

# **CARPENTERS PENSION TRUST FUND FOR NORTHERN CALIFORNIA**



## **PENSION PLAN**

### **SUMMARY PLAN DESCRIPTION AND RULES & REGULATIONS**

Published March 2024

**CARPENTERS PENSION TRUST FUND  
FOR  
NORTHERN CALIFORNIA**



**PENSION PLAN  
SUMMARY PLAN DESCRIPTION**

**Nota:** Este folleto contiene un resumen en ingles de los derechos y beneficios que existen en su Plan de Pensión para Carpenters Pension Trust Fund for Northern California. Si tiene dificultad en leer o entender la información, por favor comuníquese con el departamento de beneficios en la oficina de fondos al siguiente domicilio: 265 Hegenberger Road, Suite 100, Oakland, California, 94621-1480. La oficina esta abierta de lunes a viernes, de 8:00 a.m. – 5:00 p.m. Si prefiere, nos puede llamar al numero (510) 633-0333 o linea telefonica gratuita (888) 547-2054.

# **CARPENTERS PENSION TRUST FUND FOR NORTHERN CALIFORNIA**

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## **CARPENTERS PENSION TRUST FUND FOR NORTHERN CALIFORNIA**

### **To: All Participants and Beneficiaries**

The Pension Plan has been established to provide you with retirement benefits which, in addition to any benefits from the Carpenters Annuity Plan and your Social Security benefits, will help you enjoy your years of retirement. Disability and death benefits may also be provided for your security and that of your family. We urge you and your Spouse to read this new booklet carefully so that you both will clearly understand what benefits are available to you.

Contributions to the Pension Fund began in June 1957. Since then the Pension Plan has been amended many times. The first part of this booklet summarizes the provisions of the Plan as revised through Amendment No. 105. If you Retired, had a Permanent Break in Service or left Covered Employment prior to September 1, 2023, different rules may apply to you. This booklet replaces and supersedes prior versions.

The first part of this booklet provides the legally required Summary Plan Description for the Pension Plan. It is designed to provide a concise description of your rights as a Participant in the Pension Plan and summarizes the most important Plan features, including Plan amendments and other changes approved by the Trustees through September 1, 2023. The summary does not explain every detail in the Plan. A complete description of the Plan provisions is contained in the legal Plan document, which is printed in this booklet beginning on page 78. In the event of any conflict between the "Summary Plan Description" and the "Rules and Regulations," the Rules and Regulations will govern. If you are not certain as to how a particular provision applies to your individual case, you should contact the Fund Office.

**Only the full Board of Trustees is authorized to interpret the Pension Plan described in this booklet. Only the Board of Trustees may give binding answers, and then only if you have furnished full and accurate information concerning your situation in writing. No employer or union nor any representative of any employer or union is authorized to interpret the Plan or act as an agent of the Board of Trustees.**

Sincerely,

**BOARD OF TRUSTEES  
CARPENTERS PENSION TRUST FUND  
FOR NORTHERN CALIFORNIA**

## SUMMARY PLAN DESCRIPTION

### CARPENTERS PENSION TRUST FUND FOR NORTHERN CALIFORNIA

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## **YOUR PENSION PLAN AT A GLANCE**

This is an overview of the Retirement benefits provided by the Carpenters Pension Trust Fund for Northern California. It is intended to serve as a quick reference guide only, highlighting the most basic aspects of this Plan. It is not a complete description of benefits or the requirements for receiving benefits. These benefits are described in more detail in the Summary Plan Description (pages 1-76), and in the Plan's Rules and Regulations (pages 77-204). If any discrepancy exists between this overview, the Summary Plan Description, and the Rules and Regulations, the Rules and Regulations will govern.

### **PARTICIPATION**

You participate in this Plan if Contributions have been submitted on your behalf by an Employer signatory to a Collective Bargaining Agreement recognized by the Board of Trustees. Contributory Employers are required to make an hourly Contribution to this Plan for each covered hour you work. The hourly contribution amount can change from year to year as determined by the Collective Bargaining Agreement.

### **ELIGIBILITY**

You earn a permanent right to a Pension benefit in Retirement as soon as you become Vested. However, no benefits are payable under this Plan unless you become Vested. As of September of 1999, you achieve Vested status by accumulating five (5) full years of Vesting Credit or five (5) full years of Eligibility Credit, excluding any Vesting Credit or Eligibility Credit lost due to a Permanent Break in Service. Prior to 1999, ten (10) years or more were required to become Vested. (Please see pages 8-10 for more information).

- **Vesting Credit** determines only whether you have a right to a benefits at all, not which benefit for which you are eligible. A Participant earns one (1) Vesting Credit for at least 870 Hours of Work in Covered Employment in a calendar year.
- In addition to earning Vested status, **Eligibility Credit** determines the type of Retirement benefit you may receive. A Participant earns an Eligibility Credit for 1,200 Hours in Covered Employment in a calendar year.
- **Benefit Credit** determines the amount of your retirement benefits.
- Credit is generally earned through Covered Employment; however, Credit may be granted for periods of disability, Qualified Military Service, Apprenticeship hours, employment under a Memorandum of Understanding, or Continuous Non-Covered Employment.
- A Permanent Break in Service cancels all prior credit earned, but may be repaired.

### **MONTHLY BENEFIT**

This Plan is a "defined benefit plan," which means you earn a monthly income for life. The amount of that income is determined primarily by the number of years you work for a Contributing Employer and the number of hours you work in each of those years. The more you work and the longer you work, the larger your monthly income will be. The monthly benefit earned each year beginning in 2007 is determined by a formula that multiplies the Contributions made on your behalf for a given year by a benefit factor. The benefit factor converts these Contributions into a monthly benefit. Prior to 2007, the "unit value benefit credit" was used to determine the benefit you earned for that year. When you

Retire, your total monthly benefit is determined by adding what you earned each year during your career in Covered Employment (Please see pages 20-28).

## RETIREMENT

The Normal Retirement Age for this Plan is 65. If you are retired, and meet certain eligibility requirements, the following pension types are offered (Please see pages 23-32.) You will elect one of these Pension types based on your accumulated Vesting or Eligibility Credit.

- A **Regular Pension** at age 65, with at least 5 years of Vesting Credit or Eligibility Credit (without a Permanent Break in Service); or on the fifth anniversary of your Participation, if later than age 65.
- A **Regular Pension** at age 62, with at least 10 years of Vesting Credit or Eligibility Credit (without a Permanent Break in Service).
- A **Service Pension** at any age with at least 30 Northern California Eligibility Credits (excluding any Eligibility Credits lost due to a Permanent Break in Service).
- An **Early Retirement Pension** after age 55, with at least 10 years of Eligibility Credit (excluding any Eligibility Credit lost due to a Permanent Break in Service). This Pension is permanently reduced by  $\frac{1}{2}$  of 1% for each month you are younger than 62.
- A **Disability Pension** if you are younger than age 62, with 10 years of Eligibility Credit (excluding any Eligibility Credit lost due to a Permanent Break in Service). To be eligible, you must, have been awarded a permanent disability award by the Social Security Administration, and have earned at least three-twelfths of Eligibility Credit in the 5 consecutive Calendar Years prior to the Calendar Year you became permanently and Totally Disabled.
- A **Reciprocal Pension** (or “pro-rata” pension), if you would be eligible for a Regular, Early Retirement, or Disability Pension with credit earned under a Related Plan treated as Northern California Credit. To earn a Reciprocal Service Pension, only related credits earned under the Related Plans listed on page 33 are recognized.

If you have worked in Non-Covered Employment for an employer that does not contribute to this Plan and you have not returned to Covered Employment for a period equal to or greater than your absence, payments for a Service or Early Retirement Pension may be delayed, and the Disability Pension and the Pre-Retirement Death benefit is not available.

Benefits are not payable until you Retire, become eligible, and apply for benefits. (Please see pages 23-32 and pages 49-50).

## PAYMENT OPTIONS

This Plan provides a lifetime income to you, or a lifetime income to you with a continuing income to your Spouse if you predecease him or her (please see pages 36-40). Your monthly benefit is adjusted to reflect the payment option selected.

- If you are married, the 50% Joint and Survivor Pension provides an amount payable for your lifetime. If you pre-decease your Spouse, 50% of that amount is payable for your Spouse’s lifetime.
- If you are married, you and your Spouse may elect to waive the 50% Joint and Survivor Pension, and take a 75% or 100% Joint and Survivor Pension. These payment options provide an amount

payable for your lifetime, and if you pre-decease your Spouse, 75% or 100% of that amount is payable for your Spouse's lifetime.

- If you are not married, the payment form will be a "Single Life pension," payable for your lifetime with a minimum guarantee of benefit payments (36 months for a Disability Pension or 60 months for Regular, Service, and Early Retirement Pensions). Married couples may also elect this payment form, after waiving the 50% Joint and Survivor Pension option.

## **DEATH BENEFITS BEFORE RETIREMENT**

If you are Vested in this Plan and die before retirement, your surviving Spouse or other designated Beneficiary may be eligible for one of two Pre-Retirement Death benefits (please see pages 41-44).

## **HOW TO APPLY FOR BENEFITS**

Submit your Pension Application before your Pension Effective Date. You should anticipate the Pension application process to take 60 to 90 days. Along with your Application, you will be required to provide proof of age for yourself and your Spouse (if applicable). If you are married, you will be required to provide proof of your date of marriage. If you were previously married, you should provide court documents regarding your divorce settlement. If additional information is needed to process your Pension, it will be requested.

## **POINTS TO CONSIDER FOR DIFFERENT STAGES OF YOUR CAREER**

### **If you are new to this Plan and not yet Vested:**

- The Carpenters Pension Plan is one of two retirement plans paid by Employer Contributions for Hours of Work as provided in the Master Agreement. The other plan is the Carpenters Annuity Plan for Northern California. A third retirement plan – the Northern California Carpenters 401(k) Plan – is offered to qualified Participants who choose to make elective deferrals of their wages.
- This Plan is a "defined benefit plan," which means it provides you with a lifetime monthly benefit beginning at Retirement.
- This Plan has a five-year Vesting requirement, which means you must have five full Eligibility Credits or Vesting Credits in this Plan, excluding any Eligibility Credits or Vesting Credits lost due to a Permanent Break in Service.
- If you cannot work 300 or more Hours in Covered Employment in a given year, it is important for you to understand the Plan's Break in Service rules. If you are not Vested, you may permanently forfeit benefits.
- Once you are Vested, the monthly benefit you earn each year is guaranteed at Retirement.
- Retirement benefits are not available until you have Retired, including separating from service (unless you have reached age 70 ½), and have met all the eligibility criteria for a benefit, and have applied for that benefit.
- Working in Non-Covered Employment for an employer who does not contribute to this Plan can have a significant negative impact on your benefits.

**If you are Vested in this Plan:**

- The more you work for a Contributing Employer, the greater your lifetime monthly retirement benefit.
- The Plan cannot reduce any benefits you have earned to date, unless explicitly provided under federal law. However, the Plan can be amended to change the rules for future benefits.
- The income provided by this Retirement Plan, the Annuity Plan, the 401(k) Plan, Social Security, and your personal savings and investments should form the foundation of your post-retirement income.

**If you are Vested and close to Retirement:**

- Benefits are payable under this Plan if you meet the age and service requirements, have Retired, including separating from service if you are under age 70 ½, and have met all the eligibility criteria for a benefit, and have applied for your Pension benefit.
- Once you qualify and begin receiving your Retirement under the Carpenters Pension Plan, you may choose to withdraw your Individual Annuity Account, or you may defer Annuity payment until your Required Beginning Date.
- Your total monthly benefit (as indicated on your *Quarterly Benefit Statement* or on the *carpenterfunds.com benefits portal*) will be reduced if you:
  - Elect a Joint and Survivor Pension,
  - Retire on an Early Retirement Pension,
  - Have a former Spouse with a legal right to your Benefits; or
  - If you are eligible for and elect Retiree Health and Welfare.
- When making retirement plans, please remember that there are “working after retirement” rules, which may limit your ability to work and collect Pension payments at the same time.

## **WORDS WITH SPECIAL MEANINGS**

In the following sections, there are certain words and phrases which are used frequently and which you should know. Several of these words and phrases are defined below. Any words or phrases not specifically defined in this Summary Plan Description shall have the meaning described in the Rules and Regulations of the Pension Plan.

**Annuity Starting Date/Pension Effective Date:** The first day of the first calendar month after you have fulfilled all the conditions which would entitle you to a benefit, including the filing of an application.

**Building and Construction Industry:** All building construction and all heavy, highway and engineering construction, including but not limited to construction, erection, alteration, repair, modification, demolition, addition or improvement in whole or in part of any building, structure, street (including sidewalk curb and gutter), highway, bridge, viaduct, railroad, tunnel, airport, water supply, irrigation, flood control and drainage system, sewer and sanitation project, dam, power house, refinery, aqueduct, canal, river and harbor project, wharf, deck, breakwater, jetty, quarrying of breakwater or riprap stone, or any other operation incidental to such construction work. This includes renovation work, maintenance work, mill-cabinet or furniture manufacturing or repair work or installation of any modular systems or any other pre-manufactured materials performed for any public or private employer.

**Contribution:** The payment made or required to be made by a Collective Bargaining Agreement or a written agreement with the Fund by any Contributing Employer with respect to work performed by Employees.

**Covered Employment:** Employment covered by this Plan for which Contributions are payable to the Plan on behalf of your work for Contributing Employers.

**Continuous Non-Covered Employment:** Employment after September 1, 1976 in a job not covered by this Plan for an employer who is contributing to the Plan. Continuous Non-Covered Employment counts for Vesting and Participation purposes but does not add to the amount of your benefits. Work of this type is not credited unless it immediately precedes or follows a period of Covered Employment with the same employer.

**Contribution Date:** The date in which Contributions were first made to the Plan for certain groups of employees.

**Future Service Eligibility Credit:** Credit earned for work in Covered Employment and for certain types of non-working periods.

**Non-Covered Employment:** Employment in the Building and Construction Industry on or after July 1, 1991, in the geographical jurisdiction of this Plan for an employer who does not have, or self-employment which is not covered by, a Collective Bargaining Agreement with the Union. Non-Covered Employment is often referred to as non-union employment.

**Past Service Eligibility Credit:** Credit earned for work in Covered Employment and for certain types of non-working periods prior to your Contribution Date.

**Prohibited Employment:** Employment after Retirement, for wages or profit in the Building and Construction Industry that results in the suspension of Retirement benefits. The Board of Trustees or Committee of Trustees has the sole discretion to determine what constitutes Prohibited Employment and to modify the Plan's Prohibited Employment Policy.

**Required Beginning Date:** (A) For a Participant who attains age 70½ before January 1, 2020, "Required Beginning Date" means the April 1<sup>st</sup> of the calendar year following the calendar year in which the Participant reaches age 70½. (B) For a Participant who attains age 70½ on or after January 1, 2020, "Required Beginning Date" means the April 1<sup>st</sup> of the calendar year following the calendar year in which the Participant reaches age 72. (C) For a Participant who attains age 72 on or after January 1, 2023, "Required Beginning Date" means the April 1<sup>st</sup> of the calendar year following the calendar year in which the Participant reaches age 73. A Participant's Pension Effective Date must be established no later than the Required Beginning Date.

**Spouse:** Whenever the term "Spouse" is used in this booklet, it refers only to a person to whom you are legally married. Benefits which are payable to a Spouse will not be payable to anyone other than someone to whom you are legally married, except to the extent otherwise provided in a Qualified Domestic Relations Order (QDRO).

**Stakeholder:** – means a person who is an owner, partner, shareholder, member of the board of directors of a corporation, officer of an individual Employer, superintendent above the rank of foreman or general foreman, or other individual who is in any other way interested in the profits of the Employer – other than hourly wages earned or paid pursuant to a Collective Bargaining Agreement. The IRS's definition of a Stakeholder differs from the definition adopted by the Plan; the Plan's definition is broader and meant to include additional employee classifications such as superintendents.

## QUESTION AND ANSWER SUMMARY OF PLAN PROVISIONS

### **PARTICIPATION**

Refer to Article 2.; page 98

**1. How do I become a Participant?**

You become a Participant in the Plan once you have completed 300 Hours of Work in Covered Employment or Continuous Non-Covered Employment after January 1, 1976 (as defined on page 7) during a Calendar Year. After September 1, 1986, you can also meet the 300-hour requirement with hours worked for a Contributing Employer as an Apprentice for whom no Plan Contributions are required.

**2. When does my Participation terminate?**

Your Participation terminates at the end of the Calendar Year in which you did not have at least 300 Hours of Work. This is called a One-Year Break in Service. Some provisions of the Plan require you to be a Participant to be considered eligible for certain benefits. However, once you become Vested, you continue to be a Participant for the rest of your life. (see Questions 5 and 6 on page 8)

**3. How do I reinstate Participation?**

If you lose your Participation in the Plan due to a One-Year Break in Service, you can reinstate your Participation once you have again completed 300 Hours of Work in Covered Employment, Continuous Non-Covered Employment or, after September 1, 1986, employment for a Contributing Employer as an Apprentice for whom no Plan Contributions are required.

#### **Key Point**

Upon establishing participation in the Plan it is important to ensure that you properly complete and Enrollment Form and provide it to the Fund Office so that there is an accurate record of your address and contact information for the distribution of required Plan notices and your quarterly benefit statements.



## VESTING AND VESTING CREDIT

Refer to Sections 6.06., 6.07., and 6.08.; pages 129-134

### 4. How do I become eligible to receive benefits?

You become eligible to receive benefits upon Retirement when you satisfy the Vesting requirements explained below. However, you will not receive any benefits until you have fulfilled all the conditions of the entitlement to benefits.

### 5. What is Vesting?

Vesting guarantees your entitlement to future benefits from the Plan. Once you become Vested, your accumulated Eligibility Credit, Unit Value Benefit Credit, Percentage of Contribution Benefit Credit, and Vesting Credit cannot be canceled even after you stop working in Covered Employment. One-Year Breaks in Service and Permanent Breaks in Service do not apply once you have met the requirements for Vesting.

Achieving Vested Status guarantees your entitlement to future benefits from the Plan. However, your benefits may still be frozen if you have a Separation from Covered Employment (see Question 19 on pages 18).

#### Key Point

Your retirement benefits are **not** guaranteed until you become Vested in this Plan.

Vested benefits are **not** available until you Retire. Other Plan benefits such as death benefits are not available until you become Vested in this Plan and satisfy certain other requirements.

### 6. How do I become Vested?

**On and after September 1, 1999**, you are Vested if you meet the following requirements:

- You are a Participant; and
- You have earned at least one Hour of Work in this Plan on or after September 1, 1999; and
- You have accumulated 5 Years of Vesting Credit or you have accumulated 5 full Eligibility Credits without a Permanent Break in Service, or you have attained your Normal Retirement Age (see Question 26 on page 22) without a Permanent Break in Service.

**Prior to September 1, 1999 and after September 1, 1976**, you were Vested if you had accumulated 10 years of Vesting Credit or 10 full Eligibility Credits without a Permanent Break in Service or you had attained your Normal Retirement Age. The rules for Vesting before September 1, 1976 and for non-bargained employees appear in Section 6.08 of the Pension Plan on page 133-134.

### 7. How is Vesting Credit earned?

Currently, you receive one full year of Vesting Credit for 870 or more Hours of Work in Covered Employment during a Calendar Year. No Vesting Credit is earned in a Calendar Year if you have fewer than 870 Hours of Work in Covered Employment.

The following hours worked will also be counted in determining Vesting Credit:

- On or after September 1, 1990, you will receive one hour of Vesting Credit for each hour of Qualified Military Service—provided that you return to Covered Employment within the period during which you retain reemployment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 (“USERRA”).

“Qualified Military Service” means service in the Armed Services (including the Coast Guard), the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in time of war or emergency or any other persons covered under the applicable regulations. Contact the Fund Office if you need more information regarding your reemployment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 (“USERRA”) or your Qualified Military Service (Also, see Question 13 on pages 13-15 for more information).

- Vesting Credit may be earned for Hours Worked for a Contributing Employer as an Apprentice for whom no Plan Contributions are required.
- On or after January 1, 2019, you will receive one year of Vesting Credit if you work at least 870 hours in contiguous non-contributory Apprenticeship. Contiguous non-contributory Apprenticeship means you worked for the same employer before and after Contributions were required to be made to this Plan on your behalf without a gap in employment between the non-contributory hours and the Hours of Work which required Contributions from that same employer. The non-contributory Apprenticeship hours worked for a different employer or prior to a gap even if for the same employer, will not be counted toward Vesting Credit.

**Example 1:** A Participant works 1200 Hours in one year for “Employer A” as an Apprentice when no Pension Contributions are due. She works 1200 Hours the next year for “Employer B” as an Apprentice when no Contributions are due. She continues to work for “Employer B” as an Apprentice when Contributions are due by the Employer. This Participant would not receive any Vesting Credit for her work with “Employer A”, but would receive One Year of Vesting Credit for her work with “Employer B” because the non-contributory work was “contiguous” with work that required Contributions.

**Example 2:** A Participant works 1200 Hours in one year for “Employer A” as an Apprentice when no Pension Contributions are due. The next year, he works 600 Hours for “Employer A” and is laid off mid-year. He goes back to work for “Employer A” in the following Calendar Year as an Apprentice in a position that requires Pension Contributions. Even though he worked for “Employer A” both before and after Pension Contributions were due, he would not receive Vesting Credit in non-contributory Apprenticeship because the work was not “contiguous”.

### Key Point

You must earn Vesting or Eligibility Credit in this Plan within a certain period of time to become Vested or you will forfeit credit and any corresponding contributions and benefits. Please see the questions on [Vesting](#) for additional information.

- Between September 1, 1986 and December 31, 2018, you will receive one year of Vesting Credit if you work at least 870 hours in a Calendar Year in non-contributory Apprenticeship.
- Beginning September 1, 1976, Hours of Work in Continuous Non-Covered Employment for a Contributing Employer in a job not covered by this Plan but that is continuous with same Contributing Employer count toward Vesting Credit.

**8. Can I receive Vesting Credit for time worked under a Northern California Carpenter agreement which provides an alternate Pension Plan?**

Yes, if you are a Participant and have hours worked between May 1, 1999 through December 31, 2018, under a Collective Bargaining Agreement and/or Memorandum of Understanding negotiated by the Carpenters 46 Northern California Counties Conference Board, and/or any of its affiliates that provides pension benefits under another pension plan. In addition, hours worked from January 1, 1979 through April 30, 1999, under either agreement will also be counted if you worked at least one hour under a Collective Bargaining Agreement and/or Memorandum of Understanding between May 1, 1999 through December 31, 2018, and have had continuous work under either of those agreements or the Master Agreement.

## ELIGIBILITY CREDIT

Refer to Sections 6.02., 6.03., 6.04, and 6.10; pages 121-125 and page 134-135

### 9. How do I earn Eligibility Credit?

Eligibility Credit is equal to the sum of your Past Service Eligibility Credit (credit earned before the Contribution Date under the Plan) and Future Service Eligibility Credit (credit earned after the Contribution Date under the Plan).

Credit for work performed prior to the Contribution Date is considered Past Service Eligibility Credit. Please see Appendix A for a detailed description of Past Service Eligibility Credit.

Future Service Eligibility Credit is based on hours worked in Covered Employment after the Contribution Date.

**After January 1, 1976**, regardless of age, you earn one full Future Service Eligibility Credit for 1,200 or more hours in Covered Employment credited in a Calendar Year. If you are credited for fewer than 1,200 hours in Covered Employment in a Calendar Year, you receive one-twelfth of a Future Service Eligibility Credit for each 100 hours of work in Covered Employment, provided you are credited with at least 300 hours in Covered Employment during the Calendar Year.

**Between January 1, 1972 and January 1, 1976**, the hours in Covered Employment required for one full Future Service Eligibility Credit were different for different age groups, as described below:

#### Key Point

You may “carry forward” excess hours to the next calendar year to attain up to 1 full Eligibility Credit in that next year.

#### Key Point

In addition to earning Vesting Status, your Eligibility Credit is used to determine which Pension type you may qualify for. To earn any Eligibility Credit in a Calendar Year, you must be credited with at least 300 hours. The maximum you may earn in one year is 12/12ths, even if you work more than 1,200 Hours.

Age	HOURS REQUIRED IN A CALENDAR YEAR	
	One Eligibility Credit	Partial Credit
<b>Under Age 55</b>	1,200	$\frac{1}{12}$ for each 100 hours in Covered Employment (minimum 300 hours required)
<b>Age 55-59</b>	1,000	$\frac{1}{12}$ for each 83 hours in Covered Employment (minimum 250 hours required)
<b>Age 60 and Over</b>	800	$\frac{1}{12}$ for each 67 hours in Covered Employment (minimum 200 hours required)

**From the date on which your Contributions started to this Plan through December 31, 1971,** you earned one full Future Service Eligibility Credit for 1,400 hours in Covered Employment during the Calendar Year. If you worked fewer than 1,400 hours in Covered Employment but at least 350 hours in a Calendar Year, you earned  $\frac{1}{12}$  of a Future Service Eligibility Credit for each 117 hours of such work during the year.

**Note:** Between January 1, 1964 and December 31, 1971 Carpenters age 55 or older earned credit based on fewer than 1,400 hours in Covered Employment (see Section 6.03.b.(1) and Section 6.03.b.(2) on pages 122-123).

**10. May I receive Future Service Eligibility Credit for hours worked as an Apprentice?**

If you work for a Contributing Employer as an Apprentice, and later accumulate five full Future Eligibility Service Credits earned under Covered Employment that required contributions to this Plan, or through Qualified Military Service, without an intervening Permanent Break in Service, your Hours of Work in those periods of Apprenticeship for which no contributions were due will be counted towards your Future Service Eligibility Credit and/or Percentage of Contribution Benefit Credit.

**11. Can I receive Future Service Eligibility Credit for time worked under a Northern California Carpenter agreement which provides an alternate Pension Plan?**

Yes, you can earn Future Service Eligibility Credit for hours worked under a Collective Bargaining Agreement and/or Memorandum of Understanding negotiated by the Carpenters 46 Northern California Counties Conference Board (and/or any of its affiliates) that provides pension benefits under another pension plan, subject to the following provisions:

- After January 1, 2019, you will earn credit for such employment provided you accrued at least seven full Eligibility Credits without a Permanent Break in Service and had continuous service under either an agreement described in this question or the Master Agreement.
- Between May 1, 1999 and December 31, 2018 you will earn credit for such employment provided you have continuous service under either an agreement described in this question or the Master Agreement.
- From January 1, 1979 through April 30, 1999, under either a Collective Bargaining Agreement and/or Memorandum of Understanding negotiated by the Carpenters 46 Northern California Counties Conference Board, credit will be counted if you were a Participant and worked at least one hour under a Collective Bargaining Agreement and/or Memorandum of Understanding on or after May 1, 1999, and have had continuous work under either of those agreements or the Master Agreement.

**12. If I work more than the required hours to receive one full Eligibility Credit, can I carry the excess hours forward to the next year?**

Yes. Beginning in 1971, if you work more than the minimum number of hours required for one full Future Service Eligibility Credit, the excess hours can be “carried forward” to the next Calendar Year. The excess hours will only be applied to earn up to one full Future Service Eligibility Credit in the next Calendar Year; excess hours may not be carried forward beyond the next year, nor can they be applied to previous years. Hours carried forward are used for Future Service Eligibility Credit only. Unit Value Benefit Credit or Percentage of Contribution Benefit Credit will not be granted.

The following example illustrates how excess hours can be carried forward:

Calendar Year	Hours Worked	Prior Year Carryover Hours Used	Eligibility Credit	Carryover Hours Earned	Hours Carried Forward to Next Year
2020	650	-0-	<sup>6</sup> / <sub>12</sub>		-0-
2021	1,290	-0-	1	90	90
2022	550	90	<sup>6</sup> / <sub>12</sub>		-0-
2023	1,500	-0-	1	300	-0-
2024	1,200	-0-	1		-0-
2025	820	-0-	<sup>8</sup> / <sub>12</sub>		-0-
<b>Total</b>	—	—	<b><sup>4</sup>/<sub>8</sub>/<sub>12</sub> Eligibility Credits</b>	—	—

In this example, you have 90 excess hours in 2021 (1,290 hours instead of 1,200 hours). These hours would be carried forward to 2022, since 550 hours (less than the 1,200 hours required to earn a full Future Service Eligibility Credit) were earned in 2022.

In 2023, 300 excess hours are earned; however, these hours will not be carried forward to the 2024 Plan Year since sufficient hours (1,200 hours) were worked for a full year of Future Service Credit.

**Note: Excess hours can only be carried forward to the next year until up to one full Future Service Eligibility Credit is earned in that year. Therefore, the excess hours worked in 2023 cannot be carried forward two years to 2025.**

**13. Can I earn additional Eligibility Credit for certain absences from Covered Employment?**

Yes. You can earn Eligibility Credit for certain absences from Covered Employment under the following conditions:

- Service in any of the Armed Forces of the United States during the period that you retain reemployment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"). However, you must return to Covered Employment after your release from any Qualified Military Service, within the following reemployment period applicable to your military leave:

Length of Qualified Military Service	Reemployment Period
Less than 31 days	Return by the first full workday after completing Qualified Military Service, plus reasonable time for safe transportation and an 8-hour rest period.
31 to 180 days	Within 14 calendar days after release from Qualified Military Service.
181 days or more	Within 90 days after release from Qualified Military Service.

For periods of military service after January 1, 2015, the hours credited will be based on the average number of hours in Covered Employment worked per week during either the 24 months or 2 calendar years preceding your absence, whichever is greater.

For periods of military service after January 1, 1976 but before January 1, 2015, the hours will be credited at the rate of 35 hours per week, however you may be credited with more than 35 hours per week if your average hours per week in Covered Employment for the previous twelve-month period is greater than 35.

For periods of military service prior to January 1, 1976, the hours credited will vary according to your age at the time and the year when the absence occurred.

- Absence from Covered Employment due to disability for the period during which you received:
  - Benefits provided from California State Disability Insurance (SDI), or
  - Workers' Compensation temporary disability benefits, or
  - Longshoremen's and Harbor Workers' Compensation Act temporary disability benefits.

The terms and conditions and hours credited will vary depending on when the absence occurred.

**Note:** If you worked as a Stakeholder, (as defined on page 97) you are not eligible to receive credit for periods of absence from Covered Employment due to Disability.

#### **Absences due to Disability on or after January 1, 2015**

In order to qualify for Disability Credit Hours for periods on or after January 1, 2015, you must have at least 7 full Eligibility Credits (excluding any lost Credit(s) due to a Permanent Break in Service) based on Hours of Work in Northern California or hours granted for Qualified Military Service.

Disability Credit Hours are provided at the rate of the lesser of:

- 35 hours per week; or
- The average number of hours worked plus hours granted for Qualified Military Service by the Participant during the 24 full months preceding the period of disability.

The maximum number of Disability Credit Hours is the greater of the following:

- 20% of the total Hours of Work in Covered Employment plus hours in Qualified Military Service; or
- Total Disability Hours credited for non-working periods as of January 1, 2015

In order to receive Disability Credit Hours, you must provide written notice and proof of disability within 12 months of the onset of disability.

**Absences on or after January 1, 1976 and prior to January 1, 2015**

You will be credited at the rate of 35 hours per week.

**Absences Prior to January 1, 1976**

For prior periods of absence before January 1, 1976, the hours credited will vary according to your age at the time and the year when the absence occurred. (See Section 6.04. of the Pension Plan.)



## BREAKS IN SERVICE, GRACE PERIODS AND SEPARATION FROM COVERED EMPLOYMENT

Refer to Sections 6.07. and 6.09.; pages 130-134

### 14. How will a Break in Service affect my benefits?

Until you are Vested, a Break in Service may apply to you (see Question 6 on page 8), a One-Year Break in Service will temporarily cancel your Participation, your accumulated Vesting Credit, your accumulated Eligibility Credit, Unit Value Benefit Credit, and Percentage of Contribution Benefit Credit. The canceled Service and Credits will be reinstated if you again establish Participation in the Plan before a Permanent Break in Service occurs.

A Permanent Break in Service will result in the permanent loss of any credits you have earned. However, Vesting Credit, Eligibility Credit, Unit Value Benefit Credit, and Percentage of Contribution Benefit Credit, which have been canceled as a result of a Permanent Break in Service, may also be reinstated as explained in Question 20 on page 19.

#### Key Point

Under the current rules, if you are not yet Vested, the Credit you have earned will be canceled if you have 5 consecutive years where you are credited with less than 300 hours in Covered Employment.

### 15. What is a One-Year Break in Service?

**For Calendar Years beginning in 1977**, a One-Year Break in Service occurs in any year during which you are credited with fewer than 300 hours in Covered Employment or in Continuous Non-Covered Employment.

**For Calendar Years prior to 1977**, a One-Year Break in Service is any year during which you are credited with fewer than 300 Hours of Work in Covered Employment or earned less than 3/12 of a Future Service Eligibility Credit.

After September 1, 1976 Continuous Non-Covered Employment counts towards preventing a One-Year Break in Service.

**Note:** The following circumstances will count toward satisfying the 300-hour requirement and preventing a One-Year Break in Service:

- Hours worked on or after May 1, 1999 under a Collective Bargaining Agreement and/or Memorandum of Understanding negotiated by the Carpenters 46 Northern California Counties Conference Board (and/or any of its affiliates) that provides pension benefits under another pension plan. In addition, hours worked from January 1, 1979 through April 30, 1999 under either agreement will be counted if you worked at least one hour under a Collective Bargaining Agreement and/or Memorandum of Understanding on or after May 1, 1999 and have had continuous work under either of those agreements or the Master Agreement.

#### Key Point

If a Permanent Break in Service cancels your Credit, by returning to Covered Employment it is possible to eventually accrue enough Credit to repair the Break and restore the canceled Credit.

- On or after January 1, 1985, hours in which you are absent from work due to a parental leave.

## 16. What is a Permanent Break in Service?

**After December 31, 1984**, a Permanent Break in Service occurs if you are **not Vested** and have:  
Fewer than 5 years of Vesting Credit and you incur 5 consecutive One-Year Breaks in Service; or  
More than 5 years of Vesting Credit and your consecutive One-Year Breaks in service equal or exceed your full years of Vesting Credit.

### For Example:

During years 1 through 4, Robert earns 4 years of Vesting Credit and 4 full Eligibility Credits.

In years 5 through 9, Robert is credited with fewer than 300 Hours of Work in Covered Employment in each year. He does not earn any Vesting Credit or Eligibility Credit, and he incurs a One-Year Break in Service in each year.

At the end of year 9, because his One-Year Break in Service Years (5 years) now exceed his total years of Vesting Credit (4 years), he incurs a Permanent Break in Service.

Because he has a Permanent Break in Service, Robert loses his previously accumulated Vesting Credit, Eligibility Credit, Percentage of Contribution Benefit Credit and Future Service Unit Value Benefit Credit. (See Question 20 on page 19 for information on repairing a Permanent Break in Service.) See example chart below:

Year	Employee Works	Total Years of Vesting Credit	Break in Service Years (BIS)
1	1,200	1	0
2	1,400	2	0
3	1,100	3	0
4	1,300	4	0
5	150	4	1 (temporary BIS)
6	200	4	2 (temporary BIS)
7	0	4	3 (temporary BIS)
8	0	4	4 (temporary BIS)
9	299	4	5 (permanent BIS)

**Between January 1, 1976 and December 31, 1984**, a Permanent Break in Service occurred if the number of your consecutive One-Year Breaks in Service equaled or exceeded your total full years of Vesting Credit or Eligibility Credit whichever is greater provided the total consecutive One-Year breaks in Service equal at least 5 years.

**Between January 1, 1965 and December 31, 1975**, a Permanent Break in Service occurred if you failed to earn at least one quarter of a Future Service Eligibility Credit.

**Between the Contribution Date and January 1, 1965**, a Permanent Break in Service occurred if you failed to earn at least one quarter of a Future Service Eligibility Credit in any period of 2 consecutive Calendar Years.

**17. Can I prevent a Permanent Break in Service or a Separation from Covered Employment?**

Yes. If you are not already Vested, you may avoid a Permanent Break in Service this year by being credited with 300 hours in Covered Employment or Continuous Non-Covered Employment in a Calendar Year or if you qualify for a Grace Period. A Grace Period is an absence from Covered Employment which is ignored in determining whether or not a Break in Service has occurred. A Grace Period may be granted in any of the following situations:

- **Disability** - which prevents you from working in Covered Employment—Grace Period of up to 2 years.
- **Employed as a Supervisor for a Contributing Employer**—Grace Period is for the length of the supervisory employment.
- **Employed by the United Brotherhood of Carpenters**—Grace Period for the length of the employment.
- **Involuntarily unemployed**—Grace Period of up to 2 years.

Remember, a Grace Period does not add to your Eligibility Credit, Unit Value Benefit Credit, Percentage of Contribution Benefit Credit, or Vesting Credit. It is a period to be ignored when determining whether you have sufficient Hours of Work to prevent a Permanent Break in Service.

**18. How do I apply for a Grace Period?**

In order to obtain a Grace Period, you must make a written application to the Board of Trustees. The Board in its sole discretion will determine if you are entitled to a Grace Period.

**19. How can a Separation from Covered Employment occur and how would it affect my benefits?**

Regardless of your Vested Status, a Separation from Covered Employment can occur if you do not earn any Future Service Eligibility Credit in a period of 5 consecutive Calendar Years.

When you suffer a Separation from Covered Employment, your eligibility for benefits and the amount of benefits are determined under Plan rules in effect when your Separation from Covered Employment occurred. In other words, unless the Plan specifically states otherwise, any later Plan improvements will not apply to the benefits you earned prior to your Separation from Covered Employment. However, if the benefits are reduced as may be permitted or required under the law, those reductions may also be applied to benefits earned before a Separation from Covered Employment. In addition, a Separation from Covered Employment does not prevent the Plan from making changes to future benefits earned after the Separation. For example, the Plan may reduce the benefit formula for work in Covered Employment that takes place in the future, change how different payment forms are calculated or the eligibility rules for benefits.

**20. Can I repair a Permanent Break in Service or a Separation from Covered Employment?**

Yes. If you have suffered a Permanent Break in Service or a Separation from Covered Employment you may have the break or separation repaired and any lost Unit Value Benefit Credit, Percentage of Contribution Benefit Credit, Vesting Credit and Eligibility Credit reinstated by returning to Covered Employment and accumulating 5 full Future Service Eligibility Credits under this Plan before incurring another Permanent Break in Service or Separation from Covered Employment.

## PERCENTAGE OF CONTRIBUTION BENEFIT CREDIT AND UNIT VALUE BENEFIT CREDIT

Refer to Sections 6.05.; pages 126-129

### 21. What is Percentage of Contribution Benefit Credit?

**Beginning on and after January 1, 2007**, Percentage of Contribution Benefit Credit is what is used to determine the amount of your benefit accrual.

Your Percentage of Contribution Benefit Credit is equal to the Contributions made to the Fund on your behalf for a Calendar Year multiplied by the applicable Percentage of Contribution Factor in Appendix 10, plus your hours of Future Service Eligibility Credit granted under Section 6.04. of the Plan, multiplied by the appropriate contribution rate, multiplied by the appropriate contribution factor in Appendix 10.

Remember, you must have a minimum of 300 Hours of Work in Covered Employment or creditable Non-Working Periods during each Calendar Year to earn a benefit. Effective January 1, 2007, in the Calendar Year that you Retire, all of your Hours of Work in Covered Employment (even if fewer than 300 Hours Worked) will be counted towards your benefit.

#### Key Point

Since 2007:

Contributions made to the Fund on your behalf for a Calendar Year

X

The Applicable Percentage of Contribution Factor

=

Your Benefit Credit  
(The Percentage of Contribution Factor is located in Appendix 9, on page 204.)

### 22. How are the Contributions made to the Fund on my behalf determined?

The Contributions made to the Fund on your behalf are determined by multiplying your total reported Hours of Work in Covered Employment during each Calendar Year by your designated Contribution Rate.

Benefits will be granted only to the extent that Hours of Work have been reported and received by the Fund.

A request for review of reported hours must be in writing, with corresponding check stubs, and must be received within one year of the date of receipt of the Participant combined quarterly statement, otherwise no adjustment will be made to hours and contributions originally reported to Fund.

#### Key Point

This Plan provides Quarterly Benefit Statements that list the covered hours reported to this Plan on your behalf, your monthly benefit earned payable in Retirement for each year of service and your Vesting status. Please review each Statement for accuracy, and report any discrepancies between the Statement and your work records immediately.

**23. What is Unit Value Benefit Credit?**

**For work performed before January 1, 2007,** Unit Value Benefit Credit is used to determine the amount of your benefits and is equal to the sum of your Past Service Unit Value Benefit Credit and Future Service Unit Value Benefit Credit. (Generally, Past Service Unit Value Benefit Credit is credit for work performed prior to your Contribution Date. Refer to Appendix A for more information.)

**24. How is my Future Service Unit Value Benefit Credit determined?**

**Effective December 31, 1978 through December 31, 2006,** you receive a full year of Future Service Unit Value Benefit Credit for 1,200 Hours of Work in Covered Employment in a Calendar Year. If you work fewer than 1,200 Hours of Work in Covered Employment, you receive one-twelfth of Future Service Unit Value Benefit Credit for each 100 hours of such work, provided you worked a minimum of at least 300 Hours of Work in Covered Employment in that Calendar Year. If you work more than 1,200 Hours of Work in Covered Employment, you receive one-twelfth of a Future Service Unit Value Benefit Credit for each 90 hours of such work over 1,200 hours. A maximum of  $1\frac{6}{12}$  Future Service Unit Value Benefit Credit can be earned in a Calendar Year. (Vesting Credit and Eligibility Credits are limited to a maximum of 1 Credit per Calendar Year.)

**Effective September 1, 1990,** you may also earn Future Service Unit Value Benefit Credit and/or Percentage of Contribution Benefit Credit for military service if you satisfy the requirements for Future Service Eligibility Credit.

The following table illustrates how years of Unit Value Benefit Credit was earned from 1979 through 2006:

Hours Worked in Covered Employment in a Calendar Year	Unit Value Benefit Credit
0-299	-0-
300-399	$\frac{3}{12}$
400-499	$\frac{4}{12}$
500-599	$\frac{5}{12}$
600-699	$\frac{6}{12}$
700-799	$\frac{7}{12}$
800-899	$\frac{8}{12}$
900-999	$\frac{9}{12}$
1,000-1,099	$\frac{10}{12}$
1,100-1,199	$\frac{11}{12}$
1,200-1,289	1
Hours Worked in Covered Employment in a Calendar Year	Unit Value Benefit Credit
1,290-1,379	$1\frac{1}{12}$
1,380-1,469	$1\frac{2}{12}$
1,470-1,559	$1\frac{3}{12}$
1,560-1,649	$1\frac{4}{12}$
1,640-1,739	$1\frac{5}{12}$
1,740 or more	$1\frac{6}{12}$

**Before January 1, 1979**, your Future Service Unit Value Benefit Credit for all years through December 31, 1978, is equal to your Future Service Eligibility Credit earned through December 31, 1978. (See Question 9 on pages 11-12)

**25. May I receive Future Service Unit Value Benefit Credit and/or Percentage of Contribution Benefit Credit for hours worked as an Apprentice?**

If you work for a Contributing Employer as an Apprentice and later accumulate five full Future Eligibility Service Credits earned in Covered Employment that required Contributions to this Plan, or through Qualified Military Service, without an intervening Permanent Break in Service, your Hours of Work in those periods of Apprenticeship for which no Contributions are due will be counted towards your Future Service Unit Value Benefit Credit and/or Percentage of Contribution Benefit Credit.

