200 hours x \$0.0897= | <u>\$107.64</u> |
| • Pre-September 2022 Subtotal: | \$158.10 |
| | |
| • 3% increase to benefits earned prior to September 1, 2022 | \$4.74 |

Benefits earned after September 1, 2022

| | |
|--|-----------------|
| • 600 hours x \$0.0924= | \$55.44 |
| • 2,000 hours x 2 years= 4,000 x \$0.0924= | <u>\$369.60</u> |
| • Post-September 2022 Subtotal: | \$425.04 |

Total accrued monthly benefit:

| | |
|----------------------------|----------|
| • \$158.10+\$4.74+\$425.04 | \$587.88 |
|----------------------------|----------|

Participant enters the Plan on January 1, 1977

He works 1,500 Pension Hours per year in all Calendar Years from January 1, 1977, through December 31, 1989. Therefore, he has 12 years of Future Service Credit earned before January 1, 1989 and one year of Future Service Credit earned after January 1, 1989. He then works 200 Pension Hours per year during 1990 – 1991. As of December 31, 1991, he has incurred a separation in service because he has two consecutive One-Year Breaks because he worked fewer than 500 Hours of Service during 1990 – 1991. Therefore, his benefit amount is frozen at the benefit rates in effect on December 31, 1991.

Based on the above charts, the participant's benefit is calculated as follows:

EXAMPLE

| | |
|--------------------------------|----------------|
| • 12 years x \$39 = | \$468.00 |
| • Plus 1 year x \$50 = | <u>\$50.00</u> |
| Total accrued monthly benefit: | \$518.00 |

| | |
|---|-----------------|
| Total after 3% increase to pre-September 1, 2022 accruals | <u>\$533.54</u> |
|---|-----------------|

Participant enters the Plan on January 1, 1975

EXAMPLE

He works 1,500 Pension Hours per year in all Calendar Years from January 1, 1975 – December 31, 1988. Therefore, he has 14 years of Future Service Credit earned before January 1, 1989. He then has no more Covered Employment. As of December 31, 1990, he has incurred a separation in service because he has two consecutive One-Year Breaks, because he worked fewer than 500 Hours of Service in 1989 and 1990. Therefore, his benefit amount is frozen at the benefit rates in effect on December 31, 1990.

Based on the above charts, the participant’s benefit is calculated as follows:

| | |
|---|-----------------|
| • 14 years x \$34 = | <u>\$476.00</u> |
| Total accrued monthly benefit: | <u>\$476.00</u> |
| Total after 3% increase to pre-September 1, 2022 accruals | <u>\$490.28</u> |

EXAMPLE

The following example shows how a Participant can incur a separation in service, eliminate the effect of the separation in service, and earn benefits under a more generous and more current accrual table.

The Participant works 1,500 Pension Hours per year during 1975 – 1988, and does not work any hours from 1989-1992 and therefore has four One-Year Breaks during 1989 – 1992, and then works 1,500 Pension Hours over eight years during 1993 – 2000 (but not in Local 460). He has eliminated the effect of the 1989 – 1992 separation in service of four One-Year Breaks by returning to Covered Employment for eight years and earning more than 500 Hours of Service in each of two consecutive Calendar Years for each One-Year Break.

Based on the above charts, and assuming an Annuity Starting Date on or after 2000, the Participant’s benefit is calculated as follows:

| | |
|---|-------------------|
| • 14 years during 1975 – 1988 x \$50 = | \$700.00 |
| • Plus 4 years during 1993 – 1996 x \$50 = | \$200.00 |
| • Plus 2 years during 1997 – 1998 x \$100 = | \$200.00 |
| • Plus 1,500 hours x 2 years during 1999 – 2000) x \$0.0625 = | <u>\$187.50</u> |
| Total accrued monthly benefit: | <u>\$1,287.50</u> |
| Total after 3% increase to pre-September 1, 2022 accruals | <u>\$1,326.13</u> |

1) Reciprocal Pension

This Plan is signatory to the United Association Pension Fund Reciprocal Agreement and the United Association Pension Fund Reciprocal Agreement Optional Addendum for Pro Rata/Partial Pensions, which provide for money-follows-the-Member reciprocity with pension funds that have also signed to these agreements, as well as with the Plumbers and Pipefitters National Pension Fund. Under these agreements, contributions are automatically transferred to your home local pension funds. You may be able to qualify for a pension for which you would not otherwise qualify, and/or you may be able to qualify for higher benefits than you would otherwise receive. This Fund may also enter into similar reciprocity agreements.

Note: If you have contributions made directly to this Plan, but those contributions are reciprocated to another plan, no credit, including Future Service Credit or Pension Hours, will be granted by this Plan either for the contributions reciprocated or for any of the hours worked for which contributions have been reciprocated.

There are two types of reciprocity, money-follows-the-Member reciprocity and Pro Rata/Partial Pension reciprocity:

i) Money-Follows-the-Member Reciprocity

a) Incoming Reciprocity

If your home local is a District Council No. 16 local and you travel and work outside the jurisdiction of District Council No. 16, contributions made to another fund that has signed an applicable reciprocal agreement will be automatically transferred to this Fund according to the terms or the reciprocal agreement. You will receive credit for these contributions

under the provisions of this Plan. If the contribution rate received by this Plan is more or less than the rate under the Master Labor Agreement, the hours will be prorated in determining the amount of your Future Service Credit or Pension Hours, as applicable, but not in determining your Vesting Credit. However, hours will not be prorated for vesting purposes.

b) Outgoing Reciprocity

If your home local is not a District Council No. 16 local and you work within the jurisdiction of District Council No. 16, contributions to this Fund will be transferred to your home local pension fund(s) if your home local pension fund has signed an applicable reciprocal agreement, according to the terms of the reciprocal agreement.

ii) Pro Rata/Partial Pension

Under the United Association Pension Fund Reciprocal Agreement Optional Addendum for Pro Rata/Partial Pensions, credit from the United Association National Pension Fund or credit earned under another United Association pension fund signatory to the Addendum (a “related pension plan”), after completion of money-follows-the-Member reciprocity, combined with Pension Credit earned under this Plan.

The combined hours credited in both funds will be recognized by each fund for purposes of repairing One-Year Breaks in Covered Employment and benefit eligibility. However, the amount of benefits paid by each fund will be based only on the contributions and hours retained by each fund.

In effect, the Pro Rata/Partial Pension Addendum allows this Plan to treat vesting credits and pension credits earned under the Plumbers and Pipefitters National Pension Fund or other “related pension plan” as though they were earned under this Plan to repair or avoid One-Year Breaks in Covered Employment and benefit eligibility.

To be eligible for a pro-rata/partial pension, you must have earned at least one year of Future Service Credit under this Plan and one year of Future Service Credit under the Plumbers and Pipefitters National Pension Fund or other “related pension plan” signatory to the Addendum after the completion of the money-follows-the-Member reciprocity and without regard to the provision of the Addendum.

Also, you must have earned at least a partial year of Future Service Credit, after the completion of the money-follows-the-Member reciprocity and without regard to the provisions of the Addendum, in at least one defined benefit pension fund signed to the United Association Pension Fund Reciprocal Agreement during at least one of the five Calendar Years before your Annuity Starting Date.

Contributions and hours are reciprocated based on your home local as reflected in the United Association’s records. For more information about money-follows-the-Member reciprocity, pro rata/partial pensions, or “related pension plans”, contact the Fund Office.

J) Maximum Pension Provisions

Over the years, maximum caps have been placed on the number of Pension Credits that will be considered when calculating your pension benefit.

- i) For pensions with Annuity Starting Dates on or after January 1, 1994, the maximum cap on the number of Pension Credits considered when calculating a pension benefit is 35 Pension Credits until all Past Service Credits (earned for work before January 1, 1959) have been offset by Future Service Credits (earned for work after January 1, 1959). Thereafter, all Future Service Credits are used to determine the pension amount payable. This means that once you have earned 35 Future Service Credits, your retirement benefit will be calculated based on the total number of Future Service Credits you have earned. Any Past Service Credits will be disregarded for purposes of calculating your benefit.
- ii) Section 415 of the Internal Revenue Code also puts legal limits on the annual amount you may receive from this Plan. The Fund Office will notify you if these limits apply to your benefit.

K) Small Pension Cash-Outs

If the actuarial present value of your pension benefit is \$7,000 or less, upon application for a benefit, you will automatically receive that benefit in a lump sum payment with no other options.

L) Delayed Retirement

If your Annuity Starting Date is after Normal Retirement Age (generally, age 65), your benefit may be actuarially adjusted to reflect the delay in the commencement of benefits. Your benefit will never be less than the benefit payable as a regular pension.

SECTION

7. FORMS OF PAYMENT

The normal form of payment for a single person is a Single Life Annuity With 60 Certain Payments. The normal form of payment for a married person is a 50% Qualified Joint and Survivor Annuity. A married Participant has the option of electing a Single Life Annuity With 60 Certain Payments. Both single and married Participants have the option of selecting a 50%, 75%, or 100% Joint and Survivor Option. The Fund Office will provide you with a statement of what your monthly benefit will be as a Single Life Annuity With 60 Certain Payments and as a 50%, 75%, or 100% Joint and Survivor Option. The various forms of payment and the procedures for electing them are discussed in this section.

A) Single Life Annuity With 60 Certain Payments

The normal monthly benefit payment for a single person is the Single Life Annuity With 60 Certain Payments. The benefit amount is derived using the benefit amounts and formula set forth in Section 6, page 10, with no reductions. This form of payment provides you with monthly benefits for your lifetime. In addition, if you die before you have received at least 60 monthly benefit payments, the full monthly amount will be paid to your Beneficiary until the Plan has paid a total of 60 monthly benefit payments to you and your Beneficiary combined.

If you are single when you retire, your benefit will automatically be paid as a Single Life Annuity With 60 Certain Payments unless you reject it in writing at the time you retire and elect another form of payment.

If you are married and want the Single Life Annuity With 60 Certain Payments, you and your Spouse must reject the 50% Qualified Joint and Survivor Annuity and elect the Single Life Annuity With 60 Certain Payments at the time you retire. The rules and procedures for making these elections are explained below.

B) 50% Qualified Joint and Survivor Annuity

i) General Provisions

The normal monthly benefit for a married person is the 50% Qualified Joint and Survivor Annuity. This benefit provides that after your death, your surviving Spouse will receive monthly payments for the rest of their lifetime equal to 50% of the monthly amount you were entitled to receive.

Because the 50% Qualified Joint and Survivor Annuity extends protection over two lifetimes, benefit levels are adjusted accordingly. During your lifetime, you will receive a lower monthly benefit than you would have received under a Single Life Annuity With 60 Certain Payments. Monthly payments to your surviving Spouse after your death will be one-half of the amount you received and will continue for the rest of your Spouse's life.

The amount of monthly benefit reduction depends on the difference in age between you and your Spouse. If your Spouse is much younger than you, benefits will be reduced more than if you and your Spouse are both around the same age or if your Spouse is older than you.

