PLUMBERS' PENSION FUND

LOCAL 130, U.A.

Summary Plan Description

June 1, 2016

This booklet contains a simplified explanation of the Plan as amended through June 1, 2016. If there are any inconsistencies between the simplified explanation and the Plan document, the Plan document controls.

PLUMBERS' PENSION FUND,
LOCAL 130, U.A.

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7:30 A.M. to 7:00 P.M. 2nd Tuesday of each Month

TABLE OF CONTENTS

ARTICLE I
INTRODUCTION

The sole purpose of the Plumbers' Pension Fund, Local 130, U.A. (the "Pension Fund" or "Fund") is to provide retirement security for Local 130 journeymen and apprentice plumbers and their families through pension and survivor benefits pursuant to the plan of benefits (the "Pension Plan" or "Plan"), as amended from time to time by the Trustees. The pension and survivor benefits are made possible through the cooperative efforts of the Plumbers' Local 130 and Contributing Contractors, and the Trustees who have the legal responsibility of administering the Plan, prudently investing the employers' contributions, and using Fund assets for the exclusive purpose of providing benefits for participants and their beneficiaries and paying the reasonable expenses of administering the Pension Plan. The individuals who volunteer their service to serve as Trustees spend substantial time in administering the affairs of the Fund.

The purpose of this booklet is to provide you with a summary explanation of the Plan of benefits: how the Pension Plan works, how you can qualify to receive a pension, how to determine the amount of your accrued vested pension, and the benefits provided for your Surviving Spouse. The provisions of the Plan documents creating the Pension Fund are controlling if there is a conflict with this summary explanation. Terms (which are generally capitalized) not otherwise defined in this summary explanation shall have the same meaning as such terms in the Plan document.

NOTE: This is an important booklet and it is recommended that you retain it for future reference. Also, if you were formerly participating in the Plumbers and Steamfitters Local Union No. 422 Pension Fund, the Northern Illinois Pension Fund of Local 501, and the Plumbers' Local 93 Pension Fund, you will find additional information about those pension benefits under this Plan in the related Appendices.

ARTICLE II
WHO IS ELIGIBLE TO EARN PENSION BENEFITS?

In order to be eligible for any type of pension from the Pension Fund, you must be a Participant and have a required number of Vesting Credit Years to become Vested. You become a Participant when you are employed as an Employee by:

- A Contractor which is required under the terms of a CBA with Local 130 to make contributions on your behalf to the Fund on account of your hours of employment; or

- A Contributor, i.e. any employer who employs journeymen or apprentices solely for maintenance work in a bargaining unit represented by Local 130 and who applies to and is approved by the Trustees as a "Contributor."

Your employment of this type by a Contractor or Contributor is referred to as Covered Employment or Employment in the Craft.

Full-time employees of the Local 130, U. A. who are members of Local 130, U.A. and for whom the Local 130, U.A. makes contributions are also Participants. The term Participant also refers to eligible Service Plumbers and a Retired Participant who is eligible to receive pension benefits as well as certain non-bargaining unit employees of a Contractor which has a participation agreement with the Pension Fund.

A Participant is not entitled to pension benefits unless he meets the Plan's eligibility requirements.

If you are not an Employee, you cannot participate in the Plan or contribute to the Plan on your own behalf. You are not an Employee if you are an independent contractor, a partner in a partnership, or a sole proprietor. Further, you may not arrange with a Contractor to make Plan contributions on your behalf which are not permitted under the terms of the Local 130 U.A. collective bargaining agreement.

ARTICLE III
HOW YOU BECOME VESTED IN YOUR PENSION BENEFITS

For pension purposes, "Vested" means that you cannot lose or forfeit the Pension Credit Years that you have earned by work in Covered Employment, and that you will receive a monthly pension benefit when you meet the Plan's age and retirement requirements. If you should die before going into pension pay status, your qualified Surviving Spouse would receive a monthly survivor benefit for life commencing the month following your death. The Survivor Benefit is explained later in this SPD.

You become vested for a pension from the Plan when you earn five (5) Vesting Credit Years which have not been forfeited due to a Permanent Break-in-Service. The five-year vesting rule was effective June 1, 1989, and applies only if you earned at least one Hour of Service after May 31, 1989. It will not apply if you incurred a one-year Break-in-Service before June 1, 1989, (i.e., you work less than 300 hours of Employment in the Craft), unless prior to suffering a

Permanent Break-in-Service you returned to work in Covered Employment and earned one Vesting Credit Year after you return.

If you did not work in Covered Employment after May 31, 1989, you are vested only if you earned ten (10) Vesting Credit Years which were not lost due to a Permanent Break-in-Service.

You are also vested if you are age 65 or older as of your Retirement Date even if you did not earn five (5) Vesting Credit Years. However, if you had any Break-in-Service Years, you will need to earn a Vesting Credit Year after your most recent Break-in-Service Year before the Fiscal Year in which you reach Normal Retirement Age (65 years of age).

Once you are vested, you cannot lose or forfeit your credited Pension Credit Years or your accrued monthly pension benefits.

ARTICLE IV
HOW VESTING AND PENSION CREDIT YEARS ARE EARNED BY WORK IN COVERED EMPLOYMENT

You will earn Vesting Credit Years and Pension Credit Years by working in Covered Employment. Vesting Credit Years are used to determine your right to a pension benefit. Pension Credit Years are used to determine the amount of the pension benefit you are to receive. The amount of your pension is based upon the number of your accrued Pension Credit Years. For each Fiscal Year after May 31, 1953, you earn Vesting Credit Years and Pension Credit Years based upon the number of hours you worked in Covered Employment as provided under the following schedule:

Hours of Work in Covered Employment for Determining:

Vesting Credit Year	Pension Credit Year	Credited Vesting Credit Year/Pension Credit Year
1,000 or more hours	1,200 or more hours	1 Year
900 to 999	900 to 1,199	¾ of a Year
600 to 899	600 to 800	½ of a Year
Less than 600	Less than 600	None

EXAMPLE: *Assume you began working in Covered Employment for a Contributing Contractor on June 1, 1998, and on May 31, 2008, your employment record for each of the 10 Fiscal Years shows that you had exactly 1,000 hours of work in Covered Employment. Under the above table, 1,000 hours of work in Covered Employment entitles you to one Vesting Credit Year and 3/4 of a Pension Credit Year. Accordingly, you would have accumulated 10 Vesting Credit Years which determines your eligibility to a pension benefit, and 7½ Pension Credit Years which is used to determine the amount of your pension. With 5 Vesting Credit Years, your accrued pension benefit is fully vested and nonforfeitable. If you did not work after May 31, 2008, you would be entitled to a full monthly pension at age*

62 at the Pension Accrual Rate in effect on May 31, 2008,(your last date of employment) for each of your 7½ Pension Credit Years.

<u>Special Rule for Participants 60 years of age or older (Only For Fiscal Years after May 31, 1966)</u>. If you are 60 years of age or older during a Fiscal Year, you will receive credit for Vesting Credit Years and Pension Credit Years for working less than the number of hours required of a Participant who is under age 60, under the following schedule:

Hours of Work in Covered Employment	**Credited Vesting Credit/ Pension Credit Year**
600 or more hours	1 Year
400 to 599	¾ of a Year
300 to 449	½ of a Year
Less than 300	None

NOTE: This special rule does not apply to a Participant who applies for and receives a monthly Pension Benefit and then returns to work in Covered Employment.

ARTICLE V
HOW YOU EARN A BONUS CREDIT

In1987, the Trustees amended the Pension Plan to give recognition to the hours you work in Covered Employment during a Fiscal Year for more than the 1,200 hours necessary to earn a Pension Credit. The Plan's Bonus Credit feature provides increased pension benefits if you work at least 1,500 hours in Covered Employment in a Fiscal Year. For Fiscal Years beginning after May 1987, you will earn one or more Bonus Credits by working at least 1,500 hours in Covered Employment during a Fiscal Year under the following schedule:

Hour of Service During a Fiscal Year	**Number of Bonus Credits**
Less than 1,500	0 Bonus Credit
1,500 to 1,799 Hours	1 Bonus Credit
1,800 to 2,099	2 Bonus Credits
2,100 to 2,199	3 Bonus Credits
2,200 or More Hours	4 Bonus Credits

Prior to June 1, 2016 you could earn up to three (3) Bonus Credits during a Fiscal Year. Effective June 1, 2016 and thereafter you can earn up to four (4) Bonus Credits during a Fiscal Year. There is no limit on the number of Bonus Credits you may earn during your lifetime of work in Covered Employment after May 31, 1987. Each Bonus Credit you earn increases your monthly pension benefit by $10.00 if your Retirement Date is after May 31, 2002, or by lesser amounts if your Retirement Date is before June 2002 and after May 1987. The fourth bonus credit for hours equal to or in excess of 2,200 hours is effective June 1, 2016.

EXAMPLE*: A Vested Participant works 2,150 hours in the Fiscal Year ended May 31, 2004; 1,600 hours in the Fiscal Year ended May 31, 2005; and 2,000 hours in* *the Fiscal Year ended May 31, 2006. The Participant is entitled to Bonus Credits for each year. In the Fiscal Year ended May 31, 2004, the Participant worked more than 2,100 hours entitling him to three Bonus Credits worth $10 each; for the Fiscal Year ended May 31, 2005, the 1,600 hours worked will earn one Bonus Credit; and for the Fiscal Year ended May 31, 2006, the 2,000 hours worked earns 2 Bonus Credits. Upon retirement the Participant's monthly pension benefit will be increased by $60.00 by reason of these accrued Bonus Credits, subject to reduction for early retirement.*

ARTICLE VI
HOW THE HOUR BANK MAXIMIZES YOUR PENSION

For a monthly benefit payable on or after June 1, 1998, if you work more than 2,100 hours in covered employment during a Fiscal Year all hours in excess of 2,100 are credited to an Hour Bank for possible benefits. Effective June 1, 2016, any hours in excess of 2,200 hours are credited to an Hours Bank for possible benefits. Your Hour Bank hours are used to increase the number of your Pension Credit Years by a maximum of two additional Pension Credit Years. Your Hour Bank hours are credited to any Fiscal Year in which you earned a partial Pension Credit Year; however, Hour Bank hours will not be applied to your first or last years of participation in the Plan, or to create a Bonus Credit.