**26. If I worked for a Contributing Employer as an Apprentice and the Contributions made to this Plan were less than the Journeyman rate, will I receive Credit at the Journeyman rate when I achieve Vesting status?**

Yes, if you work for a Contributing Employer as an Apprentice receiving a lower Contribution rate and later accumulate five full Future Eligibility Service Credits earned in Covered Employment that required Journeyman rate Contributions to this Plan, or through Qualified Military Service, without an intervening Permanent Break in Service, your Hours of Work in those periods of Apprenticeship for which lower contributions were due will be counted towards your Future Service Unit Value Benefit Credit and/or Percentage of Contribution Benefit Credit at the Journeyman rate under the applicable Collective Bargaining Agreement.

**27. Is it possible to receive Benefit Credit for some absences from Covered Employment?**

Yes, if you are granted Eligibility Credit for an absence from Covered Employment as described in Question 13, such Eligibility Credit will be counted towards your Future Service Unit Value Benefit Credit and/or Percentage of Contribution Benefit Credit.

## RETIREMENT BENEFITS

Refer to Article 3.; pages 99-114

### 28. When can I Retire and receive a Pension?

If you are eligible, your Normal Retirement Age is age 65 or your age on your fifth anniversary of Participation, whichever is later.

You may be able to Retire before your Normal Retirement Age if you meet certain age and service requirements as explained in the following questions in this section.

In order to receive Pension benefits, you MUST be Retired, separated from service (unless you have reached age 70 ½) and not be engaged in Prohibited Employment. See Question 68 (page 46). You must make application for your Pension as explained in Question 75 (pages 49-50) and have fulfilled all the conditions to be entitled to benefits.

#### Key Point

For a summary of the age and service requirements for the various Pension types, please see "Your Pension Plan at a Glance" on pages 1-4.

### 29. What will be the amount of my Regular Pension at my Normal Retirement Age?

At your Normal Retirement Age, you will be entitled to a monthly benefit that is determined based on the following:

- Your Percentage of Contribution Benefit Credit earned on and after January 1, 2007, which is equal to the Contributions made to the Fund on your behalf for a Calendar Year multiplied by the applicable Percentage of Contribution Factor.

#### PLUS

- Your Unit Value Benefit Credit earned before January 1, 2007 multiplied by the pension accrual rate for each year. (Refer to the Pension Accrual Rate Chart on the following page.)

Remember, you must have a minimum of 300 Hours of Work in Covered Employment during each Calendar Year to earn a benefit with the exception of the Calendar Year of your Retirement. Effective January 1, 2007, in the Calendar Year that you Retire, all of your Hours of Work in Covered Employment (even if less than 300 Hours of Work) will be counted towards your benefit.

#### Key Point

Your total accrued monthly benefit available at Retirement is the sum of the monthly benefits you earn each year you work in Covered Employment in this Plan. The annual benefit earned each year varies depending on:

- The number of hours you work,
- The hourly contribution rate, and
- The percentage of contribution factor.



**PENSION ACCRUAL RATE CHARTS FOR UNIT VALUE BENEFIT CREDITS AND PERCENTAGE OF CONTRIBUTION FORMULA**

**Unit Value Benefit Credit** is used to calculate Pension benefits for Benefit Credit earned prior to January 1, 2007.

Your Unit Value Benefit Credit will be multiplied by the Pension accrual rate that applies to each year as follows:

<b>Period of Service</b>	<b>Accrual Rate for each 100 Hours in Covered Employment up to 1,200 (must have at least 300 Hours)</b>	<b>Accrual Rate for each Unit Value Benefit Credit (1200 Hours)</b>	<b>Accrual Rate for each additional 90 Hours in Covered Employment above 1,200</b>	<b>Maximum Accrual in a Year</b>
<b>Past Service Unit Value Benefit Credit</b>	\$1.67	<b>\$20</b>	N/A	\$20
<b>Future Service Unit Value Benefit Credit</b>				
<b>Prior to 1979</b>	\$ 2.50	<b>\$ 30</b>	N/A	\$ 30
<b>1979 through 1995</b>	\$ 3.33	<b>\$ 40</b>	\$ 3.33	\$60
<b>1996</b>	\$ 4.17	<b>\$ 50</b>	\$4.17	\$75
<b>1997</b>	\$ 4	<b>\$ 48</b>	\$4.00	\$72
<b>1998 through 1999</b>	\$ 6.25	<b>\$ 75</b>	\$6.25	\$112.50
<b>2000</b>	\$ 10	<b>\$120</b>	\$10.00	\$180
<b>2001</b>	\$ 10.83	<b>\$130</b>	\$10.83	\$195
<b>2002 through 2006</b>	\$ 11.42	<b>\$137</b>	\$11.42	\$205.50
<b>Beginning 2007, see % of contribution table</b>				

In some instances, your Pension amount could also be impacted if Contributions made by your Employer were at a rate less than the highest rate provided under the Collective Bargaining Agreement. This is called your Average Contribution Factor. Please refer to Appendix B of this Summary for more information.

**Percentage of Contributions** is used to calculate Pension benefits for Benefit Credit earned beginning January 1, 2007.

The Percentage of Contributions formula are as follows:

<b>Period of Service</b>	<b>Percentage of Contributions</b>
January 1, 2007 to June 30, 2011	1.75%

Period of Service	Percentage of Contributions
July 1, 2011 to June 30, 2012	1.44%
July 1, 2012 to June 30, 2013	1.39%
July 1, 2013 to June 30, 2014	1.36%
July 1, 2014 to June 30, 2015	1.31%
July 1, 2015 to June 30, 2016	1.29%
July 1, 2016 to June 30, 2017	1.27%
July 1, 2017 to June 30, 2018	1.25%
July 1, 2018 to June 30, 2019	1.19%
July 1, 2019 to June 30, 2020	1.16%
July 1, 2020 to June 30, 2021	1.13%
July 1, 2021 to June 30, 2022	1.10%
July 1, 2022 to June 30, 2023	1.085%
July 1, 2023 to June 30, 2024	1.071%
July 1, 2024 to June 30, 2025	1.057%
July 1, 2025 to June 30, 2026	1.043%
July 1, 2026 to June 30, 2027	1.030%

**Following is an Example:**

Maria is age 65 and Retired on July 1, 2023.

For this example, let's assume the following: Maria has not incurred a Separation from Covered Employment, she has earned a total of  $1\frac{3}{12}$  Past Service Unit Value Benefit Credits, 33 Future Service Unit Value Benefit Credits through December 31, 2006 and she worked 1,400 hours spread evenly (i.e., 700 hours from January – June and 700 hours from July – December) during Calendar Years from 2007 through 2023 at hourly Contribution Rates as shown in the example.

Maria's pension benefit would be determined as follows:

UNIT VALUE BENEFIT EARNED THROUGH DECEMBER 31, 2006					
Calendar Year	Unit Value Benefit Credit	x	Pension Accrual Rate	=	Monthly Benefit
<b>Past Service Unit Value Benefit Credit</b>	$1\frac{3}{12}$	<b>x</b>	\$ 20	=	\$25
<b>Future Service Unit Value Benefit Credit</b>					
• <b>Prior to 1979</b>	5	<b>x</b>	\$30		\$150
• <b>1979 through 1995</b>	$16\frac{2}{12}$	<b>x</b>	\$40	=	\$646.67
• <b>1996</b>	$1\frac{6}{12}$	<b>x</b>	\$50	=	\$75
• <b>1997</b>	1	<b>x</b>	\$48	=	\$48
• <b>1998 through 1999</b>	$2\frac{4}{12}$	<b>x</b>	\$75	=	\$175
• <b>2000</b>	1	<b>x</b>	\$120	=	\$120
• <b>2001</b>	1	<b>x</b>	\$130	=	\$130
• <b>2002 through 2006</b>	5	<b>x</b>	\$137	=	\$685
<b>Total Monthly Unit Value Benefit earned through December 31, 2006 = \$2,054.67</b>					

Calculation continued on next page.

PERCENTAGE OF CONTRIBUTION BENEFIT EARNED ON AND AFTER JANUARY 1, 2007									
Period	Total Hours Worked	x	Employer Contribution Rate	=	Contributions made on Maria's behalf	x	Percentage of Contribution Factor	=	Monthly Benefit
1/1/07 – 6/30/07	700	x	\$4.35	=	\$3,045	x	1.75%	=	\$53.29
7/1/07 – 12/31/07	700	x	\$4.55	=	\$3,185	x	1.75%	=	\$55.74
1/1/08 – 6/30/08	700	x	\$4.55	=	\$3,185	x	1.75%	=	\$55.74
7/1/08 – 12/31-08	700	x	\$5.05	=	\$3,535	x	1.75%	=	\$61.86
1/1/09 – 6/30/09	700	x	\$5.05	=	\$3,535	x	1.75%	=	\$61.86
7/1/09 – 12/31/09	700	x	\$5.55	=	\$3,885	x	1.75%	=	\$67.99
1/1/10 –6/30/10	700	x	\$5.55	=	\$3,885	x	1.75%	=	\$67.99
7/1/10 – 12/31/10	700	x	\$6.90	=	\$4,830	x	1.75%	=	\$84.53
1/1/11 – 6/30/11	700	x	\$6.90	=	\$4,830	x	1.75%	=	\$84.53
7/1/11 – 12/31/11	700	x	\$8.40	=	\$5,880	x	1.44%	=	\$84.67
1/1/12 – 6/30/12	700	x	\$8.40	=	\$5,880	x	1.44%	=	\$84.67
7/1/12 – 12/31/12	700	x	\$8.70	=	\$6,090	x	1.39%	=	\$84.65
1/1/13 – 6/30/13	700	x	\$8.70	=	\$6,090	x	1.39%	=	\$84.65
7/1/13 – 12/31/13	700	x	\$8.85	=	\$6,195	x	1.36%	=	\$84.25
1/1/14 – 6/30/14	700	x	\$8.85	=	\$6,195	x	1.36%	=	\$84.25
7/1/14 – 12/31/14	700	x	\$9.20	=	\$6,440	x	1.31%	=	\$84.36
1/1/15 – 6/30/15	700	x	\$9.20	=	\$6,440	x	1.31%	=	\$84.36
7/1/15 – 12/31/15	700	x	\$9.35	=	\$6,545	x	1.29%	=	\$84.43
1/1/16 – 6/30/16	700	x	\$9.35	=	\$6,545	x	1.29%	=	\$84.43
7/1/16 – 12/31/16	700	x	\$9.50	=	\$6,650	x	1.27%	=	\$84.46
1/1/17 – 6/30/17	700	x	\$9.50	=	\$6,650	x	1.27%	=	\$84.46
7/1/17 – 12/31/17	700		\$9.65	=	\$6,755		1.25%		\$84.44
1/1/18 – 6/30/18	700		\$9.65	=	\$6,755		1.25%		\$84.44
7/1/18 – 12/31/18	700		\$9.65	=	\$6,755		1.19%		\$80.38
1/1/19 – 6/30/19	700		\$9.65	=	\$6,755		1.19%		\$80.38
7/1/19 – 12/31/19	700		\$9.65	=	\$6,755		1.16%		\$78.36
1/1/20 – 6/30/20	700		\$9.65	=	\$6,755		1.16%		\$78.36
7/1/20-12/31/20	700		\$9.65	=	\$6,755		1.13%		\$76.33
1/1/21 – 6/30/21	700		\$9.65	=	\$6,755		1.13%		\$76.33
7/1/21 – 12/31/21	700		\$10.95	=	\$7,665		1.10%		\$84.32
1/1/22 – 6/30/22	700		\$10.95	=	\$7,665		1.10%		\$84.32

<b>7/1/22 – 12/31/22</b>	700		\$11.10	=	\$7,770		1.085%		\$84.30
<b>1/1/23-6/30/23</b>	700		\$11.10	=	\$7,770		1.085%		\$84.30
<b>Total monthly percentage of contribution benefit earned from January 1, 2007 through June 30, 2023</b>									<b>= \$2,583.43</b>
<b>Total monthly benefit earned through June 30, 2023 (\$2,054.67 + \$2,583.43)</b>									<b>= \$4,638.10</b>

\*Employer Contribution rates reflected in the Example above are actual Contribution rates but are not necessarily the Contribution rate paid on your Work Hours. Contributions are based on your occupation and skill level at the time the actual Work Hours were performed.

NOTE: The monthly benefit earned in the chart above represents an unreduced, Single-Life benefit payment. The payment form you select may reduce your benefit amount. (See Pension Payment Options beginning on page 36).

### 30. Can I retire before age 65?

Maybe; depending on your age, years of service, Credit you have accumulated, and employment status, you may be eligible for a Pension type other than a Normal Pension. You may Retire before age 65 and receive unreduced Pension benefits under a Regular, Service, or Disability Pension or you may receive a reduced Pension benefit under an Early Retirement Pension.

### 31. When can I retire on a Regular or Service Pension before age 65?

- (a) You may Retire on a Regular Pension before age 65 when you are at least age 62 and have 10 years of Vesting Credit or 10 full Eligibility Credits (excluding any Vesting Credit or Eligibility Credit lost due to a Permanent Break in Service);
- (b) you may Retire on a Service Pension before age 62 when you accumulate at least 30 full Eligibility Credits in Northern California (excluding any Eligibility Credit lost due to a Permanent Break in Service).

However, if you have performed work in Non-Covered Employment for an employer that does not contribute to this Plan, Service Pension benefits accrued after July 1, 1991, will be delayed 6 months for every calendar quarter in which you worked in such Non-Covered Employment. (See Question 74 on page 49)

**Note:** A Service Pension is not available if you previously received an Early Retirement Pension under the Plan.

In order to receive Pension benefits, you MUST refrain from Prohibited Employment as discussed in Question 68 (page 46), and you must make application for your Pension as explained in Question 75 (pages 49-50).

### 32. Is the amount of my Regular or Service Pension different than a Normal Pension?

The monthly amount of a Regular or Service Pension will be the same as the unreduced accrued benefit payable at Normal Retirement Age (see Question 29 on pages 23-28). Your Pension benefit amount is determined by Contributions for Covered Work performed over the course of your career, plus any creditable hours of Non-Working periods. The payment form you select, deductions and withholding, community property claims, and any court-ordered reductions may also reduce your benefit amount. (See the Pension Payment Forms section beginning on page 36.)

**33. When can I Retire on a reduced Early Retirement Pension?**

You may Retire on a reduced Early Retirement Pension when you satisfy the following requirements:

You are at least age 55 and have at least 10 full Eligibility Credits (excluding any Eligibility Credit lost due to a Permanent Break in Service); and after you have fulfilled all the conditions which would entitle you to a benefit, including the filing of an application.

In order to receive pension benefits, you MUST refrain from Prohibited Employment as discussed in Question 67 (pages 45-46), and you must make application for your pension as explained in Question 75 (page 49-50).

**34. Is there any reason that my Early Retirement Pension may be delayed?**

Yes. If you have performed work in Non-Covered Employment for an employer that does not contribute to this Plan, your Early Retirement Pension will be delayed 6 months for each calendar quarter in which you worked in Non-Covered Employment. (See Question 74 on page 49)

**35. What will be the amount of my Early Retirement Pension?**

Your Early Retirement Pension amount will equal your Regular Pension amount reduced by  $\frac{1}{2}$  of 1% for each month that you are younger than age 62 on the effective date of your Early Retirement Pension. This reduction takes into account that you are younger than age 62 when your Pension begins and, therefore, you will receive a Pension over a longer period of time. The payment form you select, deductions and withholdings, community property claims, and any court ordered reductions may also further reduce your benefit amount. (See the Pension Payment Forms section beginning on page 36.)

**NOTE:** The reduced Pension amount will not increase when you become age 62 and persists for the duration of your (and your Spouse's) lifetime.

**For Example:**

John decides to Retire on an Early Retirement Pension at age 58, which is 48 months before age 62. His Regular Pension benefit if he were age 62 would be \$1,000.00. His Early Retirement Pension would be calculated as follows:

Regular Pension Amount (Payable at age 62)	Early Retirement Reduction	Total Early Retirement Pension Amount
\$1,000	\$240*	\$760**

\*  $\frac{1}{2}$  of 1% x 48 months = 24%, \$1,000 x 24% = \$240.

\*\* \$1,000 - \$240 (Early Retirement Reduction) = \$760 (Total Early Retirement Pension Amount)

John's Early Retirement Pension amount would then be adjusted based on the payment form selected, deductions and withholdings, and any community property claims and any court-ordered reductions.

**36. Can I possibly receive a Disability Pension?**

Yes. If your Covered Employment is terminated because you become Totally Disabled (see Question 37), you may be entitled to receive a Disability Pension if:

- (a) You are not yet age 62;
- (b) you have at least 10 full Eligibility Credits (without a Permanent Break in Service); and
- (c) you earned at least three-twelfths of a Future Service Eligibility Credit in the 5 consecutive Calendar Year period prior to the Calendar Year in which you became Totally Disabled.

**Notes:**

- Future Service Eligibility Credit earned as a Stakeholder on or after July 1, 2014 (see definition on page 6) is not counted in satisfying the Eligibility Credit requirements in (b) and (c).
- Carry-over of excess hours will not be used to satisfy the “work test” described in (c).

**If after working in Non-Covered Employment for an employer that does not contribute to this Plan, you have not returned to Covered Employment for an appropriate period as required in Section 12.03, you will not be eligible to retire on a Disability Pension.**

**37. What does it mean to be “Totally Disabled?”**

“Totally Disabled” means that you are disabled and you are receiving a Social Security Disability Benefit or otherwise meet the Social Security Administration’s rules for determining total disability.

**38. What will be the amount of my Disability Pension if I am Totally Disabled?**

The monthly amount of your Disability Pension would be equal to the monthly amount of your Regular Pension (see Question 29 on pages 23-28). There is no reduction because of age as in the case of an Early Retirement Pension. There may be a reduction depending on the payment form that you select, deductions and withholdings, community property claims, and any court-ordered deductions.

**Note:** Percentage of Contribution Benefit Credits earned as a Stakeholder on or after July 1, 2014 are excluded from the calculation of a Disability Pension.

**39. When and for how long will the Disability Pension be paid?**

Disability Pension benefits begin after you have been determined to be Totally Disabled by the Social Security Administration and have been disabled for 6 full months. Disability Pension benefits will continue as long as you are entitled to Social Security Disability Benefits.

**Note:** Due to the time that it may take the Social Security Administration to make its determination that you are Totally Disabled, the first payment of your Social Security Disability Benefit may cover a retroactive period. In a similar manner, the first payment of your Disability Pension from the Fund may include a retroactive payment in the form of a lump sum amount to cover the period dating back to your seventh month of Disability.

If are receiving a Disability Pension when you reach age 62, your Disability Pension will continue for your lifetime (provided you remain Retired) even if you recover from your Disability.

If your claim for Social Security Disability is denied, at the sole discretion of the Board of Trustees, an independent medical examination by a Board-approved Physician may be ordered. The Board, at its sole discretion, may grant a Disability Pension based on the results of the independent medical examination. The Board reserves the right to request subsequent examinations to verify continuing disability.

**Before such an independent examination is requested by the Board you must file an appeal of the denial with the Social Security Administration.**

**40. May I convert from an Early Retirement or Service Pension to a Disability Pension?**

Yes. If you Retire with an Early Retirement Pension and you were already Totally Disabled at the time your Early Retirement Pension started or if you are a Service Pensioner and you were already Totally Disabled at the time your Service Pension started you may choose to receive a Disability Pension. If the Pension Effective Date for the Disability Pension is later than the Early Retirement Pension, the accumulated difference must be paid back to the Fund. If the Disability Pension is being paid as a Single Life Pension, the Guarantee Period converts from 60 to 36 months. For more information, contact the Fund Office.

**41. What if I lose my entitlement to Social Security Disability Benefits?**

If you lose entitlement to your Social Security Disability Benefit before attaining age 62 or you recover from your disability, you must report that fact in writing to the Fund Office within 15 days after receiving notice from the Social Security Administration. Generally, your Disability Pension from this Plan will stop at that time. However, you may be able to keep your Disability Pension from this Plan by providing proof that your Disability still exists. For this purpose, the Board of Trustees will designate a physician who will perform a medical examination. The results of the medical examination will be given to the Board of Trustees for review and a determination as to the continuation of your Total Disability.

If you fail to give notice of the loss of your entitlement to your Social Security Disability Benefit, you will be required to repay any benefits to which you were not entitled.

If you recover from your Disability and return to work in Covered Employment, you may earn Percentage of Contribution Benefit Credit, and Eligibility Credits.

If you lose entitlement to a Social Security Disability Benefit, or otherwise cease to be Totally Disabled, if eligible, you may elect to convert your Disability Pension to an Early or Service Pension.

**42. What if I fail to apply for Retirement Benefits?**

If you stop working but you do not apply for your benefits until after your Normal Retirement Age the monthly benefit you receive when you do begin your Pension will be actuarially increased to make up for missed payments since your Normal Retirement Age. The increase will be .75% for each complete calendar month between your Normal Retirement Age and age 70, and 1.5% for each complete calendar month between age 70 and your Pension Effective Date (see Section 10.09 on page 157), excluding any months in which your benefits would have been suspended.



Instead of an actuarial increase, you may elect to receive the missed monthly payments since your Normal Retirement Age in a lump sum. This one-time cash payment would be equal to your monthly benefit multiplied by the number of complete calendar months between your Normal Retirement Age and your Pension Effective Date, excluding those months during which your benefits would have been suspended. Monthly payments of your benefit would then begin on your Pension Effective Date.

For benefits accrued after Normal Retirement Age, the actuarial adjustment will start from the date benefits would first have been paid rather than Normal Retirement Age.

If you reach your Normal Retirement Age and do not apply for benefits, the Fund Office will attempt to contact you to advise you of the Plan's available benefits. When you approach your Required Beginning Date and still have not started your Pension benefits, the Fund Office will attempt to contact you again and even utilize a third party locator service to assist with location efforts if the address information on file is incorrect or out of date. If the locator service finds an address for you, the Fund Office will make additional efforts to contact you and explain consequences of failure to apply for Retirement benefits and help you submit an application.

## RECIPROCAL PENSIONS AND TRANSFER OF CONTRIBUTIONS

Refer to Articles 4 and 5.; pages 115-120

**43. What if I perform work as a carpenter in the jurisdiction of a Related Plan?**

You may be eligible for a Reciprocal Pension if you would not otherwise qualify for a Pension, or if your Pension would be less than the full amount, because your years of employment have been divided between the jurisdiction of this Pension Plan and other related Pension Plans which have signed the International Reciprocal Agreement, Exhibit A.

**44. What are the requirements for a Reciprocal Pension?**

You may be entitled to a Reciprocal Pension, if you satisfy the following requirements:

- (a) You would be eligible for a Normal, Regular, Early Retirement or Disability Pension under this Plan if your pension credits earned under Related Plans are treated as Northern California Eligibility Credits; or
- (b) you would be eligible for a Service Pension under this Plan if your Pension credits earned under Related Plans are treated as Northern California Eligibility Credits. For this purpose, only related credits earned under the following plans are recognized:

- Mill Cabinet Pension Fund for Northern California
- Industrial Carpenters Pension Plan
- Marine Carpenters Pension Plan
- Carpenters International Staff Pension Plan
- Lathers Local 9083 Defined Benefit Pension Plan
- Lathers Local 109 Defined Benefit Pension Plan
- Lathers Local 144 Defined Benefit Pension Plan
- Southwest Carpenters Pension Plan for work conducted in Southern California
- Pension Plan for the Carpenter Funds Administrative Office of Northern California
- Other Related Plans as specifically determined by the Trustees which cover Employees under the terms of a Collective Bargaining Agreement and/or Memorandum of Understanding negotiated by the Carpenters 46 Northern California Counties Conference Board and/or any of its affiliates; and

### Key Point

If you are applying for a Reciprocal Service Pension, please refer to the specific list of "Related Plans" in Q&A 44(b) that may be used in determining your "Combined Reciprocal Eligibility Credit."

- (c) you have at least one full Northern California Eligibility Credit and one full Related Eligibility Credit under each of the Related Plans whose Related Eligibility Credit is needed to qualify you for a Reciprocal Pension or after your Contribution Date, you have at least 2 full Northern California Eligibility Credits, Related Eligibility Credits or Combined Reciprocal Eligibility Credits; or

(d) if you are applying for a Disability Pension under this Plan, you are deemed to be sufficiently disabled so as to meet the disability criterion for a Disability Pension in each of the Related Plans whose Reciprocal Pension Credit is needed to qualify you for a Reciprocal Disability Pension; and

(e) if age is a requirement for the type of Pension for which you are applying, you meet the minimum age requirement for a pension (not necessarily the same type of pension) under each of the Related Plans whose Related Pension Credit is needed to qualify you for a Reciprocal Pension.

### Key Point

To take advantage of “transfer of contributions” you must contact the Fund Office within 60 days of the onset of employment under a reciprocal plan. If you do not establish a home trust to which all contributions are sent, your pension will be split between two or more plans.

#### 45. **How is my “Related Eligibility Credit” determined, and how is it combined with my Credit earned under this Plan?**

Related Eligibility Credit is Eligibility Credit earned under the terms of a Related Plan (i.e., it is based on the Plan Year and hours rules of the Related Plan). If the Related Plan uses a different basis than the Northern California Carpenters Plan, Related Hours reported by the Related Plan will be used to convert Related Eligibility Credit on the same basis used by the Northern California Plan to determine Eligibility Credit. The sum of Related Eligibility Credit and Northern California Eligibility Credit is called “Combined Reciprocal Eligibility Credit.” It excludes any Eligibility Credit based on Continuous Non-Covered Employment (see page 5).

#### 46. **What will be the amount of my Reciprocal Pension?**

The monthly amount of a Reciprocal Pension is determined in the same way as a Normal, Regular, Early Retirement, Service or Disability Pension (whichever is applicable) based only on the Credits earned and benefits accrued under this Plan without regard to any Related Pension Credits or accruals.

#### 47. **Can I transfer contributions to this Plan from an outside plan?**

Yes, in most cases you may transfer Contributions to this Plan. This Plan has signed both Exhibit A (Partial Pension) and Exhibit B (transfer of Contributions) of the United Brotherhood of Carpenters and Joiners of America International Reciprocal Agreement for Pension Plans which provides another benefit besides the Reciprocal Pension described in the paragraphs above.

If you work in a geographic location covered by a plan that has also signed Exhibit B of the International Reciprocal Agreement, you may elect to have the employer contributions forwarded by that plan to this Plan.

The reciprocal agreements with other trust funds require that your request be filed within 60 days following the beginning of employment under the Cooperating Fund. If you are considering work outside the jurisdiction of this Fund, please contact the Fund Office immediately.

Hours forwarded by an outside fund prior to January 1, 2007 will be credited to this Plan by dividing the transferred contributions by the highest Pension contribution rate in effect under the Carpenters Master Agreement for Northern California for the period that you performed

such Hours of Work. For example, if you worked 600 hours in another area where you were covered by an outside plan from July to December 2004, and the Pension contribution rate in that area was \$1.00 per hour, the \$600 in contributions received by this Fund would be divided by \$3 per Hour (the highest rate at that time) to yield 200 hours.

**The Fund Office has the forms that must be used to request a transfer of hours and contributions and can assist you in making a decision about a transfer. This request must be made within 60 days following the beginning of employment under the Cooperating Fund.**

**Your request will release the Board of Trustees from any liability or claim that the transfer of contributions did not work in your best interest.**

**More information on transfer of hours and contributions can be found in Article 5 of the Pension Plan on pages 118-120.**

## PENSION PAYMENT OPTIONS

Refer to Articles 7, 8, and 9; pages 136-146

### 48. What Payment Options are available to me when I Retire?

If you are married at the time of your Retirement, the Plan provides the following payment options: A 50% Joint and Survivor Pension, a 75% Joint and Survivor Pension, a 100% Joint and Survivor Pension, and a Single Life Pension with a 60-month guarantee (36- months for a Disability Pension).

If are not married at the time of your Retirement, the Single Life payment option with a 60-month guarantee (36-month guarantee with a Disability Pension) is the only option available to you.

Pension Payment Options	
If You are Married at Retirement	If you are Single at Retirement
Joint & 50% Survivor	Single Life with 60-Month Guarantee (36-Months for Disability Pensions)
Joint & 75% Survivor	
Joint & 100% Survivor	
Single Life with 60-Month Guarantee (36-Months for Disability Pensions)	

### 49. What is a 50% Joint and Survivor Payment Option?

If you are married when you Retire, your Pension will automatically be paid as a 50% Joint and Survivor form of payment, unless you and your Spouse consent (in writing) to another payment option. (See Question 52 on page 38). The 50% Joint and Survivor Pension provides a lifetime benefit for you and your Spouse at Retirement. Under this arrangement, the monthly benefit to which you would be entitled will be reduced during your lifetime, so that when you die your Spouse will receive a lifetime benefit of 50% of your monthly benefit.

The 50% Joint and Survivor Pension is available to the Spouse married to you on the effective date of your Pension. In order for your Spouse to receive benefits under this payment option, you and your Spouse must have been married to each other on your Pension Effective Date and for at least the one-year period immediately prior to your death.

#### Key Point

##### **If you are not married:**

- Your payment option will be a "Single Life Pension", payable for your lifetime with a guarantee of benefits (36 months for a Disability Pension, 60 months for Regular, Normal, Service, and Early Retirement Pensions).

##### **If you are married:**

- The 50% Joint and Survivor Pension provides an amount payable for your lifetime. If you pre-decease your Spouse, 50% of that amount is payable for your Spouse's lifetime; or
- you and your Spouse may elect to take a 75% or 100% Joint and Survivor Pension; or
- you and your Spouse may elect the Single Life Pension.

**Note:** Any prior marriage between you and your Spouse that terminated prior to your Pension Effective Date shall not be counted when determining whether the one-year marriage requirement has been satisfied.

Should your Spouse predecease you, the amount paid to you will revert to the full monthly Single Life Pension amount, that you would have received had you not chosen the 50% Joint and Survivor Pension and you will be entitled to receive that amount for your lifetime. If you have any questions, contact the Fund Office for more information.

**50. How much will my 50% Joint and Survivor Pension be reduced to account for two lifetimes?**

To determine your 50% Joint and Survivor Pension, the amount of your monthly Pension will be reduced by a factor based on your age, the age of your Spouse on the effective date of your Pension and the type of Pension you will be receiving. (The reduction factors can be found in Appendices 1, 2, 3, and 4 of the Pension Plan on pages 188-195)

**Example 1** below shows various percentage factors applicable to the 50% Joint and Survivor Pension:

Age of Spouse in Relation to Age of Participant	Percentage of Normal, Regular, Early or Service Pension Payable to Participant	Percentage of Disability Pension Payable to Participant
5 years younger	82%	67%
Same age	85%	70%
5 years older	88%	73%

**Example 2** below shows how a Regular Pension of \$1,000 per month would be adjusted for the 50% Joint and Survivor Pension:

Spouse's Age in Relation to Age of Participant	50% Joint and Survivor Factor	Pension Payable While Both Pensioner and Spouse are Alive	Pension to Surviving Spouse after Pensioner's Death	Pension to Pensioner after Spouse's Death
5 years younger	82%	\$820	\$410	\$1,000
Same age	85%	\$850	\$425	\$1,000
5 years older	88%	\$880	\$440	\$1,000

**51. Can my Spouse and I waive the 50% Joint and Survivor Pension?**

You and your Spouse can elect to waive the 50% Joint and Survivor Pension and elect one of the other payment options. However, both you and your Spouse must consent to the waiver in writing and the consent must be witnessed before a Notary Public or Trust Fund employee.

A waiver of the 50% Joint and Survivor Pension will not be valid if given more than 180 days before your payments are to begin. You may revoke a waiver and execute a new waiver at any time within this 180-day period.

However, if you receive your written explanation of your pension benefit less than 30 days before your payments are to begin, your waiver will be valid if given within 30 days from the date of written explanation. (You may waive the 30-day period if your pension begins more than 7 days after the written explanation is provided.)

After you begin to receive payments, you will not be allowed to change your election, unless the written explanation of your Pension benefit was given to you less than 30 days before your payments are to begin or after you started receiving payments. In that situation, you have 30 days from the date of the written explanation to make a written election.

**52. What is a Single Life Payment Option with a 36 or 60 Month Guarantee?**

The Single Life Pension provides a monthly payment to you during your lifetime. If you are receiving a Normal, Regular, Early Retirement, Service or Reciprocal Pension and you die before receiving 60 monthly payments, your Beneficiary will receive the remaining payments due for that 60-month period. The guarantee period for persons receiving a Disability Pension or Reciprocal Disability Pension is 36 months; so if you die before receiving 36 monthly Disability Pension payments, your Beneficiary will receive the remaining payments due for that 36-month period.

**53. What is a 75% Joint and Survivor Pension? What is a 100% Joint and Survivor Pension?**

You and your Spouse may elect a Pension payment option that provides greater security to your Spouse upon your death than the 50% Joint and Survivor option.

Both the 75% Joint and Survivor Pension and the 100% Joint and Survivor Pension provide a lifetime benefit for you and your Spouse at Retirement.

If you elect the 75% Joint and Survivor Pension, the monthly benefit to which you would be entitled will be reduced during your lifetime, so that when you die your Spouse will receive a lifetime benefit of 75% of your monthly benefit.

If you elect the 100% Joint and Survivor Pension, the monthly benefit to which you would be entitled will be reduced during your lifetime, so that when you die your Spouse will receive a lifetime benefit of 100% of your monthly benefit.

**Key Point**

This section serves as your notice of the terms and conditions of the Joint and Survivor payment options, including:

- The terms and conditions of the 50%, 75%, and the 100% Joint and Survivor Pension;
- your right to elect or waive the 50% Joint and Survivor Pension;
- your Spouse's right to waive the 50% Joint and Survivor Pension;
- your right to change your election up to your Pension Effective Date, and what that change would mean to you;
- the relative values of the various payment options; and
- the right to defer your Pension and the consequences of starting your Pension early. You will also receive a description of how much larger your benefits will be if you wait.

Both the 75% Joint and Survivor Pension and the 100% Joint and Survivor Pension are available only to the Spouse married to you on the effective date of your Pension. In order for your Spouse to receive benefits under either of these payment options, you and your Spouse must have been married to each other on your Pension Effective Date and for at least a one-year period immediately prior to your death.

**Note:** Any prior marriage between you and your Spouse that terminated prior to your Pension Effective Date (see page 5) shall not be counted when determining whether the one-year marriage requirement has been satisfied.

If your Spouse predeceases you, the amount paid to you will revert to the full monthly Single Life Pension amount that you would have received had you not chosen either the 75% Joint and Survivor Pension or the 100% Joint and Survivor Pension and you will be entitled to receive this amount for your lifetime. If you have any questions, contact the Fund Office for more information.

#### 54. What will be the amount of my 75% Joint and Survivor Pension?

To determine the 75% Joint and Survivor Pension, the amount of your monthly Pension will be reduced by a factor based on your age, the age of your Spouse on the effective date of your Pension and the type of Pension you will be receiving. (The reduction factors can be found in Appendices 5 and 6 of the Pension Plan on pages 196-199)

**Example 1** below shows various percentage factors applicable to the 75% Joint and Survivor Pension:

Age of Spouse in Relation to Age of Participant	Percentage of Normal, Regular, Early or Service Pension Payable to Participant	Percentage of Disability Pension Payable to Participant
5 years younger	77.25%	60%
Same age	80%	62%
5 years older	82.75%	64%

**Example 2** below shows how a Regular Pension of \$1,000 per month would be adjusted for the 75% Joint and Survivor Pension:

Spouse's Age in Relation to Age of Participant	75% Joint and Survivor Factor	Pension Payable While Both Pensioner and Spouse are Alive	Pension to Surviving Spouse After Pensioner's Death	Pension to Pensioner After Spouse's Death
5 years younger	77.25%	\$772.50	\$579.38	\$1,000
Same age	80%	\$800	\$600	\$1,000
5 years older	82.75%	\$827.50	\$620.63	\$1,000



**55. What will be the amount of my 100% Joint and Survivor Pension?**

To determine the 100% Joint and Survivor Pension, the amount of your monthly Pension will be reduced by a factor based on your age, the age of your Spouse on the effective date of your Pension and the type of Pension you will be receiving. (The reduction factors can be found in Appendices 7 and 8 of the Pension Plan on pages 200-203).

**Example 1** below shows various percentage factors applicable to the 100% Joint and Survivor Pension:

Age of Spouse in Relation to Age of Participant	Percentage of Normal, Regular, Early or Service Pension Payable to Participant	Percentage of Disability Pension Payable to Participant
5 years younger	72%	54%
Same age	75%	56%
5 years older	78%	58%

**Example 2** below shows how a Regular Pension of \$1,000 per month would be adjusted for the 100% Joint and Survivor Pension:

Spouse's Age in Relation to Age of Participant	100% Joint and Survivor Factor	Pension Payable While Both Pensioner and Spouse are Alive	Pension to Surviving Spouse after Pensioner's Death	Pension to Pensioner after Spouse's Death
5 years younger	72%	\$720	\$720	\$1,000
Same	75%	\$750	\$750	\$1,000
5 years older	78%	\$780	\$780	\$1,000

**56. Can I receive my Pension Benefits in a Lump Sum Payment?**

No, with the exception that if the actuarial present value of your Pension benefits is \$7,000 or less, the Board of Trustees will automatically pay you the full benefit in a single lump sum payment. This payment would represent your full entitlement to benefits under the Plan. If the value is greater than \$7,000, you will not be able to receive your benefits in a lump sum.

## DEATH BENEFITS

Refer to Articles 7 and 8; pages 136-144

### 57. What if I die before Retirement?

If you meet the eligibility requirements and die before your Pension Effective Date, the Plan provides the following Pre-Retirement Death Benefits:

- Surviving Spouse 50% Joint and Survivor Pension which is a lifetime pension for your surviving Spouse; or
- Pre-Retirement Death Benefit payable to your surviving Spouse.
- If no surviving Spouse, your designated Beneficiary.

Please note that if you should die after you Retire but prior to your Pension Effective Date (see page 5), any payment form election you previously made will become invalid. Death benefits will be paid as either a Surviving Spouse 50% Joint and Survivor Pension (refer to page 36) or a Pre-Retirement Death Benefit (refer to Questions 58-62).

If you should die after you have Retired from the Building and Construction Industry and applied for your Pension and after your Pension Effective Date, death benefits will be paid as described in Question 63 on page 43.

If you should die on or after January 1, 2007 while performing Qualified Military Service, your Beneficiary shall be entitled to any additional benefits (other than benefit accruals relating to the period of Qualified Military Service) that would have been provided under the Plan if such Participant had resumed employment with the Company and then terminated employment on account of death. In addition, the period of such Participant's Qualified Military Service shall be treated as service towards Vesting under the Plan.

### 58. What are the eligibility requirements for the Pre-Retirement Death Benefits for a Surviving Spouse 50% Joint and Survivor Pension?

The Surviving Spouse 50% Joint and Survivor Pension is payable to your qualified Spouse if, at the time of your death, you:

- Were married throughout the one-year period ending on the date of your death; and
- had satisfied the service requirements necessary to become a Vested Participant prior to your death.

**Exception:** A Qualified Domestic Relations Order (QDRO) (see Question 86 on pages 59-60) may provide that, in the case of your death, your former Spouse will receive all or a portion of any death benefits.

**Note:** The Pre-Retirement Death Benefits described in Questions 60 & 61 are not payable if the Participant's surviving Spouse is entitled to a Surviving Spouse 50% Joint and Survivor Pension, unless the Spouse elects to waive the Surviving Spouse 50% Joint and Survivor Pension in favor of the Pre-Retirement Death Benefit.

**59. When will my Surviving Spouse receive benefit payments?**

Payment of the Surviving Spouse 50% Joint and Survivor Pension to your qualified Spouse will ordinarily begin the month following the date of your death.

However, if you die prior to the earliest date on which you would have qualified to receive a Pension under the Plan, payment of the Surviving Spouse 50% Joint and Survivor Pension, will not begin to your surviving Spouse until the earliest date on which you could have begun receiving a Pension benefit had you lived, qualified for a Pension, and terminated Covered Employment. If your Spouse chooses an Early payment option, the benefit will be reduced.

Your qualified surviving Spouse may elect to delay the beginning of his/her Surviving Spouse 50% Joint and Survivor Pension to some specified future date, but no later than December 1 of the Calendar Year preceding the Calendar Year you would have reached your Required Beginning Date (See Question 75). In that case, the benefit amount will be determined as if you had survived to the date your qualified surviving Spouse elects to begin receiving that benefit, Retired at that age with an immediate Joint and Survivor Pension and died the next day.

If your surviving Spouse dies before the date he/she elects to begin receiving the Surviving Spouse 50% Joint and Survivor Pension, the benefit is forfeited and there will be no payments to any other Beneficiary.

**60. How is the amount of the Surviving Spouse 50% Joint and Survivor Pension determined?**

The Surviving Spouse 50% Joint and Survivor Pension payable to your qualified surviving Spouse is equal to one-half the monthly Pension that you would have received had you Retired the day prior to your death and elected to receive your Pension under the 50% Joint and Survivor Pension. However, if you died prior to reaching your earliest Retirement date or your surviving Spouse elects to delay payment of the benefit, it will be calculated as if you Retired and elected to receive your Pension under the 50% Joint and Survivor Pension and died prior to the date when the benefit becomes payable to your Spouse.

**61. What is the Pre-Retirement Death Benefit?**

The Pre-Retirement Death benefit is a benefit paid to your Spouse or Beneficiary (if not married) should you qualify for a Pension but die before you Retire.

The Pre-Retirement Death Benefit is payable if you attained at least 10 full Eligibility Credits or Related Pension Credits earned with an affiliated Northern California plan (for a list of the affiliated plans see Question 44 part (b), page 33). However, the Pre-Retirement Death Benefit is not payable if you had any work in Non-Covered Employment with an employer who did not contribute to this Plan and have not repaired the period of Non-Covered Employment. (See Question 73 on page 48).

If you are married on the date of your death, the Pre-Retirement Death Benefit will be paid to your lawful surviving Spouse. If your surviving Spouse also qualified for the Surviving Spouse 50% Joint and Survivor Pension, he or she may elect one or the other benefit, but cannot receive both.

If you are not married on your date of death, this benefit is payable to any Beneficiary you have designated. If you failed to designate a Beneficiary, or if your designated Beneficiary has deceased, benefits shall be paid as described in Section 8.04. of the Plan (see pages 143-144).

**62. How is the amount of the Pre-Retirement Death Benefit determined?**

The monthly payment amount of the Pre-Retirement Death Benefit is determined in the same manner as the Regular Pension (see Question 29 on pages 23-28). and the benefit is paid beginning with the month following your death until a total of 36 monthly payments have been made to your Spouse or Beneficiary.

**63. What if I die after Retirement?**

If you are married at the time of Retirement, any death benefits payable after Retirement will depend on how you choose to have your benefits paid.