Under the 50% Qualified Joint and Survivor Annuity, payments to your surviving Spouse continue for life; they do not stop even if your surviving Spouse remarries.

If you are eligible for any type of pension other than a disability pension, your monthly pension will be reduced for the 50% Qualified Joint and Survivor Annuity by multiplying it by an appropriate actuarial equivalence factor which depends on the respective ages of you and your Joint Annuitant.

ii) Rejection of the 50% Qualified Joint and Survivor Annuity and Selection of an Optional Form of Benefit

If you are married when you retire, your pension will automatically be paid in the form of a 50% Qualified Joint and Survivor Annuity unless you and your Spouse sign a notarized statement rejecting the 50% Qualified Joint and Survivor Annuity and file it with the Fund Office at the time you retire.

The Fund Office will provide you with information explaining the normal and optional forms of benefit, the financial effect of choosing an optional form, and information regarding the process involved in revoking the normal form of benefit. You and your Spouse may reject the 50% Qualified Joint & Survivor Annuity (or revoke a previous rejection) at any time and any number of times during the 180-day period ending on your Annuity Starting Date.

If you and your Spouse properly reject the 50% Qualified Joint and Survivor Annuity, you must elect either the Single Life Annuity With 60 Certain Payments or a 50%, 75%, or 100% Joint and Survivor Option.

IMPORTANT

If you are married, payment in the form of the 50% Qualified Joint and Survivor Annuity will occur automatically unless you reject it and your Spouse consents to the rejection in writing on forms provided by the Fund Office. Be sure to have your Spouse's signature notarized as indicated on the form.

Your Spouse's consent must acknowledge the effect of the rejection and must consent to a specific Beneficiary and optional payment form, which cannot be changed without your Spouse's consent. Your rejection may be revoked at any time before your payments begin.

If you are single, payment in the form of a Single Life Annuity with 60 Certain Payments will occur automatically unless you reject it in writing on forms provided by the Fund Office.

iii) Pop-Up Protection

Once payments have started on a 50% Qualified Joint and Survivor Annuity, the monthly benefits will generally continue on that basis. However, if your Spouse should die before you, the monthly amount of the 50% Qualified Joint and Survivor Annuity will be increased to the amount that would have been payable to you as a Single Life Annuity without the 60 Certain Payments. The increased pension will be effective the month following the month in which your Spouse died, provided you file a copy of the death certificate within 12 months of your Spouse's death. If the death certificate is filed more than 12 months after your Spouse's death, the increased pension will begin with the month following the month during which the death certificate is received by the Fund Office.

Similarly, your Surviving Spouse benefit may be canceled, and the amount of a 50% Qualified Joint and Survivor Annuity may be increased to the amount that would have been payable to you as a Single Life Annuity without the 60 Certain Payments, if your marriage is legally terminated, provided the terms of a Qualified Domestic Relations Order (QDRO) state that your former Spouse is to receive no benefits from this Plan and is to be no longer treated as the Spouse for purposes of the 50% Qualified Joint and Survivor Annuity. If the QDRO is filed with the Fund Office within 12 months of the date of entry, the increased monthly pension will be effective for the month following the month it was entered. Otherwise, the increased benefit will become effective as of the first month following the month during which the Fund Office receives the QDRO.

C) 50%, 75%, or 100% Joint and Survivor Options

The normal form of benefit is a 50% Qualified Joint and Survivor Annuity if you are married or a Single Life Annuity With 60 Certain Payments if you are single. Whether you are married or unmarried, you may waive the normal form of payment and elect either a 50%, 75%, or 100% Joint and Survivor Option. For each option, you will receive a smaller amount for your lifetime, but your Beneficiary will receive 50%, 75%, or 100% of that amount for their lifetime if they survive you. Your Beneficiary is called a Joint Annuitant and may be anyone you choose, except as limited below.

If you are married, you may name a non-Spouse Joint Annuitant only with your Spouse's consent. Also, you may not have more than one Joint Annuitant, and you may not change your Joint Annuitant, even in the event of a divorce.

If your Joint Annuitant predeceases you after payments start, the monthly amount payable to you will be increased to the amount that would have been payable to you as a Single Life Annuity without the 60 Certain Payments feature. The increased pension will be effective the month following the month in which the Joint Annuitant died, provided you file a copy of the death certificate within 12 months of the Joint Annuitant's death. If the death certificate is filed more than 12 months after the Joint Annuitant's death, the increased pension will begin with the month following the month during which the death certificate is received by the Fund Office.

The pension amount of the 50%, 75%, and 100% Joint and Survivor Options will be adjusted by multiplying each by a factor that is actuarially equivalent to the pension before reduction. These amounts also depend on your age and your Beneficiary's age on your Annuity Starting Date.

i) Age Limitations for Beneficiaries Under the 100% and 75% Joint and Survivor Options

The 100% Joint and Survivor Option is available to you and your non-Spouse Joint Annuitant only if such Joint Annuitant is no more than ten years younger than you. However, if you begin receiving benefits before age 70, the age difference between you and your non-Spouse Joint Annuitant is reduced by the number of years you are younger than 70 on your Annuity Starting Date. If, due to this adjustment, the age difference between you and your non-Spouse Joint Annuitant is ten years or less, you may elect the 100% Joint and Survivor Option.

The 75% Joint and Survivor Option is available to you and your non-Spouse Joint Annuitant only if such Beneficiary is no more than 19 years younger than you. However, if you begin receiving benefits before age 70, the age difference between you and your non-Spouse Joint Annuitant is reduced by the number of years you are younger than age 70 on your Annuity Starting Date. If, as a result of this adjustment, the age difference between you and your non-Spouse Joint Annuitant is 19 years or less, you may elect the 75% Joint and Survivor Benefit Option.

For example, if you retire at age 65 and your non-spouse beneficiary is 13 years younger than you, since you are 5 years younger than age 70, the age difference of 13 years is reduced by 5 years to 8 years and you would be able to elect either the 100% or 75% option because the adjusted age difference is less than both the 10 year and 19 year age limits respectively.

ii) Election and Changes to Optional Forms of Benefits

If you wish to elect the 50%, 75%, or 100% Joint and Survivor Options, you must do so in writing before your Annuity Starting Date. Once elected, a 50%, 75%, or 100% Joint and Survivor Option may not be revoked unless the revocation is made in writing not later than the end of the month of your Annuity Starting Date.

However, the survivor benefit to the Joint Annuitant may be canceled, and the amount payable during your life under a Joint and Survivor Option may be increased to the amount that would have been payable to you as a Single Life Annuity without the 60 Certain Payments, if your Joint Annuitant is your Spouse and your marriage is legally terminated, provided the terms of a Qualified Domestic Relations Order (QDRO) state that your former Spouse is receiving no benefits from this Plan and is to be no longer treated as the Joint Annuitant for purposes of the Joint and Survivor Options. If the QDRO is filed with the Fund Office within 12 months of the date of entry, the increased monthly pension will be effective for the month following the month it was entered. Otherwise, the increased benefit will become effective with the first month following the month during which the Fund Office receives the QDRO.

| | |
|-------------|--|
| NOTE | Monthly benefit payments to Participants (and also Beneficiaries) are rounded up to the next 50 cents unless the benefit payment results in a dollar or 50 cent amount. This is illustrated in the following examples. Monthly benefit payments to an Alternate Payee under a Qualified Domestic Relations Order are not rounded. |
|-------------|--|

| Retirement Payment Options – Joint and Survivor Option Examples | | | |
|--|--|--------------------------------|---------------------------------|
| The following examples are based on a Participant retiring at age 65 with a Spouse (or eligible Joint Annuitant) age 60. For other age combinations, please contact the Fund Office. | | | |
| Benefit Type | 50% Qualified Joint and Survivor Annuity Benefit | 75% Joint and Survivor Benefit | 100% Joint and Survivor Benefit |
| Total Accrued Single Life Benefit | \$1,000.00 | \$1,000.00 | \$1,000.00 |
| Joint and Survivor Factor | 0.890 | 0.839 | 0.794 |
| Total Monthly Benefit x Joint and Survivor Factor = Joint and Survivor Monthly Benefit | \$890.00 | \$839.00 | \$794.00 |
| Benefit amount your surviving Spouse will receive per month for the remainder of their life if you die before your Spouse. | \$445.00 | \$629.50 | \$794.00 |
| Benefit amount you will receive if your Spouse dies before you. | \$1,000.00 | \$1,000.00 | \$1,000.00 |

D) Disability Pensions vs. Non-Disability Pensions

Generally, a disability pension benefit will be greater than an early retirement pension benefit before Joint and Survivor Option factors are applied, depending on your age and the age of your Joint Annuitant. The Joint and Survivor Option factors for disability pensions generally reduce a disability pension benefit more than that of a non-disability pension benefit to account for the shorter expected lifetime for a disabled Participant and the additional average benefit payout to their Joint Annuitant.

If you might qualify for a disability pension, you should discuss eligibility with the Fund Office, and, before commencing receipt of any benefits or electing any optional forms of benefit, you should request that the Fund Office provide you with a statement of what your disability and early retirement monthly benefit options might be in the various forms of benefit (as a Single Life Annuity With 60 Certain Payments and as a 50%, 75%, or 100% Joint and Survivor Option).

IS IT ALWAYS BEST TO CONVERT AN EARLY RETIREMENT PENSION TO A DISABILITY PENSION?

It depends on the form of benefit you choose, your age, and the age of your Spouse/Joint Annuitant.

EXAMPLE

A Participant age 62 with a Spouse (or Joint Annuitant) age 57 has an accrued normal retirement benefit of \$1,000.00 with 10 Pension Credits. While waiting for a determination from the Social Security Administration or VA for a disability benefit, the Participant decides to commence an early retirement benefit.

At age 62, the Participant is entitled to 91% of his accrued normal retirement benefit, or \$910.00. The Participant elects the 75% Joint and Survivor Option, so the Participant's early retirement benefit (\$910.00) is multiplied by the 75% Joint and Survivor Option adjustment factor for a healthy person age 62 and beneficiary age 57, which is 85.5%, which results in a monthly 75% Joint and Survivor Option benefit of \$778.50.

If a Social Security or VA disability benefit is awarded, the Participant may elect to convert the early retirement pension to a disability pension. The disability pension benefit has no reduction for early commencement and, payable as a 75% Joint and Survivor Option, has a factor of 68.3% for a disabled participant age 62 and beneficiary age 57. This results in a monthly 75% Joint and Survivor Option benefit of \$683.00.

The disability pension payable from the Plan is less than the early retirement pension, but monthly disability benefits would be payable to the Participant retroactively to the date of entitlement of the Social Security or VA 100% disability benefit.

EXAMPLE

A Participant age 55 with a Spouse (or Joint Annuitant) age 50 has an accrued normal retirement benefit of \$1,000.00 with 10 Pension Credits. While waiting for a determination from the Social Security Administration or VA for a disability benefit, the Participant decides to commence an early retirement benefit.