EXAMPLE: *In the Fiscal Year ended May 31, 2006, a Participant worked 2,300 hours in Covered Employment which would add 200 hours to his Hour Bank. During the next Fiscal Year he worked only 1,000 hours, which would entitle him to 3/4 of a Pension Credit Year. Upon his retirement the 200 Hour Bank hours would increase the 1,000 hours in the Fiscal Year ended in 2007 to 1,200 hours which equals one Pension Credit Year.*

ARTICLE VII
CREDITS FOR PERIODS YOU ARE ABSENT FROM COVERED EMPLOYMENT

Section 7.1 Credit by Reason of Receiving Weekly Sickness or Accident Benefits from Plumbers' Welfare Fund.

For any week after May 31, 1953, Credit is provided for periods of sickness or disability when you receive Weekly Sickness or Accident Benefits from the Plumbers' Welfare Fund, Local 130, U.A. You will receive credit for 40 hours of work in Covered Employment for which you were paid Weekly Sickness or Accident Benefits from the Welfare Fund. Weekly Sickness or Accident Benefits are payable by the Welfare Fund for a maximum of 52 weeks for any one sickness or disability. It is important that you make application to the Welfare Fund for any benefits you may be entitled to receive if you are required to stop working in Covered Employment by reason of any sickness, accident, or disability or if you become sick or disabled while looking for work in Covered Employment. If you are looking for work, remember to register with Local 130 quarterly.

Section 7.2 Credit by Reason of Sickness, Disability, or Injuries.

For periods after January 1, 1990, if you are required to stop working in Covered Employment due to a disability, illness, or injury, you will be credited with 40 hours of work in Covered Employment per week for the period of your illness or disability, up to a maximum of 52 weeks. You receive this Credit even if you do not receive a Weekly Sickness or Disability Benefit. In cases where you are required to leave employment as a direct result of the disability, illness or injury, the Trustees may verify your condition by requesting you to submit to a physical examination by a physician selected by the Trustees, or by requesting copies of your appropriate medical records. **It is important that you notify the Pension Fund office whenever you must stop working in Covered Employment as a result of any sickness, illness, or disability**.

Section 7.3 Workers' Compensation Credits.

For periods after January 1, 1990, if you have a work related injury covered under Workers' Compensation, you will be entitled to this credit if the injury occurred while you were working in Covered Employment. This rule would also apply to an illness or injury compensable under any Occupational Law, Employer Liability Law, or any other similar law. You are credited with 40 hours of work in Covered Employment per week for the period of your work related injury, up to a maximum of 52 weeks. The Trustees will have you verify your condition by requesting you to submit proof of receiving Workers' Compensation. **It is important that you notify the Pension Fund office if you are receiving Workers' Compensation**.

Section 7.4 Credit for Service in the Armed Forces.

If you leave work in Covered Employment to serve in the U.S. Armed Forces or an active reserve component of the U.S. Armed Forces, you may receive credit for work in Covered Employment for Vesting and Pension Credit purposes during each month of active service. You are eligible for the military service credit if, upon your release from active duty and return to inactive military status under honorable conditions, you apply for work in Covered Employment within 90 days of your discharge or return to inactive military status. In order to establish entitlement to this credit, you are required to provide the Fund Office with a copy of Federal Form DD-214 and a Certificate of Discharge. The maximum credit for military time is four (4) years for service before August 1, 1991, or five (5) years for service performed after July 31, 1991. After December 12, 1994, if you become reemployed in Covered Employment after a period of qualified military service as defined in Section 414(u) of the Internal Revenue Code and the Uniformed Services Employment and Reemployment Rights Act (USERRA), you will receive credit for the maximum amount of military time covered under Section 414(u) of the Internal Revenue Code and USERRA.

For each full or partial month of qualifying service in the Armed Forces or Active Reserves, you receive credit for a number of hours of work in Covered Employment equal to the greater of the following:

- 100 Hours; or

- A number of hours equal to the average number of hours you worked in Covered Employment each month during the 60 calendar months before the month you entered active duty (or, if you were a Participant for less than 60 months, the number of months of participation, but in no event less than 12 months).

ARTICLE VIII
HOW PENSION AND VESTING CREDIT YEARS AND BONUS CREDITS CAN BE FORFEITED

This section applies only if you are not vested for a pension benefit. If you are not vested, your accrued Vesting and Pension Credit Years and Bonus Credits are lost if you have a break in your continuous work in Covered Employment which results in a "Permanent Break-in-Service." **Once you become fully vested for a pension benefit you cannot have a Permanent Break-in-Service resulting in the loss of accrued Vesting and Pension Credit Years**. The definition of a Break-in-Service differs depending upon the dates you were absent from the Plumbing Trade:

Section 8.1 For Periods After May 31, 1985.

You have a one Year Break-in-Service, except as provided below, if you have less than 300 hours of work in Covered Employment during any Fiscal Year. You will have a Permanent Break-in-Service and will forfeit credit for all Pension Credit Years and Vesting Credit Years earned to that time if the number of your consecutive Break-in-Service Years (including any occurring before June 1, 1985) exceeds the greater of:

- five, or

- the aggregate number of your Vesting Credit Years not previously forfeited by a prior Break-in-Service.

EXAMPLE: *A Participant who earned three (3) Pension and Vesting Credit Years leaves Employment in the Craft on May 31, 2003, for a period of four Fiscal Years and then returns to work in Covered Employment in June 2007, and works more than 300 hours during the Fiscal Year. The Participant has not forfeited the three (3) Pension and Vesting Credit Year previously earned. For Break-in-Service years incurred after May 31, 1985, no years will be forfeited unless a Participant incurs at least five consecutive Break-in-Service years.*

For Fiscal Years after May 31, 1985, and solely for the purpose of determining if you have a Break-in-Service Year, you are entitled to credit for hours of work in Covered Employment even though you are not actually employed by a Contributing Contractor. If your absence from work is due solely to:

- the birth of your child,

- your pregnancy,

- the placement of a child with you in connection with your adoption of the child, or

- the need to care for a child for a period beginning immediately following the birth or placement,

you receive credit for eight hours of work in Covered Employment (up to a maximum of 301 hours) for each day of absence for one of the permitted reasons, provided you give written notice to the Trustees at the Fund office within ten (10) business days of the beginning of your absence. The hours will be credited in the Fiscal Year your absence began, if necessary to prevent a Break-in-Service Year, otherwise in the following Fiscal Year.

Section 8.2 For periods After May 31, 1976, and before June 1, 1985.

If during this period you have less than 300 hours of Employment in the Craft during any Fiscal Year, you have a One Year Break-in-Service. If the number of your consecutive Break-in-Service Years equals or exceeds the number of your Vesting Credit Years previously earned (which have not been forfeited because of a prior Break-in-Service), you have a Permanent Break-in-Service and forfeit all Vesting Credit Years and Pension Credit Years earned before the Break-in-Service.

> ***EXAMPLE**: A Participant began work in Covered Employment in June of 1974, earned five (5) Vesting and Pension Credit Years, and leaves the Plumbing Trade in May of 1979 (remember, prior to June 1989 ten (10)Vesting Credit Years were required to be Vested). If the Participant fails to return to Covered Employment, he will permanently forfeit previously earned Vesting and Pension Credit Years when the number of Break-in-Service Years incurred equals the number of years earned before the break. In this situation, these credits are lost on June 1, 1984, following five Fiscal Years (June 1 to May 31) in which the Participant earned less than 300 Hours of Employment in the Craft.*

Section 8.3 For periods before June 1, 1976.

If during this period you were not employed in the Plumbing Trade for a Contributing Contractor for a period of 24 consecutive months or more, you have a Permanent Break-in-Service. As a result of the Permanent Break-in-Service, you lose all Vesting Credit Years and Pension Credit Years earned before the Break-in-Service.

> *EXAMPLE: A Participant begins Employment in the Craft in June of 1970 and works continuously in the Plumbing Trade until May of 1974 earning a Pension Credit Year each Fiscal Year for a total of four Pension Credit Years. He leaves the Plumbing Trade and returns in June of 1977 and earns ten Pension and Vesting Credit Years after his return. The Participant is credited with a total of ten Vesting and Pension Credit Years. The Pension Credit Years earned before the Participant left the Plumbing Trade in 1974 were forfeited because the Participant was not employed in the Plumbing Trade for a period of twenty-four consecutive months or more beginning in May of 1974.*

The rules governing forfeiture of Vesting Credit Years and Pension Credit Years do not apply if your failure to be Employed in the Craft which could result in a Permanent Break-in-Service is caused by any of the following:

- Incapacity or Disability due to illness or injury;
- Unavailability for work due to active service in the Armed Forces of the United States during a period of national emergency; or
- Lack of available employment in the geographic area covered by the Local 130, U.A. Collective Bargaining Agreement, provided you register at least once each quarter with Local 130 at the Union Office to confirm that you are available for work.

Once you are vested for benefits under the Plan you cannot forfeit accrued Pension Credit Years.

ARTICLE IX
REINSTATEMENT OF FORFEITED PENSION CREDIT YEARS AND BONUS CREDITS

A Participant whose first monthly retirement benefit is payable after May 31, 1993, may reinstate forfeited Pension Credit Years if the following conditions are met:

- As a result of a single Permanent Break-in-Service, the Participant forfeited five (5) or more Pension Credit Years; and
- Following the Participant's Permanent Break-in-Service, the Participant returns to work in Covered Employment and becomes vested for a Regular Retirement Benefit by reason of having earned ten (10) Vesting Credit Years on or after June 1, 1989.

If a Participant forfeits less than five (5) consecutive Pension Credit Years, such forfeited years are not reinstated unless they follow a period of five or more consecutive Pension Credit Years which are reinstated under this rule.

> ***EXAMPLE****: A Participant in 1977 forfeits three (3) Pension Credit Years due to a Permanent Break-in-Service. He returned to the Plumbing Trade in 1978 and earned seven Pension Credit Years but again left the Plumbing Trade in May 1985, and incurred another Permanent Break-in-Service because he did not return to work in Covered Employment until June 1993. The Participant works full time, becomes vested and earns fourteen Pension Credit Years as of May 31, 2007, when he retires. For purposes of computing his pension benefit, the Participant is credited with twenty-one Pension Credit Years. The five forfeited Pension Credit Years are reinstated, but the three Pension Credit Years forfeited in 1977 are not reinstated because they did not follow in point-of-time the five reinstated Pension Credit Years*.

ARTICLE X
RETIREMENT DATE AND EARLIEST DATE TO RECEIVE A PENSION

If you are vested to receive a monthly pension or Disability Benefit, it is important to determine your Retirement Date because that date determines the Pension Accrual Rate applied in determining the amount of your monthly pension benefit. For example, if your Retirement Date was during the period when the Pension Accrual Rate was $75.00, but when you applied for your pension the Pension Accrual Rate was $85.00, your monthly benefit would be determined using the $75.00 Pension Accrual Rate, the rate in effect on your Retirement Date. Your Retirement Date is the end of the month in which you are last credited with an hour of work in Covered Employment. For purposes of a Disability Benefit, your Retirement Date is the later of (i) the date you are determined to be Totally and Permanently Disabled by the Social Security Administration or the date so determined by a medical doctor selected or approved by the Trustees, or (ii) the month for which you stop receiving a Weekly Sickness or Accident benefit from the Plumbers' Welfare Fund by reason of the sickness or accident resulting in your disability.

