



Northern California Pipe Trades Pension Plan

SUMMARY PLAN DESCRIPTION

FOR ACTIVE AND RETIRED MEMBERS OF UA LOCAL 342

Effective January 1, 2026

KEEP THIS BOOKLET FOR FUTURE REFERENCE

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NORTHERN CALIFORNIA PIPE TRADES PENSION PLAN

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WWW.NCPTTF.COM

Dear Plan Participant:

This is the restated Plan booklet, known as a Summary Plan Description ("SPD"), for the Northern California Pipe Trades ("NCPT") Pension Plan ("Plan"). The Plan provides Retirement Benefits for members of UA Local 342 and others working under a Collective Bargaining Agreement ("CBA") between UA Local 342 and different Employer Associations (and some individual Employers). The Plan is designed to provide you with a source of income during retirement.

This booklet summarizes the key provisions of the Plan including how you earn benefits, when you may commence receiving your benefits and the choices you have when your benefits are paid to you. This booklet provides a brief, general summary of the Plan rules. It is not intended to cover all details of the Plan. Nothing in this SPD is meant to interpret or change Plan provisions. The formal text of the Plan Document controls eligibility, benefit payments, and all other aspects of the Plan. **If there is a conflict between this booklet and the Plan Document, the Plan Document will govern.** It is strongly recommended that you review the Plan Document fully to determine your rights. The Plan Document is available for your review at the Trust Fund Office ("TFO") upon written request.

We urge you to read this booklet carefully. Moreover, if you are married, you may want to discuss the Plan's benefits, options, and other rules with your Spouse. Over the years, you may earn a substantial Retirement Benefit to which you and/or your named Beneficiary may be entitled. Please submit a completed Beneficiary Designation Form to the TFO, as well as notify the Plan of any address changes or changes in life circumstances. **KEEP THIS BOOKLET FOR FUTURE REFERENCE.**

Only the Board of Trustees and its authorized representatives are permitted to interpret the Plan benefits described in this booklet. The Board of Trustees has the full discretionary authority to determine eligibility for benefits, claims and appeals, and to construe and interpret the Plan and related documents, and any rules. You are not entitled to rely upon verbal, written, or electronic statements of representatives of the TFO, any Trustee or Employer, a Union Officer, or any other person. To request an interpretation of the Plan, the request must be addressed in writing to the Board of Trustees. To make its decision, the Board of Trustees must be furnished with full and accurate information regarding your situation. As a courtesy to you, a Plan Representative may respond verbally, in writing, or electronically to questions, however this information and answers provided are not binding to the Plan and cannot be relied upon in any dispute concerning your benefits and/or the Plan. You should further understand that from time to time there may be an error in a

statement, letter, or other communication that you receive that may require correction upon audit or review. The Board of Trustees reserves the right to make such corrections.

Plan Amendments may be made to comply with federal law, rulings by federal agencies, and/or courts, and other changes deemed necessary or prudent by the Board of Trustees. Participants will be notified when material amendments to the Plan are made. Before deciding to commence receiving your Retirement Benefits, contact the TFO to determine if there have been any Plan changes or other developments that may affect your decision to retire.

Plan Representatives do not provide tax advice or advise on how you should receive your Retirement Benefits. You are encouraged to discuss your situation with a tax advisor to determine the tax consequences of any selection of benefit options.

If a claim for benefits has been denied and you file an appeal, which is then denied, or you have a different type of adverse determination, you have one year from the date of the denial of the appeal or adverse determination to file a lawsuit seeking to overturn the appeal and/or adverse determination. Failure to do so means you will not be able to file a lawsuit. Any such lawsuits must be filed in federal court in the Northern District of California. In addition, to minimize potential legal costs, the Plan contains a rule that a Participant is not permitted to join a Class Action lawsuit against Trustees, the Plan, or others associated with the Plan.

If you have questions about the Plan or desire additional information, refer to the Trust Fund website or write to the NCPT Pension Plan via the TFO.

Sincerely,

Board of Trustees

I. BACKGROUND AND TYPE OF PLAN / FUNDING STATUS

The NCPT Pension Plan is a multi-Employer, collectively bargained Defined Benefit Pension Plan which provides Retirement Benefits for vested Covered Employees who meet the eligibility requirements of the Plan and who work for Employers that contribute to the Plan. Plan documents, including any Summary of Material Modifications ("SMM") to the Plan, are on the Trust Fund website at www.ncpttf.com.

This Plan was formed on January 1, 1994, by UA Local 342 and different Employer Associations, with the following still existing:

- Northern California Mechanical Contractors Association; **and**
- UMIC, Inc. – Industrial Contractors

This Plan is a successor to the Bay Area Pipe Trades Pension Plan for members of UA Local 342 and prior local pension plans, which may have had different plan years and rules. Certain assets and liabilities by the Bay Area Pipe Trades Pension Plan were transferred to this Plan. Benefits are paid by the NCPT TFO.

The Plan is funded from Employer contributions and earnings on the assets of the Plan. Employee contributions are not required nor permitted, and Participants do not have individual accounts with this Plan. The Master Labor Agreement ("MLA") and other CBA(s) between UA Local 342 and the Employer Associations requires Employers to contribute to the Plan at fixed rates per hour for each hour worked by their Covered Employees.

The Plan is governed by a federal law known as the Employee Retirement Income Security Act ("ERISA"), as amended. Certain pension benefits are insured under the Federal Pension Benefit Guaranty Corporation ("PBGC") of ERISA. See page 37 for a summary of the benefits guaranteed by the PBGC.

The Plan was in Green Zone Status in 2024 under a federal law known as the Pension Protection Act ("PPA") as the Plan is over 100% funded. Being over 100% funded is positive, as any Plan that is 80% or more funded is in the Green Zone Status. The funding level changes each year based on investment yields, work levels, and related issues. Each year the Plan provides Participants with an Annual Funding Notice that summarizes the funded status of the Plan as of December 31st of the prior year. The most recent notice can be obtained on the Trust Fund website.

II. ADMINISTRATION OF THE PLAN / INVESTMENTS

The Plan is administered by a Board of Trustees comprised of up to 10 Trustees. One-half of the Trustees, called "Employer Trustees", are selected by the Employer Associations signatory to CBAs with UA Local 342, and one-half of the Trustees called "Union Trustees" are selected by the membership of UA Local 342. The Trustees are listed on page iv of this booklet.

The Trustees have many powers and functions, including investing the assets of the Plan, interpreting Plan provisions, amending the Plan, deciding policy questions, and contracting with advisors and consultants, such as an Auditor, Legal Counsel, Actuary, or Investment Consultant.

The Plan, which is self-administered, is located at the office of UA Local 342 as follows:

935 Detroit Avenue, Suite 242A Concord, CA 94518-2501
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Only the Board of Trustees, and its authorized representative(s), is permitted to interpret the Plan. No one else can interpret this Plan or act as an agent for the Board of Trustees; this includes Employers, Employer Associations, or the Union and their representatives. The Board of Trustees (and people or entities appointed or

so designated by the Board) has the full discretionary authority to determine eligibility for benefits and to construe the terms of the Plan (and other documents pertaining to the Plan and Trust) and any rules adopted by the Trustees.

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

AUDITOR. The Board of Trustees has contracted with Withum (formerly Lindquist LLP), a certified public accounting firm, to audit the assets of the Plan each calendar year.

III. BECOMING A PARTICIPANT

A. PARTICIPATION

An Employee becomes a Plan Participant ("Participant") as of the end of the first Plan Year during which at least 300 hours of Covered Employment are worked. Covered Employment is employment for an Employer that is required by CBAs with UA Local 342 to make contributions to the Plan on the Participant's behalf for such employment (or a Subscription Agreement entered by an Employer with the Board of Trustees which provides such contributions for Employees named in the Subscription Agreement).

Not all work for a Covered Employer qualifies as Covered Employment. For example, work does not qualify as Covered Employment if working for a contributing Employer in a job not covered by a CBA, or under a classification that does not require contributions to the Plan.

B. NON-BARGAINING UNIT EMPLOYEES

Certain Employees of UA Local 342, the Apprenticeship Trust, and the TFO are allowed to participate in the Plan under rules and contribution rates approved by the Board of Trustees. The Employer Association(s) and other entities associated with UA Local 342 may be accepted by the Board of Trustees for participation in the Plan for permanent Employees. Certain employees who previously participated in the Plan in a position covered by a CBA are eligible to participate as "alumni" pursuant to government regulations.

IV. ELIGIBILITY, ACCRUAL, AND BENEFIT AMOUNT

A. EARNING BENEFITS

Benefits for a Participant under the Plan depend upon how many years of Credited Service, also known as "Benefit Credits", a Participant has earned by performing Covered Employment for Contributing Employers. The Plan is designed to pay greater benefits to those Participants who work a significant number of hours in Covered Employment for Employers who contribute to the Plan. The amount of the accrued monthly benefit for a Participant is the total of the Benefit Credits multiplied by the applicable Benefit Rate. The Benefit Credits may be earned under a Recognized Prior Plan, plus the Benefit Credits earned since January 1, 1994, under this Plan. Years of Credited Service may fall into any of the following:

- **Credited Service.** Credited Service for Covered Employment after January 1, 1994, the effective date of the Northern California Pipe Trades Pension Plan.
- **Prior Service.** Credited Prior Service for employment covered under a Recognized Prior Plan is determined by the provisions of any Prior Plan and CBA under which a Participant performed Covered Employment. Benefits under a Recognized Prior Plan, if any, became fixed when the Plan was merged into the Bay Area Pipe Trades Pension Plan,

also a Recognized Prior Plan to the Northern California Pipe Trades Pension Plan.

- **Past Service.** Past Service Credit is credit for the performance of Covered Employment in a job category, subsequently covered by the Plan, for a contributing Employer before the Employer was required to make contributions to the Plan for work performed.

Effective January 1, 1994, Past Service Credit was granted to eligible Participants who were employed or available for employment in work of the type which would have been covered by an applicable CBA prior to July 1, 1959, if the Participant was employed in or available for Covered Employment as of July 1, 1959. However, a Participant who was engaged in Military Service (as defined by the Trustees) on July 1, 1959, would not be required to be employed in Covered Employment or be available for such employment as of July 1, 1959. For Participants of the predecessor UA Local 444 Plan, the original effective date was January 1, 1956. For retirement dates effective on or after April 1, 1995, there are no maximum Past Service Credits and total service credits for the period up to June 30, 1976.

Pursuant to ERISA Section 4210, under the Plan's withdrawal liability provisions, the Plan may cancel any Past Service Credit for Participants of a withdrawing Employer as authorized by the Internal Revenue Code ("IRC") Section 411(a)(3)(E).

B. BENEFIT CREDITS / VESTING CREDITS

A Participant earns credit for both benefit accrual and vesting purposes when they work under a CBA with UA Local 342 that makes contributions to the Plan on behalf of the Participant. However, a Participant shall receive no Benefit Credits or Vesting Credits if less than 300 hours of Covered Employment is performed in any Plan Year (January – December). The complete vesting rules are summarized on pages 6-8.

The requirements for a Benefit Credit for purposes of benefit accrual vary according to the period of Covered Employment. The requirements for a full Benefit Credit and the maximum Benefit Credits allowed in any Plan Year are as follows:

Period	Hours Required for Full Benefit Credit*	Max Hours Credited in One Year	Max Benefit Credit Granted
07/01/76-06/30/79	1500	1800	1.2
**07/01/79-12/31/80	1500	2250	1.5
01/01/81-12/31/86	1500	1800	1.2
01/01/87-12/31/87	1200	1800	1.5
01/01/88-12/31/89	1200	2000	1.67
01/01/90-forward	1200	no limit	no limit

* Hours based on the standard recognized contribution rate under the Master Labor CBA.

** Additional credit for up to 1.8 credits may be granted for 2700 hours.

Requirements prior to July 1, 1976, may be obtained directly from the TFO.

Partial credits are granted for 300 or more hours of Covered Employment but less than the number of hours required for a full Benefit Credit in a Plan Year. Additional Credits are earned for hours worked in excess of the hours required for a full Benefit Credit, but only up to the maximum hours allowed in a Plan Year. No credit is granted for working less than 300 hours of Covered Employment in a Plan Year. Partial Credits and additional credits are calculated proportionately (pro-rated) by dividing the actual Credited Hours for the Plan Year, up to the maximum allowance, if applicable, by the number of hours needed to obtain a full Benefit Credit for the Plan Year (currently 1200), rounded to two decimal places.

EXAMPLE:

A Participant that is working under a contract that provides the Master Labor CBA contribution rate will have credited hours equal to hours worked in Covered Employment.

$\frac{\text{Hours of Covered Employment/Credited Hours}}{\text{Hours}} = 450$
 Hours for a full Benefit Credit = 1200
 = .38 Benefit Credits

The Plan provides for benefits to be calculated based on Employer Contributions being reported at a rate as determined by the Board of Trustees. Benefit Credits earned for all UA Local 342 contracts for the limited period of January 1, 2003, through June 30, 2008, have **not** been pro-rated. This excludes incoming Reciprocal Contribution Rates that are either above or below the Master Contribution Rate.

If the Employer Contribution Rate for hours of Covered Employment is greater than or less than the MLA Contribution Rate, the monthly benefit will be calculated proportionately (pro-rated) based on the MLA Contribution Rate.

LOWER CONTRIBUTION RATES CAN REDUCE YOUR BENEFIT

(Work outside the jurisdiction of UA Local 342 MLA and/or some UA Local 342 Contracts)

If the contribution rate for any Employer is lower than the standard recognized contribution rate in the Master Labor CBA with UA Local 342, the Benefit Credit will be reduced accordingly. Therefore, a Participant may have less than one Benefit Credit even if 1200 hours in Covered Employment were worked, based on a lower contribution rate. This generally applies for reciprocal hours but also applies to hours worked under other CBAs to which UA Local 342 is signatory (e.g., California Shortline Agreement).

EXAMPLE:

A Participant is working under a contract that provides a contribution rate of \$10 per hour for 1200 hours worked from January 2025, through December 2025. The UA Local 342 Master Labor CBA was \$15 per hour for this time period.

$1200 \times \$10 = \$12,000 \div \$15 = 800$ Credited Hours

$800 \div 1200 = .67$ Benefit Credits

The Participant would receive .67 Benefit Credits for the 2025 Plan Year.

Effective July 1, 1976, Benefit Credits are granted for hours worked on or after that date under a CBA with UA Local 342 for which Employer contributions were required to be made to the Plan.

C. AMOUNT OF RETIREMENT BENEFITS

The amount of a Normal Retirement Benefit is determined by earned Benefit Credits, the Type of Retirement Benefit, and Form of Benefit elected.

1. **Determining the Amount of a Normal Retirement Benefit.**

The amount of the Retirement Benefit is the sum of the benefits earned for each year of Benefit Credit. The amount of benefits for each Plan Year of the Bay Area Pipe Trades Pension Plan (the immediate prior Plan) and this Plan is set forth in the Table on page 5.