At age 55, the Participant is entitled to 55% of his accrued normal retirement benefit, or \$550.00. The Participant elects the 75% Joint and Survivor Option, so the Participant's early retirement benefit (\$550.00) is multiplied by the 75% Joint and Survivor Option factor for a healthy participant age 55, and a beneficiary age 50, which is 89.2%, which results in a monthly 75% Joint and Survivor Option benefit of \$491.00.

If a Social Security or VA 100% disability benefit is awarded, the Participant may elect to convert the early retirement pension to a disability pension. The disability pension benefit has no reduction for early commencement and, payable as a 75% Joint and Survivor Option, has a factor of 68.2% for a disabled participant age 55 and beneficiary age 50. This results in a monthly 75% Joint and Survivor Option benefit of \$682.00.

The disability pension payable from the Plan is more than the early retirement pension, and monthly disability payments would be payable to the Participant retroactively to the date of entitlement of the Social Security or VA 100% disability benefit.

E) Mortality Factors Used

For non-disability pensions, the Joint and Survivor Annuity options are calculated using the GAR 50/50 Blended mortality table and 5% interest.

For disability pensions, the Joint and Survivor Annuity options are calculated using the ERISA Section 4044 Mortality Rates for 2007 Valuation Dates with 50/50 Blend for Disabled Lives eligible for Social Security Disability Benefits for the participant and the GAR 50/50 Blended mortality table for the Joint Annuitant and 5% interest.

SECTION

8. DEATH BENEFITS

A) Death Before Retirement

i) 100% Joint and Survivor Pre-Retirement Death Benefit

If you are a vested Participant in this Plan and you die before retiring, the pre-retirement death benefit payable to your surviving Spouse will be equal to the survivor's portion of the 100% Joint and Survivor Option. The amount of the 100% Joint and Survivor Option payable will be calculated as if you retired the day before your death and elected the 100% Joint and Survivor Option. If you die before your earliest possible Annuity Starting Date, the 100% Joint and Survivor Option payable will be calculated as if you had retired upon reaching your earliest possible Annuity Starting Date and then died on the last day of the month in which this date falls.

However, if you were eligible for a vested pension at age 65 and died after age 55 but before age 65, the amount of the 100% Joint and Survivor Option payable will be calculated as if your Annuity Starting Date was the first day of the month following your date of death.

This death benefit will continue for the lifetime of your surviving Spouse, regardless of any later remarriage.

The 100% Joint and Survivor Option pre-retirement death benefit can also be payable to a non-Spouse Beneficiary designated by you, provided you are not married or, if married, your Spouse has waived, in writing, their entitlement to this benefit. For your non-Spouse Beneficiary to be able to receive this pre-retirement death benefit, you must have satisfied the eligibility requirements for a regular or service pension at the time of your death.

Payments to your surviving Spouse, or if applicable, the non-Spouse Beneficiary, begin as of the month following the month of death. However, your surviving Spouse may elect to defer payments to the later of the date on which you would have reached the Applicable Age defined in Section 13(F), or December 1 of the Calendar Year following your year of death.

ii) Lump Sum Pre-Retirement Death Benefit

There is an alternative pre-retirement death benefit in the form of a lump sum. If elected, the benefit will be paid if you were an Active Participant or vested Participant at the time of your death. The amount will be the greater of (1) \$1,000 times the number of Pension Credits you have earned or (2) an amount equal to all contributions made on your behalf (not to exceed \$10,000). To qualify for this pre-retirement death benefit, you must have had at least \$100 contributed to this Fund on your behalf. This benefit is not payable to anyone else if there is a surviving Spouse.

iii) Election By Beneficiary

a) Surviving Spouse Beneficiary

Your surviving Spouse may elect either the surviving Spouse's portion of the 100% Joint and Survivor Option or the lump sum benefit. If the lump sum benefit is elected and the actuarial present value of the 100% Joint and Survivor Option is greater than the elected lump sum death benefit, your surviving Spouse will receive the excess value in monthly payments for as long as they live.

b) Non-Spouse Beneficiary

Your non-Spouse Beneficiary is entitled to elect either the surviving non-Spouse's portion of the 100% Joint and Survivor Option (provided eligibility for this benefit is met) or the lump sum benefit. However, if the lump sum benefit is elected, your non-Spouse Beneficiary is not entitled to any excess value in monthly payments as provided to surviving Spouses.

Payments to Minor Beneficiaries

NOTE

If a benefit is payable to a minor, the Fund may pay it to any legally appointed guardian. If there is no such person, the Fund may pay benefits to the person having present custody or care of the minor and with whom the minor resides. The Fund also has the discretion to make any benefit payment to a minor by depositing the payment in a federally insured savings account in the name of the minor and by giving the notice of the deposit to the minor.

iv) If You Die While In Qualified Uniformed Service

Under the Heroes Earnings Assistance and Relief Act of 2008 (“HEART Act”), to determine eligibility for any death benefit, including a 100% Joint and Survivor Option pre-retirement death benefit and a lump sum death benefit, if you die as a result of Qualified Uniformed Service on or after January 1, 2007, you will be treated as having returned to Covered Employment and then died. Therefore, you will be treated as an Active Participant, and time spent in Qualified Uniformed Service immediately before your death will be counted toward Vesting Credit and, to avoid breaks in employment, as Hours of Service. However, you will not be deemed to have earned Pension Hours for the period of Qualified Uniformed Service immediately before your death to determine the amount of your death benefit.

B) Post-Retirement Death Benefits

i) Single Life Annuity

If you are receiving the Single Life Annuity With 60 Certain Payments and die after retirement but before receiving all 60 payments, then your designated Beneficiary – whether your surviving Spouse or other designated Beneficiary – will receive the rest of those payments until all 60 are paid.

ii) Joint and Survivor Options

If you are survived by the Spouse or Joint Annuitant upon which your 50% Qualified Joint and Survivor Annuity or Joint and Survivor Option was based, that Spouse or Joint Annuitant will receive monthly benefits per the requirements of the applicable form of payment.

iii) Post-Retirement Lump Sum Benefit

In addition to the Single Life Annuity With 60 Certain Payments and any benefits due under the 50% Qualified Joint and Survivor Annuity or the Joint and Survivor Options, upon your death, a death benefit equal to \$80 for each full year of Pension Credit, up to a maximum of \$2,000, will be paid to your Beneficiary.

C) Beneficiary Designation

i) Naming your Beneficiary

Although some death benefits are automatically paid to a surviving Spouse or a Joint Annuitant, others are paid to your Beneficiary. To ensure that these death benefits are paid to the person(s) to whom you want them to be paid, you must file a Beneficiary Form with the Fund Office. A designation of Beneficiary will not be effective unless a Beneficiary Form is submitted to the Fund Office before your death.

You may name someone other than your Spouse as your Beneficiary. Your Spouse’s consent is required, which must be in writing and witnessed by a notary.

You may obtain a Beneficiary Form from any local union office, the Fund Office, or the Fund website at www.scptac.org.

ii) When There is No Named Beneficiary

If you have no named Beneficiary or if your Beneficiary predeceases you, the Plan will pay survivor benefits to one or more of the following surviving relatives in the following order:

- a) Surviving Spouse;
- b) If none, to be divided equally among the surviving child(ren), including legally adopted child(ren);
- c) If none, to the surviving parent(s);
- d) If none, to be divided equally among the surviving sibling(s); or
- e) If none, to your estate.

Domestic partners are never considered beneficiaries under these circumstances.

iii) Automatic Revocation of Spouse Beneficiary

The designation of a Spouse as a Beneficiary of any death benefit will be automatically revoked if the marriage is later dissolved. Thus, a former Spouse will no longer be your designated Beneficiary unless named as such in a new Beneficiary Form, completed and submitted to the Fund Office after the marriage is dissolved. This rule limits the chance of conflicting claims to death benefits if you forget to change your Beneficiary designation from a former Spouse to a subsequent Spouse or other Beneficiary.

NOTE

The designation of a Spouse as a Beneficiary of any death benefit will be automatically revoked if the marriage is later dissolved.

IMPORTANT

If there is a change in your family status, such as marriage, divorce, death, or a change in status of a Beneficiary, or if your address changes, notify the Fund Office as soon as possible, but no later than 90 days after the change.

SECTION

9. TAX INFORMATION

A) Pension Benefits as Taxable Income

As a pensioner, Beneficiary, Alternate Payee, or Joint Annuitant, you will receive from the Fund Office each year a Form 1099-R showing the benefits paid to you. As required by law, this information will also be supplied to the Internal Revenue Service.

B) Lump Sum Payments and Rollovers

Two types of benefits may be eligible for rollover directly to an eligible retirement plan:

- i) Lump sum payments; and
- ii) Any payment that is not part of a series of regular substantially equal periodic payments (e.g., monthly) paid for your life or the life of your Beneficiary, or for a period of ten years or more, under this Plan to you or your Spouse.

Eligible retirement plans include other qualified plans, tax-qualified annuities, IRAs, Roth IRAs, and qualified state and local government plans which accept rollovers. An eligible rollover will not be taxed if it is transferred directly to one of these eligible retirement plans.

In addition, a benefit payment to a non-Spouse Beneficiary may be an eligible rollover distribution exempt from tax if directly rolled over to an inherited IRA, Roth IRA, or annuity.

If a distribution is eligible for rollover, the Fund Office will provide you with forms and information regarding the procedure for rolling over such a distribution.

C) Tax Withholding

The Fund will withhold tax from distributions that are not eligible rollovers, such as regular monthly benefit payments unless you elect to forgo the withholding. Government agencies may require withholding even if you elect otherwise.

Distributions eligible to be rolled over that are paid directly to you or your Beneficiary are subject to 20% mandatory federal tax withholding and state tax withholding, if applicable. However, you have, or your Beneficiary has, 60 days to deposit the eligible rollover into a plan, annuity, or IRA that is eligible to accept rollovers to convert the distribution to a tax-exempt payment. Eligible rollover distributions transferred directly from this Plan to an eligible retirement plan – including an IRA or a Roth IRA – are not subject to mandatory withholding.

When you apply for benefits, additional information will be provided about withholding.

SECTION

10. QUALIFIED DOMESTIC RELATIONS ORDERS

The Retirement Equity Act of 1984 provides that the Plan must recognize and follow any order it finds to be a Qualified Domestic Relations Order (QDRO). As directed by a QDRO, payments will be made directly to any Spouse, former Spouse, child, or other

dependent (called an “Alternate Payee”) of a Plan Participant. A QDRO is a state domestic relations order, such as a divorce decree, which creates or recognizes an Alternate Payee's right, or assigns to an Alternate Payee the right, to receive all or a portion of the benefits payable to you under the Plan. Any lawful judgment, decree, order, or property settlement agreement may be a QDRO if it relates to the provision of child support, alimony payments, or marital property of your Spouse, former Spouse, child, or other dependent, and if it is made under state domestic relations law.

A) Payment to Alternate Payee Before You Retire

The Alternate Payee under a QDRO may be allowed to begin receiving benefits as soon as you could have retired, even if this is before your Annuity Starting Date. If the Alternate Payee chooses to receive their share of benefits before you retire, the benefits payable to the Alternate Payee will be based on the benefits payable to you without regard to any early retirement subsidy.