Provided you meet the vesting and retirement provisions of the Plan, the earliest date you may receive a monthly pension benefit (except a Disability Benefit) is the month following the month you attain 60 years of age. If your benefit starts before the month following the month you attain 62 years of age (referred to as Full Retirement Age), your monthly benefit is actuarially reduced by reason of being paid to you before Full Retirement Age, referred to as an Early Retirement Pension. You are eligible to receive a monthly Disability Benefit following the month of your disability Retirement Date, regardless of your age, provided you meet the requirements of the Plan pertaining to a Disability Benefit. The amount of the Disability Benefit is not reduced by reason of Early Retirement payment.

ARTICLE XI
ELIGIBILITY

Section 11.1 Determining Your Eligibility for Retirement Benefits.

There are three types of retirement benefits available under the Plan each has different eligibility requirements, but all three benefits have two necessary common requirements: (i) **you must be Vested** to receive a monthly benefit and (ii) you **must be retired** from work in Covered Employment (unless you are age 70½). The following explains the eligibility requirements for each type of benefit:

Section 11.2 Eligibility for Regular Retirement Benefits Based on Continuous Service.

You will qualify for this benefit if you are 60 years of age or older as of your Retirement Date. However, if you retire prior to reaching age 62, your retirement benefits may be reduced as described in STEP FOUR of Section 12.1 of this summary.

Section 11.3 Eligibility For Alternate Vested Retirement Benefits Based on Continuous Service.

This type of benefit applies to you if your Retirement Date is before you attain 60 years of age. You are eligible to begin receiving this benefit after attaining 60 years of age, provided you are not engaged in Prohibited Employment. Your monthly pension is computed in the same manner used in computing Regular Retirement Benefits based on Continuous Service.

Section 11.4 Eligibility For Disability Benefits Based on Continuous Service.

You qualify for a Disability Benefit if you meet these requirements:

- you are “Totally and Permanently Disabled”, **and**

- you have at least 3,000 hours of work in Covered Employment for a Contractor or Contributor during the period which includes the Fiscal Year in which your disability Retirement Date occurs and the immediate five (5) consecutive prior Fiscal Years.

The Disability Pension Benefit is computed the same way as the Regular Retirement Benefit, based on Continuous Service; however, Disability Pension Benefits **are not reduced** if the pension starts before you reach Full Retirement Age.

You are Totally and Permanently Disabled if, through unavoidable cause, you are rendered incapable of carrying on any gainful occupation, or obtaining any type of employment because of your disability. To qualify as being Totally and Permanently Disabled, a Participant must apply for a Social Security Disability Benefit within thirty days of his application for a Disability Benefit from the Fund.

An illness or injury is considered unavoidable unless it results from:

- the commission of a felony;

- the use of drugs or narcotics;

- self-inflicted injury or self-induced illness; or

- service in the Armed Forces or Merchant Marine of any country.

A Participant who is still receiving a Disability Pension Benefit as of age 62 shall discontinue receiving a Disability Pension Benefit and begin receiving a monthly pension benefit as if the Participant had just retired from Covered Employment and applied for a monthly pension benefit for reasons other than being Totally and Permanently Disabled. The amount of the monthly pension benefit payable to the Participant upon attaining age 62 shall be the same amount that the Participant was receiving as a Disability Pension Benefit and will convert to a joint and survivor benefit once the Participant reaches age 62; however, the Participant will not be entitled to elect the Partial Lump Sum Option (explained later).

ARTICLE XII
COMPUTING YOUR MONTHLY BENEFITS

Section 12.1 Determining the Amount of Your Monthly Retirement Benefit.

If you meet the requirements for:

- A Regular Retirement Benefit based on Continuous Service (i.e. your Retirement Date is after you attain 60 years of age);
- An Alternate Vested Interest Retirement Benefit Based on Continuous Service (i.e. your Retirement Date is prior to your attaining age 60); or
- A Disability Benefit.

You are entitled to a monthly pension benefit computed in the following manner:

1. Determine your Retirement Date;
2. Determine your Pension Accrual Rate(s) based upon your Retirement Date;
3. Determine your earned Bonus Credits for Fiscal Years after May 31, 1987;
4. Determine the reduction in your pension benefit because of your Early Retirement if you go into pay status before attaining age 62 (not applicable to a Disability Pension);
5. Adjust your monthly Pension Amount for any Partial Lump Sum Distribution; and
6. Adjust your monthly Pension Amount for any joint and survivor option selected.

The above steps are more fully explained in the pages that follow.

STEP ONE: Determine your Retirement Date.

Your Retirement Date is the end of the month in which you are last credited with an hour of work in Covered Employment. For purposes of a Disability Benefit, your Retirement Date is the later of (i) the date you are determined to be Totally and Permanently Disabled by the Social Security Administration or the date so determined by a medical doctor selected or approved by the Trustees, or (ii) the month for which you stop receiving a Weekly Sickness or Accident benefit from the Plumbers' Welfare Fund by reason of the sickness or accident resulting in your disability.

STEP TWO: Determine the Pension Accrual Rate Based on Your Retirement Date.

The Pension Accrual Rate in effect as of your Retirement Date is the monthly dollar amount that you are entitled to receive at Full Retirement Age (age 62) for your accrued Pension Credit Years that you earned prior to your Retirement Date, unless you have two or more Break-in-Service years that have not been "bridged" (described in further detail below). To determine the amount of your monthly pension payable at age 62, multiply the number of your accrued Pension Credit Years by the applicable Pension Accrual Rate (or Rates if you had a non-bridged rate break).

The applicable Pension Accrual Rate for each Pension Credit Year depends upon the following factors:

- Your Retirement Date; and
- Whether you have incurred any periods of two or more consecutive Break-in-Service Years that have not been "bridged."

Your total accrued Pension Credit Years (unless you have incurred two or more consecutive Break-in-Service Years) is multiplied by the Pension Accrual Rate in effect as of your Retirement Date, as follows:

- $125.00 if your Retirement Date is after May 31, 2016, for Pension Credit Years earned after May 31, 2016;
- $115.00 if your Retirement Date is after May 31, 2012, for Pension Credit Years earned after May 31, 2012 and before May 31, 2016;
- $95.00 if your Retirement Date is after May 31, 2009, and before June 1, 2012;
- $90.00 if your Retirement Date is after May 31, 2008, and before June 1, 2009;
- $85.00 if your Retirement Date is after May 31, 2007, and before June 1, 2008;
- $80.00 if your Retirement Date is after May 31, 2006, and before June 1, 2007;
- $75.00 if your Retirement Date is after May 31, 2005, and before June 1, 2006,
- $70.00 if your Retirement Date is after May 31, 2004, and before June 1, 2005;
- $66.00 if your Retirement Date is after May 31, 2003, and before June 1, 2004;
- $64.00 if your Retirement Date is after May 31, 2002, and before June 1, 2003;
- $62.00 if your Retirement Date is after May 31, 2001, and before June 1, 2002;
- $60.00 if your Retirement Date is after May 31, 2000, and before June 1, 2001;
- $58.00 if your Retirement Date is after May 31, 1998, and before June 1, 2000;
- $52.00 if your Retirement Date is after May 31, 1997, and before June 1, 1998;
- $45.00 if your Retirement Date is after May 31, 1996, and before June 1, 1997;
- $43.00 if your Retirement Date is after May 31, 1995, and before June 1, 1996;

- $41.00 if your Retirement Date is after May 31, 1994, and before June 1, 1995;
- $39.00 if your Retirement Date is after May 31, 1993, and before June 1, 1994;
- $36.00 if your Retirement Date is after May 31,1992, and before June 1, 1993; and
- $35.00 if your Retirement Date is after December 31, 1991, and before June 1, 1992.

***EXAMPLE**: A Participant 62 years of age last worked in Covered Employment in July of 2007 having earned 35½ Pension Credit Years. This Participant's Retirement Date is July 31, 2007. Based on his Retirement Date, he is entitled to $85 multiplied by his total accrued Pension Credit Years, which results in a Monthly Benefit of $3,017.50 ($85 times 35½ Pension Credit Years). This monthly pension may be increased if the Participant also earned Bonus Credits. See Step 3.*

Further, if you qualify for an Alternate Vested Interest Pension and go into pension pay status at any time after June 2002 your minimum monthly pension benefit will be an amount equal to the lesser of:

1. Your monthly pension benefit determined pursuant to the regular rules of the Plan multiplied by two, or
2. Your total accrued Pension Credit Years and Inactive Bonus Credits multiplied by $45 plus $5 for each Bonus Credit,

but in no event would your monthly pension amount be less than determined under the rules of the Plan before application of this minimum rule. The above minimum pension accrual rates apply even if you have two (2) or more Break- In-Service years which results in a so called "rate break."

Special Rules for Determining the Pension Accrual Rate When You Have A Break In Continuous Employment.

This section applies only to Participants who, during their career in the Plumbing Trade, worked less than 300 hours in Covered Employment for a period of two or more consecutive Fiscal Years. Working less than 300 hours in Covered Employment during a Fiscal Year equals a Break-in-Service Year.

Two types of service breaks are important in computing your pension:

A ***Permanent Break-in-Service*** results in the permanent forfeiture of Pension Credit Years earned before the break and before you become vested. Generally, you have a Permanent Break-in-Service if you have five or more consecutive Break-in-Service Years. You cannot have a Permanent Break-in-Service after you become vested for a Pension Benefit; and

A ***Two Year Break-in-Service (Rate Break)*** may result in a different accrual rate for Pension Credit Years earned before the Two Year Break, but does not result in the loss of Pension

Credit Years previously earned. You have a Rate Break if you have two or more consecutive Break-in-Service Years.

If you have a Rate Break and later return to work in Covered Employment, your pension benefit is computed based upon two Pension Accrual Rates, provided the ***Bridging Rule*** (see explanation which follows) does not apply. Your Pension Benefit for years before the Rate Break is based upon whichever of the following rates results in the greater benefit:

- The Accrual Rate in effect on the 31st of May immediately before the beginning of the Rate Break; or

- The Accrual Rate in effect for the month falling in the first year of the Rate Break when you were last credited with an Hour of Employment in the Craft; or

- $45.00, if you qualify for a Regular Continuous Service Pension and your Retirement Date if after May 2002, or if you qualify for an Alternate Vested Interest Pension and you go into pension pay status after June 2002.