- If you and your Spouse elected the 50% Joint and Survivor payment option, 75% Joint and Survivor payment option or 100% Joint and Survivor payment option (see Questions 49-55 on pages 36-40), your benefit will be payable based on those provisions.
- If you and your Spouse elected the Single Life Pension and you die before you receive 60-monthly payments, (36-monthly payments in the case of a Disability Pension) the balance of the 60 payments (36 in the case of a Disability Pension) will be paid to your lawful surviving Spouse.

**For Example:**

You retired on a Regular, Early or Service Pension and are receiving \$900 per month and you waived the 50% Joint and Survivor Pension benefit option in favor of the Single Life Pension with a 60-month guarantee. If you die after receiving 23 pension payments, your lawful surviving Spouse or Beneficiary would continue to receive \$900 per month for the remaining 37 months, so that a total of 60 monthly payments would be made.

If you were receiving a Disability or Reciprocal Disability Pension, your lawful surviving Spouse or Beneficiary would continue to receive \$900 per month after your death for only 13 more months, so that a total of 36 monthly payments would be made.

**Exception:** A Qualified Domestic Relations Order (QDRO) (see Question 86 on pages 59-60) may provide that, in the case of your death, your former Spouse will receive all or a portion of any death benefits.

If you were not married at the time of Retirement and you die before you receive 60-monthly payments (36-months in the case of a Disability Pension), the balance of the 60 payments (36 payments for a Disability Pension) will be paid to your designated Beneficiary.

**64. How do I designate a Beneficiary?**

You may designate a Beneficiary through your benefit portal or by printing the form from the [carpenterfunds.com](http://carpenterfunds.com) website or by making a request for the form from the Fund Office. Notification of your designated beneficiary is only valid if received in the Fund Office prior to your death. You may change the Beneficiary at any time by submitting a replacement Beneficiary designation form. Remember, if you are legally married and wish to designate someone other than your Spouse as Beneficiary, you must obtain written consent from your Spouse that is witnessed by a Notary Public or Trust Fund employee.

If you become divorced, any designation of your former spouse as Beneficiary will automatically be revoked. In order to ensure that your wishes concerning survivor benefits under the Plan are

carried out upon your death, you should complete a new Designation of Beneficiary form. You may name anyone as your Beneficiary, including your former Spouse.

**65. What if I do not designate a Beneficiary?**

If you do not designate a Beneficiary, your living Spouse will automatically be designated your Beneficiary. If there is no living Spouse, there is no valid Beneficiary designation on file, or the designated Beneficiary is not alive at the time any benefits are payable as a result of your death, your benefits will be paid to the following parties in the following order of priority:

- To your surviving natural or adopted children in equal shares; or if none,
- To your surviving parent or parents in equal shares; or if none,
- To your surviving brothers and sisters in equal shares; or if none
- To your executor or administrator of your estate.

## WORKING AFTER RETIREMENT

Refer to Article 10.; pages 147-167

### 66. Can I work after Retirement and receive my Pension Benefits?

Simply put, your Pension is intended to provide lifetime income after you are Retired from working in Building and Construction. Therefore, except as expressly stated below, it is not permitted to continue working in Building and Construction after you Retire.

In order to receive monthly Pension payments, you must be Retired and must refrain from employment or self-employment in the Building and Construction Industry as described below and in accordance with written documents and policies that govern the Plan. You may, however, engage in other types of employment or self-employment, including the performance of casual services as a part-time paid official for a Carpenters Local Union or District/Regional Council without having your Pension payments suspended.

To be considered Retired from the Building and Construction Industry, you must separate from service and refrain from any employment or self-employment for wages or profit:

- (a) In an industry in which Employees were employed and accrued benefits under this Plan as a result of such employment at the time your Pension commenced or would have commenced if you had not remained in or returned to such employment; and
- (b) in a trade or craft in which you were employed at any time under this Plan in the geographical jurisdiction of this Plan or of a Related Plan with which the Fund has a reciprocal agreement; and
- (c) in Prohibited Employment as described in the section titled “Words with Special Meanings” on page 5.

**Before age 55**, you will not be considered Retired if you work any hours in employment or self-employment as described above within the jurisdiction of this Plan or a Related Plan.

**At age 55 and before attaining age 70½**, you will not be considered Retired if you work more than 40 hours in a month in employment or self-employment as described above within the jurisdiction of this Plan or a Related Plan.

**After attaining age 70½**, there are no restrictions on the type, duration, or location of the work you may perform and continue to receive Pension benefits.

### 67. What is Prohibited Employment?

Prohibited Employment is employment that is either Covered or Non-Covered, for wages or profit in the Building and Construction Industry. “Building and Construction Industry” is a broadly defined term (see page 5) and may include work performed outside of Northern California and/or outside the jurisdiction of the United Brotherhood of Carpenters and Joiners of America. The definition includes any work that is incidental to construction and may include work performed in any capacity for an entity that is engaged in construction.

#### Key Point

If you are considering work after Retirement, send a letter to the Fund Office in care of the Board of Trustees describing the nature of the work, the employer, and the hours you intend to work. You will receive a written response on whether you will still be considered a Retiree under the Plan Rules, and entitled to Pension payments.

If you are working in Prohibited Employment, you are not considered to be Retired. This means that if you are applying to receive a Pension and are planning to work in Prohibited Employment past your Retirement date, your application will be denied. If you are receiving a Pension and working in Prohibited Employment, payment of your Pension will be suspended.

The Board of Trustees, or Committee of Trustees, has the discretion to interpret if employment is considered to be Prohibited Employment within the Plan's Prohibited Employment Policy.

**68. Do I need to notify the Plan if I return to Work?**

It is your responsibility to notify the Fund Office, in writing, of any work you do after Retirement that may be considered Prohibited Employment. You must notify the Plan of your employment within 15 days after returning to work of the type described above, addressed to the Plan at:

**Carpenters Pension Trust Fund for Northern California  
265 Hegenberger Road, Suite 100  
Oakland, California 94621-1480**

The notice and report must be given regardless of the number of Hours of Work. You must also notify and report to the Plan in writing when your Prohibited Employment has ended. The suspension of your Pension payments will continue until this notice is filed with the Plan.

The Board of Trustees may require evidence that you are not engaged in Prohibited Employment.

If the Board of Trustees becomes aware that you are working in Prohibited Employment and you have not provided sufficient information for a determination of whether Pension payments should be withheld, the Board of Trustees will assume that you are working in Prohibited Employment, and have been since work by that Employer has been performed on that site and your Pension payments will be withheld until you prove that the work was not in Prohibited Employment.

You may request in writing that the Board of Trustees determine whether specific contemplated employment is Prohibited by the Plan.

Even if you plan to engage in work outside the Building and Construction Industry, you should still send written notice to the Plan to confirm your work will not affect your Pension benefits.

**69. What happens if I return to work after Retirement and my benefits are suspended?**

If you become employed or self-employed in Prohibited Employment (i.e., you cease to be Retired), your Pension payments will be suspended and permanently withheld for a period equal to the number of months during which you were employed or self-employed.

**If you are younger than age 65**, your Pension payments will also be suspended for an additional 6 months. The additional six-month suspension does not apply if you were receiving a Disability Pension. If you are no longer Totally Disabled and you are otherwise eligible for an Early Retirement Pension or a Service Pension, you may apply for either Pension type (see Question 41 on page 31).

**Note:** If you fail to notify the Plan of your employment, in accordance with the notice requirements described below, your Pension will be suspended for an additional 12 months. The additional 6 or 12-month suspensions do not apply after age 65.

A Reciprocal Pension will be suspended by this Plan if it is suspended by a Related Plan for the benefits accrued after January 1, 1981.

If you are receiving an Early Retirement Pension and return to work in Non-Covered Employment, your Pension benefits that were accrued after July 1, 1991 will be suspended for an additional 6 months for each calendar quarter during which you worked in Non-Covered Employment, but not beyond Normal Retirement Age. (See Question 73 on page 48).

**70. How are my Pension Benefits affected after Suspension?**

If you return to work and work a sufficient period of time to earn at least one year of Vesting Credit, your Pension will be recalculated when you re-Retire to reflect your additional Benefit Credit and the provisions of the Plan at the time of your subsequent Retirement. If your re-Retirement is before Normal Retirement Age, you may elect a different form of payment with respect to the additional benefits you accrued. However, after your Normal Retirement Age, any additional benefits you accrued will be paid in the same payment form you were receiving before you returned to Covered Employment.

**If you return to work and do not work a sufficient period of time to earn at least one year of Vesting Credit, your Pension will not be recalculated.**

**71. What if I receive Pension Payments after my Benefits are Suspended?**

Overpayments attributable to the payment of benefits made for any month, or months, during which you engaged in Prohibited Employment will be deducted from benefits otherwise payable subsequent to the period of suspension. If you are over age 65, the deduction will be 100% of the initial resumption payment or the full suspendible amount, whichever is less; thereafter the deduction will not exceed in any month 25% of that month's total benefit payment which would have been due but for the deduction.

If you die before the Plan has recovered the total overpayments, deductions will be made from any benefits payable to your surviving Spouse or Beneficiary, subject to the 10% limitation on the rate of deduction after age 65.

**72. What if I do not Retire and continue to work in the Building and Construction Industry after Age 65?**

If you are not Retired after age 65 but continue to work in the Building and Construction Industry in Prohibited Employment (see Question 67 on pages 45-46), your Pension benefits will not commence until you have Retired and filed an application to claim your benefit.



## NON-COVERED EMPLOYMENT

Refer to Article 12; pages 170-171

**73. How does working in Non-Covered Employment for an employer that does not contribute to this Plan affect my Pension Benefits?**

If you perform any Non-Covered Employment for an employer who does not contribute to this Plan after July 1, 1991, payment of certain benefits will be delayed or restricted. Non-Covered Employment means employment in the Building and Construction Industry for an employer that does not have a Collective Bargaining Agreement with the Local Union or self-employment which is not covered by a Collective Bargaining Agreement. The following benefits are adversely affected by Non-Covered Employment:

- **Early Retirement and Service Pensions** are delayed 6 months for every calendar quarter in which you worked in Non-Covered Employment. This restriction will not apply to any benefits you accrued prior to July 1, 1991.
- **Disability Pensions** are not available to you if you have worked in Non-Covered Employment.
- **Pre-Retirement Death Benefits** as described in Question 61 on page 42 are not payable if you die after having worked in Non-Covered Employment.

These restrictions can be repaired if you subsequently return to Covered Employment for a period of time equal to or greater than the period of time spent in Non-Covered Employment (See the Pension Plan, Article 12, beginning on page 170). Restrictions no longer apply once you reach Normal Retirement Age.

**These restrictions apply to all payment forms, including the Joint and Survivor Pensions before and after Retirement.**

### Key Point

If you have worked in Non-Covered Employment, payments for a Service or Early Retirement Pension may be delayed. Furthermore, unless the restrictions are repaired, the Disability Pension and Pre-Retirement Death Benefit are not payable.

## APPLYING FOR BENEFITS

Refer to Sections 10.01. and 10.05.; page 147 and pages 154-156

### 74. How do I apply for Benefits?

A pension must be applied for in writing on a Pension Application Form which can be obtained from the Fund Office. The form should be completed, signed and sent together with any required supporting documents including the following:

- Proper proof of age for yourself and your Spouse if applicable; and
- if married, proof of date of marriage; and
- if divorced, all court documents regarding your ex-Spouse's claim to a portion of your Retirement benefits; and
- any other documents specific to your Retirement requested by the Fund Office

The Application Form must be filed prior to the effective date of your Pension. Pensions are only effective on the first day of the month. So, for example, if you want your Pension Effective Date to be November 1, your application would have to be filed no later than October 31.

In addition to other proof documents, an application for Disability Pension must include proof of entitlement to Social Security Disability Benefits. In order to have your Disability Pension begin as early as possible based on the Social Security Disability Award date, you must apply for your Disability Pension no later than 90 days after the Social Security Disability Benefits award letter is issued. If you apply for your Disability Pension and provide the award letter more than 90 days after the Social Security Disability Benefits award letter is issued, your Pension will be effective on the first day of the month following the date you apply. In other words, your Disability Pension will not be made retroactive based on when Social Security determined you to be Totally Disabled, but rather by the date you filed your application with the Fund Office.

#### Key Point

Even if you fail to apply for benefits by the time of your Required Beginning Date, the Fund will establish your Pension on your Required Beginning Date, and begin payments.

### 75. What if I fail to apply for Retirement?

If you fail to apply for your Pension upon Retiring, it is considered to be an election to defer the payment of your Pension until a later date. However, the Fund Office will attempt to contact you advising of your available Plan benefits. You may not defer your Pension beyond your Required Beginning Date and the Plan must establish your Pension Effective Date no later than that date.

When you approach your e Required Beginning Date, the Fund Office will attempt to contact you and may even utilize a third party locator service to assist with location efforts if the address information on file is incorrect or out of date. If such information is retrieved, the Fund Office will make additional efforts to contact you and explain the consequences of failing to apply for benefits and instruct you on how to submit an application.

Your Required Beginning Date is determined as follows:

Birth Date	Required Beginning Date
Before 6/30/1949	April 1 <sup>st</sup> following the calendar year you attain age 70 ½
Between 7/1/1949-12/31/1950	April 1 <sup>st</sup> following the calendar year you attain age 72
On and after 1/1/1951	April 1 <sup>st</sup> following the calendar year you attain age 73

## INCOME TAX WITHHOLDING

Refer to IRS Publication 575, "Pension and Annuity Income"

### 76. Are Federal Income Taxes withheld from my Pension Benefits?

Federal income taxes will be automatically withheld from any benefits paid by the Plan which exceed the limits established by the Internal Revenue Service unless you elect not to have income taxes withheld. You will be given complete information and the opportunity to elect or reject withholdings when you apply for benefits.

If you receive a lump sum payment of your Pension benefit (see Question 56 on page 40), 20% must be withheld for Federal income tax purposes. However, a lump sum payment is eligible for "rollover" into a qualified Individual Retirement Account (IRA) or other eligible retirement plan willing to accept the distribution by you, your Surviving Spouse or your Beneficiary. If you roll over your benefits directly to an IRA or eligible retirement plan and meet the requirements of the Internal Revenue Code, withholding is not mandatory.

You will be given complete information when you apply for benefits and the opportunity to elect or reject rollover if your benefit is subject to the 20% mandatory withholding. Prior to making an election, you may wish to consult a professional tax advisor, as the Fund Office cannot provide tax advice.

#### Key Point

Unless you advise us to withhold a different amount, the IRS requires that we automatically withhold Federal Income Tax from retirement payments above a certain amount. If you want us to withhold at a different rate, or deduct no withholding at all, you must contact the Fund Office.

### 77. Are State and/or Local Taxes withheld from my Pension Benefits?

If you are a California resident, state taxes will automatically be withheld from your Pension payments. You may elect to withhold a different amount or no withholding at all for state personal income tax. If you elect to have state taxes withheld, you can change or cancel withholding instructions at any time.

If you reside outside of California, state taxes will not be withheld from your Pension payments. You may wish to consult a professional tax advisor to determine the amount of money you will need to set aside to pay any state and/or local taxes.

## **CLAIMS FOR BENEFITS AND APPEALS PROCEDURES**

**Refer to Section 10.04.; pages 148-154**

### **78. How do I submit an application to file a claim for benefits or appeal a denied application?**

To receive your Pension benefit, you must file a claim for benefits or payments as described in the Rules and Regulations. The Plan is not permitted to pay benefits that are not outlined in the Rules and Regulations. On occasion, a claim for benefits may be denied. If your claim for benefits has been denied and you believe you have a right or claim for benefits or payments described in the Rules and Regulations, you may file an Appeal. You must follow the Plan's claims and appeals procedures which are described below.

#### **Filing a Claim for Benefits**

You file a claim for benefits by submitting an application for benefits which must be made in writing on a form established by the Board of Trustees and must be filed with the Fund Office prior to the payment of any benefits.

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

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

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

#### **Discretionary Authority of the Board of Trustees**

Any dispute about any type of benefit or right or claim to payments from the Fund will be resolved by the Board in accordance with the Rules and Regulations of the Pension Plan. The Board's decision of the dispute, right or claim shall be final and binding, subject to judicial review and federal labor law, and shall receive judicial deference unless the Board abused its discretion.

#### **Determining Initial Claim**

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

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

**Disability Benefits under Section 3.08.b. and c.** when the physician designated by the Board has concluded that you are Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial:

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

The initial 45-day benefit determination period may be extended for up to 30 calendar days if an extension of time is necessary due to matters beyond the Plan's control. The Fund Office will notify you, in writing, prior to the expiration of the initial 45-day period of the circumstances requiring the extension of time and the date by which the Plan expects to make a determination.

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

Once an initial determination of benefits is made, you will be sent a written notice that will specifically explain the Plan provisions on which the entitlement to such disability benefits is based, the unresolved issues that prevent a decision, and the additional information needed to resolve those issues; and the applicant will be given at least 45 days within which to provide the specified information.

The period of time within which a benefit determination is required to be made will begin at the time an application for benefits is filed with the Fund Office without regard to whether all the information necessary to make a benefit determination accompanies the filing. In the event that a period of time is extended, as permitted above, due to your failure to submit information necessary to make a determination, the period for making the benefit determination will be suspended from the date on which the notification of the extension is sent to you until the date on which you the requested information was received by the Fund Office.

### **Notice of Claim Denial**

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

- (a) The specific reason(s) for the denial;
- (b) the specific reference to pertinent Plan provision(s) on which the denial is based;

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

In addition to the information described above, the written notification of benefit denial of a disability benefit under Sections 3.08.b. and c. of the Plan when the physician designated by the Board has found that you are Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial will provide the following:

A discussion of the decision, including an explanation of the basis for disagreeing with or not following;

- i. the views presented by you to the physician designated by the Board who evaluated you;
- ii. the views of the medical experts used by the Board;
- iii. a Social Security disability denial;
- iv. either the specific internal rules, guidelines, protocols, standards or other similar criteria of the plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist;
- v. a statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to your claim for benefits.

The notification will be provided to you in your preferred language, if requested.

For purposes of this section, benefit denial shall mean a denial, reduction, or termination of, or a retroactive denial, reduction or termination provided under this section when the physician designated by the Board has concluded that you are Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial.

### **Right to Appeal**

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

- (a) Must be in writing; and
- (b) must state in clear and concise terms the reason(s) for your disagreement with the decision of the Board of Trustees; and
- (c) may include documents, records, and other information related to the claim for benefits; and

- (d) must be filed by you or your authorized representative with the Fund Office within 60 days after you received notice of denial.

In the case of a claim for disability benefits under Section 3.08.b. and c. when the physician designated by the Board has found that you are Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial, your petition for reconsideration must be filed with the Fund Office within 180 days after you received notice of denial. Failure to file an appeal within these time limits will constitute a waiver of your rights to a review of the denial of your claim. A late application may be considered if the Board of Trustees finds that the delay in filing was for reasonable causes.

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

In addition to the information described above, the written notification of benefit denial of a disability benefit under Sections 3.08.b. and c. when the physician designated by the Board has found that you are Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial will provide you, free of charge, any new or additional evidence or rationale considered, relied upon, or generated by the Board, or other person designated by the Board, in connection with the claim. Such evidence will be provided as soon as possible and sufficiently in advance of the date on which the notice of denial in review is required to be provided to give you a reasonable opportunity to respond prior to that date.

### **Review of Appeal**

A properly filed appeal will be reviewed by the Board of Trustees (or by a committee authorized to act on behalf of the Board of Trustees) no later than the date of the next regularly scheduled quarterly meeting. However, if the appeal is received within 30 days prior to such meeting, the appeal may be reviewed no later than the date of the second quarterly meeting following the receipt of your appeal. If special circumstances require an extension of time, the Board of Trustees or committee will render a decision no later than the date of the third scheduled quarterly meeting following the receipt of your appeal. The Fund Office will notify you, in writing, before the beginning of the extension, of the special circumstances and the date that the Board of Trustees will make its decision.

The review of your appeal will take into account all comments, documents, records, and other information submitted by you relating to your claim without regard to whether you had previously submitted such information.

Before the Board of Trustees can issue a denial on review of your appeal for a disability benefit claim filed on or after April 1, 2018 under Sections 3.08.b. and c. of the Plan when the physician designated by the Board has concluded that you are Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial, based on a new or additional rationale, the Board of Trustees shall provide you, free of charge, with the rationale. Such rationale will be provided to you as soon as possible and sufficiently in advance of the date on which the notice of claim denial is required to be provided to give you a reasonable opportunity to respond prior to that date. The review will be a “fresh look” at your claim and appeal without



deference to the initial denial and will take into account all information submitted with your claim and/or appeal. If the claim denial is based in whole or in part on a medical judgment, the Board of Trustees will consult with a health care professional with appropriate training and experience in the field of medicine involved in the medical judgment. Your appeal will be reviewed by a person who was not involved with the initial claim denial, and who is not a subordinate of any person who was.

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

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

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

You may not file any legal action against the Pension Fund and/or the Board of Trustees of the Fund more than two (2) years after a claim has been denied. However, a petitioner may re-establish his or her entitlement to benefits at a later date based on additional information and evidence which was not available to him or her at the time of the decision of the Board of Trustees.

### **Review of Disability Appeal**

In addition to the information referenced in "Review of Appeal", for disability benefit claims filed on or after April 1, 2018 under Sections 3.08.b. and c. when the physician designated by the Board has concluded that you are Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial, a notification of an appeal denial will be in clear language, and will include:

- (a) A discussion of the decision, including an explanation of the basis for disagreeing with or not following:
  - i. The views presented by you to the Plan of health care professionals treating and/or evaluating you;
  - ii. The views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your appeal denial, without regard to whether the advice was relied upon in making the appeal denial; and
  - iii. A disability determination presented by you to the Plan made by the Social Security Administration.

(b) If an internal rule, guideline, protocol, or other similar criterion was relied upon in making the claim denial, these will be provided to you free of charge upon request, or a statement that they do not exist.

**Notifications will be provided in a culturally and linguistically appropriate manner** upon request, and in accordance with the requirements described in DOL Reg. §2560.503-1(o).

**Exhaustion of Administrative Remedies.**

Generally, if the Plan fails to establish or follow consistent claims procedures, you will be deemed to have exhausted your administrative remedies available under the Plan and will be entitled to pursue any available remedies under §502(a) of ERISA.

In addition, if the Plan fails to strictly adhere to all the requirements of this Section with respect to disability benefit claims filed on or after April 1, 2018, you will be deemed to have exhausted your administrative remedies available under the Plan (unless the violations are “de minimis”). In addition, the claim or appeal will be deemed denied on review, and you shall be entitled to pursue any available remedies under §502(a) of ERISA.

## MISCELLANEOUS QUESTIONS

Refer to Articles 10. and 15.; pages 147-167 and page 179

**79. How does work as a Stakeholder affect my benefits?**

If you perform work as a Stakeholder (as defined on page 6), you are not eligible to receive Credit towards a Disability Pension for periods of absence from Covered Employment due to Disability on or after July 1, 2014.

**80. Can I receive more than one Pension from this Plan?**

No. You cannot receive payment for more than one type of Pension under this Plan at any one time. However, you may be offered the opportunity to have more than one payment option if you return to Covered Work, earn at least one year of Vesting Credit and re-Retire before your Normal Retirement Age.

**81. Can my Pension benefit be reduced by temporary disability payments from Workers' Compensation or State disability benefits?**

If you receive Workers' Compensation temporary disability benefits or Longshoremen's and Harbor Workers' Compensation Act temporary disability benefits, the amount of those benefits will be deducted from any monthly Pension payable by the Plan.

Effective September 1, 2018, if you receive State Disability Insurance (SDI) temporary disability benefits, the amount of those benefits will be deducted from any monthly pension payable by the Plan.

**82. What happens if I (while I'm alive) or my Beneficiary (after my death) am unable to file the necessary application and paperwork needed to receive benefits due to being incapacitated, incompetent or a minor?**

If there is proof that you or your Beneficiary are entitled to Plan benefits, but are unable to acknowledge or accept receipt of those benefits due to being incapacitated, incompetent or a minor, payment may be made to a legally appointed guardian, committee or other representative. If no one has been legally appointed, the Board may pay benefits to any person/persons, institution or facility that in its opinion has been caring or supporting you or your Beneficiary. No payment will be made to a government institution or facility if you or your Beneficiary is not charged for care and maintenance that is being provided; rather the payment will be made to another representative.

The Board of Trustees has the authority and discretion to evaluate the evidence presented to it and to take the action(s) that it deems appropriate. In doing so, the Plan's obligation to provide benefits to you or your Beneficiary will have been satisfied.

**83. What if I am overpaid or otherwise paid benefits to which I am not entitled?**

The Board of Trustees will seek to recover any overpayments or payments otherwise incorrectly made to Participants, surviving Spouses, Beneficiaries or any other parties as permitted by applicable law. In doing so, it has the discretion to pursue whatever legal means are available to

it, including offsetting future benefit payments from the Plan. If you become aware of an overpayment, you should immediately contact the Fund Office.

**84. Can I receive my Pension if I am also entitled to Social Security Benefits?**

Yes. The benefits payable by this Plan are not affected by benefits paid by Social Security.

**85. Can Pension Benefits be paid to someone else?**

No. Federal law prohibits Participants and their Beneficiaries from alienating or assigning or otherwise disposing any portion of their Pension rights or benefits, except to the extent otherwise provided by a Qualified Domestic Relations Order (QDRO). To ensure that only eligible Retirees or Beneficiaries are receiving ongoing payments, the Fund Office may send out annual Pension Verification Forms. Failure to return the Pension Verification Form will result in the suspension of benefit payments.

**86. What is a Qualified Domestic Relations Order (QDRO)?**

If you become divorced, the benefits you earned may be divided as part of your marital settlement. Dividing your benefits with a former Spouse requires a special court order, including an order issued by an Indian tribal government, called a Qualified Domestic Relations Order (QDRO). It is recommended that you contact the Fund Office regarding the Pension Plan's QDRO process.

A QDRO is a judgment, decree or order pursuant to state law relating to child support, alimony, or marital property rights directing that all or part of a Participant's benefit be paid to an Alternate Payee. A QDRO must meet the requirements of the Retirement Equity Act as set forth in 26 USC §414(p) and 29 USC §1056(d).

(a) Any such order must be delivered to the Plan before payments can be made to an Alternate Payee, and the Plan must approve its form. The order must clearly specify:

- The name and mailing addresses of the Participant and each Alternate Payee covered by the order;
- the amount or formula for determining the amount payable to each Alternate Payee;
- the number of payments or period to which the order applies; and
- the name of the plan to which the order applies, in this case, the Pension Plan for the Carpenters Pension Trust Fund for Northern California.

(b) The order cannot require the Plan to:

- Provide any type or form of benefit not otherwise provided under the Pension Plan for the Carpenters Pension Trust Fund for Northern California;
- provide an increased benefit determined on the basis of actuarial equivalence;
- pay benefits in conflict with a previously issued QDRO; or

**Key Point**

Please contact the Fund Office for a sample Qualified Domestic Relations Order that includes all the required sections. The Plan does not require use of the model QDRO, but your QDRO must comply with the Plan Rules.

- begin payment of benefits to the Participant before the Participant is eligible for benefits.

If your benefits are affected by a QDRO or if you would like more information on the procedures the Fund follows in administering QDROs, you may contact the Fund Office to obtain a description of its procedures free of charge.

Also, please remember that the Board of Trustees must approve the final QDRO before it is considered qualified. You may want to have the Plan review your draft before entering it in court.

Alternate Payees are required to apply and qualify for distributions before benefit payments will begin.

#### **87. What if the Plan is changed or terminated?**

The Board of Trustees expects and intends to continue the Plan permanently but has the right to amend the Plan or to terminate it at any time, in accordance with the provisions of the Trust Agreement. Even though certain rules delay the start of benefits, no amendment, unless required by law, may be made that would permanently take away from you (or your Beneficiary) any accrued benefit that you are entitled to receive.

If the Plan is terminated in whole or in part, and you are affected by the termination, you will have full rights to your accrued benefit that has been provided for or funded under the Plan. Please refer to pages 65-66 under **Important Facts About Your Pension Plan** under the heading Plan Termination Insurance.

#### **88. Are there any other Retirement benefits available?**

The Pension Plan for the Carpenters Pension Trust Fund for Northern California provides only the benefits described in this booklet and no other benefits are provided by this Plan. However, as a lifetime member of the Carpenters Union and a Participant in this Plan, other benefits may be available to you. Check with the Fund Office to see if you are eligible for Retiree Health and Welfare benefits and/or benefits from the defined contribution plan (the Annuity Plan, 401(k) Plan) or any other Retiree benefits. Also, do not forget to check with the Social Security Administration.

## **CHECKLIST OF THINGS FOR YOU TO REMEMBER**

✓ **If you move, let us know where you are:**

Keep the Fund Office informed of any change in your mailing address to make sure you get all our communications. Our address, phone, and website:

**CARPENTERS PENSION TRUST FUND  
FOR NORTHERN CALIFORNIA**

265 Hegenberger Road, Suite 100  
Oakland, California 94621-1480  
Telephone (510) 633-0333  
Toll Free (888) 547-2054  
[www.carpenterfunds.com](http://www.carpenterfunds.com)

✓ **If you leave Covered Employment:**

Check the section on “Breaks in Service” (see pages 16-19). Keep in mind that failure to earn sufficient Vesting or Eligibility Credit over a number of years may cause you to lose all previously accrued Credits and benefits. This does not apply if you have already achieved “Vested status,” when you can no longer lose your right to a Vested Pension at Normal Retirement Age even if you leave Covered Employment permanently. Whether Vested or not, working in Non-Covered Employment can have a significant negative impact on your benefits. If you are uncertain about your status, contact the Fund Office. If you have a Break in Service, the Fund Office can advise you if it can be repaired and, if so, how to do it.

✓ **If your Marital Status changes:**

Inform the Fund Office. Review the sections on the 50% Joint and Survivor Pension, the 75% Joint and Survivor Pension, the 100% Joint and Survivor Pension and other options which are affected by your marital status.

✓ **If you are thinking about Retirement:**

Plan ahead! Get the information you need and file your application in plenty of time. You will need copies of certain documents such as a birth certificate, your marriage certificate, divorce decree, marital settlement agreement, etc. The Fund Office can tell you what you need.

✓ **Check your Options:**

Make sure you (and your Spouse, if married) carefully evaluate and chose the best payment option for your individual situation. There may be waiting periods and deadlines in connection with various types of Pension options provided by the Plan. If in doubt, contact the Fund Office.

✓ **Keep your Records:**

The accuracy of the record of your work in Covered Employment is an important factor in determining eligibility and amount for benefits. You can protect yourself by regularly checking the work records you receive. Keep your pay vouchers, payroll check stubs and any other evidence of employment you may receive until you are sure that you have been properly credited for that work. If you dispute the hours and contributions reported to the Fund by your

employer, your written request for review, check stubs, and other employment records must be received within one year of the date you receive the combined quarterly Participant statement, otherwise no adjustment will be made to hours and contributions originally reported to Fund. Benefits will be granted only to the extent that contributions have been received by the Fund.

✓ **Designate a Beneficiary:**

For the protection of the person or persons you want to receive the Plan's Death Benefit, be sure that you have made your choice of Beneficiary known, in writing or through your benefits portal with the Fund Office. If your Beneficiary should die before you or if you want to change your choice for any other reason, you should update your Beneficiary designation in the benefits portal or complete and submit a new Beneficiary Designation form to inform the Fund Office of your new choice.

✓ **Any Questions? Ask the Fund Office:**

Even though you may be in frequent contact with your Local Union, or other personal contacts, you should contact the Fund Office about any questions you have about the Plan and your rights and benefits under it or about any disagreement or doubts you may have concerning your records. You can check on the amount of Eligibility Credit, Unit Value Benefit Credit, Percentage of Contribution Benefit Credit and Vesting Credit you have, as well as Break-in-Service status, etc. Remember that only information consistent with the Rules and Regulations of this Plan, in writing, signed on behalf of the Board of Trustees, can be considered official.

✓ **Save this Booklet:**

Put this booklet, and any other notices you receive from the Fund, in a safe place. If you lose your copy, you can download a copy of this booklet at [www.carpenterfunds.com](http://www.carpenterfunds.com) or ask the Fund Office for another copy.

## **IMPORTANT FACTS ABOUT YOUR PENSION PLAN**

### **NAME OF PLAN**

The name of the Plan is:

### **PENSION PLAN FOR THE CARPENTERS PENSION TRUST FUND FOR NORTHERN CALIFORNIA**

### **TYPE OF PLAN**

The Plan is a defined benefit pension plan covered by the plan termination insurance provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

### **PLAN ADMINISTRATOR**

The Plan is administered by the Board of Trustees composed of an equal number of Union and Employer representatives. Its name, address (which is the official Fund Office), telephone number, Employer Identification Number (EIN) and Plan Number are as follows:

Name: Board of Trustees  
Carpenters Pension Trust Fund for Northern California

Address: 265 Hegenberger Road, Suite 100  
Oakland, California 94621-1480

Telephone Number: (510) 633-0333

EIN: 94-6050970

Plan Number: 001

The day-to-day administration is performed for the Board of Trustees by the Carpenter Funds Administrative Office of Northern California, Inc. whose address is 265 Hegenberger Road, Suite 100, Oakland, California 94621-1480. The Board of Trustees also employs other personnel including consultants, actuaries, attorneys, accountants, etc. All Plan benefits are provided directly from the Pension Trust Fund.



The names and business addresses of the members of the Board of Trustees are:

**EMPLOYER TRUSTEES**

**DONALD A. DOLLY**  
(Condon-Johnson & Associates, Inc.)  
5091 Lone Tree Way  
Antioch, CA 94531

**DAVID LEE**  
(Hathaway Dinwiddie Construction Co.)  
275 Battery Street, Suite 300  
San Francisco, CA 94111

**MIKE MENCARINI**  
(Unger Construction Company)  
910 X Street  
Sacramento, CA 95818

**LARRY NIBBI**  
(Nibbi Brothers General Contractors)  
1000 Brannan Street, Suite 102  
San Francisco, CA 94103

**GERALD OVERAA**  
(C. Overaa & Company)  
200 Parr Blvd.  
Richmond, CA 94801

**WAHID TADROS**  
(California Engineering Contractors, Inc.)  
20 Happy Valley Road  
Pleasanton, CA 94566

**JAMES WATSON**  
(Swinerton Incorporated)  
1024 Bayside Drive, #439  
Newport Beach, CA 92660

**UNION TRUSTEES**

**JOHN BELPERIO**  
(Northern California  
Carpenters Regional Council)  
265 Hegenberger Road, Suite 200  
Oakland, CA 94621-1480

**JAY BRADSHAW**  
(Northern California  
Carpenters Regional Council)  
265 Hegenberger Road, Suite 200  
Oakland, CA 94621-1480

**EDWARD GABLE**  
(Northern California  
Carpenters Regional Council)  
265 Hegenberger Road, Suite 200  
Oakland, CA 94621-1480

**SEAN HEBARD**  
(Northern California  
Carpenters Regional Council)  
265 Hegenberger Road, Suite 220  
Oakland, CA 94621-1480

**TIFFANY MERFELD**  
(Northern California  
Carpenters Regional Council)  
265 Hegenberger Road, Suite 200  
Oakland, CA 94621-1480

**SAMUEL MUNOZ**  
(Carpenters Local Union No. 405)  
2102 Almaden Road, Suite 115  
San Jose, California 95125

**RONALD ROWLETT**  
(Northern California  
Carpenters Regional Council)  
265 Hegenberger Road, Suite 200  
Oakland, CA 94621-1480

## **AGENT FOR SERVICE OF LEGAL PROCESS**

The name and address of the person designated as agent for service of legal process is:

William Feyling, Administrator  
c/o Carpenters Pension Trust Fund for Northern California  
265 Hegenberger Road, Suite 100  
Oakland, California 94621-1480  
www.carpenterfunds.com

The service of legal process may also be made upon any Plan Trustee.

## **COLLECTIVE BARGAINING AGREEMENTS**

The Plan is maintained in accordance with Collective Bargaining Agreements between various Employers and Carpenter Unions in the 46 Counties of Northern California. The Collective Bargaining Agreements provide for Contributions by the Employers to the Trust Fund on an agreed-upon cents-per-hour basis. There are no Employee contributions. The Fund Office will provide any Plan Participant or Beneficiary, upon written request, information as to whether a particular employer is contributing to this Fund with respect to the work of the Participants in the Fund and, if the Employer is a contributor, the Employer's address. The Fund Office will also provide any Plan Participant or Beneficiary, upon written request, a complete list of the Employers and Unions sponsoring the Plan.

The Trust Agreement provides that Individual Employers will not be required to make payments or Contributions to the cost of operation of the Fund or of the Plan, except as may be provided in the Collective Bargaining Agreements, Subscriber Agreements, the Trust Agreement or as may be required by the Pension Protection Act of 2006.

## **FISCAL YEAR**

The Fiscal Year of the Fund is the twelve-month period ending each August 31.

## **RECORDKEEPING YEAR**

Unit Value Benefit Credit, Percentage of Contribution Benefit Credit, Eligibility Credit and Vesting-Credit are computed on a calendar year (January 1 through December 31) basis.

## **PLAN TERMINATION INSURANCE**

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

Under the multiemployer plan program, the PBGC provides financial assistance through loans to 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 \$11.00 of the monthly benefit accrual rate and (2) 75% of the next \$33.00. The PBGC's maximum guarantee limit is

\$35.75 per month times a Participant's years of service. The maximum annual guarantee for a retiree with 30 years of service would be \$12,870.

The PBGC guarantee generally covers:

- Normal and early retirement benefits;
- Disability benefits if you become disabled before the plan becomes insolvent; and
- Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

- Benefits greater than the maximum guaranteed amount set by law;
- 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 time the plan terminates or (ii) the time the plan becomes insolvent;
- Benefits that are not vested because you have not worked long enough;
- Benefits for which you have not met all of the requirements at the time the plan becomes insolvent;
- 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 the Fund Office or contact the:

PBGC Technical Assistance Division  
445 12<sup>th</sup> Street SW  
Washington, DC 200245-2101

Or, you may call 1-202-326-4000 (not a toll-free number).

If you are deaf or hard of hearing or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

Additional information about the PBGC's pension program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

## **STATEMENT OF ERISA RIGHTS**

As a Participant in the Carpenters Pension Trust Fund for Northern California, 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:

### **Receive Information about Your Plan and Benefits**

- Examine, without charge, at the Fund Office and at other specified locations, such as worksites and union halls, all documents governing the Pension Plan, including insurance contracts and Collective Bargaining Agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Pension Plan with the United States Department of Labor.
- Obtain, upon written request to the Board of Trustees, copies of documents governing the operation of the Pension Plan, including insurance contracts and Collective Bargaining Agreements, and copies of the latest annual report (Form 5500 series) and updated summary plan description. The Board of Trustees may make a reasonable charge for the copies.
- Receive a summary of the Pension Plan's annual financial report. The Board of Trustees 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 Pension Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Pension Plan must provide the statement free of charge.

### **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 Pension Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Pension 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.

### **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 materials from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such case, the court may require the Board of Trustees to provide the materials and pay you up to \$110.00 a day until you receive the materials, unless the materials were not sent because of reasons

beyond the control of the Board of Trustees. 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 Pension Plan's decision or lack thereof concerning the status of a domestic relations order, you may file suit in federal court.

If it should happen that Pension Plan fiduciaries misuse the Pension Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the United States 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.

### **Assistance with Your Questions**

If you have any questions about your Plan, you should contact the Plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration (formerly the Pension and Welfare Benefits 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 ("EBSA"). For single copies of publications, contact the Employee Benefits Security Administration Brochure Request Line at 800-998-1542 or contact the EBSA field office nearest you. You may also find answers to your Plan questions at the website of the EBSA at <http://www.dol.gov/ebsa/>.

## **APPENDICES FOR SPECIAL PROVISIONS**

- APPENDIX A.**            **Average Contribution Factor**
- APPENDIX B.**            **For members of Lathers Local 9083L Defined Benefit Pension Plan—  
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- APPENDIX C.**            **For prior Participants of the Lathers Local 109 Defined Benefit  
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- APPENDIX D.**            **For prior Participants of the Lathers Local No. 144 Defined Benefit  
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- APPENDIX E.**            **For prior Participants of the Lathers Local No. 88 Defined Benefit  
Pension Plan—Participation, Breaks in Service and Eligibility for  
Retirement Benefits under the Carpenters Pension Trust Fund for  
Northern California**

## **APPENDIX A.**

### **AVERAGE CONTRIBUTION FACTOR**

**For the period July 1, 2006 through December 31, 2006,** the Average Contribution Factor will not apply to Participants working for Employers whose Contributions made to this Fund on the Participants' behalf are equal to or greater than \$3.20 per hour.

**Beginning January 1, 2007, the Average Contribution Factor is eliminated for Hours of Work in Covered Employment on and after January 1, 2007.**

The Average Contribution Factor was introduced when the Mill Cabinet Pension Plan was merged into this Plan. For Participants working for employers not signatory to the Carpenters Master Agreement for Northern California, the calculation of the Average Contribution Factor takes into account contribution rates which vary from the Carpenters Master Agreement for Northern California, and benefits are adjusted proportionately.

**Here's how the Average Contribution Factor is calculated:**

Total Employer Contributions made to the Fund on the  
Participant's behalf during the Calendar Year,

**Divided by**

Total number of hours worked during that year

**Divided by**

The highest average pension contribution rate specified for a given Calendar Year  
during the life of the Carpenters Master Agreement for Northern California

**For Example:**

As of January 1, 2005, the highest rate was \$3.00 per hour. As of July 1, 2005, the highest rate was \$3.20 per hour. Therefore, the highest average pension contribution rate for 2005 was \$3.10 per hour. This rate is subject to change from time to time as a result of the collective bargaining process.

A Participant works 540 hours and earns  $\frac{5}{12}$  years of Future Service Unit Value Benefit Credit in Calendar Year 2005. A total of \$718.20 in Employer Contributions is paid to the Fund on the Participant's behalf. Since the Participant's Collective Bargaining Agreement requires an hourly contribution rate of \$1.33, which is less than the rate specified in the Carpenters Master Agreement for Northern California for 2005, the Average Contribution Factor is determined as follows:

$$\$718.20 \text{ Contributions} \div 540 \text{ hours} = \$1.33$$

$$\$1.33 \div \$3.10 \text{ highest average pension contribution rate} = .429 \text{ Average Contribution Factor}$$

$$\frac{5}{12} \times \$137.00 \times .429 = \$24.49 \text{ monthly benefit amount}$$

**APPENDIX B.**  
**FOR MEMBERS OF LATHERS LOCAL 9083**  
**DEFINED BENEFIT PENSION PLAN**  
**PARTICIPATION IN THE PENSION PLAN FOR THE**  
**CARPENTERS PENSION TRUST FUND FOR NORTHERN CALIFORNIA**  
**FOR MEMBERS OF LATHERS LOCAL 9083L**  
**AND**  
**THE LATHERS LOCAL 9083L SERVICE PENSION**

**(Refer to Section 14.02., page 174.)**

Effective January 1, 2002, the Board of Trustees voted to approve the participation of members from Lathers Local 9083L in the Pension Plan for the Carpenters Pension Trust Fund for Northern California.