B) No Change in Form of Benefit if You are in Pay Status when a QDRO is Obtained

If you are already receiving benefits when a domestic relations order is obtained, the Alternate Payee's share of the pension must be paid in the same form as previously elected by you.

C) Alternate Payee May Choose Any Form of Benefit if the Benefit has not Commenced when the QDRO is Obtained

If the QDRO is obtained before any benefit payments have begun, the order may provide that the Alternate Payee may elect to receive their share in any form permitted by the Plan, except for a Joint and Survivor Options Annuity based on the life of a subsequent Spouse of the Alternate Payee. Thus, an Alternate Payee may elect to have their share payable over their lifetime or over the joint lives of you and the Alternate Payee.

D) Your Benefit Increase Following the Death of the Alternate Payee

As described above, if you are already receiving benefits when a domestic relations order is obtained, the Alternate Payee's share of the pension must be paid in the same form as previously elected by you. If benefits are paid according to a QDRO in these circumstances, and the Alternate Payee dies before you, your share of benefits will be increased to the amount that would have been paid if there had been no QDRO. However, no increase will occur if the Alternate Payee's share was paid as a life annuity over the Alternate Payee's lifetime.

E) Actuarial Equivalence

If the Alternate Payee's share is to be paid over the lifetime of the Alternate Payee, the benefit will be actuarially adjusted.

F) Procedures Governing QDROs

The Fund has written procedures regarding QDROs. A copy of those procedures may be obtained, without charge, from the Fund Office. If you are contemplating a divorce or are a party to a domestic relations proceeding, you should review these procedures carefully before any domestic relations order or decree is signed by the judge.

The Trustees cannot recognize or honor a domestic relations order which attempts to divide a pension unless and until they determine that the order or decree contains certain information and otherwise complies with federal law. Therefore, if a court order is issued that assigns some or all of your benefit to another person, it must be submitted to the Fund Office for a determination as to whether or not the Fund can honor the order. The order will not be honored until it is submitted and determined by the Fund to be a qualified order.

Upon receipt of written notice from you, your spouse, former spouse, or attorney of a dissolution of marriage or otherwise stating that there is a competing claim on your benefits, the Plan(s) may place an administrative hold on your benefits and decline to make any benefit payment without further clarification. If you demand payment of your benefits because no QDRO is in effect, the Plan may allow the prospective Alternate Payee a reasonable period to seek a court order preventing such distribution. The Trustees and their delegates have absolute discretion to delay paying benefits when the Plan is on notice of a dissolution action or similar proceeding. The parties are responsible for keeping the Plan informed about the status of their property settlement and resolving the matter without undue delay. The Plan may terminate an administrative hold and pay benefits under normal plan rules if the parties fail to submit a final QDRO within a reasonable time.

While a court order is being reviewed to determine if it is a QDRO, the Plan may segregate the amounts that may be payable to the Alternate Payee in a separate account or in an escrow account. If the Plan determines that the order is not a QDRO or if 18 months have expired without determining whether the order is qualified, benefits may be paid as provided in the Plan.

SECTION

11. MERGER OF LOCAL 460 PENSION PLAN

Effective January 1, 2000, Local Union No. 460 Pipe Trades Pension Trust Fund (“Local 460 Pension Plan”) was merged into the Southern California Pipe Trades Retirement Fund. The details of the merger and its effect on participants from the Local 460 Pension Plan are set forth in this section.

A) Participation in this Plan

If you were a participant in the Local 460 Pension Plan as of January 1, 2000, you became a Participant in this Plan as of that date. To be eligible for a benefit under this Plan for periods on and after January 1, 2000, you must meet the eligibility requirements for a pension under this Plan, including Hours of Service under this Plan on or after January 1, 2000. However, as explained below, service under the Local 460 Pension Plan before January 1, 2000, counts toward meeting this Plan's eligibility requirements.

B) Retention of Local 460 Pension Plan Service

If you were a Local 460 Pension Plan participant in periods before January 1, 2000, you retain your years of vesting service and Pension Credit earned under the Local 460 Pension Plan. Periods of service under the Local 460 Pension Plan not lost under the terms of that plan before January 1, 2000, are treated as if earned under this Plan but only for purposes of eligibility under this Plan.

C) Service by Participants of the Local 460 Pension Plan After January 1, 2000

Vesting service and Pension Credit earned on or after January 1, 2000 are determined under this Plan and are in addition to the service earned before that date under the Local 460 Pension Plan. However, if you were a Local 460 Pension Plan participant who was not fully vested on January 1, 2000, you continued to accrue vesting service under the terms of the Local 460 Pension Plan for employment covered under this Plan after January 1, 2000, for purposes of vesting under both plans. For Local 460 Pension Plan participants who are not vested on January 1, 2000, the break in service and cancellation of service rules of the Local 460 Pension Plan continue to apply.

D) Combined Pension Amounts and Accrual Rates of this Plan Effective January 1, 2000

Pension amounts for periods before January 1, 2000 are based on the Local 460 Pension Plan in effect before that date. Pension amounts for service on or after January 1, 2000 are based on the Hours of Service earned under this Plan on or after that date, using the benefit values set forth in this Plan. Local 460 Pension Plan participants receive the total of the amounts under the Local 460 Pension Plan for periods before January 1, 2000, and under this Plan for periods on or after January 1, 2000.

E) Service Pensions

All Local 460 Pension Plan participants will be able to become eligible for a service pension under this Plan, and service earned under the Local 460 Pension Plan before January 1, 2000 will count in determining eligibility for a service pension under this Plan. In addition, Local 460 Pension Plan participants who commenced participation in the Local 460 Pension Plan before January 1, 1992 will continue to be eligible for a service pension under the Local 460 Pension Plan. The amount of all service pensions will be calculated using Pension Credits both before and after January 1, 2000, without any reduction for early retirement.

F) Early Retirement Pensions

For pensions first effective on or after January 1, 2000, Local 460 Pension Plan participants continue to be eligible for an early retirement pension under the Local 460 Pension Plan's rules based on combined service under both plans. For Local 460 Pension Plan participants with at least 400 Hours of Service from January 1, 1998 through December 31, 2000, this Plan's reduction factors apply to the entire early retirement pension if they produce a higher monthly amount. For other Local 460 Pension Plan participants, the reduction for early retirement is calculated under the terms of the Local 460 Pension Plan for service before January 1, 2000 and under the terms of this Plan for service after January 1, 2000.

G) Forms of Payment

For pensions first effective on or after January 1, 2000, the forms of payment under the Local 460 Pension Plan are continued under this Plan for Local 460 Pension Plan participants, except that the “pop-up” protection feature is automatic for all joint and survivor forms of payment. In addition, this Plan's more favorable Joint and Survivor Option factors, including the pop-up protection, are applied. For single Local 460 Pension Plan participants, the normal form of payment for pensions first effective on or after January 1, 2000 will be a Single Life Annuity With 60 Certain Payments. For any disability pension awarded on or after January 1, 2000, this Plan's provisions govern all determinations of whether a Local 460 Pension Plan participant is permanently and Totally Disabled.

H) Local 460 Pension Plan Pensioners and Beneficiaries as of January 1, 2000

Any monthly payments from the Local 460 Pension Plan, as of January 1, 2000 will be continued from this Plan in the same amount and form of payment. Any Local 460 Pension Plan pensioner who returns to work will have their benefit suspended per this Plan's rules. In addition, any Local 460 Pension Plan pensioner who returns to work is entitled to have, upon their re-retirement, their

pension amount re-determined under the terms of this Plan but only for the credit earned during the period of the pensioner's reemployment.

Local 460 Pension Plan participants, who were pensioners as of January 1, 2000, receive that plan's "pop-up" feature only if they elected it at the time their pensions began.

I) Inactive Vested Participants in the Local 460 Pension Plan

Vested participants in the Local 460 Pension Plan who became inactive before January 1, 2000, and do not return to Covered Employment under this Plan will receive their Local 460 Pension Plan benefits upon retirement.

Inactive vested participants in the Local 460 Pension Plan who do return to Covered Employment will have their benefit based on a combination of their Local 460 Pension Plan benefits and their benefits under this Plan.

J) Death Benefits

If a Local 460 Pension Plan participant died before January 1, 2000, their Beneficiary (or surviving Spouse as applicable) receives any unpaid death or survivor benefits to which they are entitled under the Local 460 Pension Plan. If a Local 460 Pension Plan participant died on or after January 1, 2000, their Beneficiary (or surviving Spouse if applicable) is entitled to the sum of the death or survivor benefit under this Plan and the death and survivor benefit under the Local 460 Pension Plan (the eligibility for both will be based on combined service but the amount of each will be based only on the service earned under each plan). In addition, for pensions first effective on or after January 1, 2000, Local 460 Pension Plan participants will be entitled to the post-retirement lump sum death benefit under this Plan based upon combined service under both plans.

K) Additional Information

If you were a participant of the Local 460 Pension Plan, the terms set forth in this booklet are subject to the provisions of this section. If you have any questions about the merger or would like a copy of the former Local 460 Pension Fund summary plan description, its plan document, or the merger documents, please contact the Fund Office.

SECTION 12. RETIREMENT AND SUSPENSION

A) Retirement-Severance from Employment

i) Before Age 65

If you have not reached Normal Retirement Age (generally age 65), then to be considered retired and eligible to apply for and receive an early or service pension benefit from the Plan, you must retire and refrain from any and all employment with Employers participating in the Retirement Fund and must sever any and all employment with Employers participating in the Retirement Fund before your Annuity Starting Date.

ii) Age 65 and Older

If you have reached Normal Retirement Age or older, you will be considered retired and eligible to apply for and receive benefits if you refrain from employment prohibited by the Plan and from all employment or work in the State of California in the plumbing and pipefitting industry in the same trade or craft in which you earned Pension Credits, with any Employer (whether or not signatory to a Collective Bargaining Agreement) or self-employed. However, you may work up to 39 hours per month in this type of employment without affecting your eligibility to retire.

B) Suspension of Benefits Upon Return to Employment

If you retire but subsequently return to work and work in what the Plan defines as "disqualified employment", your benefit may be suspended as explained below.

i) Disqualified Employment Before Age 65

If you retire before age 65 and later return to work, your benefit will be suspended from payment if you accept employment or activity in the plumbing or pipefitting industry. Employment or activity in the plumbing and pipefitting industry means the industry in which Employees covered by this Plan are employed and related businesses and any industry that falls under the trade jurisdiction of the United Association or any of its local unions. Disqualified Employment in this industry includes all job site and offsite construction, prefabrication, pre-cutting, supervisory, design, labor relations, expediting and maintenance work, employment as an Employer or for a labor organization. The scope of this prohibition includes work for another person or company or through self-employment even if the pensioner is not doing the work directly but is supervising, directing or assigning work, or subcontracting.

Certain work in the industry is acceptable and will not be considered "disqualified employment".