This rule is possibly modified by the application or the Plan's minimum Pension Accrual Rate (described above) if you qualify for a Regular Continuous Service Pension and your Retirement Date is before June 2002.

Eliminating the Effect of a Rate-Break: The Bridging Rule.

The Plan permits you to bridge Breaks-in-Service of two or more consecutive years (including a break that resulted in a Permanent Break-in-Service) by returning to work in Covered Employment and earning the required number of Pension Credit Years following your return. The term "bridging" means earning a number of Pension Credit Years sufficient to eliminate the adverse effect of the Break-in-Service on your pension benefit. Pension Credit Years earned after a two year or more Break-in-Service will be first applied to bridge any Rate Breaks (two or more consecutive Break-in-Service years that did not result in a forfeiture of Pension Credit Years). Any Pension Credit Years not used to bridge Rate Break Years are applied to bridge any Permanent Break-in-Service Period and increase the rate for any previously forfeited Pension Credit Years that were reinstated.

If you return to work in Covered Employment after a Rate Break, you can bridge the Rate Break by earning, following your return, a number of Pension Credit Years that equals the number of consecutive Break-in-Service Years that comprise your Rate Break. If you earn the required number of Pension Credit Years after your Rate Break, your pension, if Vested, for all Pension Credit Years earned is the Pension Accrual Rate in effect at the time you last leave work in Covered Employment. If you return to Covered Employment but do not earn the necessary number of Pension Credit Years to bridge the Rate Break then the Rate Break rule applies.

If you incur multiple Rate Breaks, Pension Credit Years earned following a break period are first applied to bridge the Rate Break that was first to occur. The bridging rule for Rate Breaks applies only to Participants who work in Covered Employment after 1990.

If you were unable to find work with a contributing contractor during any Fiscal Year ending in 1981 through 1986 due to lack of work in the Plumbing Trade in the geographical area covered by the Plan and you establish, to the Trustees' satisfaction, that you were available and looking for work in the Plumbing Trade during those Fiscal Years, you are credited with up to 300 Hours of Covered Employment per year for a maximum of three Fiscal Years solely for the purposes of avoiding a two-year Break-in-Service. The credited time will not be taken into account in determining the number of Vesting Credit Years or Pension Credit Years earned or for any other purpose under the Plan.

Bridging a Permanent Break-in-Service Period.

A different rule applies to determine the Pension Accrual Rate for previously forfeited Pension Credit Years which are reinstated under the rule previously described in this SPD.

If previously forfeited Pension Credit Years are reinstated, there is a Rate Break between the Fiscal Year in which you last earned the Pension Credit Years which were forfeited and the beginning of the period in which you earned Pension Credit Years leading to your being Vested. This elapsed time is referred to as your Permanent Break-in-Service Period, and it does not include any Fiscal Year during that elapsed time in which you worked at least 300 hours in Covered Employment. If you are able to bridge that Permanent Break-in-Service Period, your pension is computed as though the Break-in-Service did not occur. If you do not earn a number of Pension Credit Years after your Permanent Break-in-Service which equals or exceeds the number of years in your Permanent Break-in-Service Period, the Pension Accrual Rate for reinstated Pension Credit Years is the greater of the rate in effect when your Permanent Break-in-Service began or $45.

***EXAMPLE**: Between June 1981 and May 1988, Participant Mary earned seven Vesting and Pension Credit Years, but then left the Plumbing Trade. She was not Vested because at that time she needed ten Vesting Credit Years to become Vested. Participant Mary's seven Pension Credit Years were permanently forfeited on May 31, 1995, because she had seven Break-in-Service Years, a number equal to her previously earned Pension Credit Years. Participant Mary returned to work in Covered Employment in June 1996, became Vested with five Vesting Credit Years and retired in July 2007 at age 62 with nine (9) Pension Credit Years. Because the Participant forfeited at least five or more Pension Credit Years, those seven Years were reinstated when Participant Mary returned to work in Covered Employment and became Vested. Further, because Participant Mary's nine Pension Credit Years bridged the seven Break-in-Service Years, her monthly pension is equal to her total sixteen Pension Credit Years multiplied by $85.00, the Pension Accrual Rate in effect in July 2007, or $1,360. If Participant Mary had left work in Covered Employment after becoming vested with five Vesting and Pension Credit Years, the seven forfeited Pension Credit Years would be reinstated, but in computing her monthly pension, the seven year Break-in-Service (Rate Break) would not be bridged, and in computing Participant Mary's pension, she would receive the minimum of $45 for each of those seven reinstated Pension Credit Years, a monthly difference of $280.*

<u>STEP THREE</u>: Determine Your Accrued Bonus Credits.

See the earlier explanation on How You Earn a Bonus Credit. For Fiscal Years after May 31, 1987, you will receive the following amount for each accrued Bonus Credit in determining the total amount of your pension benefit:

1. $5 if your Retirement Date or two year Break-in-Service is after May 1997 and before June 2001;

2. $8 if your Retirement Date or two-year Break-in-Service is after May 2001, and before June 2002; and

3. $10.00 if your Retirement Date is after May 2002.

Notwithstanding the foregoing, the minimum rate for each Bonus Credit is $5 if your monthly benefit first commences after June 2000 regardless of your Retirement Date.

<u>STEP FOUR:</u> Determine, if Necessary, the Amount of the Early Retirement Reduction in Your Pension Benefit.

You are permitted to receive your full unreduced monthly pension benefit after attaining age 62; however, the Plan permits you to apply for your pension benefit at any time after attaining age 60, provided you are not engaged in Prohibited Employment. A pension benefit which begins prior to the month following the month you attain 62 years of age will be actuarially reduced by 5/9 of one percent (0.005555) for each month between the month of first payment and the month you attain Full Retirement Age (age 62), both inclusive. The maximum Early Retirement Reduction for a Participant is 13-1/3% if your pension starts the month after you attain 60 years of age.

Although you will be deemed to take an early retirement benefit if your pension starts before the month following the month you attain Normal Retirement Age (age 65), the Fund fully subsidizes an Early Pension Benefit which commences between the month following the month a Participant attains age 62 and the month following the month the Participant attains or would attain Normal Retirement Age. This means there is no reduction in the amount of your Full Retirement Age pension.

***EXAMPLE**: A Participant retires on his 60th birthday and is vested for a Full Retirement Age pension of $2,580; however, because the Participant elects to take an Early Retirement Pension which will commence the month following his 60th birthday, or 24 months Early Retirement, his Full Retirement Age Pension is reduced by 13-1/3% (5/9 of 1% multiplied by 24 months) resulting in an Early Retirement Benefit of $2,236.*

<u>STEP FIVE</u>: Adjust Your Pension Amount, if necessary, for a Partial Lump Sum Distribution

If your pension begins after June 1, 1997, you have the option when you apply for your pension to receive a partial lump sum distribution in exchange for a reduction in your monthly pension benefit. The partial lump sum distribution option permits you to reduce your monthly pension benefit by up to 10%, and receive a lump sum cash payment that is the actuarial equivalent of the reduction in your monthly pension amount; however, the maximum partial lump sum distribution is $20,000.00 and the minimum is $500.00. All partial lump sum distribution amounts must be in increments of $500.00.

The Partial Lump Sum Option is not available to Broken Service pensioners or pensioners who retire with a Disability Pension benefit. A married Participant must have the written consent of his spouse to receive a Partial Lump Sum Distribution. This consent must be made on a form furnished by the Fund Office.

The actuarial reduction in your monthly pension benefit necessary to fund your Partial Lump Sum distribution is determined by the Fund's actuary based upon applicable interest rates and mortality tables, which may be adjusted annually to reflect changes in the applicable interest rate assumptions and any changes in mortality tables. When you make application for your pension benefit, the Fund Office can advise you of the amount of the reduction required to fund your Partial Lump Sum Distribution.

The following is an example of how the Partial Lump Sum Option works:

> ***EXAMPLE****: Assume that you are entitled to a pension benefit of $3,000 per month upon retirement at age 62. At retirement, you are married and your spouse is also age 62. When you apply for your pension, you elect to reduce your monthly pension to receive a $20,000 lump sum payment (the maximum permitted). Your spouse consents to your election. Your monthly pension will be reduced by approximately $120. Due to your election, you will receive a lump sum payment of $20,000.00 and a monthly pension of approximately $2,880. Upon your death, your eligible spouse will receive a monthly survivor's benefit of $1,440 (50% of $2,880). Had you not made the partial lump sum election, you would be entitled to a monthly benefit of $3,000 for your lifetime and, upon your death, your Surviving Spouse would receive a monthly benefit of $1,500.*

Your Partial Lump Sum distribution is taxable for federal income tax purposes. However you can delay taxation on your distribution if you direct the Fund office to distribute the lump sum amount directly to an Individual Retirement Account (IRA) which you establish. If the distribution is made directly to you, the Fund is required to withhold 20% of the distribution for federal income taxes. Additional information on a Partial Lump Sum distribution is available from the Fund Office.

<u>STEP SIX</u>: Adjust Your Monthly Pension Amount for any Joint and Survivor Option Selected

If you are single at the time of your retirement, your benefit will generally be paid to you in "Single Life" monthly installments over the course of your lifetime. However, if you are married, you may elect one of three "Joint and Survivor Pension" benefit payment methods. If you are married and have an eligible Spouse when you retire, your pension will be paid in the form of an unreduced 50% Joint and Survivor Pension (discussed below), unless you and your spouse elect in writing otherwise. A Joint and Survivor Pension is a form of a pension benefit that upon your death, a percentage (the amount depends on your election) of your pension is paid to your

Surviving Spouse. The payment to your Surviving Spouse is made for a long as your spouse lives. The Plan provides for a 50%, 75% and a 100% Joint and Survivor Pension. The 50% Joint and Survivor Pension is unreduced, however; the 75% and a 100% Joint and Survivor Pensions are reduced to accommodate the greater monthly payment for your Surviving Spouse.

The amount of the 75% and 100% Joint and Survivor Pension reduced pension paid to you is determined by a formula adopted by the Trustees. This formula gives consideration to your age when your pension starts and also to the age of your spouse. The formula adopted by the Trustees is based on actuarial studies and may be changed by the formula in effect as of the date your pension starts.