As a result, if you are a member of Local 9083L (as designated by the Board of Trustees of the Pension Plan for the Carpenters Pension Trust Fund for Northern California) and you are also an active Participant in the Lathers Local #144 Pension Trust Fund, your Future Service Eligibility Credits, Vesting Credit and Future Service Unit Value Benefit Credit for 2002 shall be based on the sum of:

- (a) Your work hours reported to the Lathers Local #144 Pension Trust Fund for 2002; and
- (b) your Hours of Work in Covered Employment for 2002.

If you were an active Participant in the Lathers Local #144 Pension Trust Fund and you earned service prior to January 1, 2002, you will receive Future Service Eligibility Credit and Vesting Credit under the Lathers Local 9083L Pension Plan. Any Future Service Eligibility Credit will be equal to the credits earned under the Lathers Local #144 Pension Trust Fund through December 31, 2001. Any Vesting Credit will be equal to the vesting service earned under the Lathers Local #144 Pension Trust Fund through December 31, 2001.

**Lathers Local 9083L Service Pension (Refer to Section 14.02.c., page 174.)**

On or after September 1, 2002, if you are a member of Local 9083L (as designated by the Board of Trustees of this Plan) and you are also an active Participant in the Lathers Local #144 Pension Trust Fund, you may receive a Lathers Local 9083L Service Pension if you meet the following requirements:

- (a) You have attained age 56, but have not yet attained age 62; and
- (b) you have at least 25 full Northern California Eligibility Credits earned under the Pension Plan for the Carpenters Pension Trust Fund for Northern California (including Eligibility Credits earned prior to January 1, 2002 (as described above); and
- (c) you have actually worked at least 300 hours in Covered Employment under the Pension Plan for the Carpenters Pension Trust Fund for Northern California after January 1, 2002; and



- (d) you have not previously retired under the Pension Plan for the Carpenters Pension Trust Fund for Northern California.

The Lathers Local 9083L Service Pension is determined in the same way as the Regular Pension (refer to pages 100-113).

**APPENDIX C.**  
**FOR PRIOR PARTICIPANTS OF THE LATHERS LOCAL 109**  
**DEFINED BENEFIT PENSION PLAN**  
**PARTICIPATION, BREAKS IN SERVICE AND ELIGIBILITY FOR RETIREMENT BENEFITS**  
**UNDER THE CARPENTERS PENSION TRUST FUND FOR NORTHERN CALIFORNIA**

**(Refer to Section 14.03., page 175)**

Effective January 1, 2003, the Lathers Local 109 Defined Benefit Pension Plan (the “Lathers 109 Plan”) merged with the Pension Plan for the Carpenters Pension Trust Fund for Northern California.

**Participation (Refer to Section 14.03.b., page 175)**

If you already were or would have become a Participant in the Lathers 109 Plan on January 1, 2003, you will automatically become a Participant under the Pension Plan for the Carpenters Pension Trust Fund for Northern California on that date.

**Breaks in Service (Refer to Section 14.03.c., page 175)**

If you had incurred one or more consecutive One-Year Breaks in Service as of December 31, 2002 under the Lathers 109 Plan, you will automatically incur the same number of consecutive One-Year Breaks in Service under the Pension Plan for the Carpenters Pension Trust Fund for Northern California on that date. Any One-Year Breaks in Service incurred after December 31, 2002 shall be determined under the Pension Plan for the Carpenters Pension Trust Fund for Northern California.

**Eligibility for Retirement Benefits (Refer to Section 14.03.d., page 175.)**

No Participant’s or Beneficiary’s accrued benefit under the Lathers 109 Plan will be lower immediately after the effective date of this merger (January 1, 2003) than the benefit immediately before that date.

**APPENDIX D.**  
**FOR PRIOR PARTICIPANTS OF THE LATHERS LOCAL NO. 144**  
**DEFINED BENEFIT PENSION PLAN I**  
**PARTICIPATION, BREAKS IN SERVICE AND ELIGIBILITY FOR RETIREMENT BENEFITS**  
**UNDER THE CARPENTERS PENSION TRUST FUND FOR NORTHERN CALIFORNIA**

**(Refer to Section 14.04.a., page 176.)**

Effective April 1, 2004, the Lathers Local No. 144 Defined Benefit Pension Plan I (the "Lathers 144 Plan") merged with the Pension Plan for the Carpenters Pension Trust Fund for Northern California.

**Participation (Refer to Section 14.04.b., page 176.)**

If you already were or would have become a Participant in the Lathers 144 Plan as of April 1, 2004, you will automatically become a Participant under the Pension Plan for the Carpenters Pension Trust Fund for Northern California on that date.

**Breaks in Service (Refer to Section 14.04.c., page 176.)**

If you had incurred one or more consecutive One-Year Breaks in Service as of December 31, 2003 under the Lathers 144 Plan, you will automatically have incurred the same number of consecutive One-Year Breaks in Service under the Pension Plan for the Carpenters Pension Trust Fund for Northern California on that date. Any One-Year Breaks in Service incurred after December 31, 2003 shall be determined under the Pension Plan for the Carpenters Pension Trust Fund for Northern California.

**Eligibility for Retirement Benefits (Refer to Sections 14.04.d., page 176.)**

No Participant's or Beneficiary's accrued benefit under the Lathers 144 Plan will be any less immediately after the effective date of this merger (April 1, 2004) than their accrued benefit would have been immediately prior to the date of the merger.

All benefits and eligibility for service earned prior to January 1, 2004 and prior to a Separation in Service which occurred on or before December 31, 2003 shall be determined in accordance with the Lathers 144 Plan rules.

Commencing January 1, 2004, the Pension Plan for the Carpenters Pension Trust Fund for Northern California rules (as modified in Article 14 of the Plan document) will govern the accrual of credits, forfeitures and rights of Employees under the Lathers Local No. 144 Collective Bargaining Agreements.

**Exception:** Under the terms and conditions specified in the Lathers 144 Plan, which is based on Vesting Credits, you may remain eligible to receive an unreduced pension at age 56 with 25 years of service from the Lathers 144 Plan if:

- (a) You are a former Participant under the Lathers 144 Plan; and
- (b) you had not incurred a Permanent Break in Service as of December 31, 2003.

Your service accumulated under the Lathers 144 Plan prior to January 1, 2004 as well as your service accumulated under the Pension Plan for the Carpenters Pension Trust Fund for Northern California on and after January 1, 2004 will be counted towards satisfying the eligibility requirements for the Pension Plan for the Carpenters Pension Trust Fund for Northern California unreduced pension, which is based on eligibility credits.

**APPENDIX E.**  
**FOR PRIOR PARTICIPANTS OF THE LATHERS LOCAL NO. 88**  
**DEFINED BENEFIT PENSION PLAN**  
**PARTICIPATION, BREAKS IN SERVICE AND ELIGIBILITY FOR RETIREMENT BENEFITS**  
**UNDER THE**  
**CARPENTERS PENSION TRUST FUND FOR NORTHERN CALIFORNIA**

Effective January 1, 2018, the Lathers Local No. 88 Pension Plan (the "Lathers 88 Plan") merged with the Pension Plan for the Carpenters Pension Trust Fund for Northern California.

**Participation (Refer to Section 14.05.c., page 177.)**

If you already were or would have become a Participant in the Lathers 88 Plan as of January 1, 2018, you will automatically become a Participant under the Pension Plan for the Carpenters Pension Trust Fund for Northern California on that date.

**Breaks in Service (Refer to Section 14.05.d., page 177.)**

If you had incurred one or more consecutive One-Year Breaks in Service as of December 31, 2017 under the Lathers 88 Plan, you will automatically have incurred the same number of consecutive One-Year Breaks in Service under the Pension Plan for the Carpenters Pension Trust Fund for Northern California on that date. Any One-Year Breaks in Service incurred after December 31, 2017 shall be determined under the Pension Plan for the Carpenters Pension Trust Fund for Northern California.

**Eligibility for Retirement Benefits (Refer to Sections 14.05.e., page 177-178.)**

Eligibility for receipt of benefits you may have accrued under the Lathers 88 Plan prior to January 1, 2018, if you retire on or after January 1, 2018, will be determined in accordance with the Lathers 88 Plan. All vesting service you may have earned under the Lathers 88 Plan will be recognized under the Carpenters Plan, including service occurring after December 31, 1990, that would have been vesting service under the Lathers Plan. All Lathers Participants, including those with fewer than ten (10) vesting credits under the Lathers Plan as of December 31, 1990, and whose accrued benefits were suspended as of August 1, 2016 (whether or not in pay status at that time), will be immediately vested in a benefit under this Plan equal to the amount of their Lathers accrued benefit as of December 31, 1990.

No Participant's or Beneficiary's accrued benefit under the Lathers 88 Plan will be any less immediately after the effective date of this merger (January 1, 2018) than their accrued benefit would have been immediately prior to the date of the merger.

**REVISED AND RESTATED  
PENSION PLAN  
FOR THE  
CARPENTERS PENSION TRUST FUND FOR  
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**Effective September 1, 2023  
(Incorporating Amendments through No. 105)**

**REVISED AND RESTATED  
PENSION PLAN  
FOR THE  
CARPENTERS PENSION TRUST FUND FOR  
NORTHERN CALIFORNIA**

**Effective September 1, 2023  
(Incorporating Amendments through No. 105)**

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Effective September 1, 2023  
(Incorporating Amendments through No. 105)**

This document sets forth the Rules and Regulations of the Carpenters Pension Trust Fund for Northern California as amended effective September 1, 2023. Employees who terminated participation under the Plan prior to September 1, 2023 will have their eligibility for and amount of benefits determined based upon the Rules and Regulations in effect on the date of termination. This document constitutes an amendment, restatement and continuation of the Plan. This restated Plan is intended to comply with the Employee Retirement Income Security Act of 1974 and with the requirements for tax qualification under the Internal Revenue Code and all regulations thereunder, and is to be interpreted and applied consistent with that intent. The Board of Trustees shall be the sole judge of the standard of proof required in any case and the application and interpretation of this Plan and decisions of the Board of Trustees shall be final and binding on all parties, subject only to such judicial review as may be in harmony with federal labor law.

**ARTICLE 1. DEFINITIONS**

Unless the context or subject matter otherwise requires, the following definitions shall govern in the Plan:

**Section 1.01. "Actuarial Present Value,"** unless otherwise specified in the Plan, means the actuarial value of a benefit determined based on mortality assumptions and interest rates as specified below:

a. For benefit determinations for any Annuity Starting Date that is on or after September 1, 2008:

(1) For Annuity Starting Dates on or after September 1, 2008, the Applicable Interest Rate means the adjusted first, second, and third segment rates applied under rules similar to the rules of Code §430(h)(2)(C) for the month of June (as published in July) immediately preceding the Plan Year (which serves as the stability period). For this purpose, the segment rates shall be subject to the conditions set forth in Code §417(e)(3)(D). Thus the segment rates are determined under Code §430(h)(2)(C) as if the first, second and third segment rates were determined:

(a) Without regard to the 24-month averaging provided under Code §430(h)(2)(D)(i) and

(b) Code §430(h)(2)(G)(i)(II) were applied by substituting "section 417(e)(3)(A)(ii)(II)" for "section 412(b)(5)(B)(ii)(II)," and

(c) The applicable percentage under Code §430(h)(2)(G) were treated as being 20% in 2008, 40% in 2009, 60% in 2010 and 80% in 2011.

(2) For Annuity Starting Dates on or after September 1, 2008, the Applicable Mortality Table is based on the mortality table specified for the calendar year under subparagraph (A) of Code §430(h)(3) (without regard to subparagraph (C) or (D) of such section).



- b. Notwithstanding any of the foregoing, the lump sum Actuarial Present Value of any benefit payable under the Plan shall not be less than the amount produced by using the Mortality tables and a 7.0% interest assumption.

“Actuarial Equivalent” means two benefits of equal Actuarial Present Value based on the actuarial factors and assumptions specified in the provision in which that phrase is used or, if not otherwise specified, based on the assumptions described in this Section.

**Section 1.02. “Alternate Payee,”** means a spouse, former spouse, child or other dependent of a Participant who has a right to receive all or a portion of the Participant’s benefits payable pursuant to a Qualified Domestic Relations Order.

**Section 1.03. “Annuity Starting Date”** for a Participant means the first day of the first calendar month starting after the Participant has fulfilled all of the conditions for entitlement to benefits and after the later of:

- a. The first day of the month after submission by the Participant of a completed application for benefits, or
- b. 30 days after the Plan advises the Participant of the available benefit payment options, unless
  - (1) The benefit is being paid as a 50% Joint and Survivor Pension at or after the Participant's Normal Retirement Age,
  - (2) The benefit is being paid out automatically as a lump sum under Section 10.06., or
  - (3) The Participant and Spouse (if any) consent in writing to the commencement of payments before the end of that 30-day period and distribution of the Pension begins more than 7 days after written explanation was provided to the Participant and Spouse.

The Annuity Starting Date will not be later than the Participant's Required Beginning Date.

The Annuity Starting Date for a Beneficiary or Alternate Payee designated under a Qualified Domestic Relations Order will be determined under this Section, except that references to the Joint and Survivor Pension and spousal consent do not apply.

A Participant who retires before his or her Normal Retirement Age and then earns additional benefit accruals under the Plan through reemployment will have a separate Annuity Starting Date determined under this Section with respect to those additional accruals including the election of any benefit payment options available under the Plan, except that an Annuity Starting Date that is on or after Normal Retirement Age shall apply to any additional benefits accrued through reemployment after that date.

If a Participant dies prior to his or her Annuity Starting Date, his or her death shall be a pre-retirement death and any death benefits payable under the Plan shall be paid in accordance with the applicable terms and conditions of Sections 7.03. and 8.01. If a Participant dies on or after his or her Annuity Starting Date, his or her death shall be a post-retirement death and any death benefits payable under the Plan shall be paid in accordance with his or her valid payment form election and the applicable terms and conditions of Sections 7.02. and 8.02.

**Section 1.04. Prior to January 1, 2007,** the “Average Contribution Factor” for a Calendar Year for Participants working for Employers whose contribution rate varies from the Carpenters Master Agreement and who are not signatory to the Carpenters Master Agreement is derived by taking the total Employer Contributions made to this Fund on the Participant’s behalf during the Calendar Year divided by the number of hours worked during that Calendar Year, further divided by the highest average pension contribution rate specified during a given Calendar Year for the life of the Master Agreement.

**For the period July 1, 2006 through December 31, 2006,** the Average Contribution Factor will not apply to those Participants whose Employer Contributions made to this Fund on the Participant’s behalf is equal to or greater than \$3.20 per hour.

**Beginning January 1, 2007,** the Average Contribution Factor is eliminated for Hours of Work in Covered Employment on or after January 1, 2007.

**Section 1.05. “Beneficiary”** means a person or Participant’s estate who or which is entitled to receive benefits under this Plan because of the designation for such benefits by a Participant, by a Qualified Domestic Relations Order, or by the terms of this Plan.

**Section 1.06. “Board of Trustees”, “Board”, or “Trustees”** means the Board of Trustees as defined in Sections 8 and 9 of Article I of the Trust Agreement:

“Section 9 of Article I, Trust Agreement. The terms ‘Board of Trustees’ or ‘Board’ mean the Board of Trustees established by this Trust Agreement.”

**Section 1.07. “Building and Construction Industry.”** The term “Building and Construction Industry” means all building construction and all heavy, highway and engineering construction, including but not limited to the construction, erection, alteration, repair, modification, demolition, addition or improvement in whole or in part of any building, structure, street (including sidewalk, curb and gutter), highway, bridge, viaduct, railroad, tunnel, airport, water supply, irrigation, flood control and drainage system, sewer and sanitation project, dam, powerhouse, refinery, aqueduct, canal, river and harbor project, wharf, deck, breakwater, jetty, quarrying of breakwater or riprap stone, or any other operation incidental to such construction work, including renovation work, maintenance work, mill-cabinet or furniture manufacturing or repair work or installation of any modular systems or any other pre-manufactured materials performed for any public or private employer.

**Section 1.08. “Calendar Year”** means the period from January 1 through the next December 31. For purposes of ERISA regulations, the calendar year shall serve as the vesting computation period, the benefit accrual computation period, and after the initial period of employment the computation period for eligibility to participate in the Plan.

**Section 1.09. “Collective Bargaining Agreement”** means any collective bargaining agreement as defined in Section 3 of Article I of the Trust Agreement:

“Section 3 of Article I, Trust Agreement. The term “Collective Bargaining Agreement” includes (a) the Carpenters 46 Northern California Counties Master Agreement dated June 16, 1971, including any amendment, extension or renewal; (b) the Pile Drivers Master Agreement dated July 25, 1956, including any amendment, extension or renewal; (c) the Drywall/Lathing Master Agreement for Northern California dated August 1, 1974, including any amendment, extension or renewal; and, (d) any other

collective bargaining agreement other than the Collective Bargaining Agreements referred to above which is approved by the Carpenters 46 Northern California Counties Conference Board to be defined as a Collective Bargaining Agreement for the purposes of contributions to the Pension Plan or Pension Fund established by this Trust Agreement.”

**Section 1.10. “Compensation”**

- a. For the purpose of identifying Highly Compensated Employees and establishing the limitations under section 415 of the Internal Revenue Code, a Participant’s annual Compensation means the total cash salary or wages paid to the Participant during a plan year and reportable as earnings subject to income tax on Form W-2. Compensation includes any elective deferral (as defined under Code section 402(g)(3)), and any amount which is contributed or deferred by the Contributing Employer at the election of the Employee and which, by reason of Code sections 125, 132(f)(4) or 457, is not includible in the gross income of the Employee.
- b. “Compensation” does not include:
  - (1) Amounts realized from the exercise of a non-qualified stock option, or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
  - (2) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option; and
  - (3) Other amounts which received special tax benefits, other than amounts referred to in Subsection A.
- c. In addition to any other applicable limitations which may be set forth in the Plan and notwithstanding any other provisions of the Plan, Compensation taken into account under the Plan for any plan year for the purpose of calculating a Participant’s accrued benefit (including the right to an optional benefit under the Plan) cannot exceed the limits set forth in section 401(a)(17) of the Internal Revenue Code, as adjusted for changes in the cost of living as provided in sections 401(a)(17) and 415(d) of the Code. This limit will be applied on an Employer-by-Employer basis.
- d. Compensation shall include wages and other compensation which would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with an Employer, if such amounts described herein are received by the Participant following a severance from employment by the later of (1) 2-1/2 months after the Participant's severance from employment with an Employer, or (2) the end of the Limitation Year that includes the date of the Participant's severance from employment with an Employer.
- e. Effective January 1, 2009, Earnings shall include military differential wage payments (as defined in section 3401(h) of the Code).

**Section 1.11. “Contribution” or “Contributions”** means the payment made or required to be made by a Collective Bargaining Agreement or a written contribution agreement to the Fund by any Contributing Employer or Individual Employer with respect to work performed by Employees.

**Section 1.12. "Contribution Date"** means June 15, 1957, for Employees employed or available for employment on that date or for whom Contributions were first made to the Plan under the Carpenters 4 Bay Counties Master Agreement and the Pile Drivers Master Agreement, and January 1, 1959, for Employees employed or available for employment on that date or for whom Contributions were first made to the Plan under the Carpenters 42 Northern California Counties Master Agreement.

"Contribution Date" also means the date on which Contributions commence to the Fund with respect to special groups of Employees admitted to participation in accordance with regulations adopted by the Board.

**Section 1.13. "Contributing Employer" or "Individual Employer"** means any Individual Employer as defined in Section 7 of Article I of the Trust Agreement.

"Section 7 of Article I, Trust Agreement. The term 'Individual Employer' means any individual employer who is required by any of the Collective Bargaining Agreements to make Contributions to the Pension Fund or who in fact makes one or more Contributions to the Fund. The term 'Individual Employer' shall also include any Local Union or Regional Council, any labor council or other labor organization with which a Local Union or Regional Council is affiliated, and any corporation, trust or other entity which provides services to the Fund or in the enforcement or administration of contracts requiring Contributions to the Fund, or in the training of apprentice or journeymen carpenters, which makes Contributions to the Fund with respect to the work of its employees pursuant to a Subscriber's Agreement approved by the Boards of Trustees; provided the inclusion of any such Local Union, Regional Council, labor council, other labor organization, corporation, trust or other entity as an Individual Employer is not a violation of any existing law or regulation. Any such Local Union, Regional Council, labor council, other labor organization, corporation, trust or other entity shall be an Individual Employer solely for the purpose of making Contributions with respect to the work of its respective employees and shall have no other rights or privileges under this Trust Agreement as an Individual Employer."

An employer shall not be deemed a Contributing Employer simply because it is part of a controlled group of corporations (within the meaning of Section 1563(a) of the Internal Revenue Code, determined without regard to Section 1563(a)(4) and (e)(3)(C)), or of a trade or business under common control (within the meaning of Section 414(c) of the Internal Revenue Code), some other part of which is a Contributing Employer.

For purposes of identifying highly compensated employees and applying the rules on participation, vesting and statutory limits on benefits under the Fund but not for determining Covered Employment, the term "Employer" includes all members of an affiliated service group within the meaning of Internal Revenue Code Section 414(m) and all other businesses aggregated with the Employer under Internal Revenue Section 414(o).

**Section 1.14. "Covered Employment"** means employment performed by an Employee for a Contributing Employer in a job covered by this Plan.

**Section 1.15. "Continuous Non-Covered Employment"** means employment for a Contributing Employer in a job not covered by this Plan which is continuous with a Participant's Covered Employment with the same Contributing Employer. A period of Non-Covered Employment will be considered to be continuous

with Covered Employment only if there is no quit, discharge, or other termination of employment between the period of Covered and Non-Covered Employment.

**Section 1.16. “District Council”** means any District and/or Regional Council within the 46 Northern California Counties affiliated with the United Brotherhood of Carpenters.

**Section 1.17. “Employee”** means an Employee as defined in Section 5 of Article I of the Trust Agreement.

“Section 5 of Article I, Trust Agreement. The term ‘Employee’ means any employee of an Individual Employer who performs one or more hours of work covered by any of the Collective Bargaining Agreements. The term “Employee” shall also include employees of Local Unions and Regional Council, and employees of labor councils or other labor organizations with which a Local Union or Regional Council is affiliated, or of any corporation, trust or other entity described in Section 7, with respect to whose work contributions are made to the Fund pursuant to regulations adopted by the Board of Trustees; provided the inclusion of any of these employees is not a violation of any existing law or regulation. The term “Employee” shall exclude any employee not specifically mentioned above.”

The term “Employee” includes a leased employee of an Individual Employer, within the meaning of Section 414(n) of the Internal Revenue Code, who otherwise meets the conditions for participation, vesting and/or benefit accrual under the Fund.

The term “leased employee” shall refer to any person who is not an employee of an Individual Employer and who provides services to the Individual Employer if such services are provided pursuant to an agreement between the recipient and any other person (referred to as the “leasing organization”), such person has performed such service for the Individual Employer (or for the Individual Employer and related persons) on a substantially full-time basis for a period of at least 1 year; and such services are performed under primary direction or control by the Individual Employer.

A leased employee shall not be considered an employee of the Individual Employer if: (i) such employee is covered by a money purchase pension plan providing; (1) a non-integrated employer contribution rate of at least 10 percent of compensation, as defined in Section 415(c)(3) of the Code, but including amounts contributed pursuant to a salary reduction agreement which are excludable from the employee’s gross income under Section 125, Section 132(f)(4), Section 402(e)(3), Section 402(h)(1)(B), Section 403(b) or Section 457(b) of the Code, (2) immediate participation, and (3) full and immediate vesting; and (ii) leased employees do not constitute more than 20 percent of the Employer’s non-highly compensated work force.

**Section 1.18. “Employer Contribution” or “Contributions”** means a payment made or required to be made to the Fund by any Contributing Employer under the provisions of a Collective Bargaining Agreement. The term “Contribution” shall also include a payment made with respect to the work of an employee of a Local Union, District Council, labor council, other labor organization, or of a corporation, trust or other entity described in Section 1.13., pursuant to regulations adopted by the Board of Trustees.

**Section 1.19. “ERISA”** means the Employee Retirement Income Security Act of 1974 as amended.

**Section 1.20. “Highly Compensated Employee”** means each highly compensated active employee and highly compensated former employee of a Contributing Employer. Whether an individual is a highly compensated employee is determined separately with respect to each Contributing Employer, based solely on that individual’s compensation from or status with respect to that Contributing Employer.

A highly compensated active employee is an employee of the Contributing Employer who performs service for the Contributing Employer during the determination year and who:

- a. During the look-back year received compensation from the Contributing Employer in excess of \$80,000 (as adjusted under Section 414(q) of the Internal Revenue Code) and was one of the top 20 percent (20%) of the employees of the Contributing Employer during the look-back year when ranked on the basis of the compensation during that year.
- b. Is a five percent (5%) owner at any time during the look-back year or the determination year.

The “determination year” is the Plan Year for which the test is being applied, and the “look-back year” is the 12-month period immediately preceding that Plan Year.

A “highly compensated former employee” is an employee who was a Highly Compensated Employee when he or she separated from service or was a Highly Compensated Employee at any time after attaining age 55. The determination of who is a Highly Compensated Employee will be made in accordance with Section 414(q) of the Internal Revenue Code and the regulations thereunder.

**Section 1.21. “Hours of Work” or “hours worked”** means:

- a. Hours for which an Employee is paid or entitled to payment for the performance of duties for the Contributing Employer during the applicable computation period, and
- b. Hours for which an Employee is paid, or entitled to payment, by the Contributing Employer on account for a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence. No more than 501 hours of service shall be credited under this paragraph for any single continuous period (whether or not such period occurs in a single computation period). Hours of Work under this paragraph shall be calculated and credited pursuant to Section 2530.200b-2 of the Department of Labor Regulations which are incorporated herein by this reference; and
- c. Hours for which back pay, irrespective of mitigation of damages, is awarded or agreed to by a Contributing Employer, to the extent that such award or agreement is intended to compensate an Employee for periods during which the Employee would have been engaged in the performance of duties for the Contributing Employer. The same Hours of Work will not be credited both under paragraph a. or paragraph b. as the case may be, and under this paragraph c. These hours will be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement, or payment is made.

Hours of Work for transfers of contributions to this Fund on or after January 1, 2003, under Article 5. will be determined by dividing the Contributions received by this Fund under Article 5. by the maximum

hourly contribution rate in effect under the Master Agreement for the period the Hours of Work were performed.

**Section 1.22. "Local Union"** means any Local Union as defined in Section 8 of Article I of the Trust Agreement:

"Section 8 of Article I, Trust Agreement. The term 'Local Union' means any local union in the 46 Northern California Counties affiliated with the United Brotherhood of Carpenters and Joiners of America, and the Carpenters 46 Northern California Counties Conference Board."

**Section 1.23. "Master Agreement"** means the Carpenters 4 Bay Counties Master Agreement dated July 18, 1956, the Pile Drivers Master Agreement dated July 25, 1956, or the Carpenters 42 Northern California Counties Master Agreement dated May 1, 1957, and any modification, amendment, extension or renewal thereof.

**Section 1.24. "Non-Bargained Employee"** means a Participant whose participation is not covered by a Collective Bargaining Agreement.

**Section 1.25. "Non-Covered Employment"** means employment in the Building and Construction Industry on or after July 1, 1991, in the geographical jurisdiction of this Plan for an employer who does not have, or self-employment which is not covered by, a Collective Bargaining Agreement.

**Section 1.26. "Normal Retirement Age"** means age 65, or, if later, the age of the Participant on the fifth anniversary of his or her participation (disregarding participation before September 1, 1988), provided such Participant has performed at least one hour of service on or after September 1, 1988. For Participants who have not performed at least one hour of service on or after September 1, 1988, "Normal Retirement Age" means age 65, or if later, the age of the Participant on the tenth anniversary of his or her participation.

Participation before a Permanent Break in Service and participation before a temporary Break in Service in the case of a former Participant who has not returned to Covered Employment and reestablished Participation in accordance with Section 2.04. shall not be counted.

**Section 1.27. "Participant"** means a Pensioner, or an Employee who meets the requirements for participation in the Plan as set forth in Article 2, or a former Employee who has acquired a right to a Pension under this Plan and has Separated from Covered Employment. A "Vested Participant" is an Employee who has achieved Vested Status in accordance with the provisions of Section 6.08.

**Section 1.28. "Pension Effective Date"** is a term to be used interchangeably with the term "Annuity Starting Date."

**Section 1.29. "Pension Fund" or "Fund"** means the trust fund defined in Section 10 of Article I of the Trust Agreement:

"Section 10 of Article I, Trust Agreement. The terms 'Pension Fund' or 'Fund' mean the Trust Fund created and established by this Trust Agreement."

**Section 1.30. “Pension Plan” or “Plan”** means this Pension Plan as defined in Section 11 of Article I of the Trust Agreement:

“Section 11 of Article I, Trust Agreement. The terms ‘Pension Plan’ or ‘Plan’ mean the Pension Plan created pursuant to the Collective Bargaining Agreement and this Trust Agreement and any modification, or amendment of the Plan.”

**Section 1.31. “Pensioner”** means a person to whom a pension is being paid from the Fund or to whom a pension would be paid but for the time required for administrative processing, or whose pension (other than a Disability pension) has been suspended because of reemployment. A Pensioner who has returned to Covered Employment and is accruing benefits on the same basis as other Employees as of the effective date of a benefit increase will not be considered a Pensioner for purposes of that benefit increase.

**Section 1.32. “Plan Year”** means the Fund's fiscal year, the period from September 1 of any year through August 31 of the succeeding year.

**Section 1.33. “Prohibited Employment”** means employment after Retirement for wages or profit in the Building and Construction Industry, as defined in Section 1.07. that will result in the suspension of Retirement benefits. The determination as to whether or not a type of Employment is prohibited shall be at the sole discretion of the Board of Trustees, or a Committee thereof and as described and modified from time to time in the Plan's Prohibited Employment Policy.

**Section 1.34. “Qualified Domestic Relations Order”** is a domestic relations order issued that creates or recognizes an Alternate Payee's right to receive all or a portion of a Participant's benefits. This domestic relations order must meet the requirements set forth in the Employee Retirement Income Security Act of 1974.

Distributions under a Qualified Domestic Relations Order shall be consistent with Section 17.04.(a).

**Section 1.35. “Qualified Military Service”** means a Participant's qualified military or other uniformed service period under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), 38 USC Chapter 43. The term “qualified military or other uniformed service” means service in the Armed Services (including the Coast Guard), the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in time of war or emergency or any other persons covered under the applicable regulations.

Notwithstanding any provision in the Plan to the contrary, vesting, benefits and service credit with respect to Qualified Military Service will be provided in accordance with USERRA and Section 414(u) of the Internal Revenue Code. Qualified Military Service will count for purposes of earning Future Service Eligibility Credit, Vesting Credit, Future Service Unit Value Benefit Credit, Percentage of Contribution Benefit Credit, and avoiding a Break in Service provided the following conditions are satisfied:

- a. A Participant must have reemployment rights under USERRA; and
- b. A Participant must not have incurred a One-Year Break in Service at the time he/she entered Qualified Military Service.



If a Participant dies on or after January 1, 2007 while performing Qualified Military Service (as defined in Code §414(u)(5)), the deceased Participant's Beneficiaries shall be entitled to any additional benefits (other than benefit accruals relating to the period of Qualified Military Service) that would have been provided under the Plan if such Participant had resumed employment with the Company and then terminated employment on account of death. In addition, the period of such Participant's Qualified Military Service shall be treated as service towards vesting under the Plan.

**Section 1.36. "Retroactive Annuity Starting Date"** means an Annuity Starting Date that is affirmatively elected by a Participant that occurs on or before the date the written explanation of benefit payment options described in Section 1.03. and Article 7 is provided to the Participant.

- a. Benefits payable under a Retroactive Annuity Starting Date shall consist of an initial single sum payment of benefits attributable to the period beginning on the Participant's Retroactive Annuity Starting Date and ending prior to the first of the month benefit payments commence. Such single sum shall include interest at an appropriate rate from the date the missed payment or payments would have been made to the date of the actual make-up payment. The Board of Trustees has determined the interest rate to be 4% simple interest which shall remain in effect until such time as changed by a motion adopted by the Board. Monthly payments made subsequent to the lump sum payment shall be in the amount that would have been paid to the Participant had payments actually commenced on the Participant's Retroactive Annuity Starting Date.
- b. A Participant who otherwise satisfies the conditions for a Retroactive Annuity Starting Date above, but who does not affirmatively elect a Retroactive Annuity Starting Date, shall have his or her benefit calculated under the terms, conditions and circumstances applicable to his or her prospective Annuity Starting Date as determined under Section 1.03. in lieu of the benefit payments as described in Subsection a. above.
- c. In the case of retirement after a Participant's Normal Retirement Age, the actuarial increase shall be based on the formula described in Section 10.09.
- d. The calculation of benefits—whether under Subsection a. or b. above—shall not include periods during which the Participant was not retired or benefits were otherwise subject to suspension under Sections 10.10., and 10.11. or the restrictions described in Article 12.
- e. Any election of the benefit under Subsection a. in lieu of that in Subsection b., shall be subject to the notice and consent requirements including but not limited to those of Code §§401(a)(11) and 417 and regulations issued thereunder, including requirements specific to the election of retroactive payments under Treas. Reg. §1.417(e)-1.
- f. For purposes of satisfying the 30-day waiver requirement under Section 1.03. and the consent requirements under Section 7.02., the Annuity Starting Date defined in Section 1.03. shall be used instead of the Retroactive Annuity Starting Date.

Notwithstanding any other provision contained herein, this Section 1.36. shall be interpreted with the intent of complying with the Retroactive Annuity Starting Date requirements of Treas. Reg. §§1.417(e)-1(b)(3)(iv), 1.417(e)-1(b)(3)(v) and 1.417(e)-1(b)(3)(vi).

**Section 1.37. "Spouse"** means a person to whom a Participant or Pensioner is legally married.

**Section 1.38. “Stakeholder”** means a person who is an owner, partner, shareholder, member of the board of directors of a corporation, officer of an individual employer, superintendent above the rank of foreman or general foreman, or other individual who is in any other way interested in the profits of the Employer – other than hourly wages pursuant to a collective bargaining agreement.

**Section 1.39. “Trust Agreement”** means the Trust Agreement establishing the Carpenters Pension Trust Fund for Northern California and any modification, amendment, extension, revision, or renewal thereof.

**Section 1.40.** Other terms are specifically defined as follows:

Term	Section(s)
a. <b>Regular Pension</b>	3.02. and 3.03.
b. <b>Early Retirement Pension</b>	3.04. and 3.05.
c. <b>Disability Pension</b>	3.06. and 3.07.
d. <b>Total Disability</b>	3.08.
e. <b>Service Pension</b>	3.14. and 3.15.
f. <b>Special Service Pension</b>	3.16. through 3.20.
g. <b>Related Plans</b>	4.02.
h. <b>Related Hours</b>	4.03.
i. <b>Related Eligibility Credit</b>	4.04.
j. <b>Combined Reciprocal Eligibility Credit</b>	4.05.
k. <b>Reciprocal Pensions</b>	4.07. and 4.08.
l. <b>Eligibility Credit:</b>	
Past Service Eligibility Credit	6.02.
Future Service Eligibility Credit	6.03.
m. <b>Pension Credit/Unit Value Benefit Credit</b>	6.05.
n. <b>Apprenticeship</b>	6.03. and 6.05.
o. <b>Percentage of Contribution Benefit Credit</b>	6.05.
p. <b>Vesting Credit</b>	6.06.
q. <b>USERRA</b>	6.06.
r. <b>Break in Service:</b>	
One-Year Break in Service	6.07.
Permanent Break in Service	6.07.
s. <b>Hours of Parental Leave</b>	6.07.
t. <b>Vested Status</b>	6.08.
u. <b>Separation from Covered Employment</b>	6.09.
v. <b>Joint and Survivor Pensions</b>	7.02. and 7.03.
w. <b>Post-Retirement Death Benefits-</b>	
<b>Pensioners’ Guarantee of Benefits:</b>	
Single-Life Pension-60-Month Guarantee	8.02.
Single-Life Pension-36-Month Guarantee	8.02.
x. <b>Level Income Option</b>	9.01.
y. <b>Required Beginning Date</b>	10.05.
z. <b>Retired or Retirement</b>	10.10.
aa. <b>Eligible Rollover Distribution</b>	13.02.
bb. <b>Distributee</b>	13.02.

## ARTICLE 2. PARTICIPATION

**Section 2.01. Purpose.** This Article contains definitions to meet certain requirements of ERISA. Once an Employee has become a Participant, he/she receives Eligibility Credit, Unit Value Benefit Credit, Percentage of Contribution Benefit Credit and Vesting Credit for employment before he/she became a Participant, in accordance with the provisions of Article 6. A person who was a Participant on August 31, 1976 shall be a Participant unless his or her participation is canceled in accordance with the Rules of this Plan.

**Section 2.02. Participation.** An Employee who works in Covered Employment shall become a Participant as soon as he/she has performed at least 300 Hours of Work in Covered Employment during any Calendar Year. The 300-hour requirement may be completed by Continuous Non-Covered Employment or Non-Covered Apprenticeship hours.

The initial twelve-consecutive month period begins on the date the Employee first performs an hour in Covered Employment. After the initial period of employment or re-employment following a Break in Service, the Plan Credit Year which includes the first anniversary of an Employee's employment or re-employment commencement date shall serve as the computation period for eligibility to participate in the Plan.

**Section 2.03. Termination of Participation.** A Participant who incurs a One-Year Break in Service shall cease to be a Participant as of the last day of the Calendar Year which constituted the One-Year Break in Service, unless he/she is a Pensioner or Vested Participant.

**Section 2.04. Reinstatement of Participation.** An Employee who has lost his or her status as a Participant in accordance with Section 2.03. shall again become a Participant by meeting the requirements of Section 2.02. on the basis of Hours of Work after the Calendar Year during which participation terminated.

## ARTICLE 3. PENSION ELIGIBILITY AND AMOUNTS

### Section 3.01. General.

- a. This Article sets forth the eligibility conditions and benefit amount payable for the various types of pensions provided by this Plan. The accumulation and retention of Eligibility Credit, Unit Value Benefit Credit, Percentage of Contribution Benefit Credit and Vesting Credit for eligibility are subject to the provisions of Article 6. The benefit amounts are subject to a reduction based on the 50% Joint and Survivor Pension, the 75% Joint and Survivor Pension, and the 100% Joint and Survivor Pension as provided in Article 7. Entitlement of an eligible Participant to receive pension benefits is subject to his or her Retirement and application for benefits, as provided in Article 10. Eligibility depends on Eligibility Credit or Years of Vesting Credit. All pension benefits are subject to the Plan limitations for Non-Covered Employment as discussed in Article 12.

Subject to the “anti-cutback” provisions of §204(g) of ERISA and Internal Revenue Code §411(d)(6), the fact that a benefit is earned prior to a Separation from Covered Employment shall not preclude it from subsequently being subject to terms less favorable than those in effect on the date of the Separation from Covered Employment, such as in the case involving the terms of “adjustable benefits” (as defined in Internal Revenue Code §432(e)(8)(A)(iv)) that may be reduced or eliminated as part of a Rehabilitation Plan required to be adopted under Internal Revenue Code §432(e).

- b. **Pensions Effective Prior to September 1, 1976.** Pensioners receiving pensions with an effective date prior to September 1, 1976, shall continue to receive the pensions awarded to them without change, subject to the provisions of Sections 3.12., 3.13., 10.02. - 10.05., 10.10. - 10.15., 10.17., 15.04. - 15.05. and 16.01.

### Section 3.02. Regular Pension—Eligibility.

- a. With respect to pensions effective between September 1, 1976 and January 1, 1979, a Participant who has Retired shall be entitled to receive a Regular Pension if:

- (1) He/she had attained age 65, and
- (2) He/she had at least 10 years of Vesting Credit or 10 full Eligibility Credits (without a Permanent Break in Service), and
- (3) He/she had worked at least 700 hours in Covered Employment after his or her Contribution Date.

A Participant who has attained his or her Normal Retirement Age shall also be entitled to receive a Regular Pension.

- b. With respect to pensions effective on and after January 1, 1979 and prior to August 31, 1999, a Participant who has Retired shall be entitled to receive a Regular Pension if:

- (1) He/she has attained age 62, and

- (2) He/she has at least 10 years of Vesting Credit or 10 full Eligibility Credits (without a Permanent Break in Service), and
- (3) He/she has worked at least 700 hours in Covered Employment after his or her Contribution Date.

A Participant who has attained his or her Normal Retirement Age shall also be entitled to receive a Regular Pension.

- c. With respect to pensions effective on or after September 1, 1999, a Participant who has Retired shall be entitled to receive a Regular Pension if:

- (1) He/she has attained age 65, and is vested in accordance with Section 6.08.a.; or
- (2) He/she has attained age 62, and
- (3) He/she has at least 10 years of Vesting Credit or 10 full Eligibility Credits (without a Permanent Break in Service), and
- (4) He/she has worked at least 700 hours in Covered Employment after his or her Contribution Date.

A Participant who has attained Normal Retirement Age shall also be entitled to receive a Regular Pension.

### **Section 3.03. Monthly Amount of the Regular Pension.**

- a. The monthly amount of a Regular Pension effective on or after September 1, 1976 and before January 1, 1977 is the sum of:
  - (1) \$20.00 for each full Pension Credit (or a part of \$20.00 for any fraction of Pension Credit) accumulated after the most recent Separation from Covered Employment (if any); and
  - (2) A monthly amount payable for each Pension Credit accrued prior to any Separation from Covered Employment, as follows: The monthly amount payable for each Pension Credit earned prior to any Separation from Covered Employment is the amount which was payable by the Plan at the end of the period which caused the Separation from Covered Employment (but not less than \$8.00).

Only the 30 Pension Credits earned most recently will be used to compute the maximum amount of the Regular Pension.

- b. The amount of a Regular Pension effective on or after January 1, 1977 and before January 1, 1979 shall be determined as follows:
  - (1) If there has been no Separation from Covered Employment, the monthly amount of the Regular Pension is the sum of:

- (a) \$20.00 for each Past Service Pension Credit (plus a part of \$20.00 for any fraction of Pension Credit); and
  - (b) \$25.00 for each Future Service Pension Credit (plus a part of \$25.00 for any fraction of Pension Credit).
- (2) If there has been a Separation from Covered Employment, the monthly amount of the Regular Pension is the sum of:
- (a) \$25.00 for each Future Service Pension Credit (or a part of \$25.00 for any fraction of Pension Credit), accumulated after the most recent Separation from Covered Employment; and
  - (b) The monthly amount payable for each Past and Future Pension Credit accrued prior to the Separation from Covered Employment, as follows: The monthly amount payable for each Pension Credit earned prior to the Separation from Covered Employment is the amount which was payable by the Plan at the end of the period which caused the Separation from Covered Employment (but not less than \$8.00).

Only the 30 Pension Credits earned most recently will be used to compute the maximum amount of the Regular Pension.