- a) It is acceptable for you to return to work and perform design, estimating, or consulting work in the plumbing and pipefitting industry so long as all of the following requirements are met:
 - 1) The work is for an Employer that is a signatory to a Collective Bargaining Agreement with the United Association or an affiliated local union; and
 - 2) The work is not performed on a job site; and
 - 3) The work is performed as an actual employee of an Employer, not as an independent employer or sub-employer; and
 - 4) The product of your work is supplied only to an entity that is a signatory to a Collective Bargaining Agreement with the United Association or an affiliated local union.
- b) It will not be considered “disqualified employment” if you return to work as a corporate officer and hold a contractor’s license or serve as an officer of the corporation or perform managerial, design, estimating, or consulting work for a corporation signatory to Collective Bargaining Agreement requiring contributions to the Fund.
- c) In addition, it will not be considered “disqualified employment” if you return to work with the United Association or any of its affiliates outside District Council No. 16. Employment by the United Association is also acceptable.
- d) Public and private employment as an instructor teaching skills related to the plumbing and pipefitting industry is permissible, but only if such instruction is related to and approved by an apprenticeship or journeymen training program sponsored by the United Association or an affiliated local union.
- e) For credit earned before January 1, 2006, work as a Civil Servant will not be considered “disqualified employment.” You may return to work in the plumbing and pipefitting industry as a Civil Servant for a federal, state, local, or quasi-governmental entity pursuant to applicable laws governing Civil Servants. However, with respect to all credit earned in excess of 7.05 cents per hour after January 1, 2006, and prior to January 1, 2025, governmental employment as a Civil Servant in the plumbing and pipefitting industry was considered “disqualified employment.” Beginning January 1, 2025, employment as a Civil Servant in the plumbing and pipefitting industry will not be considered “disqualified employment,” unless such employment is covered under the scope of work of any collective bargaining agreement covering District Council No. 16 of the United Association.

If you worked your first Hour of Service under the Plan on or after July 1, 2006, work in the plumbing and pipefitting industry in governmental employment as a Civil Servant on or after January 1, 2025, will not be considered “disqualified employment,” unless such employment is covered under the scope of work of any collective bargaining agreement covering District Council No. 16 of the United Association. If you are a post-June 30, 2006 Participant who returns to work as a Civil Servant in the plumbing and pipefitting industry after January 1, 2025, you will not have your pension benefit suspended, unless the work is covered by such collective bargaining agreement.

ii) Disqualified Employment Between Age 65 and Age 70½

If you are between the ages of 65 and 70½ and you retire and later return to work, your benefit will be suspended from payment if you work, within the State of California, 40 or more hours per month in the same industry, trade, or craft in which you accrued pension benefits. This includes self-employment as well as work as an Employee.

It will not be considered disqualified employment, however, and your benefit will not be suspended if you return to work in any of the categories of jobs that constitute exceptions to “disqualified employment” for Pensioners returning to work before Normal Retirement Age, as set forth immediately above, either as an Employee or as an independent contractor.

iii) Employment Permitted After Age 70½

Starting when you reach age 70½, there are no restrictions on the type of work or the number of hours of work you may perform while receiving pension payments.

C) Suspension of Payments

If you become employed in “disqualified employment” as described above, your benefits from the Plan will be suspended for any month of such employment. If you are younger than 65, payments will be suspended for an additional six months following the end of the “disqualified employment”, (18 months) if you fail to notify the Fund Office, but in no event beyond age 65.

If you are contemplating post-retirement employment, you should notify the Fund Office in writing before starting work.

If you are younger than age 70½ and receiving a pension from this Fund, you will be required to complete an Annual Statement by Pensioner form, which lists all employment performed by you or which certifies that you did not engage in “disqualified employment” during the preceding year. If this information is not provided by May 15, you will not receive your July pension payment, and payments will not resume until the Fund Office receives the information. You will be required to submit your tax

returns if the Trustees request that you confirm the information you have provided in the Annual Statement by Pensioner or where no other appropriate evidence is available.

The Trustees will recover the amount of any previous payments that should have been suspended through offset against future monthly benefit payments or other lawful means. A pensioner who returns to work in disqualified employment without notifying the Fund Office, you will be deemed culpable for any resulting overpayment.

If your benefits have been suspended, you must notify the Trustees, in writing, when the “disqualified employment” has ended. Benefit payments will not be re-started until such notice has been received. When the Trustees receive the notice, they will examine the circumstances of the employment and advise you on how the recovery of any improperly made payments will be scheduled.

If you have any questions as to whether a job you plan to take will cause a suspension, you should write to the Fund Office, giving the name of the Employer for whom you intend to work and a complete job description signed by the Employer describing the work you propose to perform. You will be advised if this work will cause a suspension of your benefits.

NOTE

The Southern California Pipe Trades Pensioners and Surviving Spouses Health Fund says that a pensioner who engages in certain kinds of post-retirement employment must have his coverage suspended. Certain post-retirement employment may result in a permanent loss of eligibility to participate in the Pensioners Health Plan. In certain cases, you may instead be eligible for coverage under the Southern California Pipe Trades Health & Welfare Fund (active plan). You are strongly encouraged to study the Pensioners Health Fund SPD.

SECTION

13. TEMPORARY WAIVER PROGRAM FOR PENSIONERS TO RETURN TO WORK

Although employment in the plumbing and pipefitting industry is considered disqualified employment for which benefits may be suspended, the Trustees may temporarily permit employment in certain positions in the industry as they determine reasonable and appropriate given the needs of the industry. All such waivers of the disqualified employment rules set forth above shall be temporary and shall expire on a date set by the Trustees or upon revocation by the Trustees. The following categories of work, which may be expanded or contracted by the Trustees in their discretion as circumstances warrant, are subject to the temporary work waiver program:

A) Work as a Superintendent, Project Manager, or Labor Relations Representative in the Plumbing and Pipefitting Industry, Provided All of the Following Conditions are Met:

- i) The work is for an Employer that is a signatory to a Collective Bargaining Agreement with the United Association or an affiliated local union;
- ii) The work does not displace or take away any work from bargaining unit Employees under the applicable Collective Bargaining Agreement;
- iii) The work does not involve employment for which contributions will be paid to the Southern California Pipe Trades Retirement Fund;
- iv) The work must not include any of the duties of a foreman or a general foreman;
- v) The duties of a position as a superintendent or project manager must include the supervision of general foremen and foremen and must not include the direct supervision of work crews;
- vi) The employment must not be in the same position or involve substantially the same duties as the pensioner had with the Employer before he retired;
- vii) The majority of the duties performed in a position as a labor relations representative must involve labor relations;
- viii) If the pensioner is age 65 or older, the work may be performed either as an Employee, or as an independent contractor. If the pensioner is under age 65, the work must be performed as an actual Employee, not as an independent contractor or subcontractor; and
- ix) The product of the work for the Employer may not be supplied to an entity that is not a signatory to a Collective Bargaining Agreement with the United Association or an affiliated local union.

B) Design or Estimating Work in the Plumbing and Pipefitting Industry, Performed Either On or Off a Jobsite, Provided All of the Following Conditions are Met:

- i) The work is for an Employer that is a signatory to a Collective Bargaining Agreement with the United Association or an affiliated local union;
- ii) The work does not displace or take away work from bargaining unit Employees under the applicable Collective Bargaining Agreement;
- iii) If the pensioner is age 65 or older, the work may be performed either as an Employee, or as an independent contractor. If the pensioner is under age 65, the work must be performed as actual Employee, not as an independent contractor or subcontractor; and
- iv) The product of the work may not be supplied to an entity that is not a signatory to a Collective Bargaining Agreement with the United Association or an affiliated local union.

C) Work in Covered Employment for an Employer Contributing to the Fund Under the Following Requirements and Conditions:

- i) This program applies only to jobs for which a waiver has been granted. If there is a manpower shortage that working Participants cannot meet, District Council No. 16 may ask the Trustees for a temporary waiver. A special committee of the Trustees will then decide whether to grant a temporary waiver of the rules for the suspension of pension benefits.
- ii) The waivers will be limited to work at a specific job site or work of a specific skill type. The waivers will be temporary and subject to cancellation at any time. Work outside the scope of the waivers will still be subject to suspension of pension benefits.
- iii) The program is only available to pensioners who have been receiving a pension for at least two years.
- iv) If you are employed under this program, you will continue to receive your monthly pension benefit as long as you are working per the job site and other waiver limitations. You will also receive credit under the Plan for periods of such employment, and your pension amount will be adjusted annually to account for the increased credit. No adjustments will be made to the pension amount for any prior years. Any adjustment will be limited to the additional incremental amount earned for the year during the waiver employment.
- v) If you are employed under this program, you will not lose your entitlement to the annual payment from the Southern California Pipe Trades Christmas Bonus Fund as long as you work per the job site or other limitations of the waiver.
- vi) If you stay on the job after the waiver is canceled or if you work outside the limitations of the waiver, your pension benefits will be suspended, your coverage will terminate, and you will not be entitled to a benefit from the Southern California Pipe Trades Christmas Bonus Fund for the applicable year.

NOTE

These waivers only apply to the Southern California Pipe Trades Retirement Fund. You should check with the Plumbers and Pipefitters National Pension Fund or other benefit funds to determine if benefits received from those plans will be affected by this type of employment.

SECTION 14. APPLICATION PROCESS

A) How to apply for a benefit

To claim benefits, you must obtain an application form from the Fund Office. The form must be completed, signed, and submitted to the Fund Office.

i) Basic Pension Application

To receive benefits from the Fund, you must meet requirements and submit a formal written application. The first step in applying for a pension benefit is to request a Basic Pension Application form from the Fund Office. At the same time, or at any time before that, you may obtain information from the Fund Office about your Pension Credits, benefits, options, and any other information that will help you complete the Basic Pension Application.

Along with the Basic Pension Application form, you must provide various supporting documents, such as birth certificates, marriage certificates, and divorce documents.

You will be considered to have applied for a pension benefit only when the Fund Office has received your completed Basic Pension Application. Payments cannot begin before the completed Basic Pension Application is received. Benefits will generally be payable as of your Annuity Starting Date (see Section 14(D) below) and will be distributed to you on or after your Annuity Starting Date (see Section 14(E) below).

ii) Application for Disability Pension

If you are applying for a disability pension, you must submit proof that you have been awarded a Social Security disability benefit by the Social Security Administration, or, effective January 1, 2022, a notice of award of a Department of Veterans Affairs (VA) 100% disability benefit. If you submit your Basic Pension Application before you receive notice of entitlement to a Social Security or VA 100% disability benefit, you should indicate on the Basic Pension Application that you have applied for a Social Security or VA 100% disability benefit. Your notice of entitlement to a Social Security or VA 100% disability benefit should be sent to the Fund Office within one year after you receive it to have your benefit begin at the same time your Social Security or VA 100% disability benefit is effective.

iii) Beneficiary's Application for Benefit

If you die before retirement, your surviving Spouse or other Beneficiary may be required to submit a form to the Fund Office to receive death benefits.