BENEFITS MAY BE REDUCED

Benefits may be reduced if an Early Retirement option is elected or a Form of Benefit other than the Single Life Annuity 60-month Guarantee is elected, as summarized in other sections of this booklet. Benefits may be reduced depending on the type of Benefit elected and when Benefits begin.

BONUS BENEFIT RATE INCREASES YOUR PENSION.

Effective August 1, 1996, a Participant is entitled to the Bonus Benefit Rate the year following accrual of 25 Benefit Credits and

either 25 Vesting Credits; or 25 years of participation in the Plan. A Participant must have a minimum of 300 hours reported in Covered Employment for each year of participation and must not have incurred a Permanent Break in Service ("PBIS") Pro-Rata Reciprocal Vesting Credits do not count toward years of participation.

Once a Participant reaches the 26th year of participation, as noted above, the Participant is entitled to the Bonus Benefit Rate.

There was no Bonus Benefit Rate prior to the 1990 Plan Year. The Benefit Rates from the 1990 Plan Year through the 1993 Plan Year were different for UA Local 342 and UA Local 444. Since UA Local 342 and UA Local 444 merged, and UA Local 444 members became members of UA Local 342, effective with the 1994 Plan Year, the Benefit Rates are the same.

Benefit Amounts as determined by the Board of Trustees per Plan Year are listed below:

Plan Year	Benefit Rate
Pre-July 1976	Varies
July 1976 – Dec. 1979	\$32.00
Jan. 1980 – Dec. 1980	\$33.00
Jan. 1981 – Dec. 1981	\$40.00
Jan. 1982 – Dec. 1982	\$52.00
Jan. 1983 – Dec. 1983	\$68.00
Jan. 1984 – Dec. 1984	\$126.00
Jan. 1985 – Dec. 1985	\$105.00
Jan. 1986 – Dec. 1986	\$112.00
Jan. 1987 – Dec. 1987	\$110.00
Jan. 1988 – Dec. 1988	\$120.00
Jan. 1989 – Dec. 1989	\$70.00

Years	UA Local 342 Members	Former UA Local 444 Members
1990 Years 1-25 Years 25.01+	\$91.00 \$121.00	\$77.00 \$103.00
1991 Years 1-25 Years 25.01+	\$88.00 \$117.00	\$80.00 \$107.00
1992 Years 1-25 Years 25.01+	\$73.50 \$98.00	\$84.00 \$84.00
1993 Years 1-25 Years 25.01+	\$60.00 \$80.00	\$54.00 \$54.00
1994 Years 1-25 Years 25.01+	\$75.00 \$100.00	N/A
1995 Years 1-25 Years 25.01+	\$70.00 \$93.00	N/A
1996 Years 1-25 Years 25.01+	\$40.00 \$53.00	N/A
1997-2003 Years 1-25 Years 25.01+	\$75.00 \$100.00	N/A
Jan. 2004 – June 2013 Years 1-25 Years 25.01+	\$100.00 \$133.00	N/A
July 2013 – June 2014 Years 1-25 Years 25.01+	\$125.00 \$166.00	N/A
July 2014 – June 2015 Years 1-25 Years 25.01+	\$150.00 \$200.00	N/A
July 2015 – June 2016 Years 1-25 Years 25.01+	\$159.00 \$212.00	N/A
July 2016 – Dec. 2019 Years 1-25 Years 25.01+	\$150.00 \$200.00	N/A
2020 Years 1-25 Years 25.01+	\$180.00 \$240.00	N/A
2021 Years 1-25 Years 25.01+	\$195.00 \$260.00	N/A
2022 - 2023 Years 1-25 Years 25.01+	\$180.00 \$240.00	N/A
2024 Years 1-25 Years 25.01+	\$225.00 \$300.00	N/A
2025 Years 1-25 Years 25.01+	\$210.00 \$280.00	N/A
2026 Years 1-25 Years 25.01+	\$225.00 \$300.00	N/A

EXAMPLE: BONUS BENEFIT RATE

Covered Employment began in 2000, and a Participant received 1.00 Benefit Credit per year from 2000 through 2024. As of December 31, 2024, the Participant would have accrued 25 Benefit Credits and 25 years of participation in the Plan. The Benefit Rate for the Participant would increase from \$210.00 per Benefit Credit to \$280.00 per Benefit Credit effective with the 2025 Plan Year.

D. ANNUAL STATEMENT OF BENEFITS

Each year, the Plan will send a Statement showing the hours of Covered Employment worked in the prior Plan Year, accumulated Benefit and Vesting Credits, and anticipated monthly Retirement Benefit at Normal Retirement Age (Age 65) as of the end of the prior Plan Year. The Statement should be reviewed for accuracy and the TFO should be notified in writing immediately if corrections are required or if any questions arise.

The Annual Pension Statement is for informational purposes only and should be reviewed carefully for any inaccuracies by the Participant. The Plan reserves the right to correct any data on the Statement. Benefit and Vesting Credits and Retirement Benefits listed on the Statement have not been approved and are subject to modifications and approval by the Board of Trustees at the time a Retirement Application is filed.

IF YOU FIND ERRORS IN YOUR STATEMENT

Notify the TFO immediately if you notice any errors on your hours, rates, and/or benefit, or if there are any questions.

E. TIME PERIOD FOR RECEIVING AN ANNUAL STATEMENT

- December hours are generally received and processed in late January.
- Incoming reciprocal hours for December are often not received and processed until February or March. In most instances, by including another month of contribution activity, the Annual

Statements will also reflect December hours and contributions that were reported late.

- Generally, the Annual Statements are prepared and distributed no later than April 30th.

F. CREDIT FOR CERTAIN MILITARY SERVICE

Pursuant to the Uniformed Services and Reemployment Rights Act of 1994 ("USERRA"), and other applicable federal laws, an authorized leave of absence from Covered Employment due to military service in the U.S. Armed Forces is considered Covered Employment, provided that the Participant has complied with all requirements of the applicable federal law, the Plan, and any rules established by the Board of Trustees. This Plan provides such benefits only for military service for which Credited Service is required to be granted under applicable federal law.

Covered Employment is employment under the MLA or other CBA with UA Local 342 that requires Employer Contributions to this Plan.

V. VESTING AND BREAK IN SERVICE RULES

A. VESTING RULES

Rights to benefits may not be taken away once a Participant becomes vested in the Plan. Once vesting status is achieved, a Participant becomes eligible for a Retirement Benefit from the Plan, even if the Participant stops working and never returns to work in Covered Employment. A benefit will be payable once the age and eligibility requirements for a Retirement Benefit are met. **Until vested, a Participant is not entitled to any benefits under the Plan.**

If covered work was performed under one of the following Recognized Prior Plans (Bay Area Pipe Trades Pension Plan, UA Local 444 Pension Plan [terminated June 30, 1976], or UA Local 342 Pension Plan), but vesting status in that Plan was not achieved, Years of Credited Prior Service under that Plan count for Vesting Credit in this Plan (unless a PBIS as summarized on pages 8-10 has

occurred). The terms of each of those Plans determine how much Vesting Credit a Participant is entitled to receive.

B. HOW TO BECOME VESTED

A Participant becomes vested in the Plan when any of the following requirements are met:

- Effective January 1, 1999, a Participant has at least five Vesting Credits (that have not been cancelled due to a PBIS), the five-year vesting rule applies provided that the Participant worked 300 hours of Covered Employment on or after January 1, 1999, or worked at least 300 hours in 1998 and at least one hour on or after January 1, 1999.
- Prior Plan vesting rules apply before January 1, 1999. For example, immediately prior to January 1, 1999, a Participant had to have earned 10 Vesting Credits to be entitled to a Retirement Benefit. This 10-year vesting rule applies if a Participant did not meet the requirements for five-year vesting rules above.

C. VESTING CREDIT

One Vesting Credit is granted for working 1,000 or more hours of Covered Employment in a Plan Year. Partial Vesting Credits are granted on a proportional basis for fewer hours provided that the Participant has worked at least 300 hours during the Plan Year. **There is no Vesting Credit earned for less than 300 hours in a Plan Year. No more than one Vesting Credit is earned in a Plan Year** regardless of how many hours worked in excess of 1,000 hours (excluding the Plan Year from July 1, 1979, through December 31, 1980). Credited hours for purposes of vesting include:

1. **Covered Employment**. Hours worked under a CBA with UA Local 342 requiring contributions to this Plan for the work performed, including incoming reciprocal hours; **and**
2. **Contiguous Non-Covered Employment**. A contributing Employer may have employment opportunities that do not fall under a CBA, such as a supervisory position, or do not require contributions to the Pension Plan. If a Participant begins working in a position not covered by a CBA or that does not require contributions to

the Pension Plan, the contributing Employer is no longer required to make contributions to the Plan on behalf of the Participant. Such service is known as "Contiguous Non-Covered Employment." Contiguous Service without a quit, retirement, or discharge between the Covered and Non-Covered Employment, is calculated on the same basis as Vesting Credit but only to the extent required by the applicable Department of Labor ("DOL") regulations. For any retirement on or after January 1, 2008, a Participant who would otherwise qualify for Contiguous Service under the Section were it not for the fact that the Participant worked for different employers (i.e., not just the same Employer) will have such employment count as Contiguous Service for purposes of earning Vesting Credit.

Contiguous Service will not apply toward Service Unreduced Early Retirement, the Special Disability Retirement Benefit, or any Pre-Retirement Death Benefits. Contiguous Service Vesting Credits will be considered for Disability Retirement, Early Reduced Retirement, and Normal Retirement benefits only.

There are no contributions for most 1st and 2nd Period Apprentices, which would also be considered Contiguous Non-Covered Employment. Such employment periods are counted for vesting purposes only under the Plan. Such work will not, however, count in determining the amount of a Retirement Benefit. There can be no discharge, resignation, or retirement between the Covered Employment and that which was not Covered Employment.

Special rules may apply for certain CBAs.

EXAMPLE: CONTIGUOUS NON-COVERED EMPLOYMENT

Generally, initial employment begins as a 1st Period Apprentice. Under the MLA, Pension contributions are not required as part of fringe benefits until an Employee achieves 3rd Period Apprentice status (usually takes about one year to advance to this status). If employment was continuous without a quit or rehire from 1st Period Apprentice level through 2nd Period Apprentice level, if needed to Vest, a Participant may be eligible for Contiguous Service Vesting Credits during 1st and 2nd Period Apprentice employment (but would not have earned any Benefit Credits during that period).

Contiguous Service Vesting Credits as applicable to Pension Benefits:

- The Plan does not count Contiguous Service Vesting Credits toward Service Unreduced Early Retirement.
 - The Plan calculates Contiguous Service Vesting Credits based on hours worked in a Plan Year.
 - The Plan grants one year of Contiguous Service Vesting Credits on the same basis as if the hours had been worked in Covered Employment up to a maximum of one Vesting Credit for 1000 hours or more worked and pro-rated for hours in excess of 300 worked in a Plan Year.
 - The Plan will consider Contiguous Service Vesting Credits in an amount equal to or less than Vesting Credits accrued in Covered Employment up to a maximum of five Contiguous Service Vesting Credits.
 - The Plan allows Contiguous Service Vesting Credits if the Employer is signatory to a CBA that requires Employer Contributions.
 - Contiguous Service may only be granted if the Participant did not otherwise vest in the Plan through hours worked.
3. **Pro-Rata Reciprocity.** The Plan recognizes all years of Vesting Credits for service

accrued under a pension plan affiliated with the United Association of Journeyman and Apprentices of the Plumbing and Pipefitting Industry of the U.S. and Canada with which this Plan has a Pro-Rata Reciprocity Agreement, recognizing such Vesting Credit for purposes of granting Vesting Credits. This includes, but is not limited to, being signatory to a Pro-Rata Reciprocity Addendum. If not vested, a Participant must meet all Plan rules pursuant to the Pro-Rata Reciprocity Addendum. Pro-Rata Reciprocal Vesting Credits will apply toward Normal Retirement only. Pro-Rata Reciprocal Vesting Credits will not apply toward any form of Disability Retirement, Early Reduced Retirement, Service Unreduced Early Retirement, or any Pre-Retirement Death Benefits.

VESTING CREDIT MAY BE DIFFERENT FROM BENEFIT CREDIT

A full Vesting Credit is granted for fewer hours than a full Benefit Credit requires. Vesting Credit may be granted for employment for which no Benefit Credits are granted. Therefore, the number of Vesting Credits may be different from the number of Benefit Credits. No Vesting Credit or Benefit Credit is granted for less than 300 hours worked.

D. PBIS RULES

1. **Current Break in Service Rules.** PBIS rules may apply only if a Participant is **not vested**. Once vested, a Participant cannot lose Benefit Credits or Vesting Credits. However, if a Participant should leave Covered Employment before becoming vested (and does not return within a specified period), all Plan benefits will be forfeited.

If not vested, a Participant will incur a One Year Break in Service in a Plan Year in which at least 300 hours in Covered Employment are not worked. A Participant does not, however, lose previously earned benefits until a PBIS, as described below is incurred.

Effective January 1, 1999, if not yet vested, a Participant who has worked one hour of service on or after January 1, 1999, will only incur a PBIS and lose previously earned Benefit Credits and Vesting Credits if the number of years of Breaks in Service equals five years. Therefore, upon a PBIS, a Participant will not be entitled to any benefits. **A Participant will then have to start over and meet the Plan's eligibility requirements to become a Participant and start accruing Benefit and Vesting Credits again.**

EXAMPLE: PBIS

If a Participant has three Vesting Credits and then does not work in Covered Employment for five consecutive Plan Years, the prior three Vesting Credits are forfeited, as the Participant will have incurred a PBIS. If, however, the number of years of Breaks in Service was four years or less (which means the Participant has returned to Covered Employment and worked at least 300 hours in a Plan Year), the Participant would not incur a PBIS.

2. **Prior to July 1, 1976.** The Plan, including prior Plans, has contained different Break in Service rules dependent upon the time involved. Therefore, if a Participant left Covered Employment prior to July 1, 1976, the prior Break in Service rules apply. Moreover, even if the Participant worked after that date, the Break in Service rules would apply to prior employment. Contact the TFO for the prior Break in Service rules if applicable.
3. The Break in Service rules for periods on or after July 1, 1976, are:
 - a. **July 1, 1976, through June 30, 1986.** During the period from July 1, 1976, through June 30, 1986, a Participant incurred a PBIS if consecutive One Year Breaks in Service equal or exceed the total number of years of Vesting Credit earned prior to any such Break in Service.
 - b. **Effective July 1, 1986.** The current Break in Service Rule provides that

previously earned Benefit Credit and Vesting Credit after any Break in Service is not forfeited unless the Participant incurred the greater of either:

- i. Five consecutive One Year Breaks in Service; or
- ii. Consecutive One Year Breaks in Service equal to or exceed the number of Vesting Credits earned prior to the commencement of such Break in Service.