- c. The monthly amount of a Regular Pension effective on or after January 1, 1979 and before July 1, 1979 is the sum of:
  - (1) \$20.00 for each Past Service Pension Credit (or a part of \$20.00 for any fraction of Pension Credit); and
  - (2) \$25.00 for each Future Service Pension Credit (or a part of \$25.00 for any fraction of Pension Credit).
- d. The monthly amount of a Regular Pension effective on or after July 1, 1979, and before January 1, 1986 is the sum of:
  - (1) \$20.00 for each Past Service Pension Credit (or a part of \$20.00 for any fraction of Pension Credit); and
  - (2) \$25.00 for each Future Service Pension Credit (or a part of \$25.00 for any fraction of Pension Credit) earned prior to January 1, 1979; and
  - (3) \$30.00 for each Future Service Pension Credit (or a part of \$30.00 for any fraction of Pension Credit) earned after December 31, 1978.
- e. The monthly amount of a Regular Pension effective on or after January 1, 1986 and before January 1, 1989 is the sum of:
  - (1) \$20.00 for each Past Service Pension Credit (plus a part of \$20.00 for any fraction of Pension Credit); and

- (2) \$30.00 for each Future Service Pension Credit (plus a part of \$30.00 for any fraction of Pension Credit).
- f. Pensions effective prior to January 1, 1979 will be increased on January 1, 1979:
  - (1) By 5%, if the monthly pension amount was based on \$20.00 for both Past and Future Service Pension Credit; and
  - (2) By 10%, if the monthly pension amount was based on less than \$20.00 for both Past and Future Service Pension Credit.
- g. Pensions based on less than \$20.00 for both Past and Future Service Pension Credit will be increased on January 1, 1980 by 10%.
- h. Pensions effective prior to January 1, 1986 will be increased by 5% effective January 1, 1986.
- i. The amount of a Regular Pension effective on or after January 1, 1989 and before January 1, 1994, shall be determined as follows:
  - (1) If there has been no Separation from Covered Employment as of December 31, 1988, the monthly amount of the Regular Pension is the sum of:
    - (a) \$20.00 for each Past Service Pension Credit (or a part of \$20.00 for any fraction of Pension Credit); and
    - (b) \$30.00 for each Future Service Pension Credit (or a part of \$30.00 for any fraction of Pension Credit) earned prior to January 1, 1979; and
    - (c) \$40.00 for each Future Service Pension Credit (or a part of \$40.00 for any fraction of Pension Credit) earned after December 31, 1978. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$60.00 for any Calendar Year.
  - (2) If there has been a Separation from Covered Employment as of December 31, 1988, the monthly amount of the Regular Pension shall be determined in accordance with Subsection 3.03.e.
- j. Pensions effective prior to January 1, 1989, will be increased by \$50.00 effective April 1, 1990.
- k. The amount of a Regular Pension effective on or after January 1, 1994 and before September 1, 1995, shall be determined as follows:
  - (1) If there has been no Separation from Covered Employment as of December 31, 1993, the monthly amount of the Regular Pension is the sum of:
    - (a) \$20.00 for each Past Service Pension Credit (or a part of \$20.00 for any fraction of Pension Credit); and
    - (b) \$30.00 for each Future Service Pension Credit (or a part of \$30.00 for any fraction of Pension Credit) earned prior to January 1, 1979; and

- (c) \$40.00 for each Future Service Pension Credit (or a part of \$40.00 for any fraction of Pension Credit) earned after December 31, 1978, but prior to January 1, 1994. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$60.00 for any Calendar Year; and
  - (d) \$40.00 for each Future Service Pension Credit (or a part of \$40.00 for any fraction of Pension Credit) earned after December 31, 1993, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Pension Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$60.00 for any Calendar Year.
- (2) If there has been a Separation from Covered Employment as of December 31, 1993, the monthly amount of the Regular Pension shall be determined in accordance with Subsection 3.03.i.
- l. Pensioners whose effective date of retirement was prior to July 1, 1979 shall receive one supplemental check in December, 1995:
  - (1) If at least 50% of the Future Service Pension Credits used to determine the Pensioner's Regular Pension are Future Service Pension Credits earned under the Plan, the supplemental check will be \$400.00.
  - (2) If less than 50% of the Future Service Pension Credits used to determine the Pensioner's Regular Pension are Future Service Pension Credits earned under this Plan, the supplemental check will be the lesser of \$400.00 or the amount of the monthly benefit actually being received by the Pensioner.
- m. The amount of a Regular Pension effective on or after September 1, 1995, shall be determined as follows:
  - (1) If there has been no Separation from Covered Employment as of December 31, 1994, the monthly amount of the Regular Pension is the sum of:
    - (a) \$20.00 for each Past Service Pension Credit (or a part of \$20.00 for any fraction of Pension Credit); and
    - (b) \$30.00 for each Future Service Pension Credit (or a part of \$30.00 for any fraction of Pension Credit) earned prior to January 1, 1979; and
    - (c) \$40.00 for each Future Service Pension Credit (or a part of \$40.00 for any fraction of Pension Credit) earned after December 31, 1978, but prior to January 1, 1994. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year, a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$60.00 for any Calendar Year; and
    - (d) \$40.00 for each Future Service Pension Credit (or a part of \$40.00 for any fraction of Pension Credit) earned after December 31, 1993, but prior to January 1, 1996, multiplied by the



Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Pension Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year, a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$60.00 for any Calendar Year.

- (e) \$50.00 for each Future Service Pension Credit (or a part of \$50.00 for any fraction of Pension Credit) earned after December 31, 1995, but prior to January 1, 1997, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Pension Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year, a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$75.00 for any Calendar Year.
  - (f) \$48.00 for each Future Service Pension Credit (or a part of \$48.00 for any fraction of Pension Credit) earned after December 31, 1996, but prior to January 1, 1998, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Pension Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year, a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$72.00 for any Calendar Year.
  - (g) \$75.00 for each Future Service Pension Credit (or a part of \$75.00 for any fraction of Pension Credit) earned after December 31, 1997, but prior to January 1, 2000, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Pension Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$112.50 for any Calendar Year.
  - (h) \$120.00 for each Future Service Pension Credit (or a part of \$120.00 for any fraction of Pension Credit) earned after December 31, 1999, but prior to January 1, 2001, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Pension Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$180.00 for any Calendar Year.
  - (i) \$130.00 for each Future Service Pension Credit (or a part of \$130.00 for any fraction of Pension Credit) earned after December 31, 2000, but prior to January 1, 2002, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Pension Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$195.00 for any Calendar Year.
  - (j) \$137.00 for each Future Service Pension Credit (or a part of \$137.00 for any fraction of Pension Credit) earned after December 31, 2001, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Pension Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$205.50 for any Calendar Year.
- (2) If there has been a Separation from Covered Employment as of December 31, 1994, the monthly amount of the Regular Pension shall be determined in accordance with Section 3.03.i.

- n. The amount of a Regular Pension effective on or after January 1, 2007 shall be determined as follows:
- (1) If there has been no Separation from Covered Employment as of December 31, 2006, the monthly amount of the Regular Pension is the sum of:
    - (a) \$20.00 for each Past Service Unit Value Benefit Credit (or a part of \$20.00 for any fraction of Unit Value Benefit Credit); and
    - (b) \$30.00 for each Future Service Unit Value Benefit Credit (or a part of \$30.00 for any fraction of Unit Value Benefit Credit) earned prior to January 1, 1979; and
    - (c) \$40.00 for each Future Service Unit Value Benefit Credit (or a part of \$40.00 for any fraction of Unit Value Benefit Credit) earned after December 31, 1978, but prior to January 1, 1994. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year, a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$60.00 for any Calendar Year; and
    - (d) \$40.00 for each Future Service Unit Value Benefit Credit (or a part of \$40.00 for any fraction of Unit Value Benefit Credit) earned after December 31, 1993, but prior to January 1, 1996, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Unit Value Benefit Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year, a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$60.00 for any Calendar Year.
    - (e) \$50.00 for each Future Service Unit Value Benefit Credit (or a part of \$50.00 for any fraction of Unit Value Benefit Credit) earned after December 31, 1995, but prior to January 1, 1997, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Unit Value Benefit Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year, a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$75.00 for any Calendar Year.
    - (f) \$48.00 for each Future Service Unit Value Benefit Credit (or a part of \$48.00 for any fraction of Unit Value Benefit Credit) earned after December 31, 1996, but prior to January 1, 1998, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Unit Value Benefit Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year, a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$72.00 for any Calendar Year.
    - (g) \$75.00 for each Future Service Unit Value Benefit Credit (or a part of \$75.00 for any fraction of Unit Value Benefit Credit) earned after December 31, 1997, but prior to January 1, 2000, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Unit Value Benefit Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year, a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$112.50 for any Calendar Year.
    - (h) \$120.00 for each Future Service Unit Value Benefit Credit (or a part of \$120.00 for any fraction of Unit Value Benefit Credit) earned after December 31, 1999, but prior to January

1, 2001, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Unit Value Benefit Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year, a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$180.00 for any Calendar Year.

- (i) \$130.00 for each Future Service Unit Value Benefit Credit (or a part of \$130.00 for any fraction of Unit Value Benefit Credit) earned after December 31, 2000, but prior to January 1, 2002, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Unit Value Benefit Credit is earned. For each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year, a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$195.00 for any Calendar Year.
- (j) \$137.00 for each Future Service Unit Value Benefit Credit (or a part of \$137.00 for any fraction of Unit Value Benefit Credit) earned after December 31, 2001, but prior to January 1, 2007, multiplied by the Participant's Average Contribution Factor (only if applicable) for each Calendar Year that the Unit Value Benefit Credit is earned.

Prior to January 1, 2007, for each 90 Hours of Work in Covered Employment over 1,200 hours in a Calendar Year, a Participant shall earn an additional proportionate benefit up to a maximum benefit of \$205.50 for any Calendar Year.

- (k) The Contributions made for Hours Worked in Covered Employment after December 31, 2006 multiplied by the applicable Percentage of Contribution Factor as approved and amended from time to time by the Board of Trustees and reflected in Appendix 10, excluding any Contributions made in a Calendar Year during which a Participant failed to earn a minimum of 300 Hours Worked in Covered Employment, except as provided in Plan Section 6.05.b.(2).
- (2) If there has been a Separation from Covered Employment as of December 31, 2006, the monthly amount of the Regular Pension shall be determined in accordance with Section 3.03.m.
- o. Pensioners whose effective date of retirement was prior to July 1, 1979, shall receive one supplemental check in December, 1996:
    - (1) If at least 50% of the Future Service Pension Credits used to determine the Pensioner's Regular Pension are Future Service Pension Credits earned under this Plan, the supplemental check will be \$400.00.
    - (2) If less than 50% of the Future Service Pension Credits used to determine the Pensioner's Regular Pension are Future Service Pension Credits earned under this Plan, the supplemental check will be the lesser of \$400.00 or the amount of the monthly benefit actually being received by the Pensioner.
  - p. Pensioners whose effective date of retirement was prior to January 1, 1986 shall receive one supplemental check in December, 1997:
    - (1) If at least 50% of Future Service Pension Credits used to determine the Pensioner's Regular Pension are Future Service Pension Credits earned under this Plan, the supplemental check will be \$400.00.

(2) If less than 50% of the Future Service Pension Credits used to determine the Pensioner's Regular Pension are Future Service Pension Credits earned under this Plan, the supplemental check will be the lesser of \$400.00 or the amount of the monthly benefit actually being received by the Pensioner.

- q. Pensioners and Beneficiaries whose effective date of retirement was prior to January 1, 1998 shall receive a one-time supplemental pension check in the amount of \$500.00 in December, 1998.
- r. Pensioners and Beneficiaries whose effective dates of retirement were prior to January 1, 1999 and who are entitled to a pension benefit payment on December 1, 1999 shall receive a one-time supplemental pension check in the amount of \$700.00 in December 1999.
- s. Pensioners and Beneficiaries whose effective dates of retirement were prior to January 1, 2000, and who are entitled to a pension benefit payment on December 1, 2000, shall receive a one-time supplemental pension check in the amount of \$800.00 in December 2000.
- t. Pensioners and Beneficiaries whose effective dates of retirement were prior to January 1, 2001, and who are entitled to a pension benefit payment on December 1, 2001, shall receive a one-time supplemental pension check in the amount of \$1,000.00 in December 2001.
- u. Pensioners and Beneficiaries whose effective dates of retirement were prior to January 1, 2002, and who are entitled to a pension benefit payment on December 1, 2002, shall receive a one-time supplemental pension check in the amount of \$750.00 in December 2002.
- v. Pensioners whose effective dates of retirement were on or prior to December 1, 2003, who were entitled to a pension benefit payment from the Carpenters Pension Trust Fund for Northern California or Lathers Local No. 144 Pension Plan on January 1, 2004, whose pensions were based on at least 15 full Eligibility Credits (excluding any based on Related Credits earned under a Related Plan), who were members of a local union affiliated with the United Brotherhood of Carpenters and Joiners of America on January 1, 2004 and were additionally members in good standing with a local union affiliated with the United Brotherhood of Carpenters and Joiners of America on May 1, 2004 shall receive a one-time supplemental pension check in the amount of \$1,000.00 in June 2004. The surviving spouse of a Pensioner who was member in good standing with a local union on the date of his or her death and who would otherwise have met the eligibility requirements for this benefit shall be eligible for this one-time supplemental check.
- w. Pensioners whose effective dates of retirement were on or prior to December 1, 2004, who were entitled to a pension benefit payment from the Carpenters Pension Trust Fund for Northern California, whose pensions were based on at least 12 full Eligibility Credits (excluding any based on Related Credits earned under a Related Plan), who were members of a local union affiliated with the United Brotherhood of Carpenters and Joiners of America on January 1, 2005, and who were also members in good standing with a local union affiliated with the United Brotherhood of Carpenters and Joiners of America on May 1, 2005 shall receive a one-time supplemental pension check in the amount of \$1,000.00.

The surviving Spouse of a Pensioner who was a member in good standing with a local union affiliated with the United Brotherhood of Carpenters and Joiners of America on the date of his or her death and who would otherwise have met the eligibility requirements for this benefit shall also be eligible for this one-time supplemental pension check in the amount of \$1,000.00.

- x. Pensioners whose effective dates of retirement were on or before August 31, 2017, who were entitled to a pension benefit payment from the Carpenters Pension Trust Fund for Northern California on July 1, 2019, whose pensions were based on at least 12 full Northern California Eligibility Credits or Vesting Credits (excluding any based on Related Credits earned under a Related Plan), and who were members in good standing with a local union affiliated with the United Brotherhood of Carpenters and Joiners of America on January 1, 2019, shall receive a one-time supplemental pension payment.

The surviving Spouse of a Pensioner who was receiving a Joint and Survivor Pension and the Pensioner was a member in good standing with a local union affiliated with the United Brotherhood of Carpenters and Joiners of America on the date of his or her death and who would otherwise have met the eligibility requirements for this benefit shall also be eligible for this one-time supplemental pension payment, provided the surviving Spouse is receiving a monthly pension benefit.

The amount of the payment to the Pensioner or surviving Spouse shall be \$1,000.00 if the Pensioner or surviving Spouse's gross monthly benefit is \$1,000.00 or less; \$2,000.00 if the Pensioner or surviving Spouse's gross monthly benefit is \$2,000.00 or more; or the supplemental pension payment shall be equal to the gross monthly benefit amount if the Pensioner or surviving Spouse's gross monthly benefit is greater than \$1,000.00 or less than \$2,000.00.

Effective each subsequent August 31 (beginning with August 31, 2019) and in compliance with the Rehabilitation Plan, a supplemental pension payment will be made under the conditions described in the three preceding paragraphs, except that each date shown above shall be advanced by one year, provided that the market value of investment returns for the Plan Fiscal Year End for the preceding 12 month period is at least 8% and in the aggregate, the total of all issued supplemental checks on and after September 1, 2019 shall not exceed \$24.5 million. This supplemental check shall be reduced proportionately so that the total of all supplemental checks does not exceed \$24.5 million.

**Section 3.04. Early Retirement Pension—Eligibility.** A Participant who has Retired shall be entitled to an Early Retirement Pension, if:

- a. He/she has attained age 55; and
- b. He/she has at least 10 full Eligibility Credits (without a Permanent Break in Service); and
- c. He/she has worked at least 700 hours in Covered Employment after his or her Contribution Date.

**Section 3.05. Amount of the Early Retirement Pension.**

- a. The monthly amount of an Early Retirement Pension effective before January 1, 1979, shall be determined as follows:
  - (1) First, determine the amount of the Regular Pension to which the Participant would be entitled if he/she were 65 years of age on the Pension Effective Date.
  - (2) Second, because the Participant is younger than 65, reduce the first amount by:

- (a) 1/4 of 1% for each month that the Participant is younger than 65, but not younger than 60, and
  - (b) 1/2 of 1% for each month that the Participant is younger than 60, on the Pension Effective Date of the Early Retirement Pension.
- b. The monthly amount of an Early Retirement Pension effective on or after January 1, 1979 shall be determined as follows:
  - (1) First, determine the amount of the Regular Pension to which the Participant would be entitled if he/she were 62 years of age on the Pension Effective Date.
  - (2) Second, because the Participant is younger than 62, reduce the first amount by 1/2 of 1% for each month that the Participant is younger than 62 on the Pension Effective Date of the Early Retirement Pension.

**Section 3.06. Disability Pension—Eligibility.** A Totally Disabled Participant who has Retired shall be entitled to receive a Disability Pension if he/she meets the following requirements:

- a. He/she has not attained age 62; and
- b. He/she has at least 10 full Eligibility Credits (without a Permanent Break in Service); and
- c. He/she has worked sufficient hours in Covered Employment to earn at least three-twelfths of Future Service Eligibility Credit (without regard to credit earned under Subsection 6.03.e.) in the five consecutive Calendar Year period prior to the Calendar Year in which he/she became Totally Disabled.

Exception: A Participant who is unable to work in Covered Employment because of a disabling condition which is continuous, and who ultimately becomes Totally Disabled as a result of such condition, shall be deemed to have satisfied the requirements of Subsection 3.06.c. provided such requirements were satisfied at the onset of the disabling condition. The Board may require medical evidence to substantiate the fact that the condition resulting in the Total Disability and the condition which prevents the Participant from working in Covered Employment are one and the same and also to determine the date of onset of such disabling condition which prevented work in Covered Employment.

- d. Any Future Service Eligibility Credit attributable to work on or after July 1, 2014 based on employment as a Stakeholder, shall not count toward the Disability Pension Eligibility requirements of Subsections 3.06.b. and 3.06.c.

**Section 3.07. Amount of the Disability Pension.** The monthly amount of the Disability Pension is determined in the same way as the monthly amount of the Regular Pension, except that it shall not include any Percentage of Contribution Benefit Credit earned on hours worked on or after July 1, 2014 based on employment as a Stakeholder.

### **Section 3.08. Total Disability Defined.**

- a. A Participant shall be deemed Totally Disabled within the meaning of this Pension Plan if the Participant is entitled to a Social Security Disability Benefit in connection with his or her Old-Age, Survivors and Disability Insurance coverage or would have been entitled to such a Disability Benefit except that he/she lacked the required Social Security quarters of coverage.
- b. In the event a Participant's claim to a Social Security Disability Benefit is denied, and he/she perfects and thereafter diligently prosecutes an appeal from such denial, he/she may apply for a determination by the Board that he/she nevertheless meets the disability requirements for entitlement to a Social Security Disability Benefit. In connection with his or her application, he/she must submit to a medical examination by a physician designated by the Board and the Board shall not award him/her a Disability Pension unless it determines on the basis of such examination that he/she meets such disability requirements.
- c. If the Board awards the Participant a Disability Pension and thereafter the denial of the Participant's application for a Social Security Disability Benefit is sustained after all appeal procedures have been exhausted, the Participant must again submit to a medical examination by a physician designated by the Board and his or her entitlement to a Disability Pension shall terminate unless the Board determines upon the basis of such examination that he/she continues to meet the disability requirements for entitlement to a Social Security Disability Benefit. The same procedure shall apply to a Disability Pensioner receiving a Social Security Disability Benefit who loses his or her entitlement to such Benefit and is diligently prosecuting an appeal from the decision terminating such entitlement.
- d. The Board may at any time or from time to time require evidence of a Disability Pensioner's continued entitlement to his or her Social Security Disability Benefit or, in the case of a Disability Pensioner who is not receiving a Social Security Benefit because he/she lacked the required quarters of coverage, or because his or her total disability in the absence of such Benefit was determined by the Board as provided in this Section, the Board may require such other evidence (including a periodic earnings test) as it deems necessary to substantiate his or her continuing total disability.
- e. In adopting the provisions of this Section and of Sections 3.09. through 3.13., the Board has determined that meeting the disability requirements for entitlement to a Social Security Disability Benefit as a prerequisite to entitlement to a Disability Pension under this Plan is essential to the economical, efficient and uniform administration of the Disability Pension Benefit provided by the Plan.

**Section 3.09. Disability Pension Payments.** Payment of the Disability Pension shall not commence until six full calendar months of disability have elapsed or until the requirement for advance application has been met, whichever is the later date; payment shall continue thereafter for as long as the Pensioner remains Retired and as the Total Disability as defined in Section 3.08. continues. However, upon attainment of age 62 a Pensioner receiving a Disability Pension shall have his or her benefits continued regardless of whether he/she remains Totally Disabled, provided that he/she remains Retired as defined in Section 10.10.

Where a Disability Pensioner received disability benefits as the result of an award made by the Board under the procedure provided in Section 3.08. and his or her entitlement to such benefits is terminated

pursuant to that procedure, the Board shall offset, recoup and recover the amount of such benefits from payments due or thereafter becoming due the Pensioner upon subsequent retirement, in such installments and to such extent as the Board shall determine.

In the event that a Disability Pension is granted retroactively, retroactive Disability Pension Payments for months that coincide with months in which the Participant received Supplemental Weekly Disability Benefits as an Active Participant in the Carpenters Health and Welfare Trust Fund for California shall be reduced by the amount of Supplemental Weekly Disability Benefits received by the Participant for those months. The offset amount shall be re-paid to the Carpenters Health and Welfare Trust Fund for California in accordance with this Section and as required by the Carpenters Health and Welfare Trust Fund for California Active Plans.

**Section 3.10. Total Disability of a Pensioner Receiving an Early Retirement Pension.** If a Pensioner receiving an Early Retirement Pension was Totally Disabled on the Effective Date of his or her Early Retirement Pension, he/she shall be entitled, should he/she so elect and he/she meets the eligibility requirements therefore, to a Disability Pension under the following conditions:

- a. If the Social Security Disability Benefit is effective, or if the seventh month of Total Disability is established in accordance with Section 3.08., prior to the Effective Date of his or her Early Retirement Pension, or would have been effective if he/she had met the work requirement, his or her Disability Pension is effective retroactively to the date of his or her Early Retirement Pension.
- b. If the Social Security Disability Benefit is effective, or if the seventh month of Total Disability is established in accordance with Section 3.08., coincident with or after the Effective Date of his or her Early Retirement Pension, or would have been effective if he/she had met the work requirement, then:
  - (1) The higher amount of the Disability Pension shall not become payable until the first day of the month following the month when the accumulated difference between the lower Early Retirement Pension amount and the higher Disability Pension equals the amount paid to him/her as an Early Retirement Pension, prior to the date his or her Disability Pension would otherwise have been effective; and
  - (2) He/she will not be eligible for the Single-Life Pension-60-Month Guarantee as provided in Subsection 8.02.a. If he/she is not receiving a 50% Joint and Survivor Pension, 75% Joint and Survivor Pension, or 100% Joint and Survivor Pension, he/she will be eligible for the Single-Life Pension-36-Month Guarantee as provided in Subsection 8.02.b. on and after the date he/she elects to change from an Early Retirement Pension to a Disability Pension.

**Section 3.11. Total Disablement of a Pensioner Receiving a Service Pension.** If a Pensioner receiving a Service Pension becomes Totally Disabled as established in accordance with Section 3.08., he/she may receive a Disability Pension instead, if he/she so elects.

**Section 3.12. Recovery by a Pensioner Receiving a Disability Pension.**

- a. Except as provided in Subsection b., if a Pensioner receiving a Disability Pension loses entitlement to a Social Security Disability Benefit, or is no longer Totally Disabled as defined in Section 3.08. prior to the attainment of age 62, these facts shall be reported in writing to the Board within 15 days of the



date he/she loses such entitlement or is no longer otherwise Totally Disabled. If such a written report is not provided, the former Disability Pensioner must repay to the Fund an amount equal to the total of the monetary pension payments he/she received after the loss of his or her entitlement to the Social Security Disability Benefit or after he/she otherwise ceased to be Totally Disabled as defined in Section 3.08.

- b. If a Pensioner receiving a Disability Pension who is otherwise eligible for an Early Retirement Pension or a Service Pension loses entitlement to a Social Security Disability Benefit, or otherwise ceases to be Totally Disabled as defined in Section 3.08., he/she will be entitled to convert to an Early Retirement or Service Pension, whichever category he/she is qualified for, should he/she so elect.

**Section 3.13. Reemployment of a Pensioner Who Received a Disability Pension.** Unless previously in receipt of a Service Pension, a Pensioner who received a Disability Pension and who is no longer Totally Disabled may re-enter Covered Employment and may thereupon resume the accrual of Future Service Unit Value Benefit Credit and/or Percentage of Contribution Benefit Credit.

**Section 3.14. Service Pension—Eligibility.** A Participant who has Retired shall be entitled to a Service Pension if he/she meets the following requirements:

- a. He/she has not yet attained age 62; and
- b. He/she has (1) at least 25 full Northern California Eligibility Credits earned under this Plan if the Effective Date of his or her Pension is prior to January 1, 1979, or (2) at least 30 full Northern California Eligibility Credits earned under this Plan, if his or her Pension Effective Date is on or after January 1, 1979; and
- c. He/she has worked at least 700 hours in Covered Employment after his or her Contribution Date; and
- d. He/she had not previously received an Early Retirement Pension.

**Section 3.15. Amount of the Service Pension.** The monthly amount of the Service Pension is determined in the same way as the monthly amount of the Regular Pension.

**Section 3.16. Special Service Pension—Eligibility.** During the period from July 1, 1993 through December 31, 1993, a Participant who meets the following requirements may retire on a Special Service Pension:

- a. He/she worked at least 300 hours in Covered Employment or was continuously available for employment during the Plan Year 1992 and is a Participant in the Plan as described in Section 2.02. as of January 1, 1993;
- b. He/she has attained age 55 but is not yet age 62 on or before December 31, 1993;
- c. He/she has accrued at least 25 full Northern California Eligibility Credits earned under this Plan on or before December 31, 1993;
- d. He/she has not previously Retired under this Plan; and

- e. His/her application is received on or before December 31, 1993.

**Section 3.17. Special Service Pension—Annuity Starting Date.** A Participant's Annuity Starting Date for the Special Service Pension will be the first day of the month following the date he/she meets all the requirements described in Section 3.16., but not earlier than July 1, 1993 nor later than January 1, 1994.

**Section 3.18. Amount of the Special Service Pension.** The monthly amount of the Special Service Pension is determined in the same way as the monthly amount of the Regular Pension.

**Section 3.19. Extension of Special Service Pension.** The Special Service Pension detailed in Sections 3.16., 3.17., and 3.18. is extended to include the period of July 1, 1995 through December 31, 1995. During that period a Participant who meets the following requirements may retire on a Special Service Pension:

- a. He/she worked at least 300 hours in Covered Employment or was continuously available for employment during the Plan Year 1994 and is a Participant in the Plan as described in Section 2.02. as of January 1, 1995;
- b. He/she has attained age 55 but is not yet age 62 on or before December 31, 1995;
- c. He/she has accrued at least 25 full Northern California Eligibility Credits earned under this Plan on or before December 31, 1995;
- d. He/she has not previously Retired under this Plan; and
- e. His/her application is received on or before December 31, 1995.

A Participant's Annuity Starting Date for this extension of the Special Service Pension will be the first day of the month following the date he/she meets all the requirements described in this Section 3.19., but not earlier than July 1, 1995 nor later than January 1, 1996.

The monthly amount of this extension of the Special Service Pension is determined in the same way as the monthly amount of the Regular Pension.

**Section 3.20. Second Extension of Special Service Pension.** The Special Service Pension detailed in Sections 3.16., 3.17., and 3.18. is extended to include the period July 1, 1996 through December 31, 1996. During that period a Participant who meets the following requirements may retire on a Special Service Pension:

- a. He/she worked at least 300 hours in Covered Employment or was continuously available for employment during the Plan Year 1995 and is a Participant in the Plan as described in Section 2.02. as of January 1, 1996;
- b. He/she has attained age 55 but is not yet age 62 on or before December 31, 1996;
- c. He/she has accrued at least 25 full Northern California Eligibility Credits earned under this Plan on or before December 31, 1996;
- d. He/she has not previously Retired under this Plan; and

- e. His/her application is received on or before December 31, 1996.

A Participant's Annuity Starting Date for this extension of the Special Service Pension will be the first day of the month following the date he/she meets all the requirements described in this Section 3.20., but not earlier than July 1, 1996 nor later than January 1, 1997.

The monthly amount of this second extension of the Special Service Pension is determined in the same way as the monthly amount of the Regular Pension.

**Section 3.21. Non-Duplication of Pensions.** Except as provided in Sections 3.10., 3.11., 3.12. and 3.13., a Participant shall not be entitled to the payment of more than one type of pension under this Plan. A Participant who is eligible for more than one type of pension at the date of retirement may choose the pension he/she considers most favorable to him/her and the Participant's decision will be final once pension payments have commenced pursuant to his or her election.

**Section 3.22. Non-Duplication with Workers' Compensation or State Disability Insurance (SDI) Temporary Disability Benefits.**

- a. If a Pensioner receives Workers' Compensation temporary disability benefits or temporary disability benefits under the Longshoremen's and Harbor Workers' Compensation Act for any particular period, the amount of such benefits shall be deducted from the monthly pension otherwise payable under this Pension Plan.
- b. Effective September 1, 2018, if a Pensioner receives State Disability Insurance (SDI) temporary disability benefits for any particular period, the amount of such benefits shall be deducted from the monthly pension otherwise payable under this Pension Plan.

**Section 3.23. Lathers Local 9083L Service Pension.** On or after September 1, 2002, a Participant described in Section 11.11 who meets the following requirements may retire on a Lathers Local 9083L Service Pension:

- a. He/she has attained age 56 not yet attained age 62; and
- b. He/she has at least 25 Northern California Eligibility Credits earned under this Plan (including Eligibility Credits earned pursuant to Section 11.12); and
- c. He/she has actually worked at least 300 hours in Covered Employment after January 1, 2002; and
- d. He/she had not previously Retired under this Plan.

The monthly amount of the Lathers Local 9083L Service Pension is determined in the same way as the monthly amount of the Regular Pension is determined.

## **ARTICLE 4. RECIPROCAL PENSIONS**

**Section 4.01. Purposes.** Reciprocal Pensions are provided under this Plan for Employees:

- a. Who would otherwise be ineligible for a pension because their years of employment have been divided between employment creditable under this Plan and employment creditable under other pension plans, or
- b. Whose pensions would otherwise be less than the full amount because of such division of employment.

**Section 4.02. Related Plans.** Each pension plan which is signatory to the National Pro Rata Pension Agreement for Carpenters Pension Funds or has adopted Exhibit A, Partial Pensions, of the International Reciprocal Agreement for Carpenters Pension Funds shall be considered a Related Plan. Also, the Retirement and Pension Plan for General Officers and Representatives of the United Brotherhood of Carpenters and Joiners is considered a Related Plan. By resolution duly adopted, the Board of Trustees may recognize any other pension plan as a Related Plan.

**Section 4.03. Related Hours.** The term "Related Hours" means hours of employment which are creditable under a Related Plan.

**Section 4.04. Related Eligibility Credit.** The term "Related Eligibility Credit" means the credit used to determine the equivalent of this Plan's Eligibility Credit accrued by an Employee under the Related Plan during any 12-month benefit accrual period established by a Related Plan. If the Related Plan uses some other basis for benefit accrual (such as percentage of contributions) then Related Hours will be converted to Related Credit on the same basis as Eligibility Credit granted in Article 6.

**Section 4.05. Combined Reciprocal Eligibility Credit.** The term "Combined Reciprocal Eligibility Credit" means the total of an Employee's Related Eligibility Credit plus Eligibility Credit accumulated under this Plan (hereinafter referred to as "Northern California Eligibility Credit"), excluding any Eligibility Credit earned in Continuous Non-Covered Employment.

**Section 4.06. Non-Duplication.** An Employee shall not receive double credit for the same period of employment. No more than one year of Combined Reciprocal Eligibility Credit shall be given for employment in any consecutive twelve-month period.

An Employee may, in any twelve consecutive calendar months, work under this Plan and one or more Related Plans and accumulate fractions of years of Related Eligibility Credit or Northern California Eligibility Credit which together add up to more than one year of Combined Reciprocal Eligibility Credit. In that event, the benefit level of the Related Plan which provides the highest benefit level shall first be determined. The remaining Related Plans shall count the necessary fractional year in a declining order of benefit level which will bring the total to exactly one Year of Combined Reciprocal Eligibility Credit for the Employee.

#### **Section 4.07. Eligibility for a Reciprocal Pension.**

- a. An Employee who has Retired as defined in Section 10.10. shall be eligible for a Reciprocal Pension if he/she meets the following requirements:
  - (1) He/she would be eligible for:
    - (a) A Regular, Early Retirement, or Disability Pension under this Plan were his or her Combined Reciprocal Eligibility Credit treated as Northern California Eligibility Credit; or
    - (b) A Service Pension under this Plan where the total of his or her Northern California Eligibility Credit and his or her Related Eligibility Credit accrued only under the Pension Plan of the Mill Cabinet Pension Fund of Northern California, the Industrial Carpenters Pension Plan, the Marine Carpenters Pension Plan, the Carpenters International Staff Pension Plan, the Lathers Local No. 109 Base Plan, the Southern California Carpenters Pension Plan, the Pension Plan for the Carpenter Funds Administrative Office of Northern California, Inc., and such other Related Plans as specifically determined by the Trustees, which cover Employees under the terms of a Collective Bargaining Agreement and/or Memorandum of Understanding, negotiated by the Carpenters 46 Northern California Counties Conference Board, and/or any of its affiliates, shall be treated as Northern California Eligibility Credit; and
  - (2) He/she has (a) since January 1, 1955, at least one full Northern California Eligibility Credit and one full Related Eligibility Credit under each of the Related Plans whose Related Eligibility Credit is needed to qualify him/her for a Reciprocal Pension or (b) after his or her Contribution Date at least two full (i) Northern California Eligibility Credits, or (ii) Related Eligibility Credits, or (iii) Combined Reciprocal Eligibility Credits;
  - (3) If he/she is applying for a Disability Pension under this Plan, he/she is deemed to be sufficiently disabled so as to meet the disability criteria for a Disability Pension in each of the Related Plans whose Related Eligibility Credit is needed to qualify him/her for a Reciprocal Disability Pension; and
  - (4) If age is a requirement for the type of pension for which the Employee is applying, he/she meets the minimum age requirement for a pension (not necessarily the same type of pension) under each of the Related Plans whose Related Eligibility Credit is needed to qualify him/her for a Reciprocal Pension.
- b. An Employee who is eligible for more than one type of pension or optional form of payment under the Related Plans may elect the type and form of pension he/she is to receive from each Related Plan.
- c. Related Hours shall be considered in determining whether an Employee has incurred a Break in Service as defined in Section 6.07. However, once employer contributions are no longer made to this or a Related Plan with respect to work performed by the Employee, the determination as to whether he/she has a Permanent Break in Service under this Plan shall be based on his or her Combined Reciprocal Eligibility Credit or the Vesting Credit earned under this Plan.

**Section 4.08. Amount of the Reciprocal Pension.** The monthly amount of a Reciprocal Pension is determined in the same way as the Regular, Early Retirement, Disability, or Service Pension, based on Northern California Eligibility Credits.

**Section 4.09. Payment.** Payment of a Reciprocal Pension shall be subject to all of the conditions applicable to the other types of pensions under this Plan.

**Section 4.10. Suspension of a Reciprocal Pension.**

- a. A Reciprocal Pensioner's pension will be suspended in accordance with the provisions of Section 10.11.
- b. A Reciprocal Pensioner who has not attained Normal Retirement Age shall have his or her monthly pension suspended by this Plan if his or her Reciprocal Pension is suspended by a Related Plan.
- c. Benefits accrued prior to January 1, 1981.
  - (1) Beginning June 1, 2004, benefits accrued by a Participant prior to January 1, 1981 will no longer be suspended by this Plan if the Participant's Reciprocal Pension is suspended by a Related Plan.
  - (2) If benefits accrued prior to January 1, 1981 were suspended as described in Section 4.10.b. for the month of June 2004 or for any month thereafter, such suspended benefits (including simple interest at an annual rate of 4% until such time that the Board of Trustees modifies said rate from the date of suspension until the date of payment) will be paid to the Pensioner before January 1, 2007.

## ARTICLE 5. TRANSFER OF CONTRIBUTIONS

**Section 5.01. Purpose.** A pension is provided or enhanced under this Plan for Employees who would otherwise be ineligible for a pension because their years of employment have been divided between different pension plans or, if eligible, whose pension would be less than the full amount because of such division of employment. The provisions of this Article are operative only if both Exhibit A, Partial Pensions, and Exhibit B, Transfer of Contributions, of the International Reciprocal Pension Agreement for Carpenters Pension Funds, hereinafter referred to as the International Agreement, have been adopted by the signatory Funds in whose jurisdiction the Employee works.

**Section 5.02. Cooperating Pension Fund.** Each Pension Fund which has executed the International Agreement and which has adopted Exhibits A and B thereto is considered a Cooperating Pension Fund.

**Section 5.03. Home Pension Fund.** Each Employee who has employer contributions made on his or her behalf to one or more of the Cooperating Pension Funds shall have a "Home Pension Fund." The following rules shall be used in determining an Employee's "Home Pension Fund."

- a. If the Employee is a member of a local union, his or her Home Pension Fund shall be that Cooperating Pension Fund in which such local union participates by virtue of a collective bargaining agreement requiring contributions thereto.
- b. If the Employee is not a member of a local union, his or her Home Pension Fund shall be that Cooperating Pension Fund to which most of the contributions have been made on his or her behalf in the last 3 years.
- c. A Cooperating Pension Fund other than one determined under Subsection a. or b. shall be an Employee's Home Pension Fund if the Employee can establish such Home Fund status to the satisfaction of the Trustees of the two Cooperating Pension Funds.

**Section 5.04. Employee Authorization.** If contributions are or will be made on an Employee's behalf to a Cooperating Fund signatory to Exhibits A and B of the International Reciprocal Agreements he/she may, provided his or her Home Fund is also signatory to Exhibits A and B of said Agreement, file a request with the Cooperating Fund that such contributions be transferred to his Home Fund on his or her behalf. Such request shall be made in writing on a form approved by the respective Funds which is signed and dated by the Employee. Said request form shall release the Boards of Trustees of the respective Funds from any liability or claim by an Employee, or anyone claiming through him/her, that the transfer of contributions may not work to his or her best interest. Said completed request form shall be filed by the Employee with the Cooperating Fund within 60 days following the beginning of his or her employment within the Cooperating Fund's jurisdiction provided, however, that the Board of Trustees of the Cooperating Fund may, at its discretion, grant an extension of that 60-day period for special circumstances.

If the Employee does not file a timely request form with the Cooperating Fund, he/she will be treated as electing not to authorize a transfer of contributions and the Pro Rata or Reciprocal Pension provisions of the Cooperating Fund's Plan shall apply to the Employee. By filing a request for transfer of contributions, the Employee agrees that his or her eligibility for benefits and all other participant rights are governed by the terms of the Home Fund's Pension Plan and not by the terms of the Cooperating Fund's Pension Plan.

**Section 5.05. Transfer of Contributions.** Upon receipt of a timely and properly completed request for a transfer of contributions to the Employee's Home Fund, the Cooperating Fund shall collect and transfer to the Employee's Home Fund the contributions required to be made to the Cooperating Fund on the Employee's behalf. Said contributions shall be forwarded to the Employee's Home Fund within 90 calendar days following the calendar month in which the contributions were received. Any undue delay in transferring contributions shall be considered a violation of the International Reciprocal Agreements and subject to its provisions for arbitration. The contributions so transferred shall be accompanied by such records or reports which are necessary or appropriate. The Cooperating Fund shall transfer the actual dollar amount of contributions received regardless of any difference in the contribution rates between the Funds.

For purposes of this Section, in the event the local union in which an Employee holds or has applied for membership or which first represented such Employee participates in both a Local or District Council Pension Plan and the Carpenters Labor-Management Pension Plan, both Plans shall be considered to be Home Pension Plans if they have adopted Exhibits A and B of the International Agreement and contributions shall be transferred to such Plans under a proportionate allocation determined according to the contribution rates then in effect under such Plans. However, in a situation in which only one of such Home Plans has signed both Exhibit A and Exhibit B of the International Agreement, the amount forwarded to the local Home Plan which has signed Exhibit B shall be the proportionate share allocated to such Fund, taking into consideration the total of the contributions to that Fund and the Fund which is participating only in Exhibit A. The balance of the contributions not forwarded will be covered by the provisions of Exhibit A of the International Agreement.

**Section 5.06. Breaks in Service.** For the purpose of any break in service rule, any hours worked in the jurisdiction of a Cooperating Pension Fund shall be counted as if they were worked in the jurisdiction of the Home Pension Fund.

**Section 5.07. Payment of Pension.** The payment of the pension shall be subject to the provisions of the Home Pension Fund's Plan.

**Section 5.08. Collection of Contributions.** The Home Fund shall have no responsibility to take any action to enforce the terms of any collective bargaining agreements, or of any other agreement, requiring contributions to any Cooperating Fund other than the Home Fund. Each Cooperating Fund shall be solely responsible for enforcing the terms of collective bargaining agreements and of other agreements requiring contributions thereto.

**Section 5.09. Change in Home Pension Fund.** It is recognized that situations will arise where an Employee will change his or her Home Pension Fund because of a change in residence, availability of work, or for other reasons. In order to protect such an Employee to the fullest extent possible, while still providing safeguards against possible abuse, the following rules shall apply when an Employee wishes to change his or her Home Pension Fund:

- a. An Employee must submit a request for a permanent change of Home Pension Fund to both his or her former Home Pension Fund and to the Pension Fund which he/she claims to be his or her new Home Pension Fund;
- b. Such request must be on a form approved by the Trustees of the respective Pension Funds and signed by the Employee;



- c. Such request must state the facts which the Employee claims support his or her request to change his or her Home Pension Fund; and
- d. No change in Home Pension Fund shall occur unless both Funds agree to the change.

If the Employee's request for a change in Home Fund is granted by both Funds, the change shall be effected on the first day of the month following the agreement by both Pension Funds. No assets shall be transferred from the old Home Fund to the new Home Fund. Rather, the Pro Rata or Reciprocal Pension provisions of this Plan shall govern the Employee's rights under the old Home Fund.

**Section 5.10. Effective Date.** This Article, and the payment of pensions hereunder, shall be effective on September 1, 1989. The provisions of this Article 5 regarding the transfer of contributions from a Cooperating Fund to a Home Fund is applicable only with respect to hours worked on and after September 1, 1989.

## **ARTICLE 6. ACCUMULATION OF ELIGIBILITY CREDIT, PENSION CREDIT AND YEARS OF VESTING CREDIT**

**Section 6.01. General.** The purpose of this Article is to define the basis on which Participants accumulate Eligibility Credit, Unit Value Benefit Credit, Percentage of Contribution Benefit Credit, and Years of Vesting Credit. This Article also defines the basis on which accumulated Eligibility Credit, Unit Value Benefit Credit, Percentage of Contribution Benefit Credit, and Years of Vesting Credit may be canceled. Benefit limitations as a result of Non-Covered Employment are discussed in Article 12.