1. <u>50% Joint and Survivor Method</u>. Upon your death, 50% of your unreduced pension is paid to your Surviving Spouse. The payment to your Surviving Spouse is made for a long as your spouse lives. *This is a standard form of benefit payment for married Participants.*

   The following is an example of how the <u>50% Joint and Survivor Method</u> works:

   EXAMPLE*: Suppose you retire as of November 1, 2015, and are eligible for a monthly pension benefit of $2,000.00 a month. If you die prior to your spouse, your Surviving Spouse would receive $1,000.00 per month (50% of $2,000) for the remainder of her life.*

2. <u>75% Joint and Survivor Method</u>. Upon your death, 75% of your **reduced** pension is paid to your Surviving Spouse. The payment to your Surviving Spouse is made for a long as your spouse lives. This means that your pension benefit is further adjusted downward to provide this added income for your spouse. *This is an optional form of benefit payment for married Participants.*

3. <u>100% Joint and Survivor Method</u>. Upon your death, 100% of your **reduced** pension is paid to your Surviving Spouse. The payment to your Surviving Spouse is made for a long as your spouse lives. This means that your pension benefit is further adjusted downward to provide this added income for your spouse. *This is an optional form of benefit payment for married Participants.*

If you elect either the 75% or 100% Joint and Survivor options and your spouse predeceases you, your monthly pension will "pop up" to the Single Life Annuity amount.

Section 12.2 Special Benefit Adjustment For Vested Inactive Participants (VIP) Who Accrue Inactive Bonus Credits (IBC).

If you have not earned a Pension Credit or part thereof during the Fiscal Year your pension benefit commences and the preceding five Fiscal Years, you may be eligible for this benefit enhancement. You are a Vested Inactive Participant (VIP) if you meet the following conditions:

1. You are vested to receive a monthly pension benefit from the Fund (other than a disability pension benefit);

2. You earned ten (10) or more Pension Credit Years that have not been forfeited because of a Permanent Break-in-Service; and

3. You have not earned a full or partial Pension Credit Year during the Fiscal Year your pension benefit begins or the five prior Fiscal Years.

If these conditions are met, you qualify as a Vested Inactive Participant (VIP) and will receive credit for one or more Inactive Bonus Credits (IBCs), up to a maximum of four, to increase your monthly Pension Benefit. A VIP is entitled to an Inactive Bonus Credit for each period of five full consecutive Fiscal Years that elapse between the Fiscal Year the Vested Inactive Participant last earned any portion of a Pension Credit Year and the Fiscal Year in which the VIP's pension benefit begins. This is a contingent Credit which does not vest until retirement.

> ***EXAMPLE****: A Participant last worked in Covered Employment in May 1991, after earning 25 Pension Credit Years. He applies for his vested pension benefit in September 2006. The Participant will receive three (3) Inactive Bonus Credits because fifteen (15) full Fiscal Years have elapsed between June 1, 1991, the start of the first Fiscal Year following the year in which he earned a Pension Credit Year and May 31, 2006, the end of the Fiscal Year before the year in which his pension begins. NOTE: If this Participant returned to work in Covered Employment in 2006 and earned a partial Pension Credit, the pending IBCs would be forfeited.*

For each Inactive Bonus Credit, your pension benefit (before reduction for early retirement) is increased by an amount equal to the highest Pension Accrual Rate used in computing your pension benefit. These VIP credits, like regular Pension Credits, are subject to reduction for early retirement.

> ***EXAMPLE****: In the above example, the Participant's regular pension is determined by multiplying his 25 Pension Credit Years by $35, the Pension Accrual Rate in effect when he last worked for a contributing contractor. As a VIP, the Participant's monthly pension benefit is increased by $105 ($35 x 3 Inactive Bonus Credits). The Participant's monthly pension benefit (before any reduction for early retirement) will be $980 (25 Pension Credit Years x $35 + $105 representing his Inactive Bonus Credits).*

ARTICLE XIII
SPOUSES' AND SURVIVORS' BENEFITS

Section 13.1 Benefits for Surviving Spouse.

If you are vested for a Regular Retirement Benefit based on continuous service, an Alternate Vested Interest Retirement Benefit based on continuous service, or a Disability Pension Benefit, upon your death your Surviving Spouse will be entitled to a monthly Survivor's Benefit, but only if the following conditions are met. If you die before your monthly pension benefit begins, your Surviving Spouse will receive a monthly Survivor's Benefit only if you and your spouse were married for one year prior to your death. If you die after your monthly pension benefit begins, your Surviving Spouse will be eligible to receive a monthly Survivor's Benefit only if: (1) you and your spouse were married before the commencement of your pension benefits, and (2) you were married for one year or more ending upon the date of your death.

If you are 60 years of age or older at the time of your death before June 1, 2009, your Surviving Spouse's lifetime monthly benefit is 50% of the pension benefit you are receiving at the time of your death, or 50% of the amount you would have received had you retired immediately before your death and made application for your pension benefit. For example, if you are not in pay status and die at age 61, under the Plan your monthly pension payable at age 62 (Full Retirement Age) is reduced by applying the Early Retirement Reduction for benefits that begin before you would have attained age 62. Your spouse is then entitled to 50% of the Early Retirement Benefit that you would have been entitled to receive if you had retired immediately before your death and made application for your pension benefit.

If you are 60 years of age or older at the time of your death on or after June 1, 2009, your Surviving Spouse's lifetime monthly benefit is 50% of the pension benefit you are receiving at the time of your death, or 50% of the amount you would have received had you retired immediately before your death and made application for your pension benefit. However, your Surviving Spouse will receive what was elected at the time of retirement as described below in Section 13.2.

If you are not age 60 years of age at the time of your death, your Surviving Spouse is entitled to a lifetime monthly benefit equal to 50% of the retirement benefit you are vested to receive upon attaining 60 years of age, and if you are receiving a monthly Disability Pension Benefit at the time of your death, your Surviving Spouse will receive 43 1/3% of the benefit you are then receiving.

Section 13.2 Qualified Optional Survivor Annuity (QOSA).

If you are married when your Pension payments begin and you elect the Joint and 75% (or 100%) Survivor Pension option, then you will be provided with reduced monthly pension payments for your lifetime. After you die, your surviving Spouse receives 75% (or 100% depending on the election) of your reduced monthly amount in monthly payments for the rest of his or her life. If you choose this option, your monthly Pension is reduced to provide these extra benefits for your Spouse. If your Spouse dies before you do, your Pension "pops up" to the unreduced single-life amount for months beginning on or after the month in which your Spouse died. Benefits will not be recalculated or continued for a spouse you marry after your benefits have commenced.

Section 13.3 Commencement and Duration of Spouse's Benefit.

The monthly benefit payable to a qualified Surviving Spouse will commence the month following the death of the Participant, regardless of the age of the spouse, and will be paid for the spouse's lifetime.

Section 13.4 Survivor's Benefits for Dependent Children.

In certain circumstances, survivor benefits are payable to one or more of your Dependent Children if:

- You die leaving no Surviving Spouse, but are survived by one or more Dependent Children; or

- Your Surviving Spouse dies while receiving survivor benefits under the Plan but before receiving 120 monthly payments from the Plan and is survived by one or more of your Dependent Children;

then benefits that would be or are being paid to your Surviving Spouse are paid to your qualified Dependent Children.

For purposes of this benefit, a "Dependent Child(ren)" is any child of a deceased Participant by blood or adoption under the age of 18. Survivor benefits for Dependent Children are not lifetime benefits. These benefits continue only until the earliest of any one of the following events occurs:

- A total of 120 monthly payments are made by the Trust to your Surviving Spouse and/or Dependent Children; or

- there is no longer a child of yours who is under the age of 18 years of age.

The Plan grants the Trustees broad powers respecting to whom and how the monthly benefit will be distributed for the benefit of the Participant's Dependent Children. For example, the Trustees may allocate such payments among the Dependent Children in such manner as they, from time to time, deem desirable, and may defer distribution of such payments, or any portion thereof, to such time as they deem desirable.

ARTICLE XIV
FORM OF RETIREMENT BENEFIT

Retirement and Surviving Spouse Benefits under this Plan are normally paid in the form of a monthly pension benefit. However, if at the inception of the benefit the single sum actuarial equivalent of a monthly benefit is $5,000 or less when expressed as a single sum, the benefit must be paid as a single sum. If the Payee is a Participant, any benefit that becomes payable to because of subsequent work in Covered Employment is reduced by the actuarial equivalent of any payment made. If the Participant or Surviving Spouse does not elect to have a mandatory distributions of $5,000 or less (but not less than $1,000), paid directly to an eligible retirement plan specified by the Participant or beneficiary in a direct rollover or to receive the distribution directly, then the Fund will pay the distribution in a direct rollover to an individual retirement plan designated by the Trustees.

If the actuarial value of a monthly pension or Surviving Spouse benefit is $20,000 or less and more than $5,000, the Participant or Spouse may elect, at the time benefits begin, to take the entire Plan benefit as a lump sum payment. If married, the spouse must consent, in writing, to the Lump Sum Distribution election. This consent must be made on a form supplied by the Fund Office. The amount of a Lump Sum Distribution is determined by the Fund's actuary based upon applicable interest rates and mortality tables. If interested in electing the lump sum option, the

Fund Office will supply you with the lump sum value of your benefit at the time you submit your pension application.

ARTICLE XV
WHEN RETIREMENT BENEFITS BEGIN AND END

If your application for pension benefits is filed within two months following the month of your Retirement Date, your monthly pension benefit will commence with the month following your Retirement Date. If your application for pension benefits is filed more than two months after the month of your Retirement Date, your pension benefits will be effective with the month following the month your completed Pension Application is submitted to the Fund Office; provided, however, your benefits shall begin no later than the 60th day after the later of the close of the Fiscal Year (May 31) in which (i) you attain Normal Retirement Age (age 65) or (ii) you last worked in Covered Employment. Any payments made pursuant to (i) shall be made retroactive to the month following the month you attained Normal Retirement Age at your election, but no election can be made if the monthly benefit is actuarially adjusted.

Your Retirement Date is the last day of the month in which you last worked in Covered Employment. If you apply for Disability Benefits, your Retirement Date is the later of the date you are deemed to be disabled or the date you last received Weekly Sickness or Accident benefits from the Plumbers' Welfare Fund, Local 130 U.A. No Pension Benefits are paid for any month you receive Weekly Sickness or Accident Benefits from the Plumbers' Welfare Fund, Local 130 U.A.

Even if you are not retired from Covered Employment, distribution of your monthly pension benefits must begin no later than April 1 of the calendar year following the calendar year in which you attain age 70½.

Your retirement benefits will end with the month of your death.

Monthly Survivor's Benefits for your eligible Surviving Spouse or your Dependent Child will begin the month immediately following the month of your death. The Surviving Spouse benefit will terminate with the month of the death of the Surviving Spouse. Benefits for a Dependent Child will terminate at previously described.