Under these rules, a partial Vesting Credit is rounded up. For example, if a Participant has 6.25 Vesting Credits, a PBIS would incur after seven One Year Breaks in Service.

EXAMPLE: PRIOR BREAK IN SERVICE

A Participant with seven Vesting Credits as of January 1, 1985, could have left Covered Employment for six years and returned the seventh year without incurring a PBIS, provided at least 300 hours were worked during that seventh year. Each of the six years would be a One Year Break in Service. If, during the seventh year, at least 300 hours were not worked, another One Year Break in Service would occur for a total of seven consecutive One Year Breaks in Service. As these One Year Breaks in Service were consecutive, a PBIS would occur as of December 31, 1991, which forfeits all Benefit and Vesting Credits.

Different Break in Service rules existed under earlier versions of the Plan, which still apply to that prior time period. For example, from July 1, 1976, through December 31, 1998, the Plan provided that a PBIS was incurred if the years in which a Participant incurred a Break in Service exceeded the years of Vesting Credit earned, or five years, whichever is greater.

1976 – 1998 Break in Service Rule	
Vesting Credits before a One Year Break in Service:	PBIS incurred if Break in Service years equal or exceed:
.30 – 5.00 Vesting Credit	5 Years
5.01 – 6.00 Vesting Credit	6 Years
6.01 – 7.00 Vesting Credit	7 Years
7.01 – 8.00 Vesting Credit	8 Years
8.01 – 9.00 Vesting Credit	9 Years
9.01 – 9.99 Vesting Credit	10 Years

E. GRACE PERIODS TO BREAK IN SERVICE RULES

There are a few exceptions to the Plan’s Break in Service rules. Any time before seeking to retire, a Participant must submit a written request to the TFO providing notice of such reasons for the Grace Period request. Subject to the requirements outlined below, no Break in Service will occur if failure to be credited with 300 hours of Covered Employment is due to any of the following:

1. **Certain Military Service.** Military Service in the Armed Forces of the United States. See page 6 of this booklet for a summary of rights under the Plan concerning Military Service.
2. **Total and Permanent Disability.** A total and permanent disability which prevents a Participant from working in the Plumbing and Pipefitting Industry, proven by medical evidence to the satisfaction of the Board of Trustees.
3. **Strike or Lockout.** Being prevented from working by a strike or lockout.
4. **Employed by Union.** Engaged in Union business for the Union which requires time away from Covered Employment.
5. **Pregnancy, Adoption, or Childbirth.** Time away from Covered Employment because of pregnancy, birth of a child, placement of a child in connection with adoption, and/or the caring of the child for a period beginning immediately after birth or placement.

6. **Employment by Certain Public Agencies.** Being employed in the Pipe Trades Industry by the Government of the United States, the State of California, or a political subdivision of the State of California, subject to approval by UA Local 342.

A Grace Period does not add to Benefit or Vesting Credits. It is a period which may be used to **prevent** a PBIS.

To qualify for the Grace Period to the Plan’s Break in Service Rules in the event of the occurrence of 1-6 above, a Participant must do **both** of the following:

1. **Notice.**
Notify the TFO in writing at any time before retirement or inquiring about Retirement Benefits; **and**
2. **Immediate Return to Covered Employment.**
Return to Covered Employment or be available for work by signing the UA Local 342 Out-of-Work List within 90 days of the termination of the particular exception.

F. FAMILY AND MEDICAL LEAVE ACT REQUIREMENTS

To the extent required by applicable law, during a leave from Covered Employment of up to 12 weeks, a Participant’s absence (from a contributing Employer that has a sufficient number of Employees to be covered by applicable law) will not count toward a One Year Break in Service, provided the leave was granted by the Employer in accordance with the Federal Family and Medical Leave Act ("FMLA"). A Participant must return to work in Covered Employment on or before the expiration date of the FMLA Leave of Absence. FMLA includes absences from work because of pregnancy, birth, adoption, or placement for foster care of a child, the care of a seriously ill spouse, parent, or child, or the Participant’s own serious illness. Unpaid FMLA leave will **not** add to Benefit Credits or Vesting Credits.

To the extent required by applicable law, FMLA leave also includes up to 26 weeks of unpaid leave during a 12-month period to care for a child, spouse, parent, or next of kin who is a member of the Armed Forces who is undergoing medical

treatment for a serious injury or illness sustained in the line of duty. To qualify as "next of kin" the Participant must be the service member's "nearest blood relative".

VI. EMPLOYER CONTRIBUTIONS

Employer contributions are made to the Plan pursuant to the terms of the MLA and other CBA with UA Local 342. Contribution rates for each hour of Covered Employment are set, from time to time, by the parties to the CBA. Each Employer is required to contribute only for such hours of work that are required by the CBA. The hourly MLA contribution rate is \$15.00 as of the effective date of this booklet, plus an additional \$1.60 intended for Retiree Additional Payment(s) (which is NOT a vested benefit). However, that amount may change at any time if agreed to by the bargaining parties. The bargaining parties also may allocate additional or different contribution amounts to help fund the Pension Plan. Moreover, there may be a lower or no contribution rate for Apprentices and certain classifications.

Each Employer is required to make monthly contributions for the Participant's Covered Employment which must be received by the Plan by the 20th day of the month following the month in which the work was performed. Each monthly payment made by the Employer is accompanied by a transmittal form that contains the name, last four digits of the Social Security Number, and hours of work performed by each Covered Employee, along with payment to the Plan. Employer Contributions to the Plan are not subject to withholding for Federal Insurance Contributions Act ("FICA"), Federal Unemployment Tax Act ("FUTA"), state, or federal taxes.

IF YOU BELIEVE YOUR EMPLOYER IS NOT CONTRIBUTING THE FULL AMOUNTS

Notify UA Local 342 and the TFO immediately if you are aware of or suspect your Employer has not contributed to the Plan the full amount required on your behalf under your CBA. If you fail to do so, you may not be credited correctly for the work you have performed.

If applicable, the amount of Employer Contributions made to the Plan for Non-Bargaining Unit Employees (such as the Employees of UA Local 342, the UA Local 342 Joint Apprenticeship and Training, or others not working under a bargaining agreement) will be governed by individual Subscription Agreements entered with the Plan and any rules adopted by the Board of Trustees.

VII. RECIPROCAL AGREEMENTS WITH OTHER UA PENSION PLANS

A. "MONEY FOLLOWS THE PERSON"

Under a "Money Follows the Person" Reciprocal Agreement, if a Participant is working in another UA Local Union outside of the jurisdiction of UA Local 342 (traveling), Employer Contributions made to the plan in the other jurisdiction are required to be sent back to this Plan. This is referred to as Incoming Reciprocity.

For such Incoming Reciprocity, when working in the jurisdiction of another UA Local Union and the funds are transferred to this Plan, Vesting Credit is earned based on the number of actual hours worked in the other jurisdiction. The Benefit Credits earned are pro-rated (if applicable) based on the amount of money received by this Plan, divided by the hourly MLA contribution rate applicable to the hours worked.

Prior to retirement, any Participant who has questions regarding hours and contributions from a Reciprocity Agreement that may not have been reciprocated to this Plan should contact the TFO.

B. PRO-RATA RECIPROCAL AGREEMENTS AND TRANSFER OF UA LOCAL UNION MEMBERSHIP

For a Member of UA Local 342 who transfers to another UA Local (or vice versa), under a Pro-Rata Reciprocal Agreement, no money is transferred between the two Plans. Instead, the Credited Service in each jurisdiction may be aggregated by each Plan to determine vesting under the terms of each respective Plan. Pro-Rata Reciprocity is only applicable if the UA Local is signatory to the Pro-Rata Reciprocity Addendum and applies only to 10-year vesting. If the Participant becomes vested under these rules, each Plan will pay a Retirement Benefit based on the Benefit Credit earned in that Plan's jurisdiction only.

Dividing Credited Service between two Plans can reduce retirement income and/or deprive the Participant of earning a Retirement Benefit. For example, if a Participant works in a UA Local for only a few years, the Participant may not work enough hours to vest under the Plan and may lose the benefits accrued during those years.

In addition, if a Member of another UA Local transfers to UA Local 342, and the Member has forfeited Pension Credit earned at the other UA Local due to a PBIS, these forfeited credits will not be counted toward vesting under this Plan.

PRO-RATA RECIPROCAL AGREEMENTS

The Plan does not have agreements with many UA Pension Plans, and not all Plans are signatory to the UA National Pension Reciprocal Agreement. Therefore, it is recommended to inquire with the TFO on whether an Agreement applies.

VIII. APPLICATION AND TYPES OF RETIREMENT BENEFITS

A. APPLICATION AND PAYMENT OF BENEFITS

If a Participant is entitled to a Retirement Benefit and chooses to begin receiving Retirement Benefits, the Participant should file an Application with the TFO 60 days prior to the anticipated Date of Retirement. The Application contains instructions and lists various Plan required documents. An Application may be obtained from the TFO directly.

The Participant must submit the original and fully completed and notarized Application with all Plan required documents to the TFO.

RETIREMENT BENEFIT COMMENCEMENT DATE

Retirement Benefit payments commence effective the first day of the month following receipt of a fully completed Retirement Application with all Plan required documents, and the Participant has terminated employment in the Pipe Trades Industry and is eligible for a Retirement Benefit.

Benefits are paid as soon as it is administratively feasible after all hours and contributions are received and the Application is processed.

If a Participant is working on a Travel Card/Reciprocity, there may be additional delays in receiving reciprocal hours and contributions. The TFO has no control over the time frame that these hours and contributions will be received.

EXAMPLE: The TFO receives a Retirement Application on June 2nd for a Participant who last worked in May and meets all Plan rules to be eligible for a Retirement Benefit. The Retirement Benefit commencement date may be as early as July 1st.

Note: If this Participant were to work any hours in July, the earliest possible Date of Retirement would be August 1st.

To increase efficiency and reduce the risk of theft and mail delays, the Plan requires that monthly Retirement Benefit payments be electronically transferred into an account at a financial institution. An Electronic Funds

Transfer ("EFT") Form must be completed and returned to the TFO. An EFT Statement will be sent monthly confirming the transaction and any applicable deductions.

B. TYPES OF RETIREMENT

A Participant may retire on a Normal, Early Reduced, Service Unreduced Early, or Disability Retirement depending on the years of participation in the Plan and/or Benefit and Vesting Credits. The amount of benefits will be impacted by the type of retirement that is elected and the Participant is eligible for. The requirements for each type of retirement and the benefit reduction which may apply are stated below:

1. Normal Retirement.

The Plan's Normal Retirement Age for a vested Participant is Age 65. A Participant shall be eligible to receive Normal Retirement Benefits if their employment in the Pipe Trades Industry has terminated and they meet one of the following requirements:

- a. The Participant is at least Age 65 and has at least 10 Vesting Credits; **or**
- b. Effective January 1, 1999, the Participant is at least Age 65, has at least five Vesting Credits earned in this Plan (that have not been forfeited due to a PBIS), and has worked at least 300 hours of Covered Employment in a Plan Year on or after January 1, 1999. If a Participant worked 300 hours of Covered Employment during 1998, the five-year Vesting Credit requirement applies if the Participant worked one hour or more of Covered Employment on or after January 1, 1999. Notwithstanding any provision herein to the contrary, a Participant's right to their vested Normal Retirement is non-forfeitable upon attainment of Normal Retirement Age.

A Participant is not entitled to a Retirement Benefit if any years of Covered Service that are to be counted for vesting purposes is a result of Pro-Rata Reciprocity under any agreement with another Plan. Therefore, to be entitled to benefits as a result of the five-year Vesting Credit rule, years of service as a result of a Reciprocal Agreement shall not be applicable. **or**

- c. The Participant meets the Credited Service requirement for a Normal Retirement under a prior Plan; **or**
 - d. The Participant is at least Age 65 and has reached the 10th anniversary of participation in the Plan without a PBIS; **or**
 - e. Effective January 1, 1990, the Participant is at least Age 65 and has reached the fifth anniversary of participation in the Plan (with such service on or after January 1, 1990) without a PBIS.
- ### **2. Early Reduced Retirement.**

A Participant is entitled to a Reduced Early Retirement Benefit if all of the following requirements are met:

- a. The Participant is at least Age 55; **and**
- b. The Participant has accrued at least 10 Benefit Credits, of which at least five such Benefit Credits were earned under this Plan and/or a Prior Plan; **and**
- c. The Participant has accrued at least 10 Vesting Credits (excluding Pro-Rata Reciprocal Vesting Credits); **and**
- d. The Participant has terminated employment in the Pipe Trades Industry.

For each month that the effective date of Early Reduced Retirement precedes Age 65 to Age 60, there is a one-quarter of one percent ($\frac{1}{4}$ of 1%) reduction and for each month the effective date of Early Reduced Retirement precedes Age

60 to Age 55, there is a one-half of one percent ($\frac{1}{2}$ of 1%) reduction.

EXAMPLE: EARLY REDUCED RETIREMENT BENEFIT REDUCTION

A Participant retires at Age 58. The Participant's Normal Retirement at Age 65 would be \$2,000 per month. Because the Participant is 84 months (7 years) younger than Age 65, the reduction is $\frac{1}{2}$ of 1% for each of the 24 months that the Participant is younger than Age 60, which equals a reduction of 12%. An additional $\frac{1}{4}$ of 1% for each of the months that the Participant is between Age 60 and Age 65, which totals another 15% reduction. The reduction is therefore 27% (\$540) of \$2,000, which equals a benefit of \$1,460.

CONVERSION OF EARLY REDUCED RETIREMENT TO FULL DISABILITY RETIREMENT

If at any time within 24 months of the Date of the Early Reduced Retirement, the Participant obtains a Total and Permanent Disability Award from the Social Security Administration, the Participant may apply for a conversion from Early Reduced Retirement to Full Disability Retirement providing all Plan requirements for a Full Disability Retirement were met as of the original Date of Retirement; **and**

- a. Evidence of the Total and Permanent Disability Award must contain a finding that the onset of the total and permanent disability arose during the 24-month period immediately preceding the date of Early Reduced Retirement; **and**
- b. Such evidence of a Total and Permanent Disability Award issued by the Social Security Administration must be submitted to the TFO no later than 60 days following the end of the 24-month period.

CONVERSION OF EARLY REDUCED RETIREMENT TO PARTIAL DISABILITY RETIREMENT

If at any time within 24 months of the Date of the Early Reduced Retirement, a finding is provided from the Plan's Independent Medical Review Organization that a Participant is totally and permanently disabled from performing the duties of the Pipe Trades Industry, the Participant may apply for conversion from Early Reduced Retirement Benefits to Partial Disability Retirement Benefits, providing all Plan requirements for a Partial Disability Retirement were met as of the original Date of Retirement; **and**

- a. Evidence of the total and permanent disability from performing the duties of the Pipe Trades Industry must contain a finding that the onset of the total and permanent disability arose during the 24-month period immediately preceding the original Date of Retirement; **and**
- b. The finding of total and permanent disability from performing the duties of the Pipe Trades Industry must be determined within two years of the original Date of Retirement.