### **Section 6.02. Eligibility Credit for Periods before the Contribution Date (Past Service Eligibility Credit).**

- a. A Participant shall be entitled to Past Service Eligibility Credit for each year, or portion thereof, he/she was employed prior to his or her Contribution Date in one or more classifications included in the Master Agreements or works in the Building and Construction Industry in the 46 Northern California Counties, or the State Council of Carpenters, or other labor organization with which a Local Union or District Council is affiliated, in a position included under the Plan pursuant to regulations adopted by the Board, except that employment covered by a pension program of a public agency shall not count toward Past Service Eligibility Credit.

A Participant shall be entitled to one Eligibility Credit if he/she was so employed for 1,400 hours or more in a Calendar Year. If a Participant was so employed for less than 1,400 hours but at least 350 hours in any Calendar Year, he/she shall receive 1/12th of an Eligibility Credit for each 117 hours of such employment.

Past Service Eligibility Credit will be granted for periods after January 31, 1953 only if contributions with respect to such employment were made, or were required by a collective bargaining agreement to be made to the Carpenters Health and Welfare Trust Fund for California.

- b. One Past Service Eligibility Credit will also be granted for each year of service in any of the Armed Forces of the United States, in time of war or National Emergency or pursuant to a National Conscription Law, provided that (a) the Participant was employed in Northern California immediately prior to his or her entry into the Armed Forces on work of the type for which Past Service Eligibility Credit is granted in Subsection a. above, and (b) he/she made him or herself available for such employment in Northern California within 90 days after his or her release from active duty or 90 days after recovery from a disability continuing after his or her release from active duty. Portions of Past Service Eligibility Credit will be granted for periods of such military service of less than one year.

One Past Service Eligibility Credit will be granted for each year of imprisonment by a declared enemy nation during World War II, provided that:

- (1) The Participant was employed in Northern California on work of the type for which Past Service Eligibility Credit was granted immediately prior to his or her employment in the war zone which terminated with his or her imprisonment; and
- (2) His employment in the war zone was on work as a carpenter or pile driver for which he/she was paid the wage rates provided in the Northern California AGC Labor Agreements; and

- (3) He made him or herself available for such employment in the war zone or for employment in Northern California of the type for which Past Service Eligibility Credit is granted within twelve months following his or her release from imprisonment or after recovery from a disability continuing after his or her release from imprisonment.

Portions of Past Service Eligibility Credit will be granted for periods of imprisonment of less than one year.

- c. Proof of entitlement to Past Service Eligibility Credit shall be made on a form approved by the Board and signed by the Participant which shall specify the periods during which the Participant was employed in work entitling him/her to such credit and shall be confirmed by evidence satisfactory to the Board, substantiating the employment claimed by the Participant. For any months prior to February 1, 1953, the Board may accept as prima facie evidence of such employment, any or all of the following (if there is no evidence to the contrary):

- (1) A statement from any employer, known or reputed to have been operating in the Building and Construction Industry in the 46 Northern California Counties, certifying that the Participant performed work for such employer entitling him/her to Past Service Eligibility Credit during such month.
- (2) A statement from the secretary or other authorized officer of a Local Union certifying that the Participant was a member in good standing in such Union during such month, or was employed by such Union or a District Council during such month in a position included under the Plan pursuant to regulations adopted by the Board.
- (3) A W-2 form or check stub furnished for work performed during the month for any employer known or reputed to have been operating in the Building and Construction Industry in the 46 Northern California Counties during the month.
- (4) A statement from the Social Security Administration to the effect that according to its records the Participant was employed during the month by a named employer, which employer was known or reputed to be operating in the Building and Construction Industry in the 46 Northern California Counties during the month.

**Section 6.03. Eligibility Credit for Periods on and after the Contribution Date (Future Service Eligibility Credit).**

- a. For the period from the Contribution Date of a Participant to December 31, 1963, one Future Service Eligibility Credit shall be granted for each Calendar Year during which the Participant worked at least 1,400 hours in Covered Employment. If a Participant worked less than 1,400 hours in Covered Employment but at least 350 hours in any Calendar Year, he/she shall receive 1/12<sup>th</sup> of an Eligibility Credit for each 117 hours of such work.
- b. Future Service Eligibility Credit for hours worked in Covered Employment between January 1, 1964 and December 31, 1971 will be granted on the following bases:
  - (1) In any Calendar Year in which a Participant was less than 55 years of age he/she will receive one Future Service Eligibility Credit if he/she worked at least 1,400 hours in Covered Employment. If

such a Participant worked less than 1,400 hours in Covered Employment but at least 350 hours in a Calendar Year, he/she shall receive  $\frac{1}{12}$ th of a credit for each 117 hours of such work.

- (2) In any Calendar Year in which a Participant was or became 55 through 59 years of age, he/she will receive one Future Service Eligibility Credit if he/she worked at least 1,200 hours in Covered Employment. If such a Participant worked less than 1,200 hours in Covered Employment but at least 300 hours in a Calendar Year, he/she shall receive  $\frac{1}{12}$ th of a credit for each 100 hours of such work.
  - (3) In any Calendar Year in which a Participant was or became 60 or more years of age, he/she will receive a Future Service Eligibility Credit if he/she worked at least 1,000 hours in Covered Employment. If such a Participant worked less than 1,000 hours in Covered Employment but at least 250 hours in a Calendar Year, he/she shall receive  $\frac{1}{12}$ th of a credit for each 83 hours of such work.
- c. Future Service Eligibility Credit for hours worked in Covered Employment between January 1, 1972 and January 1, 1976 will be granted on the following bases:
- (1) In any Calendar Year in which a Participant was less than 55 years of age he/she will receive one Future Service Eligibility Credit if he/she worked at least 1,200 hours in Covered Employment. If such a Participant worked less than 1,200 hours in Covered Employment but at least 300 hours in a Calendar Year, he/she shall receive  $\frac{1}{12}$ th of a credit for each 100 hours of such work.
  - (2) In any Calendar Year in which a Participant was or became 55 through 59 years of age, he/she will receive one Future Service Eligibility Credit if he/she worked at least 1,000 hours in Covered Employment. If such a Participant worked less than 1,000 hours in Covered Employment but at least 250 hours in a Calendar Year, he/she shall receive  $\frac{1}{12}$ th of a credit for each 83 hours of such work.
  - (3) In any Calendar Year in which a Participant was or became 60 or more years of age, he/she will receive a Future Service Eligibility Credit if he/she worked at least 800 hours in Covered Employment. If such a Participant worked less than 800 hours in Covered Employment but at least 200 hours in a Calendar Year, he/she shall receive  $\frac{1}{12}$ th of a Credit for each 67 hours of such work.
- d. On and after January 1, 1976, a Participant shall receive one Future Service Eligibility Credit for 1,200 or more hours of work in Covered Employment in a Calendar Year for which Contributions are payable to the Fund. If a Participant worked less than 1,200 hours in Covered Employment for which Contributions are payable to the Fund but at least 300 hours in any Calendar Year, he/she shall receive  $\frac{1}{12}$ th of an Eligibility Credit for each 100 hours of such work.

However, in no event shall a Participant earn less Future Service Eligibility Credit during the 1976 or 1977 Calendar Year than he/she would have earned for the equivalent number of hours of work in Covered Employment in 1975.

- e. With respect to periods after December 31, 1971, if a Participant works more hours in Covered Employment in a Calendar Year than are required for one Future Service Eligibility Credit, such excess hours will be credited to the Participant in the next following Calendar Year (but only the

next following Calendar Year) if he/she does not work sufficient hours in the next following Calendar Year to earn one Future Service Eligibility Credit. This provision is first applicable with respect to excess hours earned in the Calendar Year 1971.

- f. **Future Service Eligibility for Apprenticeship Hours.** If a Participant works for a Contributing Employer as an Apprentice, for whom no Contributions are due to be made to this Plan, Hours of Work in such periods of non-contributory Apprenticeship shall be counted toward Future Service Eligibility Credit provided that the Participant subsequently accumulates five full Future Service Eligibility Credits, without an intervening Permanent Break in Service, that have been earned under Subsections a. through d. of this Section, or Subsection 6.04.b.(1) of the Plan. An Apprentice means an employee as defined from time to time as an apprentice in the Apprenticeship Standards for the Carpentry Trade in the 46 Counties, who shall be permitted to perform any work done by a Journeyman carpenter.

**Section 6.04. Future Service Eligibility Credit for Non-Working Periods after the Contribution Date.**

- a. A Participant will be granted Future Service Eligibility Credit on the following basis for periods of absence from Covered Employment due to any of the circumstances listed in Subsection 6.04.b.
- (1) Between the Participant's Contribution Date and January 1, 1964, such periods of absence are to be credited at the rate of 40 hours per week.
  - (2) Between January 1, 1964 and January 1, 1972, such periods of absence are to be credited at the rate of:
    - (a) 40 hours per week if the Participant was less than 55 years of age;
    - (b) 35 hours per week if the Participant was 55 through 59 years of age; and
    - (c) 30 hours per week if the Participant was age 60 or over.
  - (3) Between January 1, 1972 and January 1, 1976 such periods of absence are to be credited at the rate of:
    - (a) 35 hours per week if the Participant was less than 55 years of age;
    - (b) 30 hours per week if the Participant was 55 through 59 years of age; and
    - (c) 25 hours per week if the Participant was age 60 or over.
  - (4) Commencing January 1, 1976, such periods of absence are to be credited at the rate of 35 hours per week.
  - (5) Commencing January 1, 2015, such periods of absence are to be credited at the rate which is the lesser of:
    - (a) 35 hours per week; or

- (b) The average hours worked by the Participant in accordance with Section 1.21. (including any Hours for Qualified Military Service) during the twenty-four full calendar months immediately preceding the period of absence (notwithstanding the length of the period of employment immediately preceding such period). For purposes of this provision, the average hours worked in the two calendar years prior to the “Credit for Non-Working Periods” application may be used (including any Hours for Qualified Military Service), if greater than the previous twenty-four calendar month average.

b. Such circumstances are as follows:

- (1) **Qualified Military Service.** Service in any of the Armed Forces of the United States, provided the Participant made him or herself available for Covered Employment in Northern California within the period during which he/she retains reemployment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 (“USERRA”).

Future Service Eligibility Credit will be credited for such Qualified Military Service based on the average number of hours worked in a week by the Participant during the twelve-month period immediately preceding such military service, but not less than the hours per week determined in accordance with Section 6.04.a.

- (2) **Disability Credit.** Non-working Periods in which the following benefits were either paid, or which constituted a valid waiting period for such benefits:

- (i) California State Disability Insurance (SDI) benefits,
- (ii) Workers' Compensation temporary disability benefits, or
- (iii) Temporary disability benefits under the Longshoremen's and Harbor Workers' Compensation Act
- (iv) **Limitations on Disability Credit:** Effective January 1, 2015, Future Service Eligibility Credit for Non-Working Periods under paragraph (2) above (“Disability Credit”) shall be granted to eligible Participants:

- (a) Who have at least 7 full Eligibility Credits without a Permanent Break in Service, based on Hours of Work in Northern California or Hours granted for Qualified Military Service, and
- (b) Who have not previously qualified for Disability Credit Hours that exceed 20% of the total Hours of Work in Covered Employment and Hours in Qualified Military Service since the Contribution Date as of the “onset of disability date,” which is the date the Participant began receiving State Disability Insurance Benefits or Workers' Compensation Benefits.
- (c) For Non-Working periods with an “onset of disability date” after January 1, 2015, up to the limit set forth in Section 6.04.b.(2)(iv)(b), even if the period of Disability extends beyond the maximum allowed under this Subsection.

- (d) Notwithstanding any other provisions herein, the maximum Disability Credit Hours a Participant can accrue towards Future Service Eligibility Credit for Non-Working Periods under Sections 6.04.b.(2) is the greater of:
    - (i) 20% of the total Hours of Work in Covered Employment and Hours in Qualified Military Service since the Contribution Date, or
    - (ii) Disability Hours Credited for qualified Non-Working periods as of January 1, 2015, even if greater than 20% of the total Hours of Work in Covered Employment and Hours in Qualified Military Service since the Contribution Date.
  - (e) In order to secure credit for the periods of disability as provided in this Section, a Participant must give written notice to the Fund Office within 12 months of the onset of disability, and furnish in writing such information and proof concerning such disability as the Board may in its sole discretion determine.
  - (f) A Participant is not eligible for Future Service Eligibility Credit for non-Working Periods due to an “onset of disability date” that is on or after July 1, 2014 under Sections 6.04.b.(2) based on employment as a Stakeholder.
- c. The Contributions required to pay for the hours credited for the Non-Working Periods as described above will be allocated from the general assets of the Fund, and no Contributing Employer will be liable to make Contributions for such hours.

#### **Section 6.05. Benefit Value Credit.**

##### **a. Unit Value Benefit Credit, Through December 31, 2006.**

- (1) **Past Service Unit Value Benefit Credit.** For periods prior to the Contribution Date, a Participant shall receive one Past Service Unit Value Benefit Credit (or portion thereof) for each Past Service Eligibility Credit (or portion thereof) to which he/she is entitled under Section 6.02.
- (2) **Pension Credit, or Future Service Unit Value Benefit Credit.**
  - (i) For the period from the Contribution Date of a Participant through December 31, 1978, a Participant shall receive one Future Service Unit Value Benefit Credit (or portion thereof) for each Future Service Eligibility Credit (or portion thereof) to which he/she is entitled under Sections 6.03. and 6.04.
  - (ii) On and after January 1, 1979 through December 31, 2006, a Participant shall receive one Future Service Unit Value Benefit Credit for 1,200 Hours of Work in Covered Employment in a Calendar Year for which Contributions are payable to the Fund. If a Participant worked less than 1,200 hours in Covered Employment for which Contributions are payable to the Fund but at least 300

hours in any Calendar Year, he/she shall receive 1/12th of a Unit Value Benefit Credit for each 100 hours of such work. If a Participant worked more than 1,200 hours in Covered Employment for which Contributions are payable to the Fund in any Calendar Year, he/she shall receive 1/12th of a Unit Value Benefit Credit for each 90 hours of such work in excess 1,200 hours. No more than 1½ Unit Value Benefit Credits shall be credited to a Participant in any Calendar Year under this Subparagraph (ii). If a Participant worked more than 1,200 hours in Covered Employment in 1978, hours in excess of 1,200 will be credited to the Participant in 1979 (and 1979 only) if he/she does not work 1,200 hours in 1979. The sum of the excess hours credited and the actual hours worked in 1979 may not exceed 1,200.

- (iii) On and after August 1, 1990 through December 31, 2006, a Participant shall receive one Future Service Unit Value Benefit Credit (or portion thereof) for each Future Service Eligibility Credit (or portion thereof) to which he/she is entitled under Subsection 6.04.b.(1).

**Note:** Effective January 1, 2007, the terms “Pension Credit” and “Unit Value Benefit Credit” are to be used interchangeably.

**b. Percentage of Contribution Benefit Credit, Beginning January 1, 2007.**

- (1) **Formula.** The Percentage of Contribution Benefit Credit is equal to the applicable Percentage of Contribution Factor reflected in Appendix 10, multiplied by the Contributions made or required to be made for such Hours of Work in Covered Employment.
- (2) **Hours in a Calendar Year.** A Participant shall receive Percentage of Contribution Benefit Credit provided that he/she works at least 300 Hours of Work in Covered Employment in a Calendar Year. However, all Contributions made for Hours Worked in Covered Employment during the Calendar Year of a Participant’s Annuity Starting Date, even if less than 300 Hours, shall be counted towards that Participant’s Percentage of Contribution Benefit Credit.
- (3) **Credit for Apprenticeship Hours.**
  - (i) For the purpose of calculating benefit accruals towards the Percentage of Contribution Benefit, each hour of Future Service Eligibility Credit granted under Section 6.03.f. shall be counted as one Hour of Work in Covered Employment multiplied by the appropriate Employer Contribution as provided in Section 1.19 multiplied by the applicable Percentage of Contribution Factor reflected in Appendix 10.



(ii) For the purpose of determining Percentage of Contribution Benefit Credit for non-contributory Apprenticeship Hours, or for Apprenticeship Hours worked at less than the Journeyman rate, the Contribution rate assigned will be the Journeyman rate under the applicable Collective Bargaining Agreement. Unless an Apprentice working at less than the Journeyman contribution rate earns credit at the Journeyman Rate under this section, such Participant will retain all Hours of Work, Future Service Unit Value Benefit Credit and Percentage of Contribution Benefit Credit earned prior to becoming an Apprentice. No Contributing Employer will be liable to make Contributions to the Fund for such Apprenticeship Hours.

(4) **Credit for Non-Working Periods.** For the purpose of calculating benefit accruals towards the Percentage of Contribution Benefit, each hour of Future Service Eligibility Credit granted under Section 6.04.a. shall be counted as one Hour of Work in Covered Employment multiplied by the appropriate Employer Contribution as provided in Section 1.19 multiplied by the applicable Percentage of Contribution Factor reflected in Appendix 10.

(i) **Qualified Military Service.** A Participant's Percentage of Contribution Benefit Credit, for periods of absence from Covered Employment due to the circumstance listed in Subsection 6.04.b.(1) above, shall be based on the current Contribution rate required by the same Collective Bargaining Agreement, or extension thereof, for the same occupation for which the Participant's last Hour of Work in Covered Employment immediately preceding the period of absence was worked. The Contribution rate for such credited hours will be assigned as though the Participant had continued to work in the same occupation throughout the period of absence under the most current Collective Bargaining Agreement under which that Participant's last Hour of Work in Covered Employment was worked.

(ii) **Disability Credit.** A Participant's Percentage of Contribution Benefit Credit for periods of absence from Covered Employment due to the circumstance listed in Subsection 6.04.b.(2) above shall be based on the Contribution rate paid or required to be paid for the Participant's last Hour of Work in Covered Employment immediately preceding the period of absence. The Contribution rate assigned for such credited hours will remain fixed at the rate reported on the Participant's last Hour of Work in Covered Employment immediately preceding the period of absence.

c. **Benefit Value Credit - Additional Conditions**

- (1) **Year of Vesting Credit with less than 300 hours in Covered Employment.** If a Participant earns a Year of Vesting Credit in a Calendar Year, as described in Section 6.06., but works less than 300 hours in Covered Employment, he/she shall, for the purpose of computing his or her pension amount, only be credited with a prorated portion of a full Unit Value Benefit Credit prior to January 1, 2007 or a Percentage of Contribution Benefit Credit on and after January 1, 2007 in the ratio which his or her Hours of Work in Covered Employment are divided by 1,872 hours.
- (2) **Apprenticeship Hours.** If a Participant works for a Contributing Employer as an Apprentice, for whom either no Contributions are due to be made to this Plan, or are made to the Plan at less than the Journeyman contribution rate, these Hours of Work shall be counted toward Future Service Unit Value Benefit Credit or Percentage of Contribution Benefit Credit at the Journeyman contribution rate, provided that the Participant subsequently accumulates five full Future Service Eligibility Credits that have been earned under Subsections 6.03.a. through d., for work that required contributions at the Journeyman rate under the applicable Collective Bargaining Agreement, or Subsection 6.04.b.(1) of the Plan.
- (3) **Disability Hours.** If a Participant is granted Future Service Eligibility Credit based on an absence from Covered Employment due to a disability as described in Plan Section 6.04.b.(2), such Future Service Eligibility Credit shall be counted towards the Participant's Future Service Unit Value Benefit Credit or Percentage of Contribution Benefit Credit.

**Section 6.06. Vesting Credit.**

- a. **Vesting Credit is not Earned during Periods before the Contribution Date.** A Participant shall not receive Vesting Credit for periods of employment prior to the Contribution Date.
- b. **Vesting Credit Earned after the Contribution Date.**

A Participant will receive one year of Vesting Credit if he/she has at least 870 hours of Vesting Credit during a Calendar Year. Hours of Vesting Credit are earned as follows:

- (1) **Covered Employment.** A Participant will receive one hour of Vesting Credit for each Hour of Work in Covered Employment during a Calendar Year.
- (2) **Continuous Non-Covered Employment.** If a Participant works for a Contributing Employer in Continuous Non-Covered Employment, he/she will receive one hour of Vesting Credit for each Hour of Work in such Continuous Non-Covered Employment after September 1, 1976.

**(3) Non-contributory Apprenticeship.**

- (a) Between September 1, 1986 and December 31, 2018, if a Participant works for a Contributing Employer as an Apprentice for whom no Contributions are due to be made to this Plan, he/she will receive one hour of Vesting Credit for each Hour of Work in such periods of non-contributory Apprenticeship.
- (b) On or after January 1, 2019, if a Participant works for a Contributing Employer as an Apprentice for whom no Contributions are due to be made to this Plan, and continues working with that same Contributing Employer in a position for which Contributions are required to be made to this Plan, he or she will receive one Hour of Vesting Credit for each Hour of work in such periods of non-contributory Apprenticeship, subject to the following provisions:
  - (1) Vesting Credit will only be granted for service in non-contributory Apprenticeship that precedes, and is “contiguous” with, the same Contributing Employer; and
  - (2) There is no quit, discharge, or retirement, between the non-contributory Apprenticeship Hours and Hours of Work which required Contributions to this Plan while working for that same Contributing Employer; and
  - (3) Non-contributory Apprenticeship Hours worked for a Contributing Employer or Employers that are not contiguous with Hours of Work for a Contributing Employer where Contributions to this Plan are required shall not receive Vesting Credit under this Section.
- (4) **Qualified Military Service.** If a Participant is absent from Covered Employment due to Qualified Military Service, he/she will receive one hour of Vesting Credit for each hour of Qualified Military Service if he/she returns to Covered Employment within the period during which he/she retains reemployment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 (“USERRA”).

**Section 6.07. Breaks in Service. General.** If a person has a Break in Service before achieving Vested Status, it has the effect of canceling his or her Participation, his or her previous Years of Vesting Credit, Eligibility Credit, Unit Value Benefit Credit, and Percentage of Contribution Benefit Credit accrued to the date of the Break in Service. A Break in Service may be temporary, subject to repair by again becoming a Participant before a Permanent Break in Service occurs. A longer Break in Service may be permanent as defined below. The Break in Service rule does not apply to a Pensioner or a Vested Participant.

- a. **Permanent Breaks in Service before January 1, 1976.** Between the Contribution Date and January 1, 1965, a Participant shall have incurred a Permanent Break in Service if he/she failed to earn at least one quarter of Future Service Eligibility Credit in any period of two consecutive Calendar Years.

Between January 1, 1965, and January 1, 1976 a Participant shall have incurred a Permanent Break in Service if he/she failed to earn at least one quarter of Future Service Eligibility Credit in any period of five consecutive Calendar Years.

- b. **One-Year Break in Service.**

- (1) **Prior to January 1, 1977.** A Participant incurred a One-Year Break in Service for any Calendar Year prior to 1977 during which he/she failed to earn 3/12th's of Future Service Eligibility Credit or to work at least 300 hours in Covered Employment. Hours of Work in Continuous Non-Covered Employment after September 1, 1976 shall be counted in determining whether or not a One-Year Break in Service has been incurred for Calendar Year 1976.
- (2) **After December 31, 1976.** A Participant has incurred or will incur a One-Year Break in Service for any Calendar Year after 1976 during which he/she was not credited with at least 300 Hours of Work in Covered Employment or in Continuous Non-Covered Employment, or Hours of Parental Leave.

A Participant who is absent from work in Covered Employment shall be credited with Hours of Parental Leave for periods on or after January 1, 1985 in which the Participant was absent from such work:

- (a) By reason of the Participant's pregnancy;
- (b) By reason of the birth of the Participant's child;
- (c) By reason of the placement of a child with the Participant in connection with the adoption of such child by such Participant; or
- (d) For purposes of caring for such child for a period beginning immediately following such birth or placement.

The number of Hours of Parental Leave credited shall be 8 hours per day of such absence, up to a maximum of 501 hours in connection with any one birth or placement. Notwithstanding any provision herein to the contrary, if the Plan is able to determine the number of Hours of Work which otherwise would normally have been credited to such individual but for such absence, that number of hours shall be credited as Hours of Parental Leave.

Hours of Parental Leave shall be taken into account only for purposes of determining whether the Participant has had a One-Year Break in Service. The Hours of Parental Leave shall be credited to the Calendar Year in which the parental leave begins if the Participant would thereby be prevented from incurring a One-Year Break in Service in that year. In any other case, the Hours of Parental Leave shall only be credited to the immediately following Calendar Year. In no event shall Hours of Parental Leave duplicate hours otherwise credited

for the purposes specified herein, nor shall such hours be taken into account unless the Board is given written notice by the Participant of the circumstances entitling the Participant to such parental leave, within 90 days after the occurrence of such circumstances, and the Participant has furnished to the Board in writing such other information as the Board may reasonably require to establish that the Participant is entitled to such leave and the number of days to which the Participant is entitled.

- (3) A One-Year Break in Service is repairable, in the sense that its effects are eliminated if, before incurring a Permanent Break in Service, the Employee subsequently has his or her Participation reinstated in accordance with the provisions of Section 2.04. More specifically, previously earned Eligibility Credit, Unit Value Benefit Credit, Percentage of Contribution Benefit Credit, and Years of Vesting Credit are restored. Nothing in this paragraph (3) shall change the effect of a Permanent Break in Service.
- (4) A Participant will not incur a One-Year Break in Service for any Calendar Year in which he/she is credited with at least 300 hours of work under Section 6.11.

**c. Permanent Break in Service after December 31, 1975.**

- (1) **Prior to January 1, 1985.** A Participant who had not yet achieved Vested Status incurred a Permanent Break in Service prior to January 1, 1985 when he/she had consecutive One-Year Breaks in Service, including at least one after 1975, that equaled or exceeded the number of full Years of Vesting Credit or full years of Eligibility Credits, whichever is greater, which he/she had previously accumulated.

Notwithstanding the above, a Participant shall not incur a Permanent Break in Service as a result of consecutive One-Year Breaks in Service which include any One-Year Break in Service prior to 1976 unless the total consecutive One-Year Breaks in Service equal at least 5.

- (2) **After December 31, 1984.** A Participant who has not yet achieved Vested Status will incur a Permanent Break in Service after December 31, 1984 when he/she has consecutive One-Year Breaks in Service that equal or exceed the number of full Years of Vesting Credit which he/she had previously accumulated, or 5 years, whichever is greatest.

The foregoing rule shall not apply to a Non-Bargained Employee who has at least one hour of work after August 1, 1989, if the Break in Service occurs after he/she has earned five years of Vesting Credit.

- d. **Grace Periods.** A Participant who was absent from Covered Employment and was unable to accumulate sufficient Eligibility Credit or Hours of Work to otherwise prevent a Permanent Break in Service or a Separation from Covered Employment shall be entitled to a grace period under the following circumstances:

- (1) A Participant shall be allowed a grace period of up to two years for periods when he/she was disabled for work in Covered Employment.
- (2) A Participant shall be allowed a grace period for the duration of his or her employment in a supervisory capacity by a Contributing Employer or by a joint venture in which a Contributing Employer participates.
- (3) A Participant shall be allowed a grace period for the duration of his or her employment after January 1, 1961 with the United Brotherhood of Carpenters.
- (4) A Participant shall be allowed a grace period of up to two years if he/she is involuntarily unemployed.

A grace period does not add to a Participant's Eligibility Credit; it is a period which is to be disregarded in determining whether the Participant had sufficient Hours of Work to prevent a Permanent Break in Service. In order to secure the benefits of a grace period, a Participant must give written notice to the Board and must present such written evidence as the Board, in its sole discretion, shall determine. The Board in its sole discretion shall determine whether the Participant is entitled to a grace period in accordance with the provisions of this Section.

- e. **Reinstatement of Canceled Vesting Credit, Eligibility Credit, Unit Value Benefit Credit and Percentage of Contribution Benefit Credit after a Permanent Break in Service.** If a Participant formerly incurred a Permanent Break in Service after earning Future Service Eligibility Credit, all of his or her canceled Years of Vesting Credit, Eligibility Credit, Unit Value Benefit Credit, and Percentage of Contribution Benefit Credit shall be reinstated and his or her Separation from Covered Employment canceled on the first day of the month coincident with or next following his or her subsequent accumulation of five full Future Service Eligibility Credits earned under Sections 6.03. or 6.04. of the Plan, without an intervening Separation from Covered Employment.

**Section 6.08. Vested Status.** A Participant shall achieve Vested Status as follows:

- a. On and after September 1, 1999, a Participant who has at least one Hour of Work in this Plan on or after September 1, 1999, will attain Vested Status if he/she has accumulated at least 5 Years of Vesting Credit or 5 full Eligibility Credits, or upon attainment of Normal Retirement Age without a Permanent Break in Service.
- b. From September 1, 1976 through August 31, 1999, a Participant shall have achieved Vested Status if he/she has accumulated at least 10 Years of Vesting Credit or 10 full Eligibility Credits, without a Permanent Break in Service, or upon attainment of Normal Retirement Age. However, a Non-Bargained Employee who has at least one Hour of Work after August 31, 1989, will attain Vested Status after he/she has accumulated five years of Vesting Credit or five full Eligibility Credits.

- c. Between July 1, 1971 and September 1, 1976, a Participant achieved Vested Status if he/she met one of the three following conditions:
  - (1) He had attained age 45 and had accumulated at least 10 full Future Service Eligibility Credits, without a Permanent Break in Service; or
  - (2) He had attained age 40 and had accumulated at least 15 full Eligibility Credits (Past and Future Service), without a Permanent Break in Service; or
  - (3) He had accumulated at least 20 full Eligibility Credits (Past and Future Service) without a Permanent Break in Service.
- d. Between January 1, 1966 and July 1, 1971, a Participant achieved Vested Status if he/she had attained age 50 and had accumulated at least 15 full Eligibility Credits (Past and Future Service) without a Permanent Break in Service.
- e. Before January 1, 1966, a Participant achieved Vested Status if he/she had attained age 55 and had accumulated at least 15 full Eligibility Credits (Past and Future Service) without a Permanent Break in Service.

**Section 6.09. Separation from Covered Employment.** Benefits earned prior to a Separation from Covered Employment (as described below) are subject to the Plan's benefit formulas in effect on the date of the Separation from Covered Employment. Unless specifically provided for, improvements made to the Plan's benefit formula following a Separation from Covered Employment shall not apply to benefits earned prior to the Separation from Covered Employment.

A Separation from Covered Employment shall not preclude a Plan amendment from establishing a reduced benefit accrual formula for benefits earned subsequent to the Separation from Covered Employment.

- a. A Participant will be deemed to have been Separated from Covered Employment after January 1, 1965 at the end of any five consecutive Calendar Year period in which he/she did not earn any Future Service Eligibility Credit.
- b. A Participant will be deemed to have been Separated from Covered Employment between the Contribution Date and January 1, 1965 at the end of any two consecutive Calendar Year period in which he/she did not earn any Future Service Eligibility Credit.
- c. If a Participant who formerly incurred a Separation from Covered Employment subsequently accumulates five full Future Service Eligibility Credits without an intervening Separation from Covered Employment, he/she shall have his or her previous Separation from Covered Employment canceled.
- d. (1) **Benefits payable due to employment prior to a Separation from Covered Employment**

If a participant incurs a Separation from Covered Employment, his or her subsequent eligibility for, and amount of, any benefits payable under the Plan due to employment prior to the Separation from Covered Employment shall be determined in accordance with the provision of

the Plan as the Plan existed on the last day of the Calendar Year Period that caused the Separation from Covered Employment.

**(2) Benefits payable due to employment after a Separation from Covered Employment but prior to repairing the Separation from Covered Employment**

A Participant's eligibility for, and amount of, any benefits payable under the Plan due to employment after a Separation from Covered Employment but prior to repairing such Separation from Covered Employment (in accordance with Section 6.09.(c), shall be determined in accordance with the provisions of the Plan at the time such benefits are accrued.

**Section 6.10. Employment under a Collective Bargaining Agreement and/or Memorandum of Understanding that provides for an alternate pension plan.**

- a. A Participant who has at least one hour of work on or after May 1, 1999 through December 31, 2018, under the terms of a Collective Bargaining Agreement and/or Memorandum of Understanding negotiated by the Carpenters 46 Northern California Counties Conference Board, and/or any of its affiliates, shall receive Eligibility Credit and Vesting Credit under a Collective Bargaining Agreement and/or Memorandum of Understanding that provides for an alternate pension plan as follows: A Participant will receive the same Eligibility Credit and years of Vesting Credit for hours worked under a Collective Bargaining Agreement and/or Memorandum of Understanding that provides for an alternate pension plan as would have been earned if the Participant had worked these hours under the Master Agreement. For this purpose, Eligibility Credit and years of Vesting Credit for hours worked from January 1, 1979 through April 30, 1999, under any such agreement or memorandum shall be included if the hour of work requirement on or after May 1, 1999 described in this Section is satisfied, and the Participant has continuous service under either an agreement described in this Section or the Master Agreement.
- b. A Participant who has at least one hour of work on or after January 1, 2019, under the terms of a Collective Bargaining Agreement and/or Memorandum of Understanding negotiated by the Carpenters 46 Northern California Counties Conference Board, and/or any of its affiliates, shall receive Eligibility Credit under a Collective Bargaining Agreement and/or Memorandum of Understanding that provides for an alternate pension plan. A Participant will receive the same Eligibility Credit and for hours worked under a Collective Bargaining Agreement and/or Memorandum of Understanding that provides for an alternate pension plan as would have been earned if the Participant had worked these hours under the Master Agreement, provided that he/she has at least 7 full Eligibility Credits without a (Permanent Break in Service), and has continuous service under either an agreement described in this Section or the Master Agreement.



## ARTICLE 7. JOINT AND SURVIVOR PENSION

**Section 7.01. Effective Date.** The provisions of this Article do not apply:

- a. To a Pensioner, the Effective Date of whose Pension was before September 1, 1976; or
- b. To a Vested Participant who dies before his or her Annuity Starting Date and who had a Separation from Covered Employment before January 1, 1976, unless he/she subsequently returned to Covered Employment and earned 3/12 of Future Service Eligibility Credit.

**Section 7.02. Joint and Survivor Pension after Retirement.** The Joint and Survivor Pension provides a lifetime pension for a married Pensioner, plus a lifetime pension for his or her surviving Spouse starting after the death of a Pensioner.

When a Joint and Survivor Pension is in effect, the amount of the Pensioner's monthly benefit is reduced in accordance with the provisions of Section 7.04. from the full amount otherwise payable. The monthly amount payable to the surviving Spouse of a deceased Pensioner who received a Joint and Survivor Pension is 50%, 75% or 100% of the monthly pension amount paid to the Pensioner depending on whether the Pensioner elected payment under the 50%, 75% or 100% Joint and Survivor Pension at retirement.

In the event that the Spouse predeceases the Pensioner on or after September 1, 1996, the monthly benefit payable as a 50% Joint and Survivor Pension, 75% Joint and Survivor Pension or 100% Joint and Survivor Pension shall revert to the full monthly amount of the Pensioner's regular monthly benefit. This full monthly benefit is payable for the lifetime of the Pensioner.

- a. Unless otherwise provided in Section 10.06., or otherwise elected under Paragraphs b. and c., a married Participant who becomes entitled to receive his pension on or after August 23, 1984 will receive payments under the Plan in the form of a 50% Joint and Survivor Pension.
- b. The Board shall provide to each Participant, no less than 30 days and not more than 180 days before the Annuity Starting Date, a written explanation of the terms and conditions of the 50% Joint and Survivor Pension and the effect of the rejection of such pension. A Participant (with any applicable spousal consent) may waive the requirement that the written explanation be provided at least 30 days before the Annuity Starting Date if the Participant's pension commences more than 7 days after the written explanation is provided.
- c. A married Participant may elect to waive the 50% Joint and Survivor Pension, or revoke any such election, at any time, but not more than 180 days before the Annuity Starting Date, by making a written election, in the form and manner required by the Board, which directs payment of his or her pension in another form allowed under the Plan. However, the election period shall end on the 30<sup>th</sup> day after the date on which the written explanation is provided, if the written explanation is provided after the Annuity Starting Date. Such written election shall not take effect unless:
  - (1) The Spouse of the Participant consents in writing to such election; such election designates a beneficiary (or a form of benefits) which may not be changed without the consent of the Spouse (or the consent of the Spouse expressly permits designations by the Participant without any requirement of further consent by the Spouse); and the Spouse's consent acknowledges the effect of such election and is witnessed by a designated Plan representative or a notary public; or

- (2) It is established to the satisfaction of a designated Plan representative that the consent required under Subparagraph (1) may not be obtained because there is no Spouse, because the Spouse cannot be located, or because of such other circumstances as the Secretary of the Treasury may by regulations prescribe.

Any consent by a Spouse (or establishment that the consent of a Spouse may not be obtained) shall be effective only with respect to such Spouse.

**Section 7.03. Joint and Survivor Pension before Retirement.** In the event of death before retirement, the 50% Joint and Survivor Pension provides a lifetime pension to the Participant's surviving Spouse, under the circumstances described in this Section, subject to the conditions in Section 7.05.

If payable, the monthly amount payable to the surviving Spouse of an eligible Participant is one-half the amount of a 50% Joint and Survivor Pension, determined as if the pension had been effective on the day before the Participant died, in accordance with the provisions of Section 7.04.

- a. **After Normal Retirement Age, but before Retirement.** If a married Participant who has attained Normal Retirement Age dies at a time when he/she was eligible for a pension, but before pension payments commenced, a 50% Joint and Survivor Pension shall be paid to his surviving Spouse.
- b. **Before Normal Retirement Age and before Retirement.** A 50% Joint and Survivor Pension will be payable to the surviving Spouse of a Participant younger than the Normal Retirement Age, except as provided in the following paragraph, if he/she dies after attaining his or her earliest retirement age under the Plan, but before the Annuity Starting Date of his or her Pension and if at the time of his or her death he/she was eligible for a Pension.

In the case of a married Vested Participant who dies before the date on which the Participant would have attained the earliest retirement age, but after August 23, 1984, monthly payments for the lifetime of the Participant's surviving Spouse under a survivor annuity shall commence on the first day of the month upon which the Participant would have attained the earliest retirement age in the amount which would be payable as a survivor annuity under the 50% Joint and Survivor Pension to the Spouse if such Participant had:

- (1) Separated from Service on the date of death;
- (2) Survived to the earliest retirement age;
- (3) Retired with a 50% Joint and Survivor Pension at the earliest retirement age; and
- (4) Died on the day after the day on which such Participant would have attained the earliest retirement age.

Notwithstanding anything herein to the contrary, a survivor annuity payable for the lifetime of a deceased Participant's Spouse shall not be provided unless the Participant and his Spouse had been married throughout the twelve-month period ending on the Participant's date of death.

The Spouse may elect in writing, filed with the Board, and on whatever form it may prescribe, to defer commencement of the survivor annuity until any time after the death of the Participant. Payments will begin as of the surviving Spouse's Annuity Starting Date. The amount payable at that time shall be determined in this Section 7.03., except that the benefit shall be paid in accordance with the terms of the Plan in effect when the Participant last worked in Covered Employment, as if the Participant had retired with a 50% Joint and Survivor Pension on the day before the surviving Spouse's payments are scheduled to start, and died the next day.

Payment of the survivor annuity must start no later than (A) for Participants who attained age 70½ before January 1, 2020, by December 1 of the calendar year in which the Participant would have reached age 70½, (B) for Participants who attain age 70½ on or after January 1, 2020, by December 1 of the calendar year in which the Participant would have attained age 72, or (C) for Participants who attain age 72 on or after January 1, 2023, by December 1 of the calendar year in which the Participant would have attained age 73. If the Board confirms the identity and whereabouts of a surviving Spouse who has not applied for benefits by that time, payments to that surviving Spouse in the form of a single life annuity will begin automatically as of that date.

Notwithstanding any other provisions of the Plan, if the Annuity Starting Date for the survivor annuity is after the Participant's earliest retirement date, the benefit shall be determined as if the Participant had died on the surviving Spouse's Annuity Starting Date after retiring with a 50% Joint and Survivor Pension the day before, taking into account any actuarial adjustments to the Participant's accrued benefit that would have applied as of that date.

If a surviving Spouse dies before the Annuity Starting Date of the survivor annuity, that benefit will be forfeited and there will be no payments to any other party.

**Section 7.04. Adjustment of Pension Amount.** When a Joint and Survivor Pension becomes effective, the amount of the Participant's monthly pension is reduced in accordance with the appropriate factor from the table of Joint and Survivor Pension factors in Appendix 1, 2, 3, 4, 5, 6, 7, or 8 whichever is applicable.

- a. Appendix 1 shall be used if the Participant is eligible for a Regular, Early or Service Pension and elects a 50% Joint and Survivor Pension with an effective date prior to March 1, 1988.
- b. Appendix 2 shall be used if the Participant is eligible for a Regular, Early or Service Pension and elects a 50% Joint and Survivor Pension with an effective date on or after March 1, 1988.
- c. Appendix 3 shall be used if the Participant is eligible for a Disability Pension and elects a 50% Joint and Survivor Pension with an effective date prior to March 1, 1988.
- d. Appendix 4 shall be used if the Participant is eligible for a Disability Pension and elects a 50% Joint and Survivor Pension with an effective date on or after March 1, 1988.
- e. Appendix 5 shall be used if the Participant is eligible for a Regular, Early or Service Pension and elects a 75% Joint and Survivor Pension with an effective date on or after April 1, 2004.
- f. Appendix 6 shall be used if the Participant is eligible for a Disability Pension and elects a 75% Joint and Survivor Pension with an effective date on or after April 1, 2004.

- g. Appendix 7 shall be used if the Participant is eligible for a Regular, Early or Service Pension and elects a 100% Joint and Survivor Pension with an effective date on or after April 1, 2004.
- h. Appendix 8 shall be used if the Participant is eligible for a Disability Pension and elects a 100% Joint and Survivor Pension with an effective date on or after April 1, 2004.

**Section 7.05. Additional Conditions.**

- a. **Joint and Survivor Pension Before Retirement.** In the event of a Participant's death before retirement, the 50% Joint and Survivor Pension under Section 7.03. shall not be payable to a surviving Spouse unless the Participant and his or her Spouse were lawfully married to each other throughout the year preceding the Participant's death.

**Exception:** A Qualified Domestic Relations Order may provide that a former spouse be treated as the Participant's surviving Spouse for all or a portion of the 50% Joint and Survivor Pension payable under Section 7.03.

- b. **Joint and Survivor Pension After Retirement.** In the event of a Pensioner's death after retirement, the 50% Joint and Survivor Pension, the 75% Joint and Survivor Pension or the 100% Joint and Survivor Pension under Section 7.02. shall not be payable to a surviving Spouse unless the Pensioner and the Spouse were lawfully married to each other on the Pensioner's Annuity Starting Date and for at least a one year period any time prior to the Pensioner's death. **Any previous marriage between the Pensioner and Spouse that terminated prior to the Pensioner's Annuity Starting Date shall not be counted in determining whether the one year marriage requirement described in this paragraph (1) is satisfied.**

**Exception:** A Qualified Domestic Relations Order may provide that a former spouse be treated as the Pensioner's surviving Spouse for all or a portion of the 50% Joint and Survivor Pension, the 75% Joint and Survivor Pension or the 100% Joint and Survivor Pension payable under Section 7.02. Distributions under a Qualified Domestic Relations Order shall be consistent with Section 17.04(a).