ARTICLE XVI
SUSPENSION OF PENSION BENEFITS BECAUSE OF ENGAGING IN PROHIBITED EMPLOYMENT

Section 16.1 Reemployment Before Age Sixty-Five.

If you engage in Prohibited Employment after your retirement benefits begin (no matter where employed or for how many hours) your monthly pension benefit is suspended until you attain Normal Retirement Age (age 65) or become Totally and Permanently Disabled before that date. **However, you are permitted to work <u>less than</u> forty (40) hours in Covered Employment for a Contributing Contractor in any Calendar Month without your monthly pension benefits being suspended**.

For purposes of this rule, **Prohibited Employment means**:

- Employment or self-employment in any occupation which utilizes the skills possessed by a plumber, including employment in a supervisory capacity or as a plumbing contractor within the United States, or as a sales person or consultant in the plumbing section of a retail store or plumbing supply business.

- Employment or self-employment in any work falling within the work jurisdiction of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada; or

- Employment or self-employment in any work which, in the sole discretion of the Trustees, is determined to adversely affect job opportunities of Journeymen and Apprentices who have not retired.

- Continuing registration as a plumbing contractor under the provisions of applicable statutes of the State of Illinois, as amended from time to time, or any similar or equivalent provision of the law of any State or any political subdivision thereof or under the provisions of any county or municipal ordinances. This includes maintaining an active plumbing license for an active operating plumbing business.

Prohibited Employment does not include work in Covered Employment by a retired Participant of <u>less than</u> forty (40) hours in any calendar month, provided the contractor makes contributions to the Local 130 Benefit Funds on account of such employment.

If your monthly pension benefits have been suspended under this rule, beginning with the earlier of the month after your 65th birthday, or the month you become disabled, your monthly benefit may begin again. Your benefit will be recomputed to include any additional Pension Credit Years earned during the suspension period, and adjusted to account for your later retirement age and the value of any benefits received before the suspension.

The suspension of benefits rules by reason of Prohibited Employment prior to the time you attain 65 years of age have been broadly applied by the Trustees. **You should be aware that any employment which utilizes the mental or physical skills of a plumber may result in a suspension of your Pension Benefits**. You are strongly urged to advise the Fund Office if you are considering a return to employment in a position which in any way involves plumbing or work within the occupational jurisdiction of the United Association. The Trustees will review your proposed employment and advise you promptly if the proposed employment will be deemed Prohibited Employment.

> ***EXAMPLE****:* *A pensioner who has not attained age 65, is contemplating employment with a home improvement center. He will be employed as a salesperson in the Plumbing Department and will advise customers on the proper fixtures required for do-it-yourself plumbing jobs. This employment will result in a suspension of his pension benefits. First, the employment utilizes the skills of a plumber. The Participant will be utilizing his plumbing knowledge to advise customers concerning their plumbing needs. In addition, the employment is*

prohibited because it adversely affects the job opportunities of journeyman plumbers who have not yet retired by encouraging and facilitating do-it-yourself jobs which reduce the need for the services of skilled plumbers.

***EXAMPLE**: A pensioner who has not attained age 65 is contemplating employment as a maintenance man and custodian. One of his duties will be to rod sewers on an as-needed basis. This employment will result in a suspension of his pension benefits. The task of rodding sewers utilizes the skills of a plumber, is within the work jurisdiction of the United Association, and constitutes work that adversely affects job opportunities of plumbers who have not retired. The fact that the task is only performed occasionally does not make the work permissible under the suspension of benefits rules.*

Section 16.2 Reemployment After Age Sixty-Five (65).

If you become employed or self-employed in the Plumbing Trade for forty (40) or more hours during any month after the month of your 65th birthday, you will not be paid retirement benefits under the Plan during any such month. When this employment is terminated, you will receive a monthly retirement benefit adjusted to include any additional Pension Credits earned as a result of the reemployment.

For purposes of this rule, you will be considered employed in the Plumbing Trade if you are employed or self-employed in the same industry, in the same trade or craft, and in the same geographic area covered by the Plan. You should contact the Fund office to determine whether any proposed employment falls within these restrictions. An hour of service is defined as any hour for which an employee or self-employed person is paid or entitled to payment for the performance of duties.

This rule will not apply to your Monthly Pension Benefits payable for months including or following April 1st of the calendar year following the calendar year in which you attain age 70½.

Section 16.3 Part-time Employment in the Plumbing Trade.

The suspension of benefits rules will not apply to part-time employment in the Plumbing Trade, but only if the Pension Fund Trustees determine, before you accept the employment, that the proposed part-time employment is in the best interests of the plumbing industry and does not adversely affect job opportunities of Journeymen or Apprentice Plumbers who have not retired.

This exception normally applies to part-time plumbing inspectors. Hours worked in part-time employment in the Plumbing Trade after your initial Retirement Date will not increase your monthly retirement benefit.

ARTICLE XVII
SERVICE PLUMBER BENEFIT

Section 17.1 Eligibility.

Any Participant who was employed as a Service Plumber and who terminates his Employment in the Craft after May 31, 2002, and who:

- has no less than five (5) Vesting Credit Years which are not forfeited by reason of a Permanent Break in Service, and
- earned Pension Credit Years due to work performed as a Service Plumber.

Section 17.2 Timing of the Service Plumber Benefit.

Service Plumbers meeting the criteria set forth in Section 17.1 shall be paid a monthly retirement benefit based on his total Pension Credit Years which have not been forfeited. This monthly retirement benefit shall:

- begin on the later of (i) the month following the month in which the applicant attained age 62, or (ii) the month following the month in which the applicant retired from the plumbing trade, and
- end with the month in which the death of the retired Participant occurs.

A Service Plumber may apply for a monthly retirement benefit subject to an Early Retirement Reduction if he is otherwise eligible for a monthly retirement benefit and has attained age 60, but has not yet attained age 62.

The monthly benefits may also begin if the Service Plumber's retirement is by reason of being Totally and Permanently Disabled as of his Retirement Date, but only if the Service Plumber has not less than 3,000 hours of Employment in the Craft for a Contractor or Contributor during the period that includes the Fiscal Year and the five Fiscal Years immediately before the Fiscal Year in which the Service Plumber's Retirement Date occurs. The monthly disability benefit will begin the month after application and approval of the application by the Trustees.

A Service Plumber who is still receiving a Disability Pension Benefit under this section as of age 62 shall discontinue receiving a Disability Pension Benefit and begin receiving a monthly pension benefit as if the Service Plumber had just retired from Covered Employment and applied for a monthly pension benefit for reasons other than being Totally and Permanently Disabled. The amount of the monthly pension benefit payable to the Service Plumber upon attaining age 62 shall be the same amount that the Service Plumber was receiving as a Disability Pension Benefit; however, the Service Plumber will not be entitled to a Partial Lump Sum Option under the Plan.

Section 17.3 Amount of the Service Plumber Benefit.

The amount of the monthly retirement benefit shall be an amount equal to the benefit that would have been payable at age 65 for each such Pension Credit Year earned while working as a

Service Plumber multiplied by $38.00, on the day the Service Plumber was last credited with an hour of Employment in the Craft. However, if the Service Plumber incurred a 2-Year Break in Service, or a Permanent Break in Service, the monthly benefit may be revised to reflect the Break in Service unless the Break in Service Years are deemed to have been "bridged" depending on when the Service Plumber returned to Employment in the Craft. Please contact the Fund Administrator for further details. Participants earning benefits under this section due to their work as Service Plumbers shall not earn Bonus Credits for their work as Service Plumbers or Inactive Bonus Credits under the Plan.

Early retirement reduction for Service Plumbers. In the case of a Service Plumber whose first monthly retirement benefit is payable before the calendar month next following the month in which the Service Plumber attains Normal Retirement Age, the Service Plumber's monthly pension benefit shall be reduced by 5/9 of one percent multiplied by the number of months from the month of first payment to the month the Service Plumber attains 62 years of age, both inclusive. The Fund fully subsidizes an Early Pension Benefit for a Service Plumber whose Early Pension Benefit commences between the date the Service Plumber attains age 62 and the date the Service Plumber attains or would attain Normal Retirement Age (65).

Section 17.4 Application for Benefits.

Participants eligible for benefits under this section must apply for such benefits which are subject to the Board's approval. Applications for benefits under this section are due by the end of the month following the month the applicant would be entitled to his first monthly payment. In the event an application for benefits is filed subsequent to such date and the applicant is otherwise eligible for benefits, the monthly benefits shall begin with the month following the month the application is filed.

ARTICLE XVIII
BENEFIT INCREASES

Generally, the amount of monthly retirement benefit which you receive at retirement will not be changed. However, from time to time, the Trustees improve the Plan benefits and, when financially possible, improvements may be extended to pensioners and survivors.

The Pension Fund Trustees at their sole discretion may allow for a 13^{th} Check to be issued to all eligible retirees and beneficiaries. The 13^{th} check is not a vested benefit, accrued benefit or an optional form of benefit and may not be paid in such a manner or with such frequency that would cause it to be treated as such. Such a 13th check will be in an amount equal to your monthly payment based on your accrued benefits, or such other amount that the Trustees shall determine in their sole discretion. The issuance of a 13th check in one year will not guarantee a 13th check in any other year.

ARTICLE XIX
QUALIFIED DOMESTIC RELATIONS ORDERS

Upon receiving a domestic relations order, the Fund Office will notify the Participant, Alternate Payee, and other necessary parties that it has received the Order. Upon request, the Fund Office will also send each party a copy of the Fund's procedures and a copy of the checklist used by the Fund to determine if the order is a Qualified Domestic Relations Order under Section 414(p) of the Internal Revenue Code of 1986, as amended, and Section 206(d)(3) of the Employee Income Retirement Security Act of 1974, as may be amended (ERISA). Please contact the Fund Office for a free copy of the Fund's procedures for handling an Order and a copy of the checklist to determine if the Order is a Qualified Domestic Relations Order. The Pension Fund Trustees have the authority to propose reasonable rules and regulations regarding the processing of QDROs. The Trustees have broad discretion to determine the type and form of QDRO to be accepted and approved.

ARTICLE XX
PLAN AMENDMENTS AND TERMINATION

The Trustees of the Plan have the power to amend the Plan, including the power to change benefits, at any time. Any amendment which increases the cost of the Plan must be approved by the Trustees, the Plumbing Contractors' Associations, and the Chicago Journeymen Plumbers' Local 130, U.A. The decision as to whether or not an amendment increases the cost of the Plan is made by the regular actuary employed by the Plan and is conclusive and binding on all parties concerned. Amendments to the Plan are subject to the following limitations:

1. No amendment may have the effect of vesting in any Contractor or Contributor any interest in or control over the Plan;

2. No amendment may divert assets from the Plan to purposes other than for the exclusive benefit of the Participants and Retired Participants, except for provisions for reasonable compensation for Trustees may be made by amendment; and

3. The retirement benefit of a Retired Participant who has become eligible for Regular Retirement Benefits Based on Continuous Service will not be decreased unless the funds of the Plan are inadequate to meet the payments due.