If conversion to Full or Partial Disability Retirement is granted, the effective date will be the first of the month following receipt by the TFO of evidence that the Participant qualifies for the conversion.

3. **Disability Retirement.**

There are two types of Disability Retirement Benefits:

Full Disability Retirement.

A Participant shall be eligible for a Full Disability Retirement if the Participant becomes totally and permanently disabled and all of the following requirements are met:

- a. The Participant has terminated employment in the Pipe Trades Industry; **and**

- b. The Participant is vested in the Pension Plan (excluding Pro-Rata Reciprocal Vesting Credits), regardless of age or when the disability occurred; **and**
- c. The Participant has obtained and provided to the Plan, a Total and Permanent Disability Award issued by the Social Security Administration; **and**
- d. The Participant has been credited with at least 300 hours of Covered Employment to any of the NCPT Plans during any one of the five Plan Years ending with the year that the disability began (onset date as listed on the Participant's Social Security Disability Award ("SSDA").

Full Disability Retirement can commence no earlier than the disability onset date as determined by the Social Security Administration. Total and permanent disability for the purposes of this section shall mean a disability by reason of bodily injury or disease.

A Participant is required to notify the TFO if they no longer qualify for a Social Security Disability Award and/or return to any type of gainful employment. The Board of Trustees may, from time to time, require satisfactory evidence of continued disability, and if a Participant's disability ceases, the Full Disability Retirement Benefits shall be terminated. A Participant may be required to repay the Plan for any benefit received during a period in which they were not totally and permanently disabled.

FILE EARLY APPLICATION

Participants are urged to file an Application for Full Disability Retirement Benefits with the TFO when applying for Social Security Disability Benefits so that the Plan benefits become payable as early as possible.

CONVERSION OF FULL DISABILITY RETIREMENT TO OTHER TYPE OF RETIREMENT

If a Participant retires under a Full Disability Retirement but was also eligible for a Service Unreduced Early Retirement at the time of retirement, the Participant may convert a Full Disability Retirement to a Service Unreduced Early Retirement at any time.

If a Participant did not qualify for a Service Unreduced Early Retirement on the date of the Full Disability Retirement, the Participant may **not** convert a Full Disability Retirement to a Service Unreduced Retirement.

If a Participant retired on a Disability Retirement and is deemed to no longer qualify for such Disability Retirement (and is ineligible to convert the benefit to a Service Unreduced Early Retirement), the Participant may convert the Disability Retirement to an Early Reduced Retirement (if all the requirements of such benefit are met), using the Plan's applicable age reduction factor at the time of the conversion, or if applicable, a Normal Retirement.

If a Participant elects to convert a Disability Retirement, in accordance with the above rules, the Participant must make a written request to the TFO. Providing that the Participant qualifies for a conversion, any such conversion will be effective the first day of the month following receipt by the TFO of the written request.

Partial Disability Retirement.

A Participant may be eligible for a Partial Disability Retirement if the Participant becomes totally and permanently disabled from performing the duties of the Pipe Trades Industry, providing all Plan requirements of a Full Disability Retirement are met, except the Participant does not have a SSDA.

American Health Holding ("AHH") Inc. is the current Independent Medical Review Organization ("IMRO") for the Plan. If applying for a Partial Disability Retirement,

a Participant must submit the applicable release forms for AHH to obtain the medical records pertaining to the disabling condition. A physician with AHH will review the records to determine if the Participant is totally and permanently disabled from the Pipe Trades Industry.

A determination by the IMRO that a Participant qualifies for a Partial Disability Retirement Benefit is final and binding by the Plan. A determination by the IMRO that a Participant does not qualify may be appealed to the Board of Trustees. To overrule an adverse determination by the IMRO, the Board must find substantial evidence relevant to the question of Partial Disability that overruling the determination of the IMRO is warranted.

The amount of the Partial Disability Benefit shall be determined by multiplying the Participant's Vesting Credits, excluding Pro-Rata Reciprocal Vesting Credits, by four percent (4%) of the Full Disability Benefit had the Participant received an SSDA from the Social Security Administration. The minimum Partial Disability Retirement Benefit is 50% of the Full Disability Retirement Benefit and the maximum is 100% of the Full Disability Retirement Benefit.

The Board of Trustees may, from time to time, require satisfactory evidence of continued disability, and if a Participant's disability ceases, the Disability Retirement Benefits shall be terminated. A Participant is required to notify the TFO if they are no longer disabled or if they return to any type of gainful employment. A Participant may be required to repay the Plan for any benefits received during a period when they were not totally and permanently disabled.

EXAMPLE: PARTIAL DISABILITY RETIREMENT BENEFIT

A Participant with 17.44 Vesting Credits would be entitled to 70% of their full Pension ($17.44 \times 4\% = 70\%$).

A Participant with 25 Vesting Credits would be entitled to 100% of their full Pension ($25 \times 4\% = 100\%$).

CONVERSION OF PARTIAL DISABILITY TO FULL DISABILITY RETIREMENT

If at any time within 24 months of the date of the Partial Disability Retirement, a Participant obtains a Total and Permanent Disability Award from the Social Security Administration, the Participant may apply for conversion from Partial Disability Retirement Benefits to Full Disability Retirement Benefits providing that:

- a. Evidence of the Total and Permanent Disability Award must contain a finding that the onset of the total and permanent disability arose during the 24-month period prior to the Date of Retirement; **and**
- b. Such evidence of a Total and Permanent Disability Award issued by the Social Security Administration must be submitted to the TFO no later than 60 days following the end of the 24-month period following the Date of Retirement.

If a conversion to Full Disability Retirement Benefits is granted, the effective date will be the first of the month following receipt by the TFO of the evidence that qualifies for the conversion.

4. **Special Disability – Terminal Medical Condition.**

A Participant may qualify to receive a single lump sum benefit, equal to the sum of the contributions made on behalf of the Participant by Contributing Employers in Covered Employment if the Participant is not vested in the Plan, not eligible for any other benefit from the Plan, and meets all of the following requirements:

- a. The Participant is disabled for at least six months and has obtained a SSDA issued by the Social Security Administration; **and**
- b. The Participant is under Age 55, has a medical report in a form acceptable to the Trustees stating that the disability is a terminal condition, and the Participant is not anticipated to live to Age 55. The Board of Trustees may obtain their own Independent Medical Opinion and is not required to follow the opinion of the Participant's medical report; **and**
- c. The Participant files a timely and complete Application with the TFO.

If a Participant receives this benefit, the following rules apply:

- a. All of the Participant's Benefit Credits and Vesting Credits are forfeited; **and**
- b. No death benefit will be payable under the Plan for the Benefit Credits earned prior to the distribution under this section; **and**
- c. The Joint and Survivor Benefit options summarized on pages 18-19 do not apply.

5. **Service Unreduced Early Retirement**

A Participant who meets **all** of the following requirements will be entitled to a monthly Retirement Benefit that is equal to the amount the Participant would receive at Normal Retirement Age.

- a. The Participant has earned 25 Benefit Credits under this Plan, none of which have been forfeited due to a PBIS; **and**
- b. The Participant has 25 years of participation in the Plan. For purposes of this section, 25 years of participation means that 25 calendar years must have elapsed from the time Benefit Credits were first earned in this Plan as a member of UA Local 342 or UA Local

444 without a PBIS. The Participant must not have transferred out of UA Local 342 and must be employed by a Contributing Employer (dispatched out of UA Local 342) and/or remain on UA Local 342's Out-of-Work List (or be disabled as evidenced by submission of Plan accepted proof) for the 18-month period immediately preceding the Participant's Date of Retirement; **and**

- c. The Participant has attained Age 55 or thereafter; **and**
- d. The Participant has terminated employment in the Pipe Trades Industry; **and**
- e. The Participant has not had a loss of UA Local 342 Membership (as determined by the bargaining parties and/or pursuant to the union bylaws) until the Participant's Date of Retirement:
 - i. If a Participant has a loss of UA Local 342 Membership of less than five months, it shall not be considered in determining a Participant's eligibility for a Service Unreduced Early Retirement.
 - ii. If a Participant has a loss of UA Local 342 Membership of five or more months, eligibility for a Service Unreduced Early Retirement will be delayed by the aggregate number of months of loss of UA Local 342 Membership of five months, up to a combined maximum of 60 months.
 - iii. If a Participant, with a loss of UA Local 342 Membership, reinitiates or transfers back into UA Local 342, and then accrues 25 or more years of Participation in the Plan following the date of reinitiation or transfer back into UA Local 342, then the loss in UA Local 342

Membership, prior to the Participant's reinitiation or transfer back into UA Local 342, shall not affect the Participant's eligibility for a Service Unreduced Early Retirement.

EXAMPLE: YEARS OF PARTICIPATION

If a Participant worked 300 hours in Covered Employment beginning in May 2000 and then accrued 25 Benefit Credits (that have not been forfeited due to a PBIS), the 25th year of participation would be in May 2025. Therefore, the Participant may be eligible for Service Unreduced Early Retirement effective May 1, 2025, provided there have been no delays due to a loss of membership.

6. Postponement of Retirement.

A Participant may work beyond Normal Retirement Age and earn additional benefits in the same manner as benefits are earned prior to reaching Age 65. If not working, a Participant has the right to defer receiving a Retirement Benefit until reaching the required beginning date otherwise known as the Required Minimum Distribution ("RMD") Age in the IRC.

If a Participant should terminate Employment in the Pipe Trades Industry but chooses to delay retirement until after Normal Retirement Age, the Participant will be entitled to a Retirement Benefit that is actuarially increased. Based on the table provided by the Plan's actuary, the Participant's monthly benefit will be actuarially increased to account for each month after Age 65 and the actual Date of Retirement, assuming the Participant was not working during that time.

IX. FORMS OF BENEFIT PAYMENTS

A. MARRIED PARTICIPANTS / REGISTERED DOMESTIC PARTNER – JOINT AND SURVIVOR ANNUITY

Spouse and registered Domestic Partner shall be used interchangeably as the Spouse throughout this booklet.

1. Joint and Survivor Annuity.

If a Participant is married or has a Domestic Partner that is registered with the state or a municipality Domestic Partner Registry, the Plan's normal form of benefit is a 50% Joint and Survivor Annuity, unless the Participant and Spouse reject in writing that form of payment in favor of a different benefit option. Under the 50% Joint and Survivor Annuity, the monthly Retirement Benefit is reduced for the Participant's lifetime in return for providing a lifetime Retirement Benefit for the Surviving Spouse equal to 50% of the monthly Retirement Benefit the Participant was receiving.

Under the Joint and Survivor Annuity, the Plan will be providing Retirement Benefits for the lives of two people. As a result, there is a reduction in the monthly Retirement Benefit that would be payable for the life of the Participant only.

The amount of a Participant's 50% Joint and Survivor Benefit is actuarially reduced based on the average life expectancy of the Participant and Spouse at the time of the Participant's retirement.

Under the Plan's procedures, the Plan rounds the Participant's age and that of the Spouse at the time of the Participant's Retirement to the nearest age. For example, if a Participant is Age 60 and 5 months on the Date of Retirement, the Participant is considered Age 60. If a Participant is Age 60 and 7

months on the Date of Retirement, the Participant is considered Age 61. The same rule applies to the Participant's Spouse.

EXAMPLE: SAMPLE BENEFIT CALCULATION

The Participant is retiring at Age 65 under a Normal Retirement Benefit in the amount of \$3,000 per month. If the Participant is married and the Spouse is 57 on the Date of Retirement, the Participant's Normal Retirement Benefit would be calculated as follows:

50% Joint and Survivor Benefit
 Benefit Percentage = 89.1% (Based on Age Factors)
 $\$3,000 \times 89.1\% = \$2,673.00$

As a result, the Participant will receive a 50% Joint and Survivor Benefit in the amount of \$2,673.00. If the Participant predeceases the Spouse, the Surviving Spouse's lifetime benefit would be 50% of the Retirement Benefit, or \$1,336.50 per month.

A Participant and Spouse may also elect a Joint and Survivor Annuity equal to 75% or 100% of the Joint Benefit. The amount of the Joint and Survivor Benefit is also actuarially reduced based on the average life expectancy of the Participant and Spouse at the time of the Participant's Retirement.

2. Spousal / Domestic Partner Waiver / Beneficiary Designation.

If a Participant is married or has a Domestic Partner that is registered with the state or a municipality Domestic Partner Registry, the Spouse must provide written consent before a Notary Public on a Plan approved Consent Form on the benefit option the Participant elects, unless a Joint and Survivor benefit is chosen.

A Participant who has a Spouse is not permitted to designate a Beneficiary other than their lawful Spouse without the Spouse's written consent before a Notary Public on the Consent Form provided by the TFO.

If a Spouse consents to an Alternate Beneficiary and a Joint and Survivor Annuity has been elected, the amount of the Joint and Survivor Benefit will be actuarially reduced based on the average life expectancy of the Participant and Alternate Beneficiary at the time of the Participant's Retirement.

3. No Spousal / Domestic Partner Consent Required if Legally Separated.

It is not necessary for a Participant to obtain written consent if the Participant and Spouse are legally separated as evidenced by a Court Order, unless the Court Order or written agreement provides otherwise.

The term married as used throughout the Plan Document and/or this SPD does not apply if a Participant and the Spouse are legally separated as evidenced by a Court Order.

4. Explanation Given to Participant / Election Period.

The Plan will provide the Participant with a written explanation of the Joint and Survivor Annuity options. To comply with the federal requirement that the Plan provide information to the Participant and the Spouse during the 90-day period before payments are to commence, a completed application for payment of benefits should be submitted to the TFO at least **60** days prior to the anticipated Date of Retirement.

B. IMPORTANT FACTS ABOUT THE JOINT AND SURVIVOR ANNUITY

1. Explanation for Decreased Benefit.

Because the benefits under the Joint and Survivor Annuity Option are payable for two lifetimes, the amount of the benefit will be reduced. If the Spouse/Beneficiary is much younger than the Participant, the reduction will be greater to reflect the longer life expectancy of the Spouse/Beneficiary.

2. **Irrevocable Once Payments Commence / One Time Exception.**

If a Joint and Survivor Annuity is elected, this election may not be withdrawn or changed after the first Retirement Benefit payment is negotiated.

A Retired Participant may not change their Beneficiary after the later of:

- a. The annuity commencement date; **or**
- b. The negotiation of the first payment.