To make it possible for payments to begin with minimum delay, the Beneficiary or a representative should contact the Fund Office as soon as possible after your death. The Fund Office will provide, to properly authorized representatives, information regarding possible benefits due.

| Payments to Minor Beneficiaries | |
|---------------------------------|--|
| NOTE | If a benefit is payable to a minor, the Fund may pay it to any legally appointed guardian. If there is no such person, the Fund may pay benefits to the person having present custody or care of the minor and with whom the minor resides. The Fund also has the discretion to make any benefit payment to a minor by depositing the payment in a federally insured savings account in the name of the minor and by giving the notice of the deposit to the minor. |

B) How an Application is Processed

Notwithstanding Section 14(A) above, the Fund will treat any application or written request for a Plan benefit or any other written claim for Fund action made by you or your authorized representative per the procedures described in this SPD as a "claim for benefits".

A claim will be treated as submitted on the date it is postmarked. If your application is incomplete, you will be notified with a written request for additional information as soon as possible.

Every effort will be made to process your claim within 90 days after receipt by the Fund Office. This 90-day period will begin upon receipt of the completed and signed application form by the Fund Office without regard to whether all of the information necessary to decide the application has been submitted.

If a decision on your claim for benefits cannot be made within 90 days of its receipt, a letter will be sent to you, before the expiration of the 90 days, explaining the special circumstances requiring another 90 days to take action. If final action cannot be taken at the end of the second 90-day period, you will be sent a written explanation in advance of the expiration of the second 90-day period. Where appropriate, you will be awarded any partial benefits that can be determined with the available information. If partial benefits cannot be awarded because of a lack of necessary information, the Fund Office will conditionally deny your claim. The Fund Office will continue to seek the necessary information to make a final determination.

A shorter decision period applies to an application for an occupational disability pension, in which case the Fund Office will make a decision within 45 days. This period may be extended by up to two additional 30-day periods for circumstances beyond the control of the Fund. You will be notified in writing of any extension before the expiration of either of these two periods. This notice will also explain (1) the standards on which entitlement to benefits is based; (2) the unresolved issues that prevent the claim from being decided; (3) any additional information needed to decide your claim; and (4) if additional information is necessary, you will have at least 45 days in which to provide the specified information.

C) Notice of Decision on Your Claim

If your claim for benefits is denied, in whole or in part, the Fund Office will provide you with a written notice that states (1) the specific reason(s) for the denial, (2) refers to the specific Plan provisions on which the denial is based, (3) describes any additional material or information that might help your claim, (4) explains why that information is necessary, and (5) describes the Fund's review procedures and applicable time limits, including a right to bring a lawsuit under Section 502(a) of ERISA.

If your claim involves a disability determination made by the Fund Office, the Trustees, or their agents (and not the Social Security Administration or the VA) the written notice of a claim denial will contain, in addition to the other information required in a notice

of claim denial as described in the previous section, either the specific rule, guideline, protocol, or other similar criterion on which the decision was based or a statement that such criterion does not exist. The written notice will also include, if applicable, a discussion of the Fund's basis for disagreeing with or not following (1) views presented by your treating health care professionals and/or vocational professionals who evaluated you; (2) views of medical or vocational experts whose advice the Fund obtained in connection with the benefit determination, regardless of whether the advice was relied upon in making the benefit determination; or (3) a disability determination made by the Social Security Administration or the VA.

If you receive such a notice, you may submit a written appeal to the Board of Trustees requesting that it review your benefit denial. The procedures and timelines for submitting an appeal are discussed in Section 15(A) below.

D) Annuity Starting Dates

Your Annuity Starting Date is usually the first day of the month after the postmark date of your completed Basic Pension Application. However, the start of payments may sometimes be delayed because of processing. Once the processing is completed and you are found eligible for a pension benefit, you will receive payments retroactively to your Annuity Starting Date.

i) Non-disability Pension

Your Annuity Starting Date is usually the first day of the month after the postmark date of your completed Basic Pension Application. However, the start of payments may sometimes be delayed because of processing. Once the processing is completed and you are found eligible for a pension benefit, you will receive payments retroactively to your Annuity Starting Date.

ii) Disability Pensions

Your Annuity Starting Date for a disability pension generally depends on your Social Security "disability entitlement date". Usually, your Social Security "disability entitlement date" is six months after your Social Security "disability onset date", which is the date the Social Security Administration determines that you first become disabled.

Your Annuity Starting Date for a disability pension will be the same as your Social Security "disability entitlement date", if your application for a disability pension and your Social Security disability "notice of award" are filed with the Fund Office no later than one year after the Social Security "notice of award" was issued. If you file your Social Security disability "notice of award" with the Fund Office more than one year after it was issued, your Annuity Starting Date will be delayed until the first of the month after your Social Security disability "notice of award" and your Basic Pension Application form are received by the Fund Office.

To assure that your pension benefits will be payable as early as possible, you should (1) file your Basic Pension Application form with the Fund Office at about the same time you apply for Social Security disability benefits and (2) promptly send your Social Security disability "notice of award" to the Fund Office.

Effective January 1, 2022, in addition to a Social Security disability determination, the Fund will also accept a VA determination of 100% disability following procedures similar to those for Social Security disability.

E) When Payments Begin

i) Non-disability Pensions

Your pension checks or direct deposits may begin on your Annuity Starting Date, which usually is the first day of the month after you have met all requirements for entitlement to benefits, including filing a complete Basic Pension Application. If required information is not provided timely, but your application is ultimately approved, your payments may be delayed, but you will receive them back to your Annuity Starting Date. If processing delays the payment beyond this date, you will receive payments back to your Annuity Starting Date.

ii) Disability Pensions

Your pension checks or direct deposits may begin as early as your Annuity Starting Date but not earlier than your Social Security "disability entitlement date", which is generally six months after your Social Security "disability onset date", which is the date the Social Security Administration determines that you first became Totally Disabled.

If you file an application for a disability pension with a copy of your Social Security disability "notice of award" letter within one year after you receive your "notice of award" letter from Social Security, benefits from this Plan will be paid back to your Social Security "disability entitlement date". Otherwise, benefits will only be paid as of the first of the month following the date you both file the application and become entitled to Social Security disability benefits.

Effective January 1, 2022, in addition to a disability determination, the Fund will also accept a VA determination of 100% disability following procedures similar to those for Social Security disability.

F) Mandatory Benefit Commencement

If you are about to reach the Applicable Age defined below based on your birth date, and have not yet filed for a pension benefit, you are urged to contact the Fund Office for a Basic Pension Application. The Plan will automatically begin your pension in the normal form of benefit as of April 1 of the Calendar Year following the year you reach the Applicable Age set forth below regardless of whether you have applied.

| Birth Date | Applicable Age |
|--|----------------|
| Before July 1, 1949 | 70 1/2 |
| After June 30, 1949 and before January 1, 1951 | 72 |
| 1951 - 1959 | 73 |
| 1960 - later | 75 |

G) Benefits Accrued After Retirement

Benefits earned by a pensioner who re-enters Covered Employment after retirement will be determined as of the end of each Plan Year and will be payable in the following year provided payment of benefits at that time is not suspended due to work in disqualified employment. Such additional earned Pension Credit shall not be used to increase the portion of the pension attributable to Pension Credit earned before that period in Covered Employment after retirement. If you originally retired on or after Normal Retirement Age, any additional earned credit will be payable in the benefit form originally selected at the time of the initial retirement. If you originally retired before Normal Retirement Age, a new Annuity Starting Date will be established for any subsequent retirement and the additional accrued benefits will be payable in the benefit form selected at the time of the subsequent retirement.

SECTION 15. APPEALS PROCEDURE

This Plan includes a claims and appeal procedure that must be followed. Please read it carefully before filing a claim or a lawsuit involving the Plan, the Board of Trustees, or the Fund. The appeals procedure aims to make it possible for claims and disputes to be resolved fairly and efficiently without costly litigation.

A) Appealing a Benefit Denial

If your claim for benefits is denied, in whole or in part, you may request that the Board of Trustees review the benefit denial. The Board of Trustees has delegated the responsibility to decide appeals to its Appeals Committee. (In some cases, the Board of Trustees may decide to consider an appeal; in other cases, the Appeals Committee may delegate the responsibility to consider an appeal to a subset of the Committee.) All appeals must be in writing and received by the Fund Office within 180 calendar days after you receive the written notice of the denial from the Fund Office. Failure to file a timely written appeal shall constitute a complete waiver of your right to appeal, and the decision of the Fund Office will be final and binding.

In presenting your appeal, you can submit written comments, documents, records, and other information about your claim. You are also entitled to receive reasonable access to and copies of all documents, records, and other information relevant to your claim upon request and free of charge. Personal appearances on appeals are at the discretion of the Appeals Committee.

Your written appeal should state the specific reasons why you believe the denial of your claim was in error. You should also submit any documents or records that support your claim. This does not mean that you are required to cite all of the Plan provisions that apply or to make “legal” arguments; however, you should state clearly why you believe you are entitled to the benefits or other relief you are claiming. The Appeals Committee can best consider your position if it clearly understands your claims, reasons, or objections.

The review of the Appeals Committee will consider all comments, documents, records, and other information you submit, without regard to whether such information was submitted or considered by the Fund Office in its determination. The Appeals Committee will also not afford deference to the initial determination by the Fund Office.

In the case of appeals involving a disability determination made by the Fund, the Trustees, or their agents (and not the Social Security Administration or VA), no Trustees reviewing your appeal will have participated in the initial benefit determination or be the subordinate of any person who did participate. If the initial determination was based, in whole or in part, on medical judgment, the Trustees shall consult a health care professional who has appropriate training and experience in the field of medicine involved and who was neither consulted as part of the initial determination nor the subordinate of such individual. In addition, the Fund will identify any medical or vocational experts whose advice was obtained in considering your initial benefit determination.

You will be provided, free of charge, any new or additional evidence considered, relied upon, or generated by, or at the direction of the Fund, the Trustees, or any person other person reviewing the benefit determination. Such information will be provided to you as soon as possible and with sufficient time to give you a reasonable opportunity to respond to such new or additional information. In addition, you will be provided with the same opportunity before an adverse benefit determination on appeal may be rendered based on a new or additional rationale.

The Fund Office maintains records of determinations on appeal and Plan interpretations so that those determinations and interpretations may be referred to in future cases with similar circumstances.

The Appeals Committee will meet at least once each quarter to review pending appeals. The decision of the Appeals Committee will be made by the meeting immediately following the date the Fund Office receives the appeal. If the appeal is received during the 30 days preceding the meeting, the decision will not be made until the second meeting following receipt of the appeal. The time for processing an appeal may be extended in special circumstances by written notice to you before the beginning of the extension. Such an extension may only last until the third meeting following receipt of the appeal.

B) Notice of Decision on Appeal

Written notice of the decision of the Appeals Committee will be sent within five days from the meeting date at which the appeal was reviewed.

If your appeal is denied, in whole or in part, you will receive a written decision that will include: (1) the specific reason(s) for the denial; (2) the specific Plan provisions on which the denial is based; (3) 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 appeal; and (4) a statement of your right to bring a lawsuit under Section 502(a) of ERISA.