The Plan is intended to be permanent; however, the Plan will terminate upon the occurrence of any of the following events as listed in the current version of Section 4041A(a) of ERISA.

1. The enactment of an amendment which provides that Participants will not receive any credit (pension, vesting, or other credit) after the dated specified by the amendment;

2. the withdrawal of every employer from the Plan or the cessation of the obligation of all employers to contribute to the Plan; or

3. the adoption of an amendment which causes the Plan to become an individual account plan, such as a 401(k) plan.

This list is subject to change with the amendment of Section 4041A. If the Plan should terminate, all Participants would immediately vest in their accrued benefits. The Trustees will take such action and make such distributions as may be required or permitted under Section 4041A and other applicable provision of ERISA. Any distribution upon the termination of the Plan may be made, in whole or in part, to the extent that no discrimination in value results, in cash, in securities, or in other assets in kind, or in insurance or annuity contracts as the Trustees in their discretion may determine. In making such distribution, any and all divisions, appraisals, apportionments, and allotments made by the Trustees and all actuarial determinations and valuations made by the actuary employed by the Trustees shall be final and binding on all involved parties or any other person.

ARTICLE XXI
IMPORTANT INFORMATION ABOUT YOUR PENSION PLAN

The following information is provided to help you identify this Pension Plan and the people who are involved in its operation.

Section 21.1 Name of Plan.

This Plan is known as the Plumbers' Pension Fund, Local 130, U. A. (the "Pension Plan" or "Plan"). The Plan is a defined benefit plan and is administered by a Board of Trustees.

Section 21.2 Plan Sponsor and Administrator.

The Board of Trustees is both the Plan Sponsor and the Plan Administrator. The Board of Trustees is responsible for Plan operations. The Board of Trustees consists of five employer and five Local 130, U.A. Union representatives. There are also two Alternate Trustees. If you wish to contact the Board of Trustees, you may use the address and phone number below:

PLUMBERS' PENSION FUND,
LOCAL 130, U. A.
1340 West Washington Boulevard
Chicago, Illinois 60607
Phone: (312) 226-5000
Fax: (312) 421-1749

As of June 1, 2016, the Trustees of this Plan are:

Union Trustees	**Employer Trustees**
James F. Coyne, Co-Chairman 1340 West Washington Blvd. Chicago, IL 60607	Michael J. Kerrigan, Co-Chairman F.J. Kerrigan Plumbing Company, Inc. 811 Ridge Rd. Wilmette, IL 60091
Kenneth Turnquist 1340 West Washington Blvd. Chicago, IL 606074	Michael Chapel Canyon Plumbing 14119 S Harrison Ave Posen, IL 60469
Thomas Gavin 1340 West Washington Blvd. Chicago, IL 60607	Justin Treutelaar Great Lakes Plumbing and Heating Company 4521 W. Diversey Ave Chicago, IL 60639

Joseph Strong
1340 West Washington Blvd.
Chicago, IL 60607

Dick Browning
Arrow Plumbing & Heating, Inc.
835 S. Lake St.
Aurora, IL 60506

Scott Spangle
1340 West Washington Blvd.
Chicago, IL 60607

John Bali
Another Plumbing Company
13753 McKanna Road
Minooka, IL 60447

Patrick McCarthy
Alternate Trustee
1340 West Washington Blvd.
Chicago, IL 60607

S.J. Peters
Alternate Trustee
Plumbing Contractors' Association of
Chicago and Cook County
603 Rogers Street, Suite 2
Downers Grove, IL 60515

Section 21.3 Type of Plan.

The Pension Plan is a Defined Benefit Plan which provides pension benefits to eligible Participants, and survivor benefits to the eligible Surviving Spouses of deceased Participants who are receiving or vested to receive a pension benefit from the Fund. Pension benefits are paid for the lifetime of the Participant, and survivor benefits are paid for the lifetime of the eligible Surviving Spouse. The money to provide such benefits comes from contributions by Union Contractors pursuant to the terms of applicable Collective Bargaining Agreements (CBA) with the Chicago Journeymen Plumbers' Union, Local 130 U.A., and from investment income. All contributions and investment income are retained in trust. **Separate accounts are not maintained for individual Participants**, and the Trustees cannot legally refund contributions correctly made pursuant to the terms of the CBA to the contributing contractor or to the Participant on whose behalf the contributions were made. **The Trustees by law can only disburse funds from the Pension Fund to pay pension and survivor benefits and to defray the reasonable administrative expenses of the Plan**.

Section 21.4 Fiscal Year (i.e., the Plan Year).

The records of the Plan are kept separately for each Fiscal Year. The Fiscal Year begins on June 1 and ends on May 31.

Section 21.5 Normal Retirement Age.

For purposes of this Plan, Normal Retirement Age is age 65. However, a Participant may take an unreduced pension at age 62, which is referred to as "Full Retirement Age."

Section 21.6 Retirement Date.

Your Retirement Date is the end of the month in which you are last credited with an hour of Employment in the Craft. However, if you are eligible to receive a Disability Pension by reason of being Totally and Permanently Disabled, your Retirement Date is the later of (i) the date you are deemed to be Totally and Permanently Disabled or (ii) the end of the month in which you are last credited with an hour of work in Covered Employment by reason of your receipt of Weekly Sickness or Disability Benefits from the Plumbers' Welfare Fund.

Section 21.7 Eligibility for Benefits.

The Plan's benefits and eligibility requirements, as well as circumstances that may result in disqualification, ineligibility, or denial or loss of any benefits are described in this SPD.

ARTICLE XXII
ADDITIONAL INFORMATION ABOUT THE PLAN

The following information is provided to help you identify this Pension Fund and the people who are involved in its operation as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Section 22.1 Identification Numbers.

The Plan Number assigned by the Board of Trustees for Internal Revenue Service purposes is 001. The Employer Identification Number assigned to the Board of Trustees by the Internal Revenue Service is 36-6489579.

Section 22.2 Agent for Service of Legal Process.

is the Plan's agent for service of legal process. In legal disputes involving the Plan, legal documents should be served upon at PLUMBERS' PENSION FUND, LOCAL 130, U. A., 1340 West Washington Boulevard Chicago, Illinois 60607. Legal documents may also be served upon the Trustees individually at their respective addresses.

Section 22.3 Source of Contributions.

All contributions to the Plan are made by Employers under collective bargaining agreements with Local 130, U.A or participation agreements with the Plan. The collective bargaining agreements and participation agreements require contributions to the Plan at a fixed rate per hour worked. To learn if a contractor is contributing to the Fund, please contact the Fund Office.

Section 22.4 Fund Investments.

The Plan's assets and reserves are held in trust by the Northern Trust Company and invested professionally by investment managers selected by the Trustees. Upon written request to the Fund Administrator, you may obtain the names and addresses of the Fund's investment managers.

Section 22.5 Source of Benefits.

Benefits are provided from the Plan's assets which are held and accumulated in a trust fund to provide retirement and survivor benefits to Participants and their Surviving Spouses and pay reasonable administrative expenses. All benefits are provided under the terms of the Plan Document.

Section 22.6 Responsibility of the Participant, Pensioner and Beneficiary

It is your responsibility as Participant, Pensioner, Spouse or Beneficiary to keep the Plan informed regarding your current residence, contact information and marital status. Failure to provide and/or update the Plan with accurate information may result in your benefit being delayed, terminated or forfeited.

Section 22.7 Claim and Appeal Procedures.

A Participant must file a timely written application for benefits with the Trustees on a form prescribed by them. To obtain the proper form call or visit the Fund Office. The Trustees will examine the claim and will normally decide within 90 days (45 days for disability claims) whether or not a benefit is actually due. If there are special circumstances which require additional time to process your claim, the Trustees will attempt to notify you in writing, giving you a specific date, no later than 180 days (75 days for disability claims) after receipt of your claim, as to when they expect a decision to be made and stating the reason for the delay.

If for some reason a written notice of a decision on your claim has not been made by the 90th day (45th day for disability claims) or by the 180th day (75th day for disability claims) if an extension was requested, your claim will be deemed denied. Please see below for the procedure to follow if this happens.

If a claim is denied, in whole or in part, written notice of such denial will be furnished to the applicant setting forth, in a manner calculated to be understood by him, the following:

- The specific reason or reasons for the denial;
- The specific reference to the pertinent Plan or Trust provisions on which the denial is based;
- A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and
- An explanation of the claim review procedure.
- Additionally, for disability claims:
  - If an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion; or a statement that such a rule, guideline, protocol, or other

similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge to the claimant upon request; or

- If the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the plan to the claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request.

An applicant whose claim has been denied in whole or in part (or his duly authorized representative) may appeal the denial to the Trustees by making a written request for a review and may review pertinent documents and submit issues and comments in writing. A written request for review must be filed within 120 days (180 days in the case of claim for Disability Benefits) of the date an applicant has been notified of the denial or partial denial of his claim. BEFORE YOU CAN PURSUE YOUR CLAIM IN A COURT OF LAW, YOU MUST FIRST APPEAL A CLAIM DENIAL WITHIN THE 120 (180) DAY TIME LIMIT FOR REQUESTING REVIEW AND AWAIT THE RESULT OF THE REVIEW.

The Trustees will make a benefit determination no later than the date of the Board meeting that immediately follows the Plan's receipt of a request for review, unless the request for review is filed within 30 days preceding the date of that meeting. In which case, a benefit determination may be made by no later than the date of the second meeting following the Plan's receipt of the request for review. If special circumstances require a further extension of time for processing, a benefit determination will be made not later than the third meeting of the Board following the Plan's receipt of the request for review. If such an extension of time for review is required because of special circumstances, the Plan Administrator shall provide the claimant with written notice of the extension, describing the special circumstances and the date as of which the benefit determination will be made, prior to the commencement of the extension.

The Plan Administrator will notify the claimant of the benefit determination as soon as possible after the benefit determination is made. This notice will include specific reasons for the decision, as well as specific references to the Plan provisions on which the decision on review was based.