However, a Participant who has retired and elected any form of the Joint and Survivor Retirement Benefit with the Spouse as the designated Beneficiary who is later divorced from that Spouse, may make a one-time change of their designated Beneficiary to receive the Survivor Benefit under the following conditions:

- a. The Spouse who was named as the original Beneficiary must consent in writing before a Notary Public to such a change in Beneficiary. The Participant and the new designated Beneficiary must also agree in writing to notify the TFO immediately if the former Spouse (original Beneficiary) pre-deceases the Participant or the new Beneficiary.
- b. The amount payable to the new Beneficiary will **not** be actuarially adjusted to account for the age of the new Beneficiary and will be the same amount that would have been paid to the Spouse originally designated as the Beneficiary. Benefits paid to the new Beneficiary would be as follows:
 - i. If the Participant pre-deceases the former Spouse originally designated as the Beneficiary, the amount payable to the new Beneficiary will continue until the earlier of: (a) the death of the new Beneficiary; or (b) the death of the former Spouse originally named as Beneficiary.

Upon termination of this Survivor Benefit, benefits would be exhausted, and no additional benefits would be payable; **or**

- ii. If the former Spouse originally designated as the Beneficiary pre-deceases the Participant, no Survivor Benefits would be payable to the new Beneficiary. In this situation, pursuant to Plan rules, the Participant's monthly Retirement Benefit will "pop-up" to what it would have been had the Participant elected the Single Life Annuity 60 Month Guarantee.

3. **Use of Trust Fund Forms.**

An election or revocation of a Spousal Benefit must be: (a) Made (or revoked) prior to the Annuity Starting Date; **and** (b) Made on forms furnished by the TFO; **and** (c) Filed with the TFO.

4. **Subsequent Divorce / No Revocation of Joint and Survivor Benefit Option.**

Once a recipient is in pay status, a Joint and Survivor Benefit Option may not be revoked because of a subsequent divorce. The Retirement Benefit will not be increased to the level it would have been had this option not been elected. Subsequently, if a Participant remarries, the Participant may not transfer the Survivor Benefits to a new Spouse, except in limited situations as described above.

5. **Reliance on Statements Regarding Marital Status to Recover Funds.**

Before the Annuity Starting Date, a Participant must file a notarized Marital Status Affidavit ("MSA"), which is a written representation of the Participant's marital status on which the Plan will rely. The Participant must also submit all Divorce Documents, including any Marital Settlement Agreement(s), and/or Qualified Domestic Relations Order(s) ("QDRO"). If information provided on the MSA is false or a Participant has failed to submit any Court Orders or QDRO's, the Board has

the discretionary right to adjust the dollar amount of the Participant's Retirement Benefit to recover any benefits which may have been paid to the Participant in error.

6. **Former Spouse's Rights under a QDRO.**

The rights of a former Spouse, or other individual, to any share of a Participant's Retirement Benefit, as set forth under a QDRO, shall take precedence over any claims of the Participant's Spouse at the time of retirement or death.

C. NORMAL FORM OF BENEFIT – SINGLE PARTICIPANT

The normal form of benefit for an unmarried Participant is a Single Life Annuity. A Single Life Annuity is payable for the life of the Participant only. However, if a Participant passes away before receiving 60 monthly payments, Retirement Benefits shall be continued until a combined total of 60 monthly payments have been made to the Participant and the designated Beneficiary. If the Participant has no designated Beneficiary, or if no Beneficiary survived the Participant, payment will be issued according to Plan rules.

D. BENEFIT OPTIONS

Benefits under the Plan provide monthly income for a Participant's lifetime. Under some benefit options, benefits may continue to be paid to the designated Beneficiary after the Participant's death. The Retirement Benefit earned, either the full Benefit or the Early Reduced Retirement Benefit, may be reduced under the different forms of payment. The reductions are actuarially based on the average life expectancy of those eligible for the benefit. If unmarried, a Participant may elect any type of benefit permitted under the Plan and designate any Beneficiary.

PAYMENT OPTIONS CANNOT BE CHANGED ONCE PAYMENTS COMMENCE.

1. **Single Life Annuity, 60 Month Guarantee.**

This form of benefit is a Single Life Annuity. Benefits are paid for the

Participant's lifetime. However, if a Participant passes away before receiving 60 monthly payments, payments shall be continued until a combined total of 60 monthly payments have been made to the Participant and the designated Beneficiary.

2. **Single Life Annuity, 120 Month Guarantee.**

This form of benefit is a Single Life Annuity. Benefits are paid for the Participant's lifetime. However, if a Participant passes away before receiving 120 monthly payments, payments shall be continued until a combined total of 120 monthly payments have been made to the Participant and the designated Beneficiary. ***This benefit option is not available for a Participant retiring under any type of Disability Retirement or those who wish to apply for a conversion to a Disability Retirement.***

3. **Optional Joint and Survivor Annuities / Percentage Factors Used to Calculate Benefits.**

The Participant may designate their Spouse / Beneficiary to receive a monthly survivor benefit equal to 50%, 75%, or 100% of the benefits payable to the Participant, if the Participant's Spouse / Beneficiary survives the Participant.

Under the Joint and Survivor Annuity options, the Participant's monthly Retirement Benefit is reduced for the Participant's lifetime in return for providing a lifetime Retirement Benefit for the Participant's Spouse / Beneficiary equal to either 50%, 75%, or 100% of the monthly Retirement Benefit that the Participant was eligible to receive. The amount of a Participant's monthly Retirement Benefit will vary depending upon the Joint and Survivor option elected. The amount of the reduction for the 50%, 75%, or 100% Joint and Survivor Benefit is actuarially calculated based on the life expectancy of the ages of the Participant and the Participant's Spouse/Beneficiary.

Once a Retirement Benefit is paid in the form of a Joint and Survivor Annuity, if the Participant subsequently divorces or separates from a Spouse, the reduced amount a Participant receives will not be increased to the Single Life Annuity 60 Month Guarantee. The Participant's Retirement Benefit will remain at the reduced amount permanently. Should a Participant pre-decease their former Spouse, the Participant's former Spouse is still considered the Surviving Spouse Beneficiary and may continue to receive Survivor Benefits under the Joint and Survivor Annuity unless a QDRO states otherwise.

4. **Contingent Beneficiary Options.**

A Participant may designate someone other than their Spouse as the Beneficiary to receive a 50%, 75%, or 100% Survivor Annuity. If a Participant is married, the Participant's Spouse must provide written consent before a Notary Public on a Plan approved Form for designation of another Beneficiary.

If a Participant passes away after Retirement Benefits begin being paid, any remaining payments will be payable to the designated Beneficiary, or if no Beneficiary survived the Participant, payment will be issued according to Plan rules.

5. **Pop-Up Option.**

If a 50%, 75%, or 100% Joint and Survivor Annuity is elected and the Beneficiary pre-deceases the Participant, the monthly benefit will "pop-up" to the monthly amount of the Single Life Annuity 60 Month Guarantee. This benefit is guaranteed for the same 60-month period from the Participant's Date of Retirement.

The pop-up benefit is effective for any Participant whose Beneficiary pre-deceased the Participant; however, there is no retroactive benefit increase. Payments will be effective the first of the month following the date that the Plan is

notified of the Beneficiary's death. The Plan requires receipt of the Beneficiary's Death Certificate in order to "pop-up" the Participant's monthly Retirement Benefit.

E. ONE MONTH DEATH BENEFIT PAYMENT TO SURVIVING SPOUSE UPON PARTICIPANT'S DEATH IN LIMITED SITUATIONS

For any form of benefit other than a Joint and Survivor benefit elected by a married Participant and the monthly guaranteed timeframe is exhausted, the Plan provides that one Retirement Benefit payment equal to the Participant's Retirement Benefit amount will be paid to the Surviving Spouse, providing that the Surviving Spouse was married to the Participant on the Date of Retirement and the Surviving Spouse was still legally married to the Participant on the date of death.

F. DISCRETIONARY ADDITIONAL PAYMENTS / COLA

The Board of Trustees may issue an Additional Payment(s) or Cost of Living Adjustment ("COLA") if deemed prudent for a period without the necessity of a formal Plan amendment. Any such payment is at the absolute discretion of the Board of Trustees and is dependent upon the availability of funds. Additional Payments are not a vested benefit and are not guaranteed. The dollar amounts of any Additional Payments may vary.

G. INTEREST ON CERTAIN DELAYED PAYMENTS

Pursuant to IRS guidelines and only to the extent required by the IRS, the Plan will pay non-compounded interest on certain delayed Retirement Benefit payments. The Plan uses the One-Year US Treasury Rate as of the first business day in December each year for the following twelve months. The Plan rounds to the nearest 25 basis point rate. The rate may vary during different periods. The Board of Trustees has the absolute discretion to determine whether a retroactive payment is being made and whether the Plan is legally required to pay interest on such payments.

H. PAYMENTS TO A MINOR

Any death benefit payable to a minor under Age 18 may be paid to the legally appointed guardian of the minor or, if there is no guardian, to such adult(s) that has, in the discretion of Plan representatives, assumed principal support of said minor. The Plan may also decide to distribute benefits to a minor, depending on the circumstances. The Plan may require that a Uniform Transfers to Minors Act ("UTMA") Bank Account be established in order to protect the rights of the minor. The Board, and its delegates, have absolute discretion in making such determinations and may delay making a payment until the Beneficiary attains Age 18.

I. SURVIVOR BENEFITS UNDER QUALIFIED MILITARY SERVICE

If a Participant passes away while performing qualified military service as defined by the IRC, the Plan will make available to the Beneficiary any additional benefits that would have been provided under the Plan had the Participant resumed employment and then terminated employment on the account of death.

Pursuant to Internal Revenue Service ("IRS") guidelines, this provision applies only to Participants who would have been entitled to reemployment rights under USERRA if they had applied for such rights immediately before their death. To the extent applicable for this Plan, any benefits that would otherwise be provided to such Participant if they had passed while employed would apply. This provision does not require that contributions be imputed or otherwise be made for the period of qualified military services for purposes of determining benefits payable under the Plan.

X. RETURNING TO WORK IN THE PIPE TRADES INDUSTRY- SUSPENSION OF RETIREMENT BENEFITS

SUMMARY OF RULES FOR RETURNING TO WORK AFTER RETIREMENT

All Retired Participants ("Retirees") are PROHIBITED from working in most positions within the Pipe Trades Industry; AND MUST immediately provide written notice to the TFO prior to commencing any type of work.

If a Participant is receiving a monthly Retirement Benefit from the Northern California Pipe Trades Pension Plan and **returns to Prohibited Employment in the Pipe Trades Industry in the United States or Canada, Retirement Benefits will be suspended** in accordance with the Plan Document under the rules summarized below.

Retirement Benefits will also be suspended if a Retiree that has attained Normal Retirement Age (Age 65), but prior to April 1st of the year following the year they attain Age 70.5, works in the Pipe Trades Industry in the State of California for 40 hours or more per month, subject to some limited exceptions.

WARNING

If a Retiree under Age 65 returns to work in Prohibited Employment, Retirement Benefits will be suspended and will not be resumed until at least Normal Retirement Age as defined below.

A. PROHIBITED EMPLOYMENT

1. No Industry Work Prior to Age 65.

Retirees under Age 65 returning to **any** work in the Pipe Trades Industry in the United States or Canada will have their Retirement Benefits suspended, **unless**

the work qualifies under some limited exceptions.

The term "Pipe Trades Industry" includes all work, public or private, covered, or if not actually covered, of the type covered by any CBA of the UA or any Local Union of the UA, as well as any other type of work performed for any business engaged in the Pipe Trades Industry. The Pipe Trades Industry encompasses all plumbing and pipefitting work.

Such work, which is also known as "Prohibited Employment," includes without limitation any of the following:

- Work in employment of the type performed by Participants covered by the Plan, known as Covered Employment;
- Work which requires directly or indirectly the use of the same skills used by Participants covered by the Plan;
- Work in employment for compensation or wages of any kind or for profit in the Pipe Trades Industry;
- Work for profit as an owner or partner in any business directly or indirectly connected with the Pipe Trades Industry; **or**
- Work supervising other employees, except as permitted outside of the CBA, in the same trade or craft, or directly or indirectly use the same skills as Participants covered by the Plan.

"Prohibited Employment" is interpreted in the broadest manner. "Hours" includes all hours for which compensation is paid or payable. Prohibited Employment includes work in which a salary is paid (including hourly, daily, weekly, bi-weekly, bi-monthly, monthly, annually, or any other rate), for which one might be considered an "Independent Contractor," work for which one will be entitled to receive deferred Retirement Benefits, or work in which one might be due or

actually receive anything of value in exchange for the services rendered.

2. **Limited Work Allowed After Age 65 (prior to April 1st of the year following the year Age 70.5 attained).**

Work in California.

After a Retiree's Normal Retirement Date (the first of the month after attainment of Age 65), Retirement Benefits will be suspended if work is performed in the Pipe Trades Industry in the State of California **for 40 hours or more** per month as follows, subject to some limitations:

- The type of work performed by Participants covered by the Plan; **or**
- Work which requires directly or indirectly the use of the same skills used by Participants covered by the Plan; **or**
- Any supervision of employees in the same trade or craft, or directly or indirectly using the same skills as Participants covered by the Plan. This includes, without limitation, self-employment, salaried, hourly, and independent contract employment.

Work Outside California.

Upon the attainment of Age 65, there is no limit on the number of hours a Retiree may work outside the State of California.

3. **Exceptions to Industry Service Definition.**

The Board of Trustees has total and absolute discretion to determine whether a Retiree's anticipated or actual employment is Prohibited Employment. The Board of Trustees has delegated these determinations to UA Local 342. A written request for approval **prior** to commencing any work is required. Upon review, written notification of the determination will be provided to the Retiree.

Exceptions to Industry Service are defined as:

- Work in the Pipe Trades Industry for the Government of the United States, the State of California, a political subdivision of the State of California, a County, City, or other government agency; **or**
- Work which is not covered by any CBA of the UA or any Local Union of the UA; **or**
- Employment that does not directly or indirectly replace the employment of a bargaining unit Participant; **or**
- Employment that will not impinge upon the jurisdictional claims of UA Local 342.

CONTINUED PROOF MAY BE REQUESTED

Initial and continuing qualification of such employment as Non-Prohibited Employment are determined solely by the Board of Trustees or its delegates and continued proof that such employment meets the criteria may be required at any time. Failure to provide requested information regarding continued employment or any other matter is grounds for suspension of your Retirement Benefits.

Presumption Regarding No Disability.

If a Retiree who retired under a Disability Retirement should return to work in the Pipe Trades Industry, the Plan will assume the Retiree is no longer eligible to receive a Disability Retirement Benefit. However, in rare situations, for good cause, an exception may apply.