- c. Every Participant must file, before his or her Annuity Starting Date, a written statement, on which the Board or other Plan representative is entitled to rely, concerning the Participant's current and prior marital status, including without limitation whether or not he/she is currently married, and if married, as to when such marriage occurred. If a Participant stated that he/she was not married on his or her Annuity Starting Date, no person shall be entitled to benefits under this Article on the ground that she was, in fact, his or her Spouse on his or her Annuity Starting Date.
- d. Any payment made in good faith on the basis of a written statement of a Participant or Beneficiary shall discharge all obligations of the Fund to the extent of such payment, and shall entitle the Board to exercise all rights of recoupment or other remedies, including the right to adjust the dollar amount of payments made to a surviving Spouse or other Beneficiary in order to recoup any excess benefits which may have been erroneously paid.
- e. A Participant may elect to waive the 50% Joint and Survivor Pension, with the consent of his or her Spouse, and the Participant may revoke any such election in the form and manner required by the Board at any time before his or her Annuity Starting Date. A Participant shall be entitled to exercise

such rights during a period of 180 days after he/she has received a written explanation of the terms and conditions of the 50% Joint and Survivor Pension, his or her rights and the rights of his or her Spouse under this Article and the right to make and the effect of a revocation of an election to waive the 50% Joint and Survivor Pension.

- f. The rights of a former spouse or other Alternate Payee to any share of a Participant's pension, as set forth in a Qualified Domestic Relations Order, takes precedence over any claims of the Participant's Spouse at the time of retirement or death, to the extent provided by such order or by any federal law or regulation.
- g. Notwithstanding any other provisions of the Plan, a waiver of the 50% Joint and Survivor Pension shall not be effective if given more than 180 days before the Annuity Starting Date.

**Section 7.06. Spousal Consent Not Necessary.**

- a. Notwithstanding any other provision of the Plan, spousal consent in accordance with Section 7.02. is not required if the Participant establishes to the satisfaction of the Board that:
  - (1) There is no Spouse,
  - (2) The Spouse cannot be located,
  - (3) The Participant and Spouse are legally separated, or
  - (4) The Participant has been abandoned by the Spouse as confirmed by court order.
- b. If the Spouse is legally incompetent, consent under Section 7.02. may be given by his or her legal guardian, including the Participant if authorized to act as the Spouse's legal guardian.

**Section 7.07. Continuation of Joint and Survivor Pension option After Retirement.** A surviving Spouse who satisfies the marriage requirements described in Section 7.05.b. shall be entitled to either the 50% Joint and Survivor Pension, the 75% Joint and Survivor Pension or the 100% Joint and Survivor Pension benefits described in Section 7.02., even if the marriage of the Pensioner and surviving Spouse is legally terminated prior to the Pensioner's date of death. Accordingly, such legal termination of their marriage will not result in an increase in the monthly amount of either the Pensioner's 50% Joint and Survivor Pension, the 75% Joint and Survivor Pension or the 100% Joint and Survivor Pension.

**Exception:** Where the marriage of the Pensioner and the Spouse has been legally terminated and the now former spouse ceases to be treated as either the Pensioner's the 50% Joint and Survivor Pension, the 75% Joint and Survivor Pension or the 100% Joint and Survivor Pension surviving Spouse under the terms of a Qualified Domestic Relations Order, the monthly amount of the 50% Joint and Survivor Pension, the 75% Joint and Survivor Pension or the 100% Joint and Survivor Pension shall be increased to the amount to which the Pensioner would have been entitled in the absence of the reduction pursuant to Section 7.04. effective upon such legal termination.

**Section 7.08. Notice to Participants** Within a period of no more than 180 days and no less than 30 days before the "Annuity Starting Date" (and consistent with Treasury regulations), the Trustees shall provide the Participant and his or her Spouse, if any, with a written explanation of:

- a. The terms and conditions of the 50% Joint and Survivor Pension, the optional 75% Joint and Survivor Pension, or the 100% Joint and Survivor Pension;
- b. The Participant's right to make and the effect of an election to waive the 50% Joint and Survivor Pension;
- c. The right of the Participant's Spouse to consent to any election to waive the 50% Joint and Survivor Pension;
- d. The right of the Participant to revoke such election during the election period that ends on the Annuity Starting Date, and the effect of such revocation;
- e. The relative values of the various optional forms of benefit under the Plan; and
- f. The right to defer any distribution and the consequences of failing to defer distribution of benefits including a description of how much larger benefits will be if the commencement of distributions is deferred.

## ARTICLE 8. DEATH BENEFITS

**Section 8.01. Pre-Retirement Death Benefit.** If a Participant (other than a Pensioner) dies at a time when he/she has at least 10 full Eligibility Credits or Related Pension Credits earned with affiliated Northern California Plans (without a Permanent Break in Service), monthly payments will be made to a married Participant's Spouse or to an unmarried Participant's Beneficiary in an amount determined in the same manner as the Regular Pension, until a total of 36 monthly payments have been made to the Spouse or Beneficiary, and shall thereupon cease.

The total value of any pension payments received by the deceased Participant during a previous period of retirement shall be deducted from the total value of the 36 monthly payments otherwise due the deceased Participant's Spouse or Beneficiary.

The monthly payments described herein will begin with the first month following the death of the Participant.

Benefits provided by this Section shall not be payable if payments are due under the 50% Joint and Survivor Pension, unless the deceased Participant's Spouse elects to receive this Pre-Retirement Death Benefit in lieu of the Joint and Survivor Pension.

### **Section 8.02. Post-Retirement Death Benefits-Pensioners' Guarantee of Benefits.**

- a. **Single-Life Pension-60-Month Guarantee.** If a Pensioner receiving a Regular, Early Retirement, Service, or a Reciprocal Pension (other than a 50% Joint and Survivor Pension, a 75% Joint and Survivor Pension or a 100% Joint and Survivor Pension) dies before receiving 60 monthly payments, monthly payments shall be continued to his or her surviving Spouse, if he/she was married at the time of death or to his or her Beneficiary if he/she was unmarried at the time of death, until a total of 60 such payments have been made to the Pensioner and his or her Spouse or Beneficiary combined, and shall thereupon cease.

The Sixty-Month Guarantee of benefits is NOT provided for a Pensioner receiving a Disability Pension, Disability Reciprocal Pension, 50% Joint and Survivor Pension, 75% Joint and Survivor Pension, or 100% Joint and Survivor Pension.

If the Pensioner had elected the Level Income Option (Article 9), benefits under this Section shall be payable only in the amount, if any, by which payments under that option total less than 60 times the monthly amount to which the Pensioner would have been entitled if he/she had not elected the option. The benefit, if payable, shall be paid in monthly installments equal to the amount to which the Pensioner would have been entitled in the absence of such election.

- b. **Single-Life Pension-36-Month Guarantee.** If a Pensioner receiving a Disability or Reciprocal Disability Pension (other than a 50% Joint and Survivor Pension, a 75% Joint and Survivor Pension or a 100% Joint and Survivor Pension) dies before receiving 36 monthly payments, monthly payments shall be continued to his or her surviving Spouse, if he/she was married at the time of death, or to his or her Beneficiary if he/she was unmarried at the time of death, until a total of 36 such payments have been made to the Pensioner and his or her Spouse or Beneficiary combined, and shall thereupon cease.

This Thirty-Six Month Guarantee of benefits is NOT provided for Pensioners receiving Regular, Early Retirement, or Service Pensions; nor is it provided for Pensioners receiving Reciprocal Regular, Reciprocal Early Retirement, Reciprocal Service or 50% Joint and Survivor Pension, 75% Joint and Survivor Pension, or 100% Joint and Survivor Pension.

- c. The monthly payments described in this Section will begin with the first month following the death of the Participant.

**Section 8.03. Designation of Beneficiary.** An unmarried Participant or Pensioner may designate a Beneficiary to receive any payments due and payable but not actually paid prior to the death of the Pensioner, or any benefits provided in accordance with Sections 8.01. and 8.02., by forwarding such designation on a form acceptable to the Board to the Fund Office. An unmarried Participant or Pensioner shall have the right to change his or her designation of Beneficiary without the consent of the Beneficiary, but no such change shall be effective or binding on the Board unless it is received by the Board prior to the time any payments are made to the Beneficiary whose designation is on file with the Fund Office. If such designated Beneficiary, who had survived the unmarried Participant or unmarried Pensioner and is therefore entitled to the benefits and payments stated in Sections 8.01. and 8.02., dies prior to the receipt of one or more of the payments or benefits, such payments or benefits shall then be paid in accordance with the procedure provided in Section 8.04.

If more than one Beneficiary is designated, and their respective interests are not specified, the Beneficiaries shall share equally.

Notwithstanding the foregoing, a designation of a Beneficiary by a Participant, whether married or unmarried, is subject to the requirements of a Qualified Domestic Relations Order. A designation of a Beneficiary by a married Participant is also subject to the provisions of Subsection 7.02.a. and cannot be changed without the consent of the Participant's Spouse in accordance with the procedure provided in that Subsection.

Notwithstanding the foregoing, should a married Participant designate his or her Spouse as Beneficiary and subsequently divorce that Spouse, the designation shall be automatically revoked as of the date of the final divorce or any similar decree or order unless a court order requires the continued designation of the former Spouse as Beneficiary. A Participant who wishes to voluntarily continue to have his or her former Spouse as Beneficiary must complete a new designation of Beneficiary form with the former Spouse shown as the Beneficiary.

**Section 8.04. Lack of a Surviving Spouse or Designated Beneficiary.** If there is no surviving Spouse, no designated Beneficiary, or if no designated Beneficiary is alive at the time any benefits are payable as a result of the death of a Participant or Pensioner, any benefits provided under Sections 8.01. and 8.02. shall be paid to the following parties in the following order of priority:

- a. To the deceased Participant or Pensioner's surviving natural or adopted children in equal shares; or, if none,
- b. To the deceased Participant or Pensioner's surviving parent or parents in equal shares; or, if none,
- c. To the deceased Participant or Pensioner's surviving brothers and sisters in equal shares; or if none,



d. To the deceased Participant or Pensioner's executor or administrator.

If there is no estate of the Pensioner or Participant, no payment of any kind will be made.

**Section 8.05. Discharge of Obligations.** Any payments in accordance with the provisions of Section 8.03. or Section 8.04. shall discharge the obligation of the Fund thereunder to the extent of such payment.

**Section 8.06. Non-Covered Employment.** Death benefits are subject to the Plan limitations for Non-Covered Employment as discussed in Article 12.

## ARTICLE 9. LEVEL INCOME OPTION

**Note:** Effective August 31, 2024, the Level Income Option is not Payable for Participants whose Pension Effective Date is on and after the later of September 1, 2024 or the date the Fund emerges from Critical Status.

**Section 9.01. Purpose.** A Participant younger than 62, entitled to (a) an Early Retirement Pension, or (b) a Reciprocal Early Retirement Pension (with at least 10 full Northern California Eligibility Credits) may elect to have his or her pension increased until he/she attains age 62 (which is the age at which he/she is expected to receive his or her Social Security benefit), and reduced thereafter. The adjustment will be determined in such a way as to provide a Pension before age 62 as nearly equal as possible to his or her combined retirement income after that date, from Social Security and from this Plan.

The Level Income Option is not available to a Pensioner in receipt of a 50% Joint and Survivor Pension, 75% Joint and Survivor Pension, 100% Joint and Survivor Pension, Disability, Regular or Service Pension.

**Section 9.02. Amount Payable under the Level Income Option.**

- a. The amount by which the Pension may be increased until age 62 is based on the Participant's estimated Social Security benefit at age 62. Each \$10.00 of the Participant's estimated Social Security benefit is multiplied by the applicable adjustment amount set forth in the following table and then added to the Participant's Early Retirement Pension amount.

Age at Election of Option	Adjustment Amount
55	\$5.92
56	6.34
57	6.81
58	7.32
59	7.88
60	8.51
61	9.21

If the first month for which the Level Income Option is payable does not coincide with the month of the Participant's birth date, the appropriate factor shall be determined from the above table on a pro rata basis, taking into account the number of completed months since his or her last birthday.

- b. At age 62 the Participant's monthly benefit is to be reduced by the same estimated Social Security benefit used in 9.02.a.

**Section 9.03. Payment.** Payment of the Level Income Option shall be subject to the following conditions:

- a. The Participant must have elected the Level Income Option in writing, on a form prescribed by the Board before the first month in which a pension is paid to him/her.

- b. The Option may not be revoked once benefit payments in the optional form have commenced.
- c. If the adjustment described above would reduce the monthly amount payable after age 62 to less than \$20 a month, it shall not be applied and in such event the benefit amount payable before age 62 shall be adjusted on the basis of lifetime actuarial equivalence so that the benefit payable to the Pensioner on and after attainment of age 62 shall be \$20 a month.
- d. The Level Income Option shall in no event result in a benefit that is less than the Actuarial Present Value of a straight life annuity.

## **ARTICLE 10. APPLICATIONS, BENEFIT PAYMENTS AND RETIREMENT**

### **Section 10.01. Applications.**

- a. A pension must be applied for in writing on a form prescribed by the Board which must be filed with the Board in advance of the Annuity Starting Date. Except as provided in Section 10.05., a pension shall first be payable for the first month after the application has been filed, if the Participant is otherwise eligible.

An application for a Disability Pension shall be considered timely if the Social Security Disability Benefit entitlement notice, or letter of denial which is due solely to lacking the required Social Security quarters of coverage, is filed with the Board no later than 90 days after the date of issue of such notice or letter, and the payment of the Disability Pension may commence with the seventh month of disability. The Board of Trustees may, in extenuating circumstances, extend the filing period for a Disability Pension by an additional one year, adjusting the commencement date of payments accordingly.

An application which is filed with a Related Plan shall be considered as an application for a Pension under this Plan.

- b. An application for a Pre-Retirement Death Benefit shall be made in writing on a form and in the manner prescribed by the Board.
- c. Any other claim for benefits or claim under the Plan or against the Fund shall be made in writing in a form and in the manner prescribed by the Board and shall be filed with the Board within such time as may be fixed by the Board.
- d. A Participant's Annuity Starting Date shall be established based on the provisions of Section 1.03. and the application requirements described in this Section 10.01. No payment form election made by the Participant shall be valid if he/she should die prior to his or her Annuity Starting Date. In such event, any survivor benefits shall be paid in accordance with the applicable terms and conditions of Sections 7.03. and 8.01. If a Participant dies on or after his or her Annuity Starting Date, his or her death shall be a post-retirement death and any death benefits payable under the Plan shall be paid in accordance with his or her valid payment form election and the applicable terms and conditions of Sections 7.02. and 8.02.

**Section 10.02. Information Required.** Each Participant, Pensioner or any other claimant shall furnish to the Board any information or proof requested by it and reasonably required to administer the Pension Plan. Failure on the part of any Participant, Pensioner or claimant to comply with such request promptly, completely and in good faith shall be sufficient grounds for denying, suspending or discontinuing benefits to such person. If a Participant or Pensioner or other claimant makes a false statement material to his or her claim, the Board shall recoup, offset or recover the amount of any payments made in reliance on such false statement in excess of the amount to which such Participant or Pensioner or other claimant was rightfully entitled under the provisions of this Plan.

**Section 10.03. Action of Board of Trustees.** The Board of Trustees shall, subject to the requirements of the law, be the sole judge of the standard of proof required in any case and the application and interpretation of this Plan, and decisions of the Board of Trustees shall be final and binding on all

parties, subject only to such judicial review as may be in harmony with federal labor law under the Employee Retirement Income Security Act of 1974.

#### **Section 10.04. Right of Appeal and Determination of Disputes.**

##### **a. Claim to Benefits and Authority of the Board.**

- (1) No Participant, Pensioner, Beneficiary or other person shall have any right or claim to benefits under the Pension Plan, or any right or claim to payments from the Fund, other than as specified herein. Any dispute as to eligibility, type, amount or duration of benefits or any right or claim to payments from the Fund shall be resolved by the Board under and pursuant to the Pension Plan, and its decision of the dispute, right or claim shall be final and binding upon all parties thereto, subject only to such judicial review as may be in harmony with federal labor law.
- (2) To ensure that all claims and appeals for disability benefits filed on or after April 1, 2018 under Sections 3.08.b. and c., when the physician designated by the Board has concluded that the Participant is Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial, are adjudicated in a manner designed to ensure the independence and impartiality of the persons involved in making the decision, decisions covered by the authority of this Plan regarding hiring, compensation, termination, promotion, or other similar matters with respect to any individual (such as a claims adjudicator or medical or vocational expert) making determinations with respect to Sections 3.08.b. and c., when the physician designated by the Board has concluded that the Participant is Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial, will not be made based upon the likelihood that the individual will support the denial of benefits.

##### **b. Denial of Benefits.**

###### **(1) Time Frame for Denying Claims.**

- (i) If an application for benefits is denied in whole or in part by the Fund Office (acting for the Board of Trustees), the applicant will be notified of such denial, in writing, within a reasonable period of time but not later than 90 days after receipt of the application unless the Fund Office determines that special circumstances require an extension of time for processing the application. In such case, a written notice of the extension will be furnished to the applicant prior to the end of such 90-day period. In no event shall such extension exceed a period of 90 days from the end of such initial 90-day period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the plan expects to render a decision.
- (ii) If an application for disability benefits is filed on or after April 1, 2018 under Section 3.08.b. and c. is denied by the Fund Office (acting for the Board of Trustees), when the physician designated by the Board has concluded that the Participant is Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial, the applicant will be notified of the denial, in writing, within a reasonable period of time but not later than 45 days after receipt of the application for such disability benefits. This 45-day period may be extended for up to an additional 30 days provided that the Fund Office determines that such an extension is necessary due to matters beyond the control of the

Plan and notifies the applicant, prior to the end of the initial 45-day period, in writing, of such extension and the circumstances requiring the extension of time and the date by which the Plan expects to render a decision. If prior to the end of the first 30-day extension period, the Fund Office determines that, due to matters beyond the control of the Plan, a decision cannot be made within the extension period, the period for making the decision may be extended for up to an additional 30 days, provided that the Fund Office notifies the applicant, prior to the end of the first 30-day extension period, of the circumstances requiring the extension and the date as of which the Plan expects to make a decision. This notice will be in writing and will specifically explain the Plan provisions on which the entitlement to such disability benefits is based, the unresolved issues that prevent a decision, and the additional information needed to resolve those issues; and the applicant will be given at least 45 days within which to provide the specified information.

- (iii) The period of time within which a benefit determination is required to be made will begin at the time an application for benefits is filed with the Fund Office without regard to whether all the information necessary to make a benefit determination accompanies the filing. In the event that a period of time is extended, as permitted above, due to an applicant's failure to submit information necessary to make a determination, the period for making the benefit determination will be tolled from the date on which the notification of the extension is sent to the applicant until the date on which the applicant responds to the request for additional information.

**(2) Written Notification of Denial.**

- (i) The written notification of the benefit denial will set forth, in a manner calculated to be understood by the applicant:
  - (a) The specific reason(s) for the adverse determination;
  - (b) Reference to the specific Plan provision(s) on which the denial is based;
  - (c) A description of any additional material or information necessary for the applicant to perfect the claim and an explanation of why such material or information is necessary;
  - (d) A description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the applicant's right to bring a civil action under §502(a) of ERISA following an adverse benefit determination on review. In addition to the above, the written notification of the benefit denial will include the specific rule, guideline, protocol or other similar criterion relied upon in making the adverse determination.
- (ii) In addition to the required information described in Subsections (a) through (d) of this Section 10.04.b.(2), the written notification of the benefit denial of a disability benefit filed on or after April 1, 2018 under Sections 3.08.b. and c., when the physician designated by the Board has concluded that the Participant is Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial will set forth, in a manner calculated to be understood by the applicant, the following:

- (a) A discussion of the decision, including an explanation of the basis for disagreeing with or not following:
  - 1) The views presented by the applicant to the Plan of health care professionals treating the applicant and vocational professionals who evaluated the applicant;
  - 2) The views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with an applicant's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and
  - 3) A disability determination regarding the applicant presented by the applicant to the Plan made by the Social Security Administration;
- (b) Either the specific internal rules, guidelines, protocols, standards or other similar criteria of the plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist; and
- (c) A statement that the applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the applicant's claim for benefits.
- (d) The notification shall be provided in a culturally and linguistically appropriate manner in accordance with the requirements described in DOL Reg. §2560.503-1(o).
- (e) For purposes of this Section 10.04.b.(2)(ii) the term "adverse benefit determination" shall mean a denial or retroactive denial, reduction, or termination of, or a failure to provide or make payment (in whole or in part) for a benefit provided under Sections 3.08.b. and c. when the physician designated by the Board has concluded that the Participant is Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial.

**c. Right of Appeal.**

Any person whose application for benefits under this Plan has been denied in whole or in part by the Board of Trustees, or whose claim to benefits is otherwise denied by the Board of Trustees, may petition the Board of Trustees to reconsider its decision. A petition for reconsideration:

- (1) Must be in writing; and
- (2) Must state in clear and concise terms the reason(s) for disagreement with the decision of the Board of Trustees; and
- (3) May include documents, records, and other information related to the claim for benefits; and
- (4) Must be filed by the petitioner or the petitioner's duly authorized representative with or received by the Fund Office within sixty (60) days after the date the notice of denial was

received by the petitioner. In the case of a claim for disability benefits under Sections 3.08.b. and c. when the physician designated by the Board has concluded that the Participant is Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial, the petitioner or the petitioner's duly authorized representative must file his or her petition for reconsideration within one hundred eighty (180) days.

Upon good cause shown, the Board of Trustees may permit the petition to be amended or supplemented. The failure to file a petition for reconsideration within such sixty (60) day period (one hundred eighty (180) day period) for disability benefits filed on or after April 1, 2018 under Sections 3.08.b. and c. when the physician designated by the Board has concluded that the Participant is Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial) shall constitute a waiver of the petitioner's right to reconsideration of the decision. Such failure shall not, however, preclude the petitioner from establishing his or her entitlement at a later date based on additional information and evidence which was not available to him or her at the time of the decision of the Board of Trustees.

- (5) Upon request, the petitioner or the petitioner's duly authorized representative will be provided, free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the petitioner's claim for benefits. A document, record or other information shall be considered relevant to a petitioner's claim if it was relied upon in making the benefit determination; was submitted, considered or generated in the course of making the benefit determination, without regard to whether it was relied upon in making the benefit determination; demonstrates that the benefit determination was made in accordance with the Plan provisions and that such provisions have been applied consistently with respect to similarly situated claims; and, in regards to disability benefits filed on or after April 1, 2018 under Sections 3.08.b. and c. when the physician designated by the Board has concluded that the Participant is Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial, the Plan's policy or guidance with respect to the benefit denial (whether or not it was relied upon in making the benefit determination) and other relevant information. Relevant information also includes identification of any medical or vocational expert whose advice was obtained on behalf of the Plan in connection with the adverse benefit determination, without regard to whether the advice was relied upon in making the benefit decision.
- (6) The review of the determination will take into account all comments, documents, records, and other information submitted by the claimant relating to the claim without regard to whether such information was submitted or considered in the initial benefit determination.
- (7) Before the Board of Trustees can issue an adverse benefit determination on review of a disability benefit claim filed on or after April 1, 2018 under Sections 3.08.b. and c. when the physician designated by the Board has concluded that the Participant is Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial, based on a new or additional rationale, the Board of Trustees shall provide the petitioner, free of charge, with the rationale. Such rationale must be provided as soon as possible and sufficiently in advance of the date on which the notice of adverse benefit determination on review is required to be provided to give the petitioner a reasonable opportunity to respond prior to that date. The Board of Trustees will not afford any deference to the initial benefit determination. If the adverse benefit determination is based in whole or in part on a medical judgment, the Board of Trustees shall consult with a health care professional with appropriate training and experience



in the field of medicine involved in the medical judgment. Such consult shall be different from any individual consulted in connection with the initial determination and shall not be the subordinate of any such person.

**d. Review of Appeal.**

- (1) A benefit determination on review will be made by the Trustees or by a committee designated by them no later than the date of the quarterly meeting of the Trustees or committee that immediately follows the Fund Office's receipt of the request for review unless the request for review is filed within thirty (30) days preceding the date of such meeting. In such case, a benefit determination will be made no later than the date of the second meeting following the Fund Office's receipt of the request for review. If special circumstances require a further extension of time for processing, a benefit determination will be rendered no later than the third meeting following the Fund Office's receipt of the request for review and the Board of Trustees will provide the petitioner with a 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 Board of Trustees will notify the petitioner of the benefit determination as soon as possible but not later than 5 days after the benefit determination is made.
- (2) The notification of a benefit determination upon review will be in writing and will include the reason(s) for the determination, including references to the specific Plan provisions on which the determination is based. It will also include a statement that the petitioner is entitled to receive, upon request and free of charge, reasonable access to, and copies of all documents, records and other information relevant to the claim for benefits and a statement of your right to bring an action under §502(a) of ERISA, along with the Plan's contractual limitations period in which you can bring a claim.
- (3) The period of time within which a benefit determination review is required to be made by the Trustees or a committee designated by them will begin at the time the request for the benefit determination review is filed with the Fund Office without regard to whether all the information necessary to make a benefit determination review accompanies the filing.
- (4) In the event that the period for the benefit determination review is extended due to a petitioner's failure to submit information necessary to make such a determination, the period for making the benefit determination review will be suspended from the date on which the notification of the extension is sent to the petitioner until the date on which the petitioner responds to the request for additional information.
- (5) The denial of a claim to which the right to review has been waived, or the decision of the Board of Trustees or its designated committee with respect to a petition for review, is final and binding upon all parties, subject only to any civil action the applicant may bring under §502(a) of ERISA. You may only bring an action against the Plan or Board of Trustees in the United States District Court for the Northern District of California. Following issuance of a written decision of the Board of Trustees on an appeal, there is no further right of appeal to the Board of Trustees or right to arbitration.

- (6) No legal action may be commenced or maintained against the Pension Fund and/or the Board of Trustees more than two (2) years after a claim has been denied.
- (7) However, a petitioner may re-establish his or her entitlement to benefits at a later date based on additional information and evidence which was not available to him or her at the time of the decision of the Board of Trustees.

**e. Review of Disability Appeal.**

In addition to the information referenced in Section 10.04.d., for disability benefit claims filed on or after April 1, 2018 under Sections 3.08.b. and c. when the physician designated by the Board has concluded that the Participant is Totally Disabled within the meaning of this Plan but the Plan nevertheless issues a disability benefit denial, a notification of a benefit determination will be set forth in a manner calculated to be understood by the applicant, and will also include:

- (1) A discussion of the decision, including an explanation of the basis for disagreeing with or not following:
  - (i) The views presented by the applicant to the Plan of health care professionals treating the applicant and vocational professionals who evaluated the applicant;
  - (ii) The views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with an applicant's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and
  - (iii) A disability determination regarding the applicant presented by the applicant to the Plan made by the Social Security Administration.
- (2) Either the specific internal rules, guidelines, protocols, standards or other similar criteria of the plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist;
- (3) A statement that no legal actions may be commenced or maintained against the Pension Fund and/or the Board of Trustees more than two (2) years after a claim has been denied.

**f. Culturally and Linguistically Appropriate Notifications.**

Notifications shall be provided in a culturally and linguistically appropriate manner in accordance with the requirements described in DOL Reg. §2560.503-1(o).

**g. Exhaustion of Administrative Remedies.**

Generally, if the Plan fails to establish or follow claims procedures consistent with the requirements of this Section 10.04, a claimant will be deemed to have exhausted the administrative remedies available under the Plan and shall be entitled to pursue any available remedies under §502(a) of ERISA.

In addition, if the Plan fails to strictly adhere to all the requirements of this Section with respect to disability benefit claims filed on or after April 1, 2018, the claimant will be deemed to have exhausted the administrative remedies available under the Plan (unless the violations are "de minimis" in

accordance with DOL Reg. §2560.503-1(l)(2)(ii)), the claim or appeal will be deemed denied on review without the exercise of discretion by an appropriate fiduciary, and the claimant shall be entitled to pursue any available remedies under §502(a) of ERISA.

**Section 10.05. Benefit Payments Generally.** A Participant who is eligible to receive a pension benefit under this Plan and makes application in accordance with the rules of the Plan shall be entitled upon retirement to receive the monthly pension benefits provided for the remainder of his or her life, subject to the provisions of the Plan. Benefit payments shall be payable commencing with the first day of the month for which the Participant has fulfilled all the conditions of the entitlement to benefits. Such first day shall be the Annuity Starting Date within the meaning of that term as used in the Plan.

- a. If a Pensioner submits evidence of entitlement to additional Unit Value Benefit Credit, or Percentage of Contribution Benefit Credit, his or her increased pension, if any, will become effective:
  - (1) Retroactively to the Annuity Starting Date of his or her pension, if his or her application for additional benefits was filed within one year after the first pension payment was made to him/her, or
  - (2) On the first day of the month following the date such application was made, if it was filed more than one year after such payment was made.
- b. If a Participant previously denied a pension submits evidence of entitlement to additional Vesting Credit, Eligibility Credit, Unit Value Benefit Credit, or Percentage of Contribution Benefit Credit which subsequently qualifies him/her for a pension, his or her pension will become effective:
  - (1) Retroactively to the date determined under Section 10.01., if the evidence of additional Vesting Credit, Eligibility Credit, Unit Value Benefit Credit or Percentage of Contribution Benefit Credit was submitted within one year after he/she was advised of his or her ineligibility for a pension, or
  - (2) On the first day of the month following the submission of such evidence, if it was filed more than one year after he/she was advised of his or her ineligibility for a pension.

However, in no event, unless the Participant elects otherwise, shall the payment of benefits be effective later than the 60th day after the later of the close of the Plan year in which:

- (i) The Participant attains Normal Retirement Age, or
- (ii) The Participant terminates his or her Covered Employment and Retires, as that term is defined in Section 10.10.

A Participant may however, elect in writing with the Board to receive benefits first payable for a later month, provided that no such election may postpone the commencement of benefits to a date later than the Required Beginning Date. Failure of a Participant to apply for benefit is an election to defer commencement of benefits beyond the date such benefits would otherwise begin, provided that no such election may postpone the commencement of benefits to a date later than the Participant's Required Beginning Date. (A) For a Participant who attains age 70½ before January 1, 2020, "Required Beginning Date" means the April 1st of the calendar year following the calendar year in which the

Participant attains age 70<sup>1</sup>/<sub>2</sub>. (B) For a Participant who attains age 70½ on or after January 1, 2020, "Required Beginning Date" means the April 1st of the calendar year following the calendar year in which the Participant attains age 72. (C) For a Participant who attains age 72 on or after January 1, 2023, "Required Beginning Date" means the April 1st of the calendar year following the calendar year in which the Participant attains age 73. (D) For a Participant who attained age 70<sup>1</sup>/<sub>2</sub> prior to January 1, 1989, shall be deemed to have attained age 70<sup>1</sup>/<sub>2</sub> during 1989 for purposes of determining his or her Required Beginning Date.

Pension payments to the Pensioner shall not be made in a form other than equal monthly installments for the Pensioner's lifetime, except as provided in Section 10.06. or to effect (1) retroactive adjustments including recoupment of overpayments, or (2) increases in the monthly pension amount applicable to all Pensioners in a specified class.

Pension payments shall end with the payment for the month in which the death of the Pensioner occurs except as provided in accordance with the 50% Joint and Survivor Pension, the 75% Joint and Survivor Pension or the 100% Joint and Survivor Pension, or if applicable, upon the completion of the guaranteed payments provided for in Section 8.02.

If any benefits are due and payable at the time of the Pensioner's or Beneficiary's death, such benefits shall be paid to the person or persons entitled thereto by law or to the estate of the Pensioner or Beneficiary.

If a Participant or Beneficiary cannot be found after a period of four years from the date on which a benefit payable to him/her has become due, such benefit shall be forfeited and shall go to and be retained by the Fund, unless the Plan has been terminated prior to the date on which such benefit would become forfeitable in accordance with this provision. However, if such a Participant or Beneficiary subsequently makes claim for such forfeited benefit, the benefit shall again become payable to such Participant or Beneficiary.

In the event that there are conflicting claims to a benefit payable under the terms of the Plan, the Board may interplead the claimants by appropriate proceedings in a court of competent jurisdiction. In such event the provisions of Section 10.04. shall not apply, and the claimants shall submit their respective claims to the Court in which the interpleader proceedings are pending. Upon deposit with the Court of the accrued benefits, the Board shall be entitled to be dismissed from the interpleader proceedings and to payment of its costs in connection therewith, including a reasonable attorney's fee. Thereafter, a final decision of the Court in the proceedings shall bind all claimants to the benefit and shall constitute a full discharge of the Board and the Fund from any liability with regard to the benefit.

- c. Benefits will be granted only to the extent that contributions have been received by the Fund from Contributing Employers. The Fund assumes that a Participant's hours and contributions are accurate unless the Participant challenges the accuracy of a quarterly statement within one year of receipt of that statement. Participants should retain check stubs or statements as a basis for checking the accuracy of their benefits. If the hours do not agree with the hours to which a Participant believes he/she is entitled, the Participant should ask the Fund office to review the contribution records. In order to file a claim for under-reported hours, a Participant must provide proof that hours reported to the Fund Office are less than the hours he/she worked in covered employment for which Pension contributions were required. The Participant must retain payroll check stubs, which will be required to investigate a claim of underreporting of hours by the Contributing Employer. Check stub evidence

must include the names of Contributing Employers for whom the Participant worked, the dates of work, and wages paid. Written requests for review must be received within one year of the date of receipt of the Participant's combined quarterly statement.

#### **Section 10.06. Lump-Sum Payment in Lieu of Monthly Benefit.**

- a. If, at the time a monthly benefit becomes payable to a Participant or Beneficiary, the Actuarial Present Value of such monthly benefit is \$7,000 or less, the Board shall pay to the Participant or Beneficiary, in a lump sum, the amount of such Actuarial Present Value, in lieu of the monthly benefit otherwise payable.
- b. The basis for determining the Actuarial Present Value of a benefit for a Participant who is eligible for a Regular, Early, or Service Pension shall be an amount determined in accordance with Section 1.01., or if it results in a larger lump sum, an amount determined by multiplying the appropriate factor from Appendix 9 for the age of the Participant on his or her Annuity Starting Date, times the monthly pension benefit.
- c. Once pension benefits have commenced in the form of regular monthly payments, there can be no subsequent distribution in the form of a lump sum without the written consent of the Participant and, if the Participant is married, the Spouse.

#### **Section 10.07. Mandatory Commencement of Benefits.**

- a. Notwithstanding any provision of the Plan to the contrary, effective September 1, 1989, the Fund will begin benefit payments to all Participants by their Required Beginning Dates, whether or not they apply for benefits.
- b. If a Participant fails to file a completed application for benefits on a timely basis, and his or her whereabouts are known to the Fund, the Fund will establish the Participant's Required Beginning Date as the Annuity Starting Date and begin benefit payments as follows:
  - (1) If the Actuarial Present Value of the Participant's benefits (determined in accordance with Section 10.06. on small benefit cash outs) is no more than \$7,000, in a single-sum payment.
  - (2) In any other case, in the form of a 50% Joint and Survivor Pension calculated on the assumptions that a Participant is and has been married for at least one year by the date payments start and that the husband is 3 years older than the wife.
  - (3) The benefit payment form specified here will be irrevocable once it begins, with the sole exception that it may be changed to a single-life annuity if the Participant proves that he/she did not have a qualified Spouse (including an Alternate Payee under a Qualified Domestic Relations Order) on the Required Beginning Date; also, the amounts of future benefits will be adjusted based on the actual age difference between the Participant and Spouse if proven to be different from the foregoing assumptions.
  - (4) Federal, state and local income tax, and any other applicable taxes, will be withheld from the benefit payments as required by law or determined by the Board to be appropriate for the protection of the Board and the Participant.

**Section 10.08. Benefits Accrued After Retirement.** If a Retired Participant returns to Covered Employment, any additional benefits he/she may accrue are subject to the following conditions:

- a. **Before Normal Retirement Age.** Effective as of September 1, 1989, additional benefits earned by a Participant in Covered Employment before Normal Retirement Age will be determined as of the Participant's new Annuity Starting Date, unaffected by previously suspended pension benefits which may be resumed in accordance with Section 10.12.
- b. **After Normal Retirement Age.** Effective as of September 1, 1989, any additional benefits earned by a Participant in Covered Employment after Normal Retirement Age will be determined at the end of each Calendar Year and will be payable as of February 1 following the end of the Calendar Year in which it accrued, provided payment of benefits at that time is not suspended pursuant to Section 10.11. or postponed due to the Participant's continued employment.

Additional benefits that are not suspended or postponed will be paid in the payment form in effect for the Participant as of the Annuity Starting Date most recently preceding the date the additional benefits became payable, unless there is a subsequent death or divorce. Otherwise, the additional benefits shall be determined as of the Participant's new Annuity Starting Date.

**Section 10.09. Actuarial Adjustment for Delayed Retirement.**

- a. Effective as of September 1, 1989, if a Participant's initial Annuity Starting Date is after the Participant's Normal Retirement Age, the monthly benefit will be the accrued benefit at Normal Retirement Age, actuarially increased for each complete calendar month between Normal Retirement Age and the Annuity Starting Date for which benefits were not suspended, and then converted as of the Annuity Starting Date to the benefit payment form elected in the pension application of the Participant.
- b. If a Participant first becomes entitled to additional benefits after Normal Retirement Age, whether through additional Covered Employment or because of a benefit increase, the actuarial increase in those benefits will start from the date they would first have been paid rather than Normal Retirement Age.
- c. The actuarial increase will be .75% per month for each month between Normal Retirement Age (or such later date as may be determined in b. above) and age 70 and 1.5% per month for each month thereafter.
- d. Notwithstanding the above, instead of an actuarially increased benefit, a Participant may choose to receive at his or her Annuity Starting Date a monthly benefit equal to his or her accrued benefit at Normal Retirement Age plus a one-time cash payment equal to such monthly amount multiplied by the number of complete calendar months between Normal Retirement Age and the Annuity Starting Date for which benefits were not suspended.

## **Section 10.10. Retirement.**

- a. **Before Normal Retirement Age.** To be deemed Retired before he/she has attained age 55, a Pensioner must refrain from employment or self-employment for wages or profit as outlined in (1), (2), and (3) below and in accordance with the written documents and policies that govern the Plan. To be deemed Retired after he/she has attained age 55 but before he/she has attained Normal Retirement Age, a Pensioner must refrain from employment or self-employment for wages or profit for more than 40 hours during a calendar month as outlined in (1), (2), and (3) below and in accordance with the written documents and policies that govern the Plan.
- (1) In an industry in which Employees were employed and accrued benefits under the Plan as a result of such employment at the time that the payment of benefits to the Pensioner commenced or would have commenced if the Pensioner had not remained in or returned to employment; and
  - (2) In a trade or craft in which the Pensioner was employed at any time under the Plan, in the geographical jurisdiction of this Plan or of a Related Plan; and
  - (3) In Prohibited Employment as defined in Section 1.33.
- b. **After Normal Retirement Age but before age 70 ½.** To be deemed Retired after Normal Retirement Age but before age 70 ½, a Pensioner must refrain from employment or self-employment for more than 40 hours during a calendar month as outlined in (1), (2), (3), and (4) below.
- (1) In an Industry in which Employees were employed and accrued benefits under the Plan as a result of such employment at the time that the payment of benefits to the Pensioner commenced or would have commenced if the Pensioner had not remained in or returned to employment; and
  - (2) In a trade or craft in which the Pensioner was employed at any time under the Plan; and
  - (3) In Prohibited Employment as defined in Section 1.33; and
  - (4) In the state of California.

## **Section 10.11. Suspension of Pension Payments.**

- a. **Before Normal Retirement Age.** If a Pensioner is employed or self-employed in work of the type described in Subsection 10.10.a., his or her pension payments shall be suspended and permanently withheld for a period equal to the number of months during which he/she was so employed or self-employed. Pension payments shall also be suspended and permanently withheld for the following additional periods which immediately follow the foregoing period:
- (1) Six months, except with respect to a person who received a Disability Pension prior to such employment.

**Exception:** The preceding six-month suspension period is waived for Pensioners who re-enter Covered Employment between July 1, 1998 through December 31, 1998, in work of the type described in Subsection 10.10.a., irrespective of the duration of such employment.

(2) Twelve months in addition to the months under (1) if the Pensioner fails to satisfy the notice requirement of Subsection 10.11.e.(2).

- b. **After Normal Retirement Age.** If a Pensioner is employed or self-employed in work of the type described in Subsection 10.10.b., his or her pension payments shall be suspended and permanently withheld for each calendar month in which he/she was so employed or self-employed prior to age 70½. After he/she ceases such employment or self-employment, his or her pension shall commence with the first month following the cessation of employment or self-employment of the type described in Subsection 10.10.b. Pension payments shall not be suspended for employment or self-employment on or after the date the Participant attains age 70½.
- c. **Waiver of Suspension due to Industry Need.** Effective April 1, 2001 through March 31, 2002, the suspension provisions described in Subsection 10.11.a. and 10.11.b. will be waived for Pensioners whose Pension Effective Date is prior to December 31, 2000 and who re-enter Covered Employment in work of the type described in Subsection 10.10.a. and b.

This waiver of the suspension provisions only applies to continuous Covered Employment which begins during the designated period stated above. Any employment which begins before or after the designated period will be subject to all suspension provisions. In order to be eligible for the waiver of the suspension provisions, the Participant must notify the Fund Office of the date the Covered Employment began and the name of the Employer. This Subsection only modifies the suspension provisions for the designated period. All other provisions of the Pension Plan will apply to the Participant's benefits during the designated period.

Unless approved by the Board of Trustees, the provisions of this waiver shall not apply to employment beyond December 31, 2003.

Upon subsequent retirement, a Participant's pension amount shall be determined in accordance with Section 10.12. as if a suspension had occurred.

- d. **Non-Covered Employment.** Suspension of pension payments for Early Retirement Pensioners is subject to the Plan limitations for Non-Covered Employment as discussed in Article 12.
- e. **Notices.**
  - (1) Before commencement of pension benefits, a Pensioner shall sign a retirement declaration, in a form prescribed by the Board of Trustees, acknowledging notice of the Plan rules governing suspension of benefits, as set forth in the declaration, and agreeing to abide by the requirements of such rules. The Pensioner shall be notified by mail at his or her last address on record with the Fund of any material change in the suspension rules on or before the effective date of such change or within 15 days thereafter.



- (2) A Pensioner shall notify the Plan, in writing, within 15 days after starting any work of a type that is or may be prohibited under the provisions of Section 10.10. and without regard to the number of hours of such work.

The Board may at any time or from time to time, as a condition to receiving future benefit payments, require that a Pensioner submit evidence verifying that he/she is unemployed or that any employment does not constitute work of the type prohibited under the provisions of Section 10.10.

- (3) Whenever the Board becomes aware that a Pensioner is working or has worked in Prohibited Employment in any month after Normal Retirement Age, and has failed to give timely notice to the Plan of such employment, the Board may, unless it is unreasonable under the circumstances to do so, act on the basis of a rebuttable presumption that the Pensioner worked for more than 40 hours in such month and any subsequent month before the Pensioner gives notice in writing to the Board that he/she has ceased Prohibited Employment. The Pensioner may overcome such presumption by establishing that his or her work was not in fact an appropriate basis, under the Plan, for suspension of his or her benefits.