In determining whether a claim should be allowed or denied, the Trustees have complete discretion to interpret and construe the terms of the Pension Plan including any ambiguous terms or provisions, and to make factual findings and determinations. Their decision is final and binding on all persons. Any claims against the Trustees or their delegatees involving a matter for which discretionary authority is given shall be determined under the arbitrary and capricious standard of review. Any legal action for the recovery of any benefits must be commenced within one year after the Plan's claim review procedures have been exhausted. The situs of the Plan is Cook County, Illinois. Venue shall be in the United States District Court for the Northern District of Illinois.

Section 22.8 Coverage under Pension Benefit Guaranty Corporation.

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

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

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first $11 of the monthly benefit accrual rate and (2) 75% of the next $33. The PBGC's maximum guarantee limit is $33.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be $12,870.

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

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

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

ARTICLE XXIII
STATEMENT OF ERISA RIGHTS

As a Participant in Plumbers' Pension Fund, Local 130, U.A. you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants shall be entitled to:

Section 23.1 Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites at which 50 or more Participants are regularly employed and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

- Obtain, upon written request to the Plan's Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested by the Participant in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Section 23.2 Prudent Actions by Plan Fiduciaries.

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

Section 23.3 Enforce Your Rights.

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

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

Section 23.4 Assistance with Your Questions.

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

ARTICLE XXIV
WHAT YOU CAN DO TO PROTECT YOUR RIGHTS

There are certain things that you should do to protect your pension rights under the Plumbers' Pension Fund, Local 130, U.A. These can be summarized as follows:

- When you make a decision to retire, file your application for benefits within two months after the month of your Retirement Date. It is important that you call the Fund office and make an appointment to file your application for your pension benefit and to receive other important information.

- If you are unable to find work because no work is available and it appears that this condition may continue, advise the offices of the Plumbers' Local 130, U.A. and Plumbers' Pension Fund at least once each calendar quarter that you are available and looking for work.

- If you accept employment as a plumber outside the jurisdiction of Local 130, but under the jurisdiction of another Local that has a pension plan, immediately notify the Fund Office. In many instances, the Trustees of Local 130, U.A. Fund may be able to work out an agreement so that contributions made on your behalf to the other Fund will be remitted to the Local 130 Fund. If this is done, you will receive credit for this employment for the purposes of the Local 130 Fund as if you had been working for a contractor under the jurisdiction of Local 130, U. A.

- If you are unable to work as a plumber because of a physical or mental disability and it appears your condition may be permanent, immediately notify the Fund Office. The Fund will advise you of your right to a disability pension.

- If you have retired and are receiving a pension and are considering whether to accept employment which may utilize the skills of a plumber, immediately notify the Fund Office.

- If you have any questions, do not hesitate to call the Fund Office. The number is (312) 226-5000.

THIS EXPLANATION IS DESIGNED TO COVER ONLY THE HIGHLIGHTS OF THE PLUMBERS' PENSION PLAN. THE FULL PLAN DOCUMENT CONTAINS THE COMPLETE DETAILS AND PROVISIONS OF THE PLAN. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THIS EXPLANATION AND THE TERMS AND PROVISIONS OF THE PLAN, THE TERMS AND PROVISIONS OF THE PLAN CONTROL.

APPENDIX A
FORMER LOCAL 422 PENSION BENEFITS

1. Pension Benefit.

Effective May 31, 2011, the accrued benefits of the Plumbing Employees of the Plumbers and Steamfitters Local Union No. 422 Pension Fund ("Local 422 Pension Fund") were merged into this Plumbers' Pension Fund, Local 130, U.A. ("Pension Fund"). Covered Employees and Pensioners of the Local 422 Pension Fund will have their pension benefits determined under the terms of the Local 422 Pension Fund Plan based on Covered Service performed prior to June 1, 2011, plus the accrued value for Covered Service under this Pension Fund for work performed on or after June 1, 2011. Upon retirement, each such Participant will receive a benefit equal to the sum of the Participant's accrued benefit under the Local 422 Pension Fund (including any benefit under the Local 81 Pension Plan) as of June 1, 2011, plus the Accrued Benefit in this Pension Fund based on Work in Covered Employment under this Pension Fund on or after June 1, 2011.

2. Vesting.

Local 422 Pension Fund Covered Employees who are vested as of May 31, 2011, remained vested after the merger. Local 422 Fund Covered Employees who work in Covered Employment on or after June 1, 2011, will accrue one Vesting Credit Year under this Pension Fund for any Fiscal Year in which they accumulate 300 Hours of Service until such time as those Local 422 Fund Covered Employees either become 100% vested in benefits under this Pension Fund or incur a Permanent Break-in-Service.

Vesting Credit Years and service under this Pension Fund will be counted in determining the vested status, the Break-in-Service rules, and eligibility for benefits under the Local 422 Pension Fund Plan. The provisions of the Local 422 Pension Fund shall be applied for determining whether there is a Break in Service with respect to the Local 422 Pension Fund for periods prior to June 1, 2011.

Service under the Local 422 Pension Fund shall be counted in determining a participant's vested status with respect to benefits accrued after June 1, 2011. Such service shall also be counted and applied towards satisfaction of the eligibility requirements for all forms of benefit under this Pension Fund as of June 1, 2011.

3. Retirement, Ancillary and Survivor Benefits Earned Prior to June 1, 2011.

A Local 422 Pension Fund Plan participant's right to retirement benefits, including any surviving spouse benefit or optional forms of benefit earned prior to June 1, 2011, shall continue to be paid in the amount and time provided in the Local 422 Pension Fund Plan. For work on or after June 1, 2011, a participant's right to such benefits will be determined by this Pension Fund.

4. No Duplicative Benefits.

Any participants, retirees, widows, or other beneficiaries under the Local 422 Pension Fund who on or after June 1, 2011, became eligible for benefits or are entitled to receive benefits from the Local 597 Pension Fund as a result of Covered Service under the Local 422 Pension Fund Plan, shall not be eligible for or entitled to receive any benefits from this Pension Fund for such period of service.

APPENDIX B
FORMER LOCAL 501 PENSION BENEFITS

1. Pension Benefit.

Covered Employees and Pensioners of the Northern Illinois Pension Fund will have their pension benefits determined under the terms of the Northern Illinois Pension Fund Plan based on Covered Service performed prior to June 1, 2014, plus the accrued value for Covered Service under the Plumbers’ Pension Fund, Local 130, U.A. (“Pension Fund”) for work performed on or after June 1, 2014. Upon retirement, each such Participant will receive a benefit equal to the sum of the Participant’s accrued benefit under the Northern Illinois Pension Fund as of June 1, 2014, plus the Accrued Benefit in this Plan based on Work in Covered Employment under this Pension Fund on or after June 1, 2014.

2. Vesting.

Northern Illinois Pension Fund Covered Employees who are vested as of May 31, 2014, remained vested after the merger. Vesting Credit Years and service under the Pension Plan will be counted in determining the vested status, the Break-in-Service rules, and eligibility for benefits under the Northern Illinois Pension Fund Plan. The provisions of the Northern Illinois Pension Fund shall be applied for determining whether there is a Break in Service with respect to the Northern Illinois Pension Fund prior to June 1, 2014.

Service under the Northern Illinois Pension Fund shall be counted in determining a participant's vested status with respect to benefits accrued after June 1, 2014. Such service shall also be counted and applied towards satisfaction of the eligibility requirements for all forms of benefit under this Pension Fund as of June 1, 2014.

All retirement benefits, including a surviving spouse benefit or optional forms of benefit earned prior to June 1, 2014, will continue to be paid in the amount and time provided in the Northern Illinois Pension Fund Plan.

3. Early Retirement, Normal Retirement and Disability Benefit.

A Northern Illinois Pension Fund Plan participant’s right to (a) an unreduced or reduced early retirement benefit or subsidy, (b) a normal retirement benefit, or (c) a disability benefit will be determined by the Northern Illinois Pension Fund for work performed prior to June 1, 2014. For work on or after June 1, 2014, a participant’s right to such benefits will be determined by this Pension Fund.

4. No Duplicative Benefits.

Any participants, retirees, widows, or other beneficiaries under the Northern Illinois Pension Fund who on or after June 1, 2014, became eligible for benefits or are entitled to receive benefits from the Local 597 Pension Fund as a result of Covered Service under the Northern Illinois Pension Fund Plan, shall not be eligible for or entitled to receive any benefits from this Pension Fund.

APPENDIX C
FORMER LOCAL 93 PENSION BENEFITS

1. **Pension Benefit.**

Covered Employees and Pensioners of the Plumbers' Local 93 Pension Fund will have their pension benefits determined under the terms of the Plumbers' Local 93 Pension Fund Plan based on Covered Service performed prior to June 1, 2014, plus the accrued value for Covered Service under the Plumbers' Pension Fund, Local 130, U.A. ("Pension Fund") for work performed on or after June 1, 2014. Upon retirement, each such Participant will receive a benefit equal to the sum of the Participant's accrued benefit under the Plumbers' Local 93 Pension Fund as of June 1, 2014, plus the Accrued Benefit in this Plan based on Work in Covered Employment under this Pension Fund, on or after June 1, 2014.

2. **Vesting.**

Plumbers' Local 93 Pension Fund Covered Employees who are vested as of May 31, 2014, remained vested after the merger. Vesting Credit Years and service under the Pension Plan will be counted in determining the vested status, the Break-in-Service rules, and eligibility for benefits under the Plumbers' Local 93 Pension Fund Plan. The provisions of the Plumbers' Local 93 Pension Fund shall be applied for determining whether there is a Break in Service with respect to the Plumbers' Local 93 Pension Fund for periods prior to June 1, 2014.

Service under the Plumbers' Local 93 Pension Fund shall be counted in determining a participant's vested status with respect to benefits accrued after June 1, 2014. Such service shall also be counted and applied towards satisfaction of the eligibility requirements for all forms of benefit under this Plan as of June 1, 2014.

All retirement benefits, including a surviving spouse benefit or optional forms of benefit earned prior to June 1, 2014, will continue to be paid in the amount and time provided in the Plumbers' Local 93 Pension Fund Plan.

3. **Early Retirement, Normal Retirement and Disability Benefit.**

A Plumbers' Local 93 Pension Fund Plan participant's right to (a) an unreduced or reduced early retirement benefit or subsidy, (b) a normal retirement benefit, or (c) a disability benefit will be determined by the Plumbers' Local 93 Pension Fund for work performed prior to June 1, 2014. For work on or after June 1, 2014, a participant's right to such benefits will be determined by this Pension Fund.

4. **Supplemental Benefit.**

A Plumbers' Local 93 Pension Fund Plan participant's right to a supplemental pension will be determined under the Plumbers' Local 93 Pension Fund Plan provided the participant worked at least one hour of Covered Employment as of May 31, 2014.