Temporary Return to Work Program (Full Employment / Special Needs – Disabled Retirees NOT Eligible)

When there is Full Employment, or Full Employment in certain designated positions and the Board of Trustees establishes a Temporary Retiree Return to Work Program, Retirees who are **disabled** are **not eligible** to return to work, even if the Retiree did not retire under a Disability Retirement. **The Board of Trustees has discretion regarding the duration of any Temporary Retiree Return to Work Program for Non-Disabled Retirees.**

B. WRITTEN REQUEST FOR DETERMINATION

Prior to commencing any Work After Retirement, a Retiree **must** request a determination from the Board of Trustees on whether such contemplated Work After Retirement is prohibited under the Plan, by submitting a written request to the TFO. The written request must be submitted with a letter from the anticipated Employer outlining the job title and specific job duties. The TFO will notify the Retiree of the Board's determination within a reasonable time, not to exceed 90 days, unless the Board has not been provided with sufficient information to make such a determination or unless special circumstances exist.

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

C. PLAN PRESUMPTIONS ALLOWED BY DOL REGULATIONS

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

Furthermore, if any Plan Representative learns that a Retiree has performed or is performing such work at a construction site, the Plan will act on a **rebuttable presumption** that the Retiree's employment was at that job site with the same employer for at least as long as that employer has worked at the job site, and is the time for which the Retiree has violated Plan provisions. However, the Retiree shall have the opportunity to prove that these presumptions are not true by establishing that the work being performed was not or is not an appropriate basis for suspension of Retirement Benefits. The Board of Trustees or its delegate is the only entity that can make this determination.

D. ACCESS TO INFORMATION

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

Any request from the Plan for information from the Retiree’s employer, contractor, subcontractor, union, government agency, or any other person or entity relating to any Work After Retirement shall be provided timely.

E. NOTICES / DOL REGULATIONS / APPEALS

If Retirement Benefits are suspended, the Plan will notify the Retiree by First Class Mail during the first calendar month in which payments are suspended. The notice will include the reason for the suspension and a general description of the Plan’s Benefit Suspension provisions, including a description of the specific periods of employment and the Plan’s Claims and Appeals Procedures. Plan rules state that if a Retiree is eligible for Retiree Health and Welfare Benefits, and Retirement Benefits are suspended due to Prohibited Employment, Retiree Health and Welfare Benefits will be suspended indefinitely.

In addition, failure to comply with all Plan rules, including notifying the TFO of employment or obtaining approval from the Board of Trustees **prior** to commencing any Work After Retirement, **may result in the irrevocable loss of the Participant’s rights to Retiree Health and Welfare Benefits.**

<p>RETIREE HEALTH AND WELFARE BENEFITS</p> <p>If the Retirement Benefit is suspended more than once due to returning to Prohibited Employment, the Retiree will PERMANENTLY lose rights to Retiree Health and Welfare Benefits. Refer to the Health and Welfare SPD and Plan Document.</p>
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The applicable DOL regulation allowing the suspension of Retirement Benefits may be found in the Code of Federal Regulations. A copy of that regulation (29 C.F.R § 2530.203-3) is available from the TFO upon written request.

Any decision of the Plan to suspend Retirement Benefits is entitled to a review by submitting a written request to the Plan within 60 days of the date of the Notice of Suspension. The Plan’s Claims and Appeals Procedures apply to a suspension of Retirement Benefits.

If monthly Retirement Benefits have been suspended, the Retiree should notify the Plan when the Prohibited Employment has ended. The Trustees have the right to withhold Benefit payments until such notice is received by the TFO and Plan Representatives determine that the notice is accurate.

Those who retire prior to Age 65 and return to Prohibited Employment resulting in a Suspension of Retirement Benefits, are required to reapply for Retirement Benefits and may not do so until Normal Retirement Age, except for:

- Retirees who qualify for Disability Retirement after returning to Industry Service; **or**
- Retirees who retired on a Disability Retirement who return to Industry Service after recovering from the disability and subsequently qualify for Disability Retirement; **or**
- Non-Disabled Retirees who are approved by the Board of Trustees or its delegates to temporarily return to work under a Temporary Retiree Return to Work Program during temporary shortages of available, qualified individuals for work in the trade. Refer to the Temporary Waivers of Suspension section.

F. PAYMENT RESUMPTION / OFFSET AMOUNTS OWED TO PLAN

If a Retiree is working in Prohibited Employment and has attained Normal Retirement Age, the Retirement Benefits will be suspended for a

period equal to the number of months during which Prohibited Employment was performed. However, should the Retiree stop working and want to resume commencement of Retirement Benefits, timely notification (within 15 days) must be submitted in writing to the TFO certifying that the Retiree is no longer working. Failure to give such notice and certification will delay the payment resumption of Retirement Benefits. Once the TFO is notified in writing and furnished the required certification or information of non-employment or sufficient information to establish that any employment does not constitute Prohibited Employment under the Plan rules, suspended Benefits will resume after the last month for which Benefits were suspended, or the month following receipt of the notice, whichever is later, subject to any permissible offsets.

If the Plan paid any Retirement Benefits for any month in which Prohibited Employment was performed, the Plan may reduce future Retirement Benefits by 25% of future monthly payments until the full amount of the overpayment is recovered. Any overpayments not recovered at the time of death may be offset against any death benefits or survivor benefits that may be payable to culpable individuals. Culpable individuals are those who are responsible, such as through misrepresentation or omission or know about a Prohibited Employment but did not notify the TFO in advance.

<p>WARNING – IGNORANCE IS NOT A DEFENSE The DOL regulations allow the offset of Benefits owed to the Plan, regardless of whether or not the Retiree knew of their entitlement to the payments or lack thereof.</p>

G. TEMPORARY WAIVERS OF SUSPENSION

The Board of Trustees may periodically approve Work After Retirement in Covered Employment to meet temporary shortages of available, qualified individuals for work in the trade, for work requiring special individual skills, or for work for Signatory Employers that may be covered by the CBA. This practice may allow

those who are not disabled and have already retired to be able to return to work to meet these special needs. The Board of Trustees reserves the right to rescind or modify this provision at any time. All waivers are temporary and subject to modification and/or termination at any time.

Return to Covered Employment After Retiring.

If a Retiree returns to approved Covered Employment under a Temporary Retiree Return to Work Program, additional Benefit Credits may be earned at the applicable rate. The amount of the Retirement Benefit previously earned will not be changed. Any additional Benefit Credits will be recalculated at the time of termination of employment. If a Retiree earns additional Benefit Credits after April 1st of the year following the year Age 70.5 is attained, those additional Benefit Credits will be recalculated annually as required by law.

XI. IRS RULES FOR PENSION PAYMENTS

A. REQUIRED DISTRIBUTIONS AT RMD AGE, BASED ON IRS RULES

Pursuant to federal law, a Participant is required to commence receiving their Retirement Benefit at a specified age, known as the RMD. Congress has determined the RMD depending on the Participant's date of birth. For individuals who have already met an earlier RMD date, the prior RMD rules apply (Age 70.5 or Age 72). If a Participant is already taking their RMD, the RMD cannot be stopped. Below are the relevant Plan RMD rule changes established by Congress:

1. AGE 72 RMD.

For a Participant who reached Age 70.5 after December 31, 2019, and Age 72 before January 1, 2023, payments shall be made or commence no later than April 1st of the calendar year following the later of:

- a. The calendar year in which the Participant reaches Age 72; **or**
- b. The calendar year in which the Participant retires (ceases work). However, the RMD Age

for a five percent owner is Age 72, even if still working.

2. AGE 73 RMD.

For a Participant who reaches Age 72 after December 31, 2022, and Age 73 before January 1, 2033, payments shall be made or commence no later than April 1st of the calendar year following the later of:

- a. The calendar year in which the Participant reaches Age 73; **or**
- b. The calendar year in which the Participant retires (ceases work). However, the RMD Age for a five percent owner is Age 73, even if still working.

3. AGE 75 RMD.

For a Participant who reaches Age 74 after December 31, 2032, payments shall be made or commence no later than April 1st of the calendar year following the later of:

- a. The calendar year in which the Participant reaches Age 75; **or**
- b. The calendar year in which the Participant retires (ceases work). However, the RMD Age for a five percent owner is Age 75, even if still working.

Any Participant, including a five percent owner, who has attained their RMD Age and is already receiving distributions, would continue to be required to take distributions under the prior RMD rules.

Payments made pursuant to the rules above must be payable over a period certain not to exceed the life or life expectancy of the Participant or joint life or life expectancy of the Participant and their designated Beneficiary. All payments made pursuant to this section will meet the requirements of Treasury regulation 1.401(a)(9)-2 through 1.401(a)(9)-(9), including the incidental benefit requirements of section 401(a)(9)(G) of the IRC.

Until and unless government regulations state otherwise, if the Participant commences retirement after April 1st of the calendar year

following the year in which the Participant reaches the RMD Ages listed in Sections 1, 2, and 3 above, the Participant's accrued benefit shall be actuarially increased to account for the period after Age 70.5 in which the Participant was not receiving any benefits under the Plan. Such actuarial increase shall be calculated in accordance with IRC section 401(a)(9)(C) and regulations issued thereunder. The Participant's right to distributions on April 1st of the calendar year following the year in which Age 70.5 is reached shall be preserved under any circumstances. Benefits shall be paid in accordance with the minimum distribution requirements of IRC section 401(a)(9) and applicable regulations.

Upon attainment of the RMD Age, the Plan must, if the Participant is receiving periodic or specified monthly payments, ensure that the payments are paid over a period that does not exceed the Participant's life expectancy or the joint life expectancy of the Participant and a designated Beneficiary. Not taking the RMD will result in a significant penalty. To comply with IRS requirements, the Plan has the right to commence Retirement Benefit payments to the Participant even if the Participant fails to file a Retirement Application.

Federal income tax withholding of 10% on lump sum RMD payments will apply, unless the Participant elects a different withholding percentage. Certain states may also require tax withholding. The Participant will owe income tax on the payments. RMD portions of Retirement Benefits cannot be rolled into an Individual Retirement Account or other qualified retirement plan. Refer to page 32 of this booklet for more information.

All RMDs shall be made in accordance with Treasury Regulations under IRC § 401(a)(9), including Treasury Regulation section 1.401(a)(9)-2 through 1.401(a)(9)-(9), and any incidental benefit requirements of section 401(a)(9)(G) of the IRC.

POTENTIAL LARGE IRS PENALTY - RMD

The IRS will assess a severe penalty against the Participant if Retirement Benefit payments do not commence by April 1st of the year following the date the Participant attains RMD Age.

B. RIGHTS OF FORMER SPOUSE

If a Participant is separated or divorced, the former Spouse may be entitled to a portion or the entire Retirement Benefit of the Participant. The Plan is required by federal law to comply with a court order that awards a portion or all of the Retirement Benefits to a former Spouse(s), child, or other Alternate Payee ("AP") if the order qualifies as a QDRO as defined by ERISA.

A QDRO is an order that creates or recognizes the existence of a former Spouse's or child's (or other AP's) right to receive all or a portion of the Participant's Retirement Benefits.

To qualify as a QDRO, the order must direct the Plan to pay benefits directly to a former Spouse, child, or other AP now or in the future. Such benefits must be of a retirement type and benefit option provided under the Plan and may not exceed the benefits to which the Participant would be entitled to receive under the Plan.

Early age reduction factors will apply to the AP's Retirement Benefit (resulting in a Benefit reduction), based on the Participant's age, if:

- The AP chooses to commence receiving benefits before the Participant retires, unless the Participant has attained at least Age 65; **or**
- The AP chooses to commence receiving benefits at the same time as the Participant and the Participant is not eligible for an unreduced Retirement Benefit.

The Participant, Spouse, former Spouse, or court agency seeking child support payments may request the Plan's Procedures for handling QDROs, which includes a sample order containing language acceptable to the Plan. A Participant or any other party (or their Legal

Counsel) should submit a proposed QDRO to the Plan's Legal Counsel **prior to submission to the court**. The Plan's Legal Counsel will then provide notice of any required changes.

PENDING DIVORCE ACTIONS MAY DELAY COMMENCEMENT OF RETIREMENT BENEFITS

Unresolved disputes regarding a divorce may delay processing and payment of Retirement Benefits.

If the Plan is notified of a pending divorce action or receives a court pleading known as a "Joinder Request" or a similar document, the Plan has the discretion to delay paying Plan Benefits for a reasonable period to allow time for the parties to prepare a QDRO, even if a Retirement Application is on file. If it appears that a former spouse or other AP is seeking only a portion of the Participant's Retirement Benefit, the Plan may, at its discretion, distribute to the Participant the portion of their Retirement Benefit that is not addressed by the pending QDRO. Moreover, if a former spouse or other AP fails to pursue a QDRO in a timely manner, the Plan may proceed with commencement of the Retirement Benefit.

C. NO ASSIGNMENTS (WITH MINIMAL EXCEPTIONS, SUCH AS AN IRS LIEN, LEVY, AND / OR QDRO)

The intent of the Board of Trustees is for the Plan to pay benefits only to the Participant or designated Beneficiaries. As a result, and pursuant to IRC requirements, a Participant may not borrow against or otherwise pledge any part of their Retirement Benefit as security or collateral for a loan or otherwise transfer rights of the benefit. The Retirement Benefit is also exempt from claims of creditors, such as garnishments or executions, except for certain divorce and child support orders as set forth in Section B above, certain IRS liens or levies, and as may be required by applicable law.

D. OVERPAYMENTS RECOVERABLE BY THE PLAN

A Participant or Beneficiary is entitled only to the amount and form of benefits described in the Plan Document, as amended periodically. **If a Participant is receiving an improper benefit amount from the Plan and becomes aware of this, the Plan requires that the Participant immediately notify the TFO of the overpayment.**

The Plan follows the provisions relating to overpayments in the SECURE Act 2.0. Upon discovery that an overpayment has occurred, the Board of Trustees (and/or its authorized delegate) will exercise discretion as to whether or not the Plan will seek recovery of all or part of the inadvertent overpayment. The Plan will correct any monthly Retirement Benefit payments going forward.

In deciding whether to pursue an inadvertent overpayment, the Board of Trustees will follow applicable law.

Amounts Owed to Related Plans.

The TFO is delegated the responsibility of implementing the action of related Trust Funds, such as the NCPT Health and Welfare Plan, or this Plan, to address situations where a Participant (and/or the Participant's improperly designated Beneficiary) owes money to a related Plan or this Plan. The TFO may postpone processing a Retirement Application of a Participant, Beneficiary, or AP, and/or payment of any form or amount of benefit to any such person who owes money to this Plan or to a related Plan (including, but not limited to, the NCPT Health and Welfare Plan and/or the NCPT Supplemental 401(k) Retirement Plan). In addition, subject to the Participant's approval, the TFO has the authority to deduct amounts from the monthly Retirement Benefits, or partial or total lump sum payment, or any death benefit that may be payable to a Participant, Beneficiary, or AP to repay this Plan (or any related Plan as referenced above), for any amounts owed by the Participant, Beneficiary, or AP (and/or an improperly enrolled dependent). Any such deduction will be

voluntary on the part of the Participant, Beneficiary, or AP. Such amount may be:

- The full amount owed deducted from a partial or lump sum payment from this Plan; **or**
- 25% of a person's monthly Retirement Benefit from this Plan; **or**
- A minimum amount established by the Board of Trustees (such as \$250 or any other designated amount, even if greater than 25%); **or**
- Any other amount established by the Board of Trustees (without need for a Plan Amendment).