In the case of the denial, in whole or in part, of an appeal involving a disability determination made by the Fund, the Trustees, or their agents (and not the Social Security Administration or VA), you will receive a notice containing the information described in the previous paragraph as well as either the specific rule, guideline, protocol, or other similar criterion on which the decision was based or a statement that such a criterion does not exist. The written notice will also contain, if applicable, a discussion of the Fund's basis for disagreeing with or not following (1) views presented by your treating health care professionals and/or vocational experts who evaluated with you; (2) views of medical or vocational experts whose advice the Fund obtained in connection with the benefit determination, regardless of whether the advice was relied upon in making the benefit determination; or (3) a disability determination made by the Social Security Administration or VA.

The decision of the Appeals Committee is final and binding on all parties, including anyone claiming a benefit on your behalf.

C) The Decision on Appeal is Final

Once a final decision is rendered, there is no right to re-file the same appeal or to request reconsideration. If such an appeal or request for reconsideration is filed, the Appeals Committee may refuse to consider it.

The Board of Trustees and, by delegation, the Appeals Committee has full discretion and authority to determine all matters relating to appeals, including, but not limited to, eligibility for benefits, the amount of benefits to which individuals are entitled, the standard of proof required for any claim and the application and interpretation of the Plan. The Board of Trustees has the ultimate authority to hear any appeal and has generally delegated this authority to the Appeals Committee to decide appeals. However, the Board of Trustees has the right and authority to hear any appeal, and in such case, the rights and procedures set forth herein shall apply equally to the Board of Trustees.

If the Appeals Committee denies your appeal and you decide to seek judicial review, the Appeals Committee's decision will be subject to limited judicial review to determine only whether the decision was arbitrary and capricious. Generally, no lawsuit may be brought without first exhausting the above claims and appeals procedure, nor may any evidence be used in court unless it was first submitted to the Appeals Committee before the decision on your appeal. No legal action may be commenced against the Trust, the Plan, or the Trustees more than two years after the claim has been denied on appeal.

D) Right to Be Represented

In making a claim or appeal, you may be represented by any authorized representative. If your representative is not an attorney or court-appointed guardian, you must designate the representative by a signed written statement. However, neither you nor your representative has a right to an in-person hearing or appearance before the Trustees or the Appeals Committee.

E) Any Adverse Decision May be Appealed

The recipient of any written correspondence from the Fund Office that could be interpreted as adversely affecting the recipient's interest may appeal to the Appeals Committee for a determination of the content of that correspondence. Such a request for review

must be in writing and must be made within 180 calendar days after receipt of the correspondence from the Fund Office. Such appeals will be processed in the same manner as appeals from determinations on benefit applications.

SECTION

16. IMPORTANT NOTICES

A) No Assignment of Benefits

Benefits may not be sold, assigned, or pledged as security for a loan. Furthermore, benefits are not subject to attachment or execution for the payment of a debt under any judgment or decree of a court or otherwise, except as provided in the Internal Revenue Code and applicable regulations. However, the Fund will honor any benefits payable to a former Spouse or Alternate Payee, under a legally binding Qualified Domestic Relations Order.

B) Erroneous Payments

Every effort will be made to ensure accuracy in the payment of your benefits. However, if an error is discovered, and it is determined that the Fund has paid any benefits you are not entitled to, the Trustees have the right to seek repayment from you for the amount overpaid plus interest by all legal means, including through reduction of future benefit payments to the extent permissible under ERISA.

C) Misrepresentation or Fraud

If you receive benefits as a result of false information or a misleading or fraudulent representation, you will be required to repay all erroneous amounts paid by the Fund, and you will be liable for all costs of collection, including attorneys' fees. The Trustees have the right to seek repayment from you through any legal means, including the right to reduce future benefit payments by the amount of the payment made because of fraud or misrepresentation.

SECTION

17. INFORMATION REQUIRED BY ERISA

The following additional information concerning the Plan is provided to you per the Employee Retirement Income Security Act of 1974 (ERISA). The terms in this section are generally as defined in ERISA unless capitalized.

A) Name and Type of Plan

The name of the Plan is the Southern California Pipe Trades Retirement Plan. It is a multiemployer defined benefit plan.

B) Identification Numbers

The Fund's Internal Revenue Service tax identification number is 51-6108443. The Plan number is 001.

C) Plan Year

The Plan Year is the Calendar Year from January 1 through December 31.

D) Plan Sponsor, Named Fiduciary, and Administrator

The Plan is maintained under a collectively bargained, jointly trustee labor-management trust. The Board of Trustees is the Plan sponsor, the plan administrator, and the names fiduciary under ERISA.

E) Board of Trustees

The Board of Trustees consists of Employer and Union representatives, selected by the Employers and Unions per the Trust Agreement that relates to this Plan. If you wish to contact the Board of Trustees, you may do so at:

Board of Trustees
Southern California Pipe Trades Retirement Fund
501 Shatto Place, Suite 500
Los Angeles, CA 90020

(800) 595-7473
(213) 385-6161
www.scptac.org
info@scptac.org

F) Fund Office

The Board of Trustees has designated the Southern California Pipe Trades Administrative Corporation to perform the daily business functions of the Plan. You may contact the Fund Office at:

Southern California Pipe Trades Administrative Corporation
Attention: CEO/Administrator
501 Shatto Place, Suite 500
Los Angeles, CA 90020

(800) 595-7473
(213) 385-6161
www.scptac.org
info@scptac.org

G) Agent for Service of Legal Process

The name and address of the agent designated for the service of legal process are:

Southern California Pipe Trades Retirement Fund
Attention: CEO/Administrator
501 Shatto Place, Suite 500
Los Angeles, CA 90020

(800) 595-7473
(213) 385-6161
www.scptac.org
info@scptac.org

H) Source of Contributions and Identity of any Organization Through Which Benefits are Provided

All contributions to the Fund are made by Employers per their Collective Bargaining Agreements or the terms of a Participation Agreement. The Collective Bargaining Agreements and Participation Agreements require that contributions be made to the Plan at fixed rates per hour of work.

Upon written request, the Fund Office will provide you with a complete list of Employers and unions that are parties to a Collective Bargaining Agreement and their addresses. The Fund Office will also provide information about whether a particular Employer is obligated to contribute to the Fund on behalf of Employees working under a Collective Bargaining Agreement or Participation Agreement and the address of any such Employer.

The Fund's assets are held in trust by the Board of Trustees. Custody of the Fund's assets is with U.S. Bank, N.A. Benefits are provided directly from the Fund's assets, which are accumulated under the provisions of the Trust Agreement. The assets are used exclusively for providing benefits to participants and beneficiaries per the provisions of the Plan and for paying the reasonable administrative expenses of the Fund.

All types of benefits the Plan provides are set forth in this SPD.

I) Collective Bargaining Agreement

Contributions to the Fund are made per Collective Bargaining Agreements between Employers and District Council No. 16 of the United Association or affiliated local unions of District Council No. 16 or the United Association. The United Association local unions affiliated with District Council No. 16 are 78, 114, 230, 250, 345, 364, 398, 403, 460, 484, 582, and 761. Upon written request, the Fund Office will provide you with a copy of the applicable Collective Bargaining Agreement. The Collective Bargaining Agreement is also available for examination at the Fund Office. The following are the employer associations with which District Council No. 16 has a bargaining relationship that requires contributions to this Plan:

- i) California Plumbing & Mechanical Contractors Association (CPMCA);
- ii) Airconditioning, Refrigeration and Mechanical Contractors Association of Southern California, Inc. (ARCA/MCA); and
- iii) Mechanical Service Contractors of San Diego (MSCSD).

J) Plan Termination and Termination Insurance

i) Plan Termination

It is intended that the Plan will continue indefinitely, but the Board of Trustees reserves the right and has the discretion to change or discontinue the Plan at any time. The Trustees may terminate the Plan by a document in writing adopted by a majority of the Union Trustees and a majority of the Employer Trustees if, in their opinion, the Fund is not adequate to carry out its intended purpose or is not adequate to meet the payments due or which may become due under the Plan. The Plan may also be terminated if no individuals living can qualify as participants or beneficiaries under the Plan or if there are no longer any Collective Bargaining Agreements requiring contributions to the Fund. The Plan is considered terminated by law if it is amended to provide that no further benefits will be earned by employees for employment with employers if every employer withdraws from the Plan within the meaning of Section 4203 of ERISA upon the cessation of the obligation of all employers to contribute under the Plan, or if the Plan is amended to become a defined contribution plan.

If the Plan terminates, you will not accrue (earn) any further benefits under the Plan. However, the benefits you have already accrued will become vested, that is, non-forfeitable, to the extent your benefits can be funded by the Fund assets allocated to such benefits.

If the termination occurs because the Plan is amended to provide that no further benefits will be earned by employees for employment with employers or is amended to become a defined contribution plan, the Plan will continue to pay non-forfeitable benefits. If the Plan does not have sufficient assets to pay all non-forfeitable benefits, employers will be required to contribute to the Fund until all non-forfeitable benefits are fully funded and can be paid.

If the Plan terminates because there are no longer any Collective Bargaining Agreements requiring contributions to the Fund, the Plan may be amended to reduce benefits to the extent necessary to ensure that the Fund's assets are sufficient to pay non-forfeitable benefits when they are due. If the Plan has been amended and the Fund does not have enough assets to pay non-forfeitable benefits, the Plan has the authority to suspend benefits. If benefits are suspended, the Plan will continue to pay the highest level of benefits that can be paid out of the Plan's available resources. If benefits are suspended, the Plan will not be required to make retroactive benefit payments for that portion of a suspended benefit.

Once the Fund assets and non-forfeitable benefits are valued, the Trustees, as a general rule, will use the available assets to purchase annuity contracts to provide for your benefits. However, if the Plan terminates because of an amendment, and the value of your non-forfeitable benefit attributable to employer contributions is less than \$7,000.00, the Plan may require that you be paid in cash.

If the Plan is terminated, the Trustees will: (i) pay the expenses of the Fund incurred up to the date of termination as well as the expenses in connection with the termination; (ii) arrange for a final audit of the Fund; (iii) give any notice and prepare and file any reports required by law; and (iv) apply the assets of the Fund per the law and the Plan including amendments adopted as part of the termination, until the assets of the Fund are distributed.

No part of the assets or income of the Fund will be used for purposes other than for the exclusive benefit of the Employees and the Beneficiaries or the administrative expenses of the Fund. Under no circumstances will any portion of the Fund revert to the benefit of any contributing Employer, employer association, or Union.

Upon termination of the Plan and Fund, the Trustees will promptly notify the Union, any employer association, Employers, and all other interested parties. The Trustees will continue as Trustees to wind up the affairs of the Plan.

ii) Termination Insurance

Your pension benefits under this multiemployer plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two or more unrelated employers, usually in a common industry.

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

The maximum benefit that the PBGC guarantees is set by law. Under the current multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first \$11 of the monthly benefit accrual rate and (2) 75% of the next \$33 times your years of service. The PBGC's maximum guarantee limit is \$35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a pensioner with 30 years of service is \$12,870.