In addition, whenever the Board becomes aware that a Pensioner is working or has worked in Prohibited Employment for any number of hours for an employer at a construction site and he/she has failed to give timely notice to the Plan of such employment, the Board may, unless it is unreasonable under the circumstances to do so, act on the basis of a rebuttable presumption that the Pensioner engaged in such employment for the same employer in work at that site for so long before the work in question as that same employer performed that work at that construction site. The Pensioner may overcome such presumption by establishing that his or her work was not in fact an appropriate basis, under the Plan, for suspension of his or her benefits.

The Board shall advise all Pensioners in writing at least once every 12 months of its employment verification requirements and the nature and effect of the presumptions provided in this Paragraph e.(3).

- (4) A Pensioner whose pension has been suspended shall notify the Plan in writing when Prohibited Employment has ended. The Board shall have the right to withhold benefit payments until such notice is filed with the Plan.
- (5) A Participant may request the Board in writing to determine whether specific contemplated employment is prohibited by Subsection 10.10.b. The Board will render its determination and notify the Participant in writing of such determination in accordance with the claims review procedure provided in Section 10.04.
- (6) The Plan shall inform a Pensioner of any suspension of his or her benefits pursuant to Section 10.10.b. by notice given by personal delivery or first class mail during the first calendar month in which his or her benefits are withheld. Such notice shall include (a) a description of the specific reasons for the suspension, (b) a general description of the Plan provisions relating to the suspension of benefits, (c) a copy of such provisions and a copy of the claims review procedure provided in Section 10.04., (d) a statement that applicable Department of Labor regulations may be found in Section 2530.203-3 of Title 29 of the Code of Federal Regulations,

(e) a statement that a request for the review of such suspension will be considered in accordance with the claims review procedure provided in Section 10.04., (f) a description of the procedure for filing a benefit resumption notice, (g) the forms that must be filed for such purpose, and (h) a specific identification of the periods of employment for which suspendible amounts will be offset, the suspendible amounts subject to offset and the manner in which such offset will be made.

- (7) A Participant who continues employment beyond Normal Retirement Age in the type of work prohibited by Subsection 10.10.b. shall be notified in writing during the first calendar month after his or her attainment of Normal Retirement Age that his or her pension benefits will not commence until he/she has Retired and filed an application pursuant to Section 10.01. or he/she has attained the Required Beginning Date, whichever is sooner. The Participant shall also be furnished with the Plan rules governing suspension of benefits.

**f. Review.**

A suspension of benefits pursuant to this Section shall be subject to review by the Board in accordance with the claims review procedure provided in Section 10.04.

**g. Resumption of Benefit Payments.**

- (1) Entitlement to benefits shall be resumed for months after the last month for which benefits were suspended, provided the Pensioner has complied with the notification requirements of Paragraph d. (4) above. Subject to the provisions of Paragraph (2) of this Subsection, overpayments attributable to payments of benefits made for any month or months for which the Pensioner engaged in Prohibited Employment shall be deducted from benefits otherwise payable subsequent to the period of suspension, in such installments and to such extent as the Board shall determine.
- (2) In the case of a Pensioner who has attained Normal Retirement Age, benefit payments shall resume no later than the third month after the last calendar month for which the Pensioner's benefit was suspended or upon attainment of and in no event later than the Required Beginning Date. The deduction or offset for prior benefit overpayments shall be 100% of the initial payment or the full suspendible amount subject to offset, whichever is less. Thereafter, the deduction or offset shall not exceed in any one month 10% of that month's total benefit payment which would have been due but for the offset.
- (3) If a Pensioner dies before recoupment of suspendible amounts has been completed, deductions shall be made from any benefit payable to his or her surviving Spouse or Beneficiary, subject, in cases to which Paragraph (2) applies, to the 25% limitation on the rate of deduction as to any benefit payments after the first such payment.

**h. Continued Employment After Normal Retirement Age.**

Subsection b., providing for suspension of benefits after Normal Retirement Age, shall not apply to a Participant who remains in Covered Employment and does not retire until after Normal Retirement Age, unless he/she subsequently returns to Prohibited Employment after he/she retires.

**Section 10.12. Pension Payments Following Suspension or Following Recovery by a Disability Pensioner.**

- a. A Regular Pensioner who returns to Covered Employment but not for a period of time sufficient to earn at least one year of Vesting Credit, shall not be entitled to a higher pension amount on his or her subsequent Retirement.

However, a Regular Pensioner who returns to Covered Employment and earns at least one year of Vesting Credit shall, upon his or her subsequent Retirement, be entitled to a higher Pension for the additional Unit Value Benefit Credit or Percentage of Contribution Benefit Credit he/she earned after his or her return to Covered Employment, calculated at the amount payable by the Plan in accordance with Section 3.03. at the time of his or her subsequent Retirement. The amount of the Regular Pension earned prior to his or her previous Retirement(s) will, however, remain unchanged.

- b. An Early Retirement Pensioner who returned to work in Covered Employment before September 1, 1978 and earns additional Pension Credit will be entitled to a higher pension amount upon his or her subsequent retirement, based on his or her then attained age and the pension amount payable by the Plan on the date a pension is again payable to him/her. However, if and when he/she Retires again he/she shall receive upon his or her subsequent retirement a monthly pension amount not greater than his or her previous Early Retirement Pension benefit until such time as the difference between the amount of his or her previous Early Retirement Pension and his or her subsequent pension amount equals the aggregate amount paid to him/her previously as an Early Retirement benefit. Thereafter, he/she shall receive the monthly amount described in the foregoing paragraph.

An Early Retirement Pensioner who returned or returns to Covered Employment on or after September 1, 1978, but not for a period of time sufficient to earn at least one year of Vesting Credit, shall not be entitled to a higher pension amount on his or her subsequent retirement.

An Early Retirement Pensioner who returned or returns to Covered Employment on or after September 1, 1978, and earns at least one year of Vesting Credit, shall, upon his or her subsequent retirement, be entitled to a higher pension based on the additional Unit Value Benefit Credit or Percentage of Contribution Benefit Credit he/she earned after his or her return to Covered Employment calculated at the amount payable by the Plan in accordance with the provisions of Section 3.03. at the time of his or her second retirement, adjusted as provided in Section 3.05. in accordance his or her attained age on the date of his or her subsequent retirement. The amount of the Early Retirement Pension he/she earned prior to his or her previous retirement(s) will, however, remain unchanged.

- c. A Disability Pensioner who recovers from his or her Total Disability and returns to Covered Employment shall be entitled, upon subsequent Retirement, to a pension in an amount calculated at the amount payable under the applicable provision of Article 3 at the time of his or her subsequent Retirement, including any additional Unit Value Benefit Credit or Percentage of Contribution Benefit Credit earned during his or her period of subsequent employment.
- d. A Service Pensioner who returns to Covered Employment but not for a period of time sufficient to earn at least one year of Vesting Credit, shall not be entitled to a higher pension amount on his or her subsequent retirement.

A Service Pensioner who returns to Covered Employment and earns at least one year of Vesting Credit shall, upon his or her subsequent retirement, be entitled to a higher Pension based on the additional Unit Value Benefit Credit or Percentage of Contribution Benefit Credit he/she earned after his or her return to Covered Employment, calculated at the amount payable by the Plan in accordance with Section 3.03. at the time of his or her subsequent retirement, if that retirement is on or after January 1, 1989. The amount of the Service Pension payable during the term of his or her previous retirement will remain unchanged.

- e. Suspensions of pension payments before Normal Retirement Age because of employment or self-employment of the type for which a pension would not be suspended after Normal Retirement Age, shall not reduce the value of the Participant's pension below the actuarial equivalent of the Pension payable at his or her Normal Retirement Age; to the extent necessary to avoid such reduction, the monthly amount of the pension shall be adjusted so as not to deprive the Participant of the value of the pension as payable to him/her at his or her Normal Retirement Age.

For purposes of this Subsection, the term "actuarial equivalent" shall mean an amount based on the "Applicable Mortality Table" and "Applicable Interest Rate" described in Section 1.01.a.

- f. A 50% Joint and Survivor Pension, the 75% Joint and Survivor Pension or the 100% Joint and Survivor Pension in effect immediately prior to suspension of benefits and the Pensioners' Guarantee of Benefits shall remain in effect if the Pensioner's death occurs while his or her benefits are in suspension. If a Pensioner has returned to Covered Employment, he/she shall not be entitled to a new election as to the 50% Joint and Survivor Pension, the 75% Joint and Survivor Pension or the 100% Joint and Survivor Pension or any other optional form of benefit provided under the Plan.

#### **Section 10.13. Non-Forfeitability.**

- a. The Employee Retirement Income Security Act (ERISA) requires that certain of the benefits under this Plan be non-forfeitable.
- b. A Participant acquires a non-forfeitable right to a normal retirement benefit at Normal Retirement Age. Periods of service and breaks in service are defined for that purpose under this Plan on the basis of all compensated hours of work.
- c. ERISA also provides certain limitations on any plan amendment that may change the plan's vesting schedule. In accordance with those legal limitations, no amendment of this Plan may take away a Participant's non-forfeitable right to a normal retirement benefit at Normal Retirement Age, if he/she has already earned it at the time of the amendment. Also, an amendment may not change the schedule on the basis of which a Participant acquires such a right, unless each Participant who has at least 3 Years of Vesting Credit at the time the amendment is adopted or effective (whichever is later) is given the option of achieving such a non-forfeitable right on the basis of the pre-amendment schedule.

That option may be exercised within 60 days after the latest of the following dates:

- (1) When the amendment was adopted,
- (2) When the amendment became effective, or

- (3) When the Participant was given written notice of the amendment.

While this Plan provides Early Retirement Pensions, Service Pensions, Disability Pensions, and Reciprocal Pensions on the basis of requirements that may be met by some Participants who have not completed 10 Years of Vesting Credit, such eligibility rules represent provisions of the Plan above and beyond those which are required by law to be non-forfeitable.

The provisions of this Section 10.13. are subject to the conditions of Sections 10.01., 10.02., 10.05. and 10.11.

**Section 10.14. Incompetence, Incapacity or Minority of Payee.** In the event that it is determined to the satisfaction of the Board of Trustees that a Pensioner or his or her Beneficiary is incompetent or incapable of executing a valid receipt, or that a Beneficiary is a minor, and that no guardian, committee or representative of the payee has been legally appointed, the Board may in its sole discretion, during the lifetime of the payee, pay any amount otherwise payable to such payee to the person or persons, or institution or facility, who or which in its opinion has been caring for or supporting the payee (except that no payment shall be made to a governmental institution or facility if the payee is not legally required to pay for his or her care and maintenance), until claim is made for the remainder by a legally appointed guardian, committee or other representative of the payee. Any payment in accordance with this Section shall discharge the obligation of the Fund hereunder to the extent of such payment.

**Section 10.15. Non-Assignment of Benefits.**

- a. Except to the extent otherwise provided by a Qualified Domestic Relations Order, or the equivalent thereof, authorized by the Employee Retirement Income Security Act, the Internal Revenue Code or the Retirement Equity Act, each Employee, Pensioner or Beneficiary under the Plan is restrained from selling, transferring, anticipating, assigning, alienating, hypothecating or otherwise disposing of his pension, prospective pension, or any other right or interest under the Plan, and the Board of Trustees will not recognize, or be required to recognize, any sale, transfer, anticipation, assignment, alienation, hypothecation, or their disposition. Any pension, prospective pension, right or interest will not be subject in any manner to voluntary transfer or transfer by operation of law or otherwise, and is exempt from the claims of creditors or other claimants and from all orders, decrees, garnishments, executions or other legal or equitable process or proceedings to the fullest extent permissible by the laws of the United States or any regulation. However, in the event that through mistake or any other circumstance an Employee, Pensioner or Beneficiary has been paid or credited with more than the amount to which he is entitled under the Plan or the law or has become obligated to the Fund under an indemnity agreement or in any other way, the Employee, Pensioner or Beneficiary shall be deemed a constructive trustee of said amounts for the benefit of the Plan, and the Board of Trustees may offset, recoup and recover the amount of any overpayment, excess credit or obligation from benefits accrued or thereafter accruing to the Employee, Pensioner or Beneficiary (or the Beneficiary of the Employee or Pensioner) and not yet distributed, or use any other means as permitted by law.
- b. The Board shall adopt and prescribe reasonable rules and regulations for the implementation of the Qualified Domestic Relations Order provisions of ERISA, the Internal Revenue Code and the Retirement Equity Act.

#### **Section 10.16. Limitations on Benefits Under Section 415.**

In addition to any other limitations set forth in the Plan and notwithstanding any other provisions of the Plan, effective for Limitation Years beginning on and after January 1, 2008, benefits under the Plan shall be limited in accordance with section 415 of the Code and the Treasury regulations thereunder, in accordance with this Article. This Section 10.16 is intended to incorporate the requirements of section 415 of the Code by reference except as otherwise specified herein.

- a. Definitions. For purposes of this Section 10.16, the following terms shall have the following meanings.

(1) Compensation.

“Compensation” for purposes of this Article is as defined in Section 1.10 of the Plan.

(2) Limitation Year.

“Limitation Year” means the calendar year.

(3) Plan Benefit.

“Plan Benefit” means, as of any date, the amount of a Participant’s benefit as determined under the applicable provisions of the Plan before the application of the limits in Article XI.

(4) Severance From Employment.

“Severance From Employment” has occurred when a Participant is no longer an employee of any Employer maintaining the Plan.

- b. Limit on Accrued Benefits.

For Limitation Years beginning on or after January 1, 2008, in no event shall a Participant’s benefit accrued under the Plan for a Limitation Year exceed the annual dollar limit determined in accordance with section 415 of the Code and the Treasury Regulations thereunder (the “annual dollar limit”) for that Limitation Year. If a Participant’s Plan Benefit for a Limitation Year beginning on or after January 1, 2008 would exceed the annual dollar limit for that Limitation Year, the accrued benefit, but not the Plan Benefit, shall be frozen or reduced so that the accrued benefit does not exceed the annual dollar limit for that Limitation Year.

- c. Limits on Benefits Distributed or Paid.

For Limitation Years beginning on or after January 1, 2008, in no event shall the annual amount of benefit distributed or otherwise payable to or with respect to a Participant under the Plan in a Limitation Year exceed the annual dollar limit for that Limitation Year. If the benefit distributable or otherwise payable in a Limitation Year would exceed the annual dollar limit for that Limitation Year, the benefit shall be reduced so that the benefit distributed or otherwise payable does not exceed the annual dollar limit for that Limitation Year.

d. Protection of Prior Benefits.

- (1) To the extent permitted by law, the application of the provisions of this Article 10 shall not cause the benefit that is accrued, distributed or otherwise payable for any Participant, including the Participant's annual benefit accrued under the Plan as separately determined for each Individual Employer, to be less than the Participant's accrued benefit as of December 31, 2007 under the provisions of the Plan that were both adopted and in effect before April 5, 2007 and that satisfied the limitations under section 415 of the Code and the Treasury Regulations thereunder as in effect as of December 31, 2007.
- (2) For any year before 1983, the limitations prescribed by section 415 of the Code as in effect before enactment of the Tax Equity and Fiscal Responsibility Act of 1982 shall apply, and no benefit earned under this Plan shall be reduced on account of the provisions of this Section if it would have satisfied those limitations under the prior law.
- (3) For any year before 1992, the limitations prescribed by section 415 of the Code as in effect before enactment of the Tax Reform Act of 1986 shall apply, and no benefit earned under this Plan as of the close of the last Limitation Year beginning before January 1, 1987 shall be reduced on account of the provisions of this Section if it would have satisfied those limitations under the prior law.

e. Section 415 Cost of Living Adjustments.

To the extent permitted by law, benefits accrued, distributed or otherwise payable with respect to any Participant while in Covered Employment, and after such Participant's Severance From Employment or the Participant's Annuity Starting Date, if earlier, that are limited by this Section 10.16 shall be increased annually pursuant to cost of living increases in the annual dollar limit under section 415(d)(1)(A) of the Code and the Treasury Regulations thereunder; provided, however, that in no event shall any increase under this Section 10.16(e) cause the amount of a Participant's accrued, distributed or otherwise payable benefit to exceed the amount of the Participant's Plan Benefit.

f. Order in Which Limits Are Applied.

Joint and survivor annuities. To the extent permitted by law, a Participant's qualified joint and survivor annuity form of payment and the survivor annuity portion of such form of payment are computed by applying a reduction factor or factors to a Participant's Plan Benefit before the limits under this Section 10.16 are applied; provided however that the survivor annuity may not exceed the benefit that would have been payable to the Participant after application of the limits in this Section 10.16.

g. Aggregation of Plans.

- (1) In the event that the aggregate benefit accrued in any Plan Year by a Participant exceeds the limits under section 415 of the Code and the Treasury Regulations thereunder as a result of the mandatory aggregation of the benefits under this Plan with the benefits under another plan maintained by the Employer, the benefits of such other plan shall be reduced to the extent necessary to comply with section 415 of the Code and the Treasury Regulations thereunder. If necessary to observe these limits, benefits under any other defined benefit plans will be

reduced before benefits under this plan, but benefits under this plan will be reduced to the extent necessary if benefit under the other plans cannot be reduced.

- (2) For purposes of applying the limits of this Section 10.16.(g), if a Participant also participates in another tax-qualified defined benefit plan of the Employer that is not a multiemployer plan, only the benefits under this Plan that are provided by the Employer are aggregated with the benefits under the other plan.

h. General.

- (1) To the extent that a Participant's benefit is subject to provisions of section 415 of the Code and the Treasury regulations thereunder that have not been set forth in the Plan, such provisions are hereby incorporated by reference into this Plan and for all purposes shall be deemed a part of the Plan.
- (2) This Section 10.16. is intended to satisfy the requirements imposed by section 415 of the Code and the Treasury Regulations thereunder and shall be construed in a manner that will effectuate this intent. This Section 10.16. shall not be construed in a manner that would impose limitations that are more stringent than those required by section 415 of the Code and the Treasury regulations thereunder.
- (3) If and to the extent that the rules set forth in this Section 10.16. are no longer required for qualification of the Plan under section 401(a) and related provisions of the Code and the Treasury regulations thereunder, they shall cease to apply without the necessity of an amendment to the Plan.

i. Interpretation or Definition of Other Terms

The terms used in this Section 10.16. that are not otherwise expressly defined for this Section, shall be defined as provided in the Plan, or if not defined in the Plan, shall be defined, interpreted and applied for purposes of this Section 10.16. as prescribed in section 415 of the Code and the Treasury regulations thereunder.

**Section 10.17. Offset and Recoupment.** In the event that it is determined that due to either a mistake of fact or law, or to compliance with Section 10.15., or to any other circumstance, a Participant, Beneficiary or surviving Spouse has been paid more than he/ she is entitled to under the terms of the Plan or under the law, or is otherwise obligated to the Fund, the Board of Trustees shall, when it is in the best interests of the Plan to do so, offset, recoup and recover the amount of such overpayment or obligation from benefits accrued or thereafter accruing to the Employee, Pensioner or Beneficiary as permitted by law.

**Section 10.18. Waiver of Class, Collective, and Representative Actions.** By participating in the Plan, to the fullest extent permitted by law, whether in court, Participants waive any right to commence, be a party to in any way, or be an actual or putative class member of any class, collective, or representative action arising out of or relating to any dispute, claim or controversy, and Participants agree that any dispute, claim or controversy may only be initiated or maintained and decided on an individual basis.



## **ARTICLE 11. PARTICIPATION OF CERTAIN TYPES OF EMPLOYEES AFTER SEPTEMBER 1, 1975**

**Section 11.01. General.** The provisions of this Article apply to Participants for whom Contributions are made to the Pension Fund and who performed work prior to their Contribution Dates, as hereinafter defined, of the type covered by the Drywall/Lathing Master Agreement and/or the Master Agreement defined in Section 1.23. of the Pension Plan, hereinafter called the "Carpenters Master Agreement" (installation of metal studs, acoustic ceiling and drywall) which was not performed under a Collective Bargaining Agreement with a Local Union affiliated with the United Brotherhood of Carpenters.

**Section 11.02.** With respect to such Participant who has not established a Contribution Date prior to September 1, 1975, the "Contribution Date" as defined in Section 1.12. of the Pension Plan is the first day of the month in which he/she performed work in Covered Employment for which a Contribution is made to the Pension Fund by a Contributing Employer.

**Section 11.03.** Such a Participant with a Contribution Date after August 31, 1975, but before August 1, 1986, will receive up to 10 Past Service Pension Credits for employment with an employer who is a party to any Collective Bargaining Agreement covering the type of work covered by the Drywall/Lathing Master Agreement and/or the Carpenters Master Agreement in the geographical area covered by the Pension Fund, in accordance with the provisions of Article 6 for the granting of Past Service Pension Credit.

**Section 11.04.** Such a Participant with a Contribution Date prior to September 1, 1975 will receive up to 10 full Eligibility Credits (Past or Future Service) for employment with an employer who is a party to any Collective Bargaining Agreement covering the type of work covered by the Drywall/Lathing Master Agreement and/or the Carpenters Master Agreement in the geographical area covered by the Pension Fund in accordance with the provisions of Article 6 for the granting of Past or Future Service Eligibility Credit, whichever is applicable.

**Section 11.05.** Such a Participant with a Contribution Date before August 1, 1986 will accumulate Eligibility Credit and Vesting Credit toward eligibility for a Pension and other benefits provided by the Plan in accordance with the rules of the Pension Plan, except as modified by Sections 11.03. and 11.04.

**Section 11.06.** For such a Participant with a Contribution Date on or after September 1, 1975, but before August 1, 1986, monthly retirement benefits under the Pension Plan (or any other type of benefit) will not become payable until after he/she has earned at least 2 full Future Service Eligibility Credits following his or her Contribution Date, in addition to meeting the other requirements of the Pension Plan.

**Section 11.07.** The vesting provisions of the Pension Plan shall not be operative for such a Participant with a Contribution Date on or after September 1, 1975, but before August 1, 1986, until after he/she has earned 2 full Future Service Eligibility Credits without a Permanent Break in Service, as defined in Section 6.08. of the Pension Plan.

**Section 11.08.** Effective January 1, 1992, Future Service Eligibility Credit, Vesting Credit, and Future Service Unit Value Benefit Credit for Participants described in Section 11.01. shall be based on work hours reported to the Lathers Defined Contribution Plan for 1992. Effective January 1, 1993, Future

Service Eligibility Credit, Vesting Credit, Future Service Unit Value Benefit Credit, or Percentage of Contribution Benefit Credit for such Participants shall be based on Hours of Work in Covered Employment.

**Section 11.09.** A Participant described in Section 11.01. shall be granted Vesting Credit for work of the type covered by the Drywall Master Agreement and/or the Master Agreement defined in Section 1.23. of the Pension Plan during the period January 1, 1984 through December 31, 1987 provided the Participant earns one year of Vesting Credit during each of 2 years commencing January 1, 1992.

**Section 11.10.** A Participant described in Section 11.01. who has qualified for the Vesting Credit provided for in Section 11.09., will be granted Vesting Credit and Past Service benefits at the rate of \$20.00 per year, for years of work of the type covered by the Drywall Master Agreement and/or the Master Agreement defined in Section 1.23. of the Pension Plan, during the period January 1, 1988 through December 31, 1991.

**Section 11.11. Certain Lathers Local 9083L Participants.** The provisions of this Section 11.11 and Section 11.12 apply to Participants described in Section 11.01 and who are designated by the Board as members of Lathers Local 9083L who are active Participants in the Lathers Local #144 Pension Trust Fund as of January 1, 2002. Effective January 1, 2002, Future Service Eligibility Credits, Vesting Service, and Future Service Pension Credits for Participants described in this Section shall be based on the sum of:

- (a) The work hours reported to the Lathers Local #144 Pension Trust Fund for 2002, and
- (b) The Hours of Work in Covered Employment for 2002.

Effective January 1, 2003, Future Service Eligibility Credits, Vesting Service, and Future Service Pension Credits for such Participants shall be based on Hours of Work in Covered Employment.

**Section 11.12.** Participants described in Section 11.11. shall receive Future Service Eligibility Credits and Vesting Service for service earned prior to January 1, 2002, under the Lathers Local 9083L Pension Plan. For the period prior to January 1, 2002, Future Service Eligibility Credits shall be equal to the credit used to determine benefits accrued under the Lathers Local #144 Pension Trust Fund through December 31, 2001, and Vesting Service shall be equal to the vesting service earned under the Lathers Local #144 Pension Trust Fund through December 31, 2001.

## **ARTICLE 12. PLAN LIMITATIONS RESULTING FROM NON-COVERED EMPLOYMENT**

**Section 12.01. Purpose.** Notwithstanding any provisions of this Plan to the contrary, if an Employee or Participant, or former Employee or Participant, at any time performs Non-Covered Employment as defined in Section 1.25., on or after July 1, 1991, he/she shall thereafter be subject to the restrictions set forth in Section 12.02.

### **Section 12.02. Restrictions on Benefits for Performing Non-Covered Employment.**

- a. Effect Upon Early Retirement. A Participant who is retiring on an Early Retirement Pension shall have receipt of such pension delayed 6 months for every calendar quarter in which the Participant worked in Non-Covered Employment.
- b. Effect Upon Disability Pensions. A Disability Pension shall not be payable.
- c. Effect Upon Service Pensions. A Participant who is retiring on a Service Pension shall have receipt of such pension delayed for 6 months for every calendar quarter in which the Participant worked in Non-Covered Employment.
- d. Death Benefits. Death Benefits, as described in Section 8.01., shall not be payable.
- e. Effect on Suspension of Benefits Provisions. A Participant whose Early Retirement Pension is suspended in accordance with Subsection 10.11.a., shall also have payments suspended and permanently withheld for an additional 6 months for each calendar quarter in which he/she performed Non-Covered Employment.

Beginning June 1, 2004, any benefits accrued prior to July 1, 1991 will no longer be subject to the restrictions set forth in Plan Section 12.02.a, 12.02.c., and 12.02.e.

If such benefits were subject to the restrictions set forth in Plan Section 12.02.a, 12.02.c., and 12.02.e. for the month of June 2004 or for any month thereafter, such restricted benefits (including simple interest at an annual rate of 4% until such time that the Board of Trustees modifies said rate from the date of suspension until the date of payment) will be paid to the Pensioner before January 1, 2007.

**Section 12.03. Cancellation of Restrictions on Benefits.** If an Employee or Participant, or former Employee or former Participant, has engaged in Non-Covered Employment which has resulted in the imposition of the restrictions in Section 12.02., those restrictions will be lifted if:

- a. The individual subsequently returns to Covered Employment and remains in Covered Employment for a period of time equal to or greater than the period of time spent in Non-Covered Employment, or
- b. The individual returns to Covered Employment and the first day of such subsequent Covered Employment is on or after September 1, 1995 but before December 31, 1995, and provided the individual reestablishes eligibility in the Carpenters Health and Welfare Trust Fund for California within twelve months of the date he/she returned to Covered Employment. However, if the

individual subsequently re-engages in Non-Covered Employment the waiver herein granted is revoked and the restrictions imposed in Section 12.02 shall remain in full force, or

- c. The individual returns to Covered Employment and the first day of such subsequent Covered Employment is on or after January 1, 2006 but before September 30, 2006, and provided the individual works a total of at least 400 hours in Covered Employment during any six consecutive month period between January 1, 2006 and September 30, 2007. However, if the individual subsequently re-engages in Non-Covered Employment the waiver herein granted is revoked and the restrictions imposed in Section 12.02 shall remain in full force, or
- d. The individual reaches Normal Retirement Age.

## ARTICLE 13. SPECIAL PROVISIONS FOR ELIGIBLE ROLLOVER DISTRIBUTIONS

**Section 13.01. Purpose.** This Article applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Article, a Distributee may elect, at the time and in the manner prescribed by the Plan administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.

### **Section 13.02. Definitions.**

- a. Eligible Rollover Distribution: An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated Beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Internal Revenue Code; and the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).
- b. Eligible Retirement Plan. An Eligible Retirement Plan is an individual retirement account described in section 408(a) of the Code, an individual retirement annuity described in section 408(b) of the Code, an annuity plan described in section 403(a) of the Code, or a qualified defined contribution plan described in section 401(a) of the Code, that accepts the Distributee's Eligible Rollover Distribution. Effective for distributions made after December 31, 2001, an Eligible Retirement Plan also includes an annuity contract described in section 403(b) of the Code and an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. Effective for distributions made after December 31, 2007, an Eligible Retirement Plan shall also include a Roth individual retirement account or annuity ("Roth IRA") described in Code section 408A.
- c. Distributee. A Distributee includes any Participant or former Participant. In addition, the surviving spouse of a Participant or former Participant and a former spouse of a Participant or former Participant who is the alternate payee under a Qualified Domestic Relations Order, as defined in section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse. Effective for distributions after December 31, 2008, a Distributee also includes the Participant's nonspouse designated beneficiary under Section 8.03. In the case of a nonspouse beneficiary, the direct rollover may be made only to an individual retirement account or annuity described in Code § 408(a) or § 408(b) ("IRA") or a Roth IRA that is established on behalf of the designated beneficiary and that will be treated as an inherited IRA pursuant to the provisions of Code § 402(c)(11).
- d. Direct Rollover: A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

## ARTICLE 14. MERGERS

### Section 14.01. Merger with the Mill Cabinet Pension Fund for Northern California

- a. Acceptance of Mill Cabinet Plan Liabilities. All liabilities of the Mill Cabinet Pension Fund for Northern California (hereinafter "Mill Cabinet Plan") to Participants, Retirees, and former Participants who did not incur a Permanent Break in Service prior to January 1, 1994, including, by way of example, liabilities for Vesting Credit, Pension Credit, and benefit accruals earned prior to January 1, 1994 under the Mill Cabinet Plan and all obligations to persons retired under the Mill Cabinet Plan are hereby recognized as liabilities of this Plan. All benefits and eligibility therefore for service earned both prior to January 1, 1994 and prior to a Separation in Covered Employment which occurred on or before December 31, 1993 shall be determined in accordance with the terms of the Mill Cabinet Plan. No Participant's or Beneficiary's accrued benefit under the Mill Cabinet Plan will be lower immediately after the effective date of this merger than the benefit immediately before that date. Commencing January 1, 1994, the rules of this Plan, as modified in this Article 14, govern the accrual of credits, forfeitures and rights of Employees under Mill Cabinet Collective Bargaining Agreements.
- b. Participation. All persons who, absent this merger, would have been Participants under the Mill Cabinet Plan on January 1, 1994 shall be Participants under this Plan as of January 1, 1994. All former Participants under the Mill Cabinet Plan who had not incurred a Permanent Break in Service as of December 31, 1993, shall become Participants under this Plan in accordance with Section 2.04. of this Plan.
- c. Breaks in Service. All persons who had incurred one or more consecutive One-Year Breaks in Service as of December 31, 1993, under the Mill Cabinet Plan shall have the same number of such consecutive One-Year Breaks in Service as of December 31, 1993, under this Plan. Thereafter, additional One-Year Breaks in Service, if any, shall be determined in accordance with Article 6 of this Plan.
- d. Eligibility for Retirement Benefits. Eligibility for receipt of benefits accrued under the Mill Cabinet Plan prior to January 1, 1994 for individuals who retire on or after January 1, 1994 shall be determined in accordance with this Plan. The Special Service Pension is not available to persons who, absent this merger, would have been Participants under the Mill Cabinet Plan on January 1, 1994.
- e. Suspension of Benefits. Retirees under the Mill Cabinet Plan as of December 31, 1993 are subject to the suspension of benefit rules under the Mill Cabinet Pension Plan. Retirees with effective dates of retirement on or after January 1, 1994 are subject to the suspension of benefit rules under this Pension Plan for the Carpenters Pension Trust Fund for Northern California. Notwithstanding any other provisions herein, this Section 14.01 shall be interpreted with the intent of complying with the requirements set forth in Revenue Procedure 2005-23.
- f. Determination of Withdrawal Liability. Subsequent to the merger, the allocation of liabilities to withdrawing employers will be calculated pursuant to PBGC regulations §2642.21 and §2642.22. The allocation fraction in §2642.22(b) will be replaced by the fraction described in §2642.26(d)(1).

#### **Section 14.02. Certain Lathers Local 9083L Participants**

- a. The provisions of this Section 14.02.a. and Section 14.02.b. apply to Participants described in Section 11.01. and who are designated by the Board as members of Lathers Local 9083L who are active Participants in the Lathers Local #144 Pension Trust Fund as of January 1, 2002. Effective January 1, 2002, Future Service Eligibility Credits, Vesting Credit, and Future Service Pension Credits for Participants described in this Section shall be based on the sum of:

- (1) The work hours reported to the Lathers Local #144 Pension Trust Fund for 2002, and
- (2) The Hours of Work in Covered Employment for 2002.

Effective January 1, 2003, Future Service Eligibility Credit, Vesting Credit, Future Service Unit Value Benefit Credit, or Percentage of Contribution Benefit Credit for such Participants shall be based on Hours of Work in Covered Employment.

- b. Participants described in Section 14.02.a. shall receive Future Service Eligibility Credits and Vesting Credit for service earned prior to January 1, 2002, under the Lathers Local 9083L Pension Plan. For the period prior to January 1, 2002, Future Service Eligibility Credits shall be equal to the credit used to determine benefits accrued under the Lathers Local #144 Pension Trust Fund through December 31, 2001, and Vesting Credit shall be equal to the vesting service earned under the Lathers Local #144 Pension Trust Fund through December 31, 2001.

- c. Lathers Local 9083L Service Pension.

On or after September 1, 2002, a Participant described in Section 14.02.a. who meets the following requirements may retire on a Lathers Local 9083L Service Pension:

- (1) He/she has attained age 56 not yet attained age 62; and
- (2) He/she has at least 25 full Northern California Eligibility Credits earned under this Plan (including Eligibility Credits earned pursuant to Section 14.02.b.); and
- (3) He/she has worked at least 300 hours in Covered Employment after January 1, 2002; and
- (4) He/she has not previously Retired under this Plan.

The monthly amount of the Lathers Local 9083L Service Pension is determined in the same way as the monthly amount of the Regular Pension under the applicable Plans under which the benefits were accrued.

- d. Suspension of Benefits. Notwithstanding any other provisions herein, this Section 14.02 shall be interpreted with the intent of complying with the requirements set forth in Revenue Procedure 2005-23.

### **Section 14.03. Merger with the Lathers Local No. 109 Base Plan**

- a. Acceptance of Lathers Plan Liabilities. All liabilities of the Lathers Local No.109 Base Plan (hereinafter “Lathers 109 Plan”) to Participants, Retirees, and former Participants who did not incur a Permanent Break in Service prior to January 1, 2003, including, by way of example, liabilities for Vesting Credit, Pension Credit, and benefit accruals earned prior to January 1, 2003 under the Lathers 109 Plan and all obligations to persons retired under the Lathers 109 Plan are hereby recognized as liabilities of this Plan. All benefits and eligibility therefore for service earned both prior to January 1, 2003 and prior to a Separation in Employment which occurred on or before December 31, 2002 shall be determined in accordance with the terms of the Lathers 109 Plan, except that benefits accrued by Lathers 109 Plan participants during the 2001 and 2002 calendar years shall be based on the formula provided under the Carpenters Plan for those Calendar Years. No Participant’s or Beneficiary’s accrued benefit under the Lathers 109 Plan will be lower immediately after the effective date of this merger than the benefit immediately before that date. Commencing January 1, 2003, the rules of this Plan, as modified in this Article 14, govern the accrual of credits, forfeitures and rights of Employees under Lathers Collective Bargaining Agreements.
- b. Participation. All persons who, absent this merger, would have been Participants under the Lathers 109 Plan on January 1, 2003, shall be Participants under this Plan as of January 1, 2003. All former Participants under the Lathers 109 Plan who had not incurred a Permanent Break in Service as of December 31, 2002, shall become Participants under this Plan in accordance with Section 2.04. of this Plan.
- c. Breaks in Service. All persons who had incurred one or more consecutive One-Year Breaks in Service as of December 31, 2002, under the Lathers 109 Plan shall have the same number of such consecutive One-Year Breaks in Service as of December 31, 2002, under this Plan. Thereafter, additional One-Year Breaks in Service, if any, shall be determined in accordance with Article 6 of the Plan.
- d. Eligibility for Retirement Benefits. Eligibility for receipt of benefits accrued under the Lathers 109 Plan prior to January 1, 2003 for individuals who retire on or after January 1, 2003 shall be determined in accordance with the Plan under which the benefits were accrued.
- e. Suspension of Benefits. Retirees under the Lathers 109 Plan who have returned to work as of December 31, 2002, are subject to the suspension of benefit rules under the Lathers 109 Pension Plan. Retirees with effective dates of retirement on or after January 1, 2003, are subject to the suspension of benefit rules under this Plan.

Notwithstanding any other provisions herein, this Section 14.03 shall be interpreted with the intent of complying with the requirements set forth in Revenue Procedure 2005-23.

- f. Determination of Withdrawal Liability. Subsequent to the merger, the allocation of liabilities to withdrawing employers will be calculated pursuant to PBGC regulations §4211.31 and §4211.32. The allocation fraction in §4211.32(b) will be replaced by the fraction described in §4211.36(d)(1).



#### **Section 14.04. Merger with the Lathers Local No. 144 Defined Pension Plan I**

- a. Acceptance of Lathers Local No. 144 Defined Benefit Pension Plan I Liabilities. All liabilities of the Lathers Local No. 144 Defined Benefit Pension Plan I (hereinafter "Lathers 144 Plan") to Participants, Pensioners, and former Participants who did not incur a Permanent Break in Service prior to April 1, 2004, including, by way of example, liabilities for vesting and benefit accruals earned prior to April 1, 2004 under the Lathers 144 Plan and all obligations to persons retired under the Lathers 144 Plan are hereby recognized as liabilities of this Plan.

All benefits and eligibility therefore for service earned prior to January 1, 2004 and prior to a Separation in Service which occurred on or before December 31, 2003 shall be determined in accordance with the terms of the Lathers 144 Plan. Commencing January 1, 2004, contributions previously required under applicable collective bargaining agreements to be made to the Lathers 144 Plan shall be made to this Plan and the rules of this Plan, as modified in this Article 14 shall govern the accrual of credits, forfeitures and rights of Employees under Lathers Local No. 144 Collective Bargaining Agreements after that date.

No Participant's or Beneficiary's accrued benefit under the Lathers 144 Plan will be lower immediately after the effective date of this merger (April 1, 2004) than his/her benefit immediately before that date.

- b. Participation. All persons who, absent this merger, would have been Participants under the Lathers 144 Plan on April 1, 2004 shall be Participants under this Plan as of April 1, 2004. All former Participants under the Lathers 144 Plan who had not incurred a Permanent Break in Service as of March 31, 2004 shall become Participants under this Plan in accordance with Section 2.04. of this Plan. All former Participants under the Lathers 144 Plan who had incurred a Permanent Break in Service as of March 31, 2004 shall become Participants under this Plan in accordance with Section 2.02. of this Plan.
- c. Breaks in Service. All persons who had incurred one or more consecutive One-Year Breaks in Service as of December 31, 2003, under the Lathers 144 Plan shall have the same number of such consecutive One-Year Breaks in Service as of December 31, 2003, under this Plan. Thereafter, additional One-Year Breaks in Service, if any, shall be determined in accordance with Section 6.08. of this Plan.
- d. Eligibility for Retirement Benefits. Eligibility for receipt of benefits accrued under the Lathers 144 Plan prior to April 1, 2004 for individuals who retire on or after April 1, 2004 shall be determined in accordance with the Plan under which the benefits were accrued.

Exception: All former Participants under the Lathers 144 Plan who have not incurred a Permanent Break in Service as of December 31, 2003 shall remain eligible to receive an unreduced pension at age 56 with 25 years of service under the terms and conditions specified under the Lathers 144 Plan. For this purpose, both service accumulated under the Lathers 144 Plan prior to January 1, 2004, as well as under the Carpenters Plan on and after January 1, 2004 will be applied towards satisfying the service eligibility requirements for this benefit.

- e. (1) Suspension of Benefits. Pensioners under the Lathers 144 Plan as of March 31, 2004 will be subject to the suspension of benefit rules under Section 10.11. of this Plan.
- (2) Notwithstanding any other provisions herein, this Section 14.04 shall be interpreted with the intent of complying with the requirements set forth in Revenue Procedure 2005-23.
- f. Determination of Withdrawal Liability. Subsequent to the merger, the allocation of liabilities to withdrawing employers will be calculated pursuant to PBGC regulations §2642.21 and §2642.22. The allocation fraction in §2642.22(b) will be replaced by the fraction described in §2642.26(d)(1).

#### **Section 14.05. Merger with the Lathers Local 88 Pension Plan**

- a. Termination of Lathers Local 88 Pension Plan. The Lathers Local 88 Pension Plan (herein after "Lathers 88 Plan") terminated under ERISA §4041A(a)(2) as of December 31, 1990, when all previous contributing employers permanently ceased to have an obligation to contribute to the Lathers 88 Plan. No additional benefits have accrued after that date. No additional service has been recognized towards the eligibility for benefits not already earned as of that date.
- b. Acceptance of Lathers 88 Plan Liabilities. All liabilities of the Lathers 88 Plan to Participants, Pensioners, and former Participants who did not incur a Permanent Break in Service as of December 31, 2017, including, by way of example, liabilities for vesting and benefit accruals earned as of December 31, 1990 under the Lathers 88 Plan and all obligations to persons retired under the Lathers 88 Plan are hereby recognized as liabilities of this Plan. All benefits and eligibility therefore for service earned as of December 31, 1990, shall be determined in accordance with the terms of the Lathers 88 Plan.

Commencing January 1, 2018, participants of the Lathers 88 Plan who perform work under a Collective Bargaining Agreement as defined in Section 1.09 on and after that date shall accrue benefits and earn eligibility towards the payment of any benefits under the rules of this Plan, as modified in this Article 14. No Participant's or Beneficiary's accrued benefit under the Lathers 88 Plan will be lower immediately after the effective date of this merger (December 31, 2017) than his/her benefit immediately before that date.

- c. Participation. All persons who, absent this merger, would have been Participants under the Lathers 88 Plan on January 1, 2018, shall be Participants under this Plan as of January 1, 2018. All former Participants under the Lathers 88 Plan who had not incurred a Permanent Break in Service as of December 31, 2017 shall become Participants under this Plan in accordance with Section 2.04. of this Plan. All former Participants under the Lathers 88 Plan who had not incurred a Permanent Break in Service as of December 31, 2017 shall become Participants under this Plan in accordance with Section 2.02. of this Plan.
- d. Breaks in Service. All persons who had incurred one or more consecutive One-Year Breaks in Service as of December 31, 2017, under the Lathers 88 Plan shall have the same number of such consecutive One-Year Breaks in Service as of December 31, 2017, under this Plan. Thereafter, additional One-Year Breaks in Service, if any, shall be determined in accordance with Section 6.08. of this Plan.
- e. Eligibility for Retirement Benefits. Eligibility for receipt of benefits accrued under the Lathers 88 Plan prior to January 1, 2018, for individuals who