The Board of Trustees delegates to the TFO the discretion and responsibility to implement this provision, including establishing the appropriate amounts to be paid.

XII. DEATH BENEFITS / PRE-RETIREMENT SURVIVOR BENEFITS

A. QUALIFIED PRE-RETIREMENT SURVIVOR ANNUITY ("QPSA")

Any reference to a Spouse or Surviving Spouse in this section includes a Registered Domestic Partner.

If a married Participant is vested at the time of death, and has not yet retired, the Surviving Spouse will be eligible for a Pre-Retirement Survivor Annuity which is a monthly Retirement Benefit under the 50% Joint and Survivor form of payment, as if the Participant retired on the day before death or Age 55, if later. This benefit applies automatically to a married Participant, if vested in the Plan. The Survivor Benefit is equal to the Survivor portion of the 50% Joint and Survivor Benefit.

If the married Participant is vested in the Plan and is younger than Age 55 when they pass away, the benefit calculation will assume that the Participant left Covered Employment on the date of death and did not suffer a PBIS before the retirement eligibility date. The eligibility for an unreduced benefit will be determined as of

the date of death. No Credited Service will be granted after the date of death. **This benefit does not commence until the first day of the month following the earliest date that the Participant could have retired under the Plan.**

If the Participant passes away on or after reaching the Plan's Early Retirement Age, benefits may begin immediately if the Participant was eligible for Early Reduced Retirement Benefits. In either situation, the Surviving Spouse may elect to delay commencement of the benefit until the end of the calendar year following the year the Participant would have reached RMD Age.

This Pre-Retirement Survivor Annuity option is not available if the Participant is unmarried. It is provided to comply with federal law.

Upon the Participant's death, the Surviving Spouse may waive this benefit form in favor of the Death Benefits described below.

B. LUMP SUM DEATH BENEFIT (FOR SINGLE VESTED PARTICIPANT – OPTIONAL FOR MARRIED PARTICIPANTS)

This benefit applies if the following requirements are met:

- The Participant is vested; **and**
- The Participant was credited with at least 300 hours in Covered Employment (excluding Contiguous Service and Pro-Rata Reciprocity) in at least one of the three calendar years ending with the year of death; **and**
- Not otherwise eligible for the QPSA benefit set forth in Section A above; **or**
- The Surviving Spouse waives the QPSA.

If the Participant was totally and permanently disabled within three calendar years from the time last worked in Covered Employment until the date of death, the requirement of 300 hours of Covered Employment may be waived if the Participant suffered from a total and permanent disability as defined on pages 14-15.

The current death benefit is up to a maximum of \$15,000 for each Plan Year that the Participant earned at least one Benefit Credit. Partial

Benefits will be allowed on a proportional basis for less than one Benefit Credit in a Plan Year. However, no Benefit is payable for any Plan Year that the Participant had less than 300 hours reported from a Contributing Employer. The overall maximum benefit payable is \$400,000. Different benefit levels apply for deaths prior to July 1, 2023.

C. DESIGNATION OF BENEFICIARY

The Participant should provide the Plan with the name and address of their Beneficiary or Beneficiaries. For a married Participant, the Participant's Spouse is the Beneficiary based on federal law, unless the Spouse has provided written consent before a Notary Public to an alternative Beneficiary Designation and form of benefit. A non-married Participant may designate any person to be a Beneficiary.

The Participant may change a Beneficiary at any time prior to retirement, except if married. If married, the Spouse must provide written consent before a Notary Public to any Beneficiary designation and the form of benefit. Each designation of a Beneficiary or Beneficiaries must be on the appropriate form required by the Plan, which must be **received** by the TFO during the lifetime of the Participant. The TFO will not release Beneficiary information over the phone to anyone, including the Participant.

If no Beneficiary has been designated or the Beneficiary Designation Form is deemed invalid, benefits will be distributed to the first surviving successive class in the following order, in equal shares if there is more than one individual in a category:

1. The Participant's Spouse at the time of death;
2. The Participant's children, if any, either natural or adopted (but not stepchildren);
3. The Participant's Father and/or Mother, if either are living;
4. The Participant's Brother(s) and/or Sister(s), if any are living.

If none of the above successive classes apply, then no death benefits will be payable.

One-half of this benefit is payable in equal monthly installments during the first twelve months, and one-half equal monthly installments during the next twenty-four months, following the date of death. Alternatively, the death benefit may be paid in an Actuarial Equivalent Lump Sum Payment.

DIVORCE INVALIDATES BENEFICIARY DESIGNATION

If a divorce occurs and the Participant is not retired, any previous designations of a former Spouse as a Beneficiary are automatically revoked and are no longer valid. Therefore, if not yet retired, when the divorce is final, the Participant should immediately submit a new fully completed Beneficiary Designation Form to the TFO.

MARRIAGE INVALIDATES BENEFICIARY DESIGNATION

If a marriage occurs prior to retirement, any previous designation of a Beneficiary other than the new Spouse is automatically revoked and is invalid. Therefore, upon marriage, the Participant should immediately submit a new fully completed Beneficiary Designation Form to the TFO.

If a Participant passes before Retirement Benefits have commenced being paid to the Participant and no Beneficiary has been designated, or no designated Beneficiary has survived the Participant, payment of the Retirement Benefit will be made as referenced in Section C above.

the benefits are paid and the laws in effect at that time.

Due to the complexity and frequency of changes in federal laws that govern benefit distributions, penalties, and taxes, the following is only a brief explanation of the law and IRS rules and regulations as of the effective date of this SPD. Additional information will be received at the time of any benefit distribution. Regardless, the Participant is encouraged to consult with a tax advisor to determine their personal tax situation prior to commencement of Retirement Benefits.

The Plan is required by federal law to withhold 20% for taxes on certain lump sum and other payments from the Plan (see Section B below). For monthly or other periodic payments, federal income tax will be withheld unless otherwise elected.

RMD AGE REQUIREMENT

The IRS will assess a **severe tax penalty** against the Participant if they do not begin receiving their benefits by April 1st of the year following the year the Participant attains RMD Age or the date the Participant ceases working, whichever is later.

B. TAX WITHHOLDING RULES ON MONTHLY RETIREMENT BENEFIT PAYMENTS

Tax laws require that the Pension Plan withhold Federal Income Tax from most monthly benefit payments unless elected by the Participant, in writing, to not have tax withheld. The amount and form of benefit generally determines if mandatory withholding applies. However, if a Participant lives outside of the United States, different withholding rules may apply. If a Participant resides in the State of California, the Participant has the option to have California State Tax withheld. For those who live outside of the State of California, State Tax will not be withheld. Consulting with a tax advisor is recommended.

Federal law permits a Participant to change or revoke the amount withheld from Retirement Benefit payments at any time. The withholding election will remain in effect until revoked or changed by submitting the applicable Plan

XIII. DEFERRAL OF TAXES / TAX WITHHOLDING / ROLLOVERS

A. DEFERRAL OF TAXES

An advantage of this Plan is that non-taxed Employer contributions to the Plan accumulate non-taxed earnings for retirement. The Participant will only pay taxes when the commencement of benefits begins. The amount of taxes owed will depend upon when and how

required form. Any election not to have withholding apply is prospective only. Participants are responsible for their individual tax liabilities for Federal and State and ensuring their requirements are met.

The Plan reports to both the IRS and the California Franchise Tax Board on Form 1099-R, which will be mailed in January of the following year.

C. ROLLOVERS

Because this Plan is a Defined Benefit Pension Plan providing monthly Retirement Benefits to Plan Participants, the IRS rollover rules do not have a significant impact on this Plan. However, lump sum death benefits paid from the Plan are subject to the rollover rules. If a Participant is eligible to receive benefits in a lump sum or in periodic payments of less than ten years, the payment(s) may qualify for "rollover" treatment. This includes certain payments to Spouses. A rollover is a payment of Plan benefits to a traditional Individual Retirement Arrangement ("IRA") or to another qualified employer plan. A traditional IRA does not include a Roth IRA, SIMPLE IRA, or a Coverdell Education savings account. The choice will affect the tax owed by the Participant or Beneficiary. Additional information on rollovers is available upon written request to the TFO. For a Non-Spouse Beneficiary, a rollover may be made to an inherited IRA.

D. BENEFIT PAYMENTS NOT ELIGIBLE FOR ROLLOVER

A Benefit Payment cannot be rolled over under the following conditions:

- In a series of equal (or almost equal) periodic payments for the lifetime of the Participant or the joint lives of the Participant and Spouse / Beneficiary; or
- RMD payments beginning on April 1st of the year following the year RMD Age is attained (or thereafter). Therefore, a Pre-Retirement Survivor Annuity paid to a Surviving Spouse and payments to Non-Spouse Beneficiaries may not be rolled over because the RMD is based on the age of the Participant.

- There may be other benefits that cannot be rolled over. It is recommended to consult with a tax advisor.

XIV. POTENTIAL LOSS AND / OR DELAYED PAYMENT OF BENEFITS

A Participant or Beneficiary could suffer a loss in the Retirement Benefit amount or have their payments delayed in any of the following circumstances:

A. INSUFFICIENT PENSION CREDIT (NOT ELIGIBLE FOR BENEFITS)

To be eligible for benefits, a Participant must meet the Plan's eligibility requirements. If a Participant fails to accrue the minimum Vesting Credits required to become vested, the Participant **will not** be entitled to a Retirement Benefit.

B. INADEQUATE OR IMPROPER EVIDENCE

The Plan grants the Board of Trustees the power to deny, suspend, or cease benefits to a Participant who fails to submit any information required by the TFO, or proof reasonably required to administer the Plan.

C. DOMESTIC RELATIONS ORDER APPROVED BY COURT (DIVORCE OR CHILD / FAMILY SUPPORT ORDER)

A Court may approve a QDRO which assigns a portion or all of the Participant's Retirement Benefits to an AP (as their share of community property), or for family support, or child support. The Plan may also delay paying benefits or withhold a portion of Retirement Benefits if the Plan has received notice of a pending divorce action, even if there is no final, filed QDRO or the Order has not yet been approved by the Plan's Legal Counsel. The Plan will also comply with a State or County Child or Family Support Order.

D. BREAK IN SERVICE (FAILURE TO WORK IN COVERED EMPLOYMENT)

A PBIS which occurs before becoming vested has the effect of forfeiting all previously earned Benefit Credits and Vesting Credits.

E. PROHIBITED EMPLOYMENT IN THE PIPE TRADES INDUSTRY

If a Retired Participant engages in certain kinds of work in the Pipe Trades Industry, known as Prohibited Employment, Retirement Benefits will be suspended as described in Article X. Retirement Benefits may also be suspended for failure to promptly comply with a request from the TFO for information.

F. RETIRE, RETURN TO WORK, RETIRE AGAIN

If a Participant retires and later returns to work in Prohibited Employment, they will not be eligible to retire and commence receiving Retirement Benefits again until attaining Age 65, with certain exceptions.

G. FAILURE TO FILE A COMPLETE APPLICATION

No benefits are payable until a completed Retirement Application, and all other Plan required forms and documents are received by the TFO. Failure to respond to a request for information from the TFO after 90 days of submission of the Application will result in the Application being closed.

H. INCOMPLETE INFORMATION / FALSE STATEMENTS

Failure to provide requested information or providing false information to verify disability, age, Beneficiary information, marital status (including divorce documents), or other vital information, may result in Retirement Benefits being postponed. If false statements are made to the Plan or other officials regarding the payment of benefits or other issues relating to the Plan, the Participant will be liable to the Plan for:

- Any benefits paid in reliance on such false statements or information; **and**
- Any legal fees and costs incurred in affecting recovery, or which were

incurred because of the false statement or information; **and**

- Costs incurred by the TFO, including reasonable legal fees, and interest charges.

The Plan may deduct any such fees and costs from any benefits otherwise payable.

I. IRS BENEFIT / CONTRIBUTION LIMITS

A Participant's annual Retirement Benefits cannot exceed the maximum amount allowed by the IRC and applicable IRS regulations. Although the Trustees do not foresee this occurring, the Plan contains provisions to address this situation.

J. DEATH

If a Participant passes away prior to meeting the Plan's death benefit requirements, fails to designate a Beneficiary, or no eligible Beneficiary can be located, no benefits will be paid.

K. PPA UNDER FEDERAL LAW

If the condition of the Plan were to decline in such a manner that would cause it to become an "endangered" Plan under the PPA, the Board of Trustees may decrease Retirement Benefits.

L. REFUND OVERPAYMENTS

If the Plan mistakenly makes a Retirement Benefit overpayment, the Participant, Beneficiary, or the Participant's Estate will be requested to reimburse the Plan.

M. BENEFICIARY DISPUTE – POTENTIAL INTERPLEADER ACTION

If there is a dispute between or among Beneficiaries, the Plan may be required to file an interpleader or other court action seeking guidance from the Court on whom to distribute benefits. The legal fees and costs associated with any such dispute, including any legal action, may be recovered from the Benefits that may be payable.

N. PLAN TERMINATION

If the Plan were to terminate, the procedures for allocation of Plan assets on termination may result in a reduction or loss of Plan Benefits if the assets of the Plan are inadequate to cover the

actuarial value of all accrued Benefits. The Federal PBGC guarantees only a specified level of benefits.

XV. CLAIMS AND APPEALS PROCEDURES

A. CLAIMS AND APPEALS PROCEDURES

The Plan Document, which includes all Amendments and Claims and Appeals Procedures that must be followed, is available for review at the TFO by appointment or upon written request. Read the Claims and Appeals Procedures thoroughly before filing a claim or lawsuit regarding benefits or the Plan.

The purpose of the Claims and Appeals Procedures is to make it possible for claims and disputes to be resolved fairly and efficiently without necessitating costly litigation and legal fees. No lawsuit affecting the Plan may be brought unless the Plan's Claims and Appeals Procedures are followed first.

B. RIGHT TO APPEAL

The Participant may request that the Board of Trustees review a denied claim, request for benefits, or adverse benefit determination. This is known as an appeal. The Participant has the right to petition the Board of Trustees to review a claim if:

- A claim or any part of a claim was denied.
- The Participant believes they did not receive the full amount of benefits they were entitled to.
- The Participant feels the reason(s) for the denial were in error or they disagree with the decision made on a claim or request for benefits.

C. RIGHT TO INFORMATION

A Participant has the right to receive, upon written request, reasonable access to and copies of all documents, records, or other relevant information that was submitted, generated by the Plan, considered, or relied upon in making a decision on the claim. This includes the right to receive copies of any

internal rules, guidelines, or protocols that may have been relied upon in making the decision. If the decision was based on a medical judgment (such as disability retirement), the Participant may request that the Plan provide an explanation of the medical or scientific basis for the determination. The Plan will not charge for any information requested that is described in this section.