The PBGC guarantee generally covers (a) normal and early retirement benefits, (b) disability benefits if you become disabled before the plan becomes insolvent, and (c) certain benefits for your survivors.

The PBGC guarantee generally does not cover the following:

- (a) Benefits greater than the maximum guaranteed amount set by law;
- (b) Benefit increases and new benefits based on plan provisions that have been in place for fewer than five years at the earlier of (1) the date the plan terminates or (2) the time the plan becomes insolvent;
- (c) Benefits that are not vested because you have not worked long enough;
- (d) Benefits for which you have not met all of the requirements when the plan becomes insolvent; and
- (e) Non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC's Office of Benefits Administration, P.O. Box 151750, Alexandria, VA 22315-9923 or call the PBGC at (800) 400-7242. TTY/TDD users may call the federal relay service toll-free at (800) 877-8339 and ask to be connected to (800) 400-7242. Additional information about the PBGC's pension insurance program is available through the PBGC's website at <http://www.pbgc.gov>.

K) Action of the Trustees

The Trustees have full discretion and authority over the standard of proof for any inquiry, claim, or appeal and over the application and interpretation of the Plan and trust. No legal proceeding may be filed in any court or before an administrative agency against the Plan or its Trustees unless all review procedures with the Trustees have been exhausted. No legal action may be commenced against the trust, the Plan, or the Trustees more than two years after a claim has been denied.

L) Right to Amend

The Trustees have complete discretion to amend or modify the Plan or trust and any of their provisions, in whole or in part, at any time.

M) ERISA Rights

As a Southern California Pipe Trades Retirement Plan Participant, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

i) Receive Information About Your Plan and Benefits

- a) Examine, without charge, at the plan administrator's office and other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- b) Obtain, upon written request to the plan administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The administrator may make a reasonable charge for the copies.
- c) Receive a summary of the Plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.
- d) 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.

ii) Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, must 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.

iii) Enforce Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials unless the materials were not sent because of reasons beyond the control of the plan administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

iv) Assistance with Your Questions

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

SECTION

18. DEFINITIONS

Active Participant

You are an Active Participant if you are an Employee who meets the requirements for Plan participation summarized in Section 2, page 2, who has not experienced a one-year or more break in covered employment. An Active Participant is not a pensioner, Beneficiary, or Inactive Vested Participant.

Alternate Payee

Your Spouse, former Spouse, child, or other dependent, or any individual recognized under a Qualified Domestic Relations Order (QDRO) as having a right to receive some or all of your benefits accrued and otherwise due and payable to you.

Annuity Starting Date

The date you are first entitled to receive a benefit from the Plan, although the actual payment may be made later. Usually, your Annuity Starting Date is the first of the month after you have met the Plan eligibility requirements and have submitted a pension application.

Appeals Committee

A subset of the Board of Trustees empowered to review any claims as described in Section 15.

Beneficiary

A Beneficiary is a person designated by you or by the Plan to receive benefits when you die.

Board of Trustees

All of the Trustees established as one body according to the Trust Agreement.

Calendar Year

Calendar Year means January 1 through December 31 of each year.

Civil Servant

You are a Civil Servant if you are employed full-time by a governmental entity (including any federal, state, local, or other quasi-governmental agency) and the employment is covered under a public employee retirement system.

Collective Bargaining Agreement

Any and all negotiated labor agreements between a Contributing Employer, or employer association acting on behalf of Employers, and Southern California Pipe Trades District Council No. 16 of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada (“United Association”), or any local union affiliate of the District Council that requires contributions to the Southern California Pipe Trades Retirement Fund. It also refers to an agreement to which the United Association is a party, requiring contributions to the Fund.

Consecutive One-Year Breaks

Successive Calendar Years in which you incur a One-Year Break in Covered Employment. See Section 5, page 7.

Contributing Employer

An Employer signed to a Collective Bargaining Agreement or Participation Agreement, or an Employer that assigns its bargaining rights to an employer association signed to a Collective Bargaining Agreement that requires contributions to the Fund.

Covered Employment

Work by an Employee under a Collective Bargaining Agreement.

Defined Benefit Pension Plan

A Defined Benefit Pension Plan like this one requires that the Employer make contributions to pay predetermined benefits to plan participants at retirement.

Employee

An Employee is anyone employed by a Contributing Employer in a position for which the Employer makes contributions to the Fund under a Collective Bargaining Agreement. Employees may also include an Employer or someone employed by an organization signatory to a Participation Agreement.

Employer

See Contributing Employer.

ERISA

Employee Retirement Income Security Act of 1974, as amended. See Section 17(M), page 40 for an explanation of your ERISA rights.

Fund

The Southern California Pipe Trades Retirement Fund created by the Trust Agreement establishing that Fund.

Fund Office

Southern California Pipe Trades Administrative Corporation
501 Shatto Place, Suite 500
Los Angeles, CA 90020

(800) 595-7473
(213) 385-6161
www.scptac.org
info@scptac.org

Future Service Credit

The years of service that are accumulated and maintained for Employees per the rules of the Plan.

Hour(s) of Service

Each hour for which an Employee is paid or entitled to be paid for their performance of duties for Employer(s).

Inactive Vested Participant

An Inactive Vested Participant is a vested participant who has incurred a One-Year Break in Covered Employment.

Joint and Survivor Options

These benefit options may be elected for married or unmarried Participants. When retiring under one of the Joint and Survivor options, you will receive a smaller amount during your lifetime. But, if your Beneficiary survives you, they will receive 50%, 75%, or 100% of that amount for the Beneficiary's lifetime.

Joint Annuitant

Your Spouse or eligible designated non-spouse Beneficiary who will receive a monthly lifetime survivor benefit after your death. See Section 7(C), page 21.

Master Labor Agreement

The Collective Bargaining Agreement between District Council No. 16 and the California Plumbing & Mechanical Contractors Association (CPMCA).

Normal Retirement Age

Generally means the later of age 65 and the Participant's 5th anniversary of Plan participation.

One-Year Break

After January 1, 1976, a Calendar Year in which you do not have at least 501 Hours of Service. See Section 5, page 7. (See also Permanent Break.)

Participant

An Employee who has satisfied the rules to become eligible under the terms of the Plan, who has not incurred a Permanent Break in Covered Employment.

Participation Agreement

An agreement approved by the Board of Trustees permitting a Contributing Employer or a related organization, whose participation in the Fund has been approved by the Board of Trustees, to pay contributions to the Plan for Employees not covered by a Collective Bargaining Agreement.

Past Service Credit

Pension Credit for certain work performed after the age of 17, between January 1, 1937, and July 1, 1957. See Section 3(A), page 3.

Pension Credit(s)

The years of service which are accumulated and maintained for Employees. See also Section 3.

Pension Hours

Hours worked which require contributions to this Fund. If you are working in a job class with a contribution rate lower or higher than the Journeyman rate under the Master Labor Agreement, then your Pension Hours will be adjusted proportionately. The Plan's benefit calculation formula, as of January 1, 1999, assigns a benefit value to each Pension Hour you work.

Permanent Break

As of January 1, 1986, if you are not vested, five Consecutive One-Year Breaks in Covered Employment. A Permanent Break in Covered Employment results in the loss of Pension Credit, Vesting Credit, and any benefits accrued before the Permanent Break in Covered Employment. (See also One-Year Break.)

Plan

The benefits, rules, limitations, exclusions, and other provisions described in this SPD and established by the Plan Document.

Plan Document

The written document titled "Sixth Restatement of the Rules and Regulations of the Pension Plan of the Southern California Pipe Trades Retirement Fund" and any amendments to it.

Plan Year

January 1 through December 31 of each year.

Premium

The monthly charge for coverage under the Southern California Pipe Trades Pensioners and Surviving Spouses Health Plan.

Qualified Domestic Relations Order (QDRO)

A QDRO is a state domestic relations order, such as a divorce decree, that meets several specific legal requirements and that creates or recognizes an Alternate Payee's right, or assigns to an Alternate Payee the right, to receive all or a portion of the benefits payable to Participant under the Plan.

Qualified Joint and Survivor Annuity

This is the default form of benefit if you are married. Under this form of benefit, when you die, your Spouse, if still living, will receive 50% of your benefits for their lifetime. Benefit levels are adjusted actuarially based on the difference in age between you and your Spouse.

Single Life Annuity With 60 Certain Payments

This is the default form of benefit if you are unmarried. Under this form of benefit, if you die within the 60-month period beginning with your Annuity Starting Date, then your monthly pension benefit becomes payable to your Beneficiary for the remainder of the 60-month period or until the death of your Beneficiary, whichever comes first.

SPD

Summary Plan Description. This document. A summary of the provisions of, and benefits available under, the Southern California Pipe Trades Retirement Fund.

Spouse

A person to whom you are legally married (or to whom you were married for purposes of and to the extent provided under a Qualified Domestic Relations Order).

Totally Disabled

For purposes of determining eligibility for a disability pension benefit, or an occupational disability benefit, totally unable, as a result of bodily injury or disease, to engage in any substantial, gainful activity because of any medically determinable physical or mental impairment which can be expected to result in death or to be of long, continued and indefinite duration as determined by the Board of Trustees and that results in entitlement to Social Security Disability benefits or, effective January 1, 2022, a determination of 100% disability from the Department of Veterans Affairs (VA).

Trust Agreement

The written document titled "Restated Agreement and Declaration of Trust Continuing the Southern California Pipe Trades Retirement Fund" under which the Fund has been established and maintained and to which this Plan has been adopted and any amendments to it.

Trustees

Employer and Union representatives who oversee the Fund.

Uniformed Service and Qualified Uniformed Service

Uniformed Service is duty in the armed forces of the United States, the National Guard, the commissioned corps of the Public Health Service, and such other service designated by the President, which may entitle a Participant to the protections of USERRA.

Qualified Uniformed Service is Uniformed Service meeting the requirements under USERRA that establish reemployment and other rights.

Union(s)

Southern California Pipe Trades District Council No. 16 of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, AFL-CIO (“United Association”), and its affiliated local unions and such other unions which have or may in the future become parties to and agree to be bound by the Trust Agreement.

Vesting Credit

A Calendar Year in which you earn at least 1,000 Hours of Service. Used to establish your right to a benefit. See Section 4, page 6.

SECTION

19. TRUSTEES

The following is a list of the Trustees as of the publication date of this SPD. The members of the Board of Trustees may change from time to time. If you want a current listing of the Trustees, contact the Fund Office.

A) Employer Trustees

RYAN CAVANAUGH

Murray Company
5995 Plaza Drive
Cypress, CA 90630

ROBERT FELIX

All Area Plumbing/ACCO Engineered Systems, Inc.
6446 E. Washington Blvd.
Commerce, CA 90040

JASON GORDON

Prime SC Mechanical, Inc.
7392 Earl Circle
Huntington Beach, CA 92647

JEFF HACHEY

H.L. Moe Company, Inc.
526 Commercial Street
Glendale, CA 91203

ADAM KAPLAN

Sierra Commercial Plumbing, Inc.
4645 Industrial Street, Unit C
Simi Valley, CA 93063

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