D. DISABILITY CLAIMS AND APPEALS

Appeals involving Disability Claims and/or determination are required to be reviewed within 45 days of the Plan's receipt of the appeal, unless special circumstances exist. An extension of time of up to 30 days may be necessary due to matters beyond the control of the Plan. The Plan will follow the Disability Claims and Appeal guidelines from the DOL to the extent applicable.

Any notice of extension on deciding the claim will include the standard on which entitlement to the benefit is based; the unresolved issues that prevent a decision on the claim, and the additional information required to resolve those issues. The Participant has at least an additional 45 days to provide the requested information, if any. The deadline for the Board of Trustees to render its decision is tolled from the date on which the notification of the extension is sent to the Participant until the date a response is received.

A notice of the Plan's denial of the Participant's benefit determination of the claim (an "adverse" benefit determination) will include, in addition to the reasons for the denial, (1) the specific rule, guideline, protocol or other similar criteria), if any, that was relied upon during the determination; and (2) an explanation of the scientific or clinical judgment for the determination if the adverse benefit determination was based on medical necessity or other similar exclusion or limitation.

If the application or request for benefits is denied in whole or in part, the Participant or their duly authorized representative may petition the Board of Trustees for a review of the decision. The Participant should file the request for review with the TFO within 180 days of

receipt of the notification of adverse benefit determination. The Participant has the right to access relevant documents, records, and other pertinent information, including any statement of policy or guidance with respect to the Plan concerning the denied treatment option or benefit for the diagnosis, without regard to whether such advice or statement was relied upon in making the benefit determination. If the adverse benefit determination is based in whole or in part on a medical judgment, the Trustees will consult with a Health Care professional with appropriate training and experience in the field of medicine involved in the medical judgment. Such consultant(s) shall differ from any individual consulted in connection with the initial determination or the subordinate of any such person.

Additional rights apply to Disability-related Claims and Appeals as required by applicable law.

E. HOW TO APPEAL

A Participant or their authorized representative(s) (someone named to act on their behalf) must send a written request for review to the Board of Trustees. The individual(s) reviewing the appeal will be independent of those individuals who reviewed the initial request for benefits. The request for review must be in writing and should include the following:

- Participant's name and the last four digits of the Social Security Number; **and**
- A written statement that the Participant is filing an appeal; **and**
- Sufficient information to identify the decision being appealed, such as the type of benefit denied; **and**
- The reason(s) the Participant believes the claim should not have been denied, or if a different amount should have been paid; **and**
- A summary of all facts known that relate to the request for review, including the names and addresses of any person(s) who have knowledge of any facts regarding the case; **and**
- Copies of any documents, records, or other material that the Participant

believes is important for the Trustees to review the claim; **and**

- Mail the appeal to the attention of the Board of Trustees, Northern California Pipe Trades Pension Trust when sending the appeal to the TFO.

F. TIME LIMITS TO FILE APPEALS

An appeal must be filed with the Board of Trustees within 60 days from the date the Participant receives the notice of an adverse benefit determination. However, for claims pertaining to disability-related benefits based on a physician's report, the appeal must be filed within 180 days from the date the Participant received the denial. Failure to file an appeal within the above time periods constitutes a waiver of the right to review under these procedures, or in a court of law. Consequently, the initial decision will be final and binding.

G. THE BOARD'S DECISION ON APPEALS

The Board of Trustees will review the appeal at the next regularly scheduled meeting following receipt of the request for review, unless the appeal is received within 30 days preceding the date of such meeting, or special circumstances exist requiring additional time. In such case, a benefit determination may be made no later than the date of the second meeting following the Plan's receipt of the appeal request. If special circumstances require a further extension of time for processing, a benefit determination will be made no later than the third meeting following receipt of the petition for review and the Participant will be notified of such an extension and the date by which a determination will be made. The Trustees will review the Participant's submitted comments, documents, and other information related to the appeal, regardless of whether the information was submitted or considered in the original decision. The Board of Trustees or its delegate will attempt to notify the Participant in writing of the Board of Trustees' decision on an appeal within five days after the benefit determination is made.

Time Limits to File Lawsuit.

If the appeal is denied, the Participant has the right to bring a civil action under ERISA, Section

502(a). No lawsuit may be filed without first exhausting the Claims and Appeals procedures (except when it pertains to disability-related claims), if the Plan has failed to comply with the Claims and Appeals procedures for disability claims, the Participant will not be prohibited from filing suit for failure to exhaust these Appeal Procedures (except for minor Plan errors or matters beyond the Plan's control). Under the Plan Document, the Participant has one year from the date of the denial of the appeal to file a lawsuit.

H. ONE YEAR LIMITATION TO FILE SUIT / CHOICE OF VENUE LIMIT / CLASS ACTION WAIVER

One Year Limitation to File Lawsuit and Choice of Venue Limit.

Upon exhausting the Claims and Appeals Procedures for an eligible claim pursuant to Plan rules, if a Participant or Beneficiary (or their Authorized Representative) is still not satisfied, the next step is to file a lawsuit. No legal action or proceeding may be commenced or maintained against the Plan, an individual Trustee, the Board of Trustees, or any other person or entity involved or associated with the denial or decision on the appeal more than one year after the Board of Trustees' determination on the appeal (counted from the date of the appeal letter), or if not a formal appeal, one year after the date of the act or omission of which is being challenged. If there is a lawsuit, the Participant or Beneficiary (or Authorized Representative) agrees to submit to the jurisdiction of the United States District Court, Northern District of California, and any such lawsuit has to be filed in the same, which shall be the exclusive venue of any such action or proceeding. Any objection is waived irrevocably and unconditionally to the venue of the aforementioned court and any claim that any action or proceeding brought in the aforementioned court has been brought in an inconvenient form.

Class Action Waiver.

In addition, any person including Participants and Beneficiaries seeking benefits or otherwise challenging action or inaction of the Plan (such

as questioning the Plan's investments), the Board of Trustees, an individual Trustee, or any other person or entity involved or associated with any Plan action or omission, is not permitted to participate in or bring a class action lawsuit as a member in any class or representative action against the Plan, the Board of Trustees, an individual Trustee, or any other person or entity involved or associated with any such Plan action or omission. Only individual lawsuits are permitted, meaning any person including Participants and Beneficiaries may bring claims in its individual capacity, not as a plaintiff or class member in any purported class or representative proceeding.

XVI. AMENDMENT / MERGER OR MERGER OF PLAN

A. AMENDMENT OF PLAN

The Board of Trustees has the discretion to amend the Plan at any time. In addition, if the CBA is amended by the insertion or deletion of provisions relating to the Plan, the Board of Trustees will amend the Plan to effectuate the intent of the amendment to the CBA, unless such amendment conflicts with applicable law or is actuarially unsound.

Any amendment may apply to all groups and/or Participants covered by the Plan or only to certain groups of Participants. Retroactive amendments may be made to the extent permissible under ERISA. Except as permitted or required by applicable law, no amendment may divest any accrued benefits which have previously been vested.

B. MERGER OR CONSOLIDATION

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

C. TERMINATION OF PLAN

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

The parties to the CBA between UA Local 342 and the various Employer Associations may terminate the Plan in whole or in part. Although there is no intent to terminate the Plan, there is no guarantee that the Plan will last indefinitely.

D. BENEFIT GUARANTY / PBGC GUARANTEES CERTAIN BENEFITS

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

Under PBGC's multi-employer plan termination program, PBGC provides financial assistance through loans to plans that are insolvent. A multi-employer plan, such as the NCPT Plan, is considered insolvent if the plan is unable to pay benefits (at least equal to PBGC's guaranteed benefit limit) when due. Before a plan receives financial assistance from the PBGC, it must suspend payments in excess of the guaranteed level.

The maximum benefit that the PBGC guarantees is set by law and is subject to change at any time. Under the multi-employer program, the PBGC guarantees a monthly benefit payment equal to 100% of the first \$11 of the Plan's monthly benefit accrual rate, plus 75% of the next \$33 of the accrual rate, multiplied by each year of credited service. The PBGC's maximum guarantee limit is \$35.75 per month multiplied by a Participant's Years of Credited Service. Therefore, the maximum annual guarantee for a Retiree with 30 Years of Service would be \$12,870.

The PBGC guarantees vested benefits at the level in effect on the date of Plan termination subject to the maximum limits set forth above.

If, however, benefits have been increased within the five years before Plan termination or insolvency, the whole amount of the Plan's vested benefit, or the benefit increase that has been in effect for less than 12 full months before the Plan terminates may not be guaranteed.

The maximum PBGC guarantee is lower if benefits begin before Age 65, if benefits are paid in a form other than a single life annuity, and for certain disability and survivor benefits. Non-Vested Benefits are not guaranteed by PBGC.

For more information on PBGC insurance protection and its limitations, contact the PBGC as follows:

PBGC's Technical Assistance Division
1200 K St. NW., Suite 930
Washington, D.C. 20005-4026
Phone: 202/326-4000 (not toll-free)
TTY / TDD users may call the federal relay service toll-free at 800/877-8339 and request to be connected to 202/326-4000.
Additional information about the PBGC's Pension Insurance Program can be found on the PBGC website: www.pbgc.gov

XVII. ADDITIONAL INFORMATION REQUIRED BY ERISA

A. NAME AND TYPE OF PLAN

The name of the Plan is the Northern California Pipe Trades Pension Plan. The Plan is a Defined Benefit Pension Plan exempt from income tax under Section 401(a) of the IRC.

B. PLAN ADMINISTRATOR

The Board of Trustees is the designated Plan Administrator of the Plan under ERISA. The Board is responsible for the operation and administration of the Plan, including ensuring that information regarding the Plan is reported to governmental agencies and disclosed to Plan Participants and Beneficiaries in accordance with ERISA. The Board has designated Jeanette Null to be the Fund Manager for the Plan.

Jeanette Null, Fund Manager
Northern California Pipe Trades Pension Plan
935 Detroit Avenue, Suite 242A
Concord, CA 94518-2501
Phone: 925/356-8921 Fax: 925/356-8938
Email: tfo@ncpttf.com

C. AGENT FOR THE SERVICE OF LEGAL PROCESS

Designated agents for service of legal process are:

Richard K. Grosboll and/or Lois H. Chang
Neyhart, Anderson, Flynn, & Grosboll
369 Pine Street, Suite 800
San Francisco, CA 94104-3323
Phone: 415/677-9440

Service of the legal process may also be made upon the Fund Manager, any Plan Trustee, or the Board of Trustees, at the addresses listed on page iv of this booklet.

D. PLAN YEAR

As of January 1981, the Plan Year commences on January 1st and ends on December 31st.

E. EMPLOYER IDENTIFICATION NUMBER

The Internal Revenue Service Employer Identification Number ("EIN") for this Plan is 94-3190386. The Plan Number is 001.

F. FUNDING CONTRIBUTIONS AND CBAS

The Plan is maintained in accordance with the CBAs between UA Local 342 and certain designated Employer Associations (and some individual Employers), which require Employers to contribute to the Plan. There are no Employee contributions to this Plan. The TFO will provide the Participant, upon written request, information on whether a specific Employer is contributing to the Plan.

G. FUND MEDIUM / INVESTMENTS

Assets of the Plan are held in Trust. The Board of Trustees has delegated to Verus, the Plan's Investment Consultant, the responsibility of helping the Board of Trustees develop an Investment Policy and select Investment Managers to manage the Plan's assets.

STATEMENT OF ERISA RIGHTS

A. YOUR RIGHTS AS A PARTICIPANT

As a Participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"). ERISA provides that Participants are entitled to:

- Examine without charge at the TFO and UA Local 342, documents governing the Plan, including CBAs and the annual report (Form 5500 series) filed with the US Department of Labor.
- Obtain copies of Plan documents and other information required by law to be furnished upon written request to the Plan. Pursuant to ERISA, reasonable costs for copies may apply.
- Receive a summary of the Plan's annual financial report, known as a Summary Annual Report ("SAR"). The Plan is required by law to furnish each Participant with the SAR.
- Receive a summary of the Plan's funding status, and value of the Plan's assets and liabilities, known as an Annual Funding Notice ("AFN"). The Plan is required by law to provide the AFN to each Participant annually.
- Receive a statement informing the Participant whether they have a right to receive a Retirement Benefit at Normal Retirement Age and if so, what the Benefits would be at Normal Retirement Age if the Participant stopped working under the Plan at the time of the statement's issuance. 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.

B. PRUDENT ACTIONS BY FIDUCIARIES

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people responsible for operating the Plan. The people who operate your Plan, called "fiduciaries," have a duty to do so prudently and in the best interest of all Plan Participants and Beneficiaries. No one, including a Participant's Employer, UA Local 342, or any other person or entity, may fire or otherwise discriminate against the Participant in any way to prevent one from obtaining a Retirement Benefit or exercising their rights under ERISA.

C. ENFORCING YOUR RIGHTS

If a claim for Retirement Benefits is denied in whole or in part, the Participant must receive a written explanation of the reason for the denial. The Participant has the right to have the Plan review and reconsider a claim.

Under ERISA, there are steps a Participant can take to enforce the above rights. For instance, if certain documents are requested (specified in ERISA) from the Plan and are not

received within 30 days, the Participant may file suit in federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay the Participant up to \$110 a day until the materials are received, unless the materials were not sent because of reasons beyond the control of the Administrator or as determined by a Court.

If the Participant has a claim for benefits that is denied or ignored in whole or in part, and such denial is upheld on appeal (or ignored), the Participant may file a lawsuit. In addition, if the Participant disagrees with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, the Participant may file a lawsuit.

If Plan fiduciaries misuse the Plan's money or other assets, or if a Participant is discriminated against for asserting their rights, they may seek assistance from the U.S. Department of Labor or may file suit in a federal court.

If a lawsuit is filed, the court will decide who should pay court costs and legal fees. If the Participant should prevail, the court may order the person(s) sued to pay court costs and legal fees. Otherwise, the court may order the Participant to pay the court costs and legal fees of the Trust or other defendants' (e.g., the claim was frivolous).

D. ASSISTANCE WITH QUESTIONS

If there are any questions about this Plan, contact the TFO. If there are any questions about this statement or the Participant's rights under ERISA, or assistance is needed obtaining documents, contact the nearest office of the Employee Benefits Security Administration ("EBSA"), the U.S. Department of Labor at 866/444-3272, or write to the national office at the following address:

<p>Division of Technical Assistance and Inquiries U.S. Department of Labor Employee Benefits Security Administration 200 Constitution Avenue NW Washington, D.C. 20210-0001</p>
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Certain publications and the rights and responsibilities of ERISA can be obtained by calling the EBSA Brochure Request Line at 866/444-3272 or contact the nearest EBSA Field Office.

Additional answers to questions and a list of EBSA offices can be found at www.dol.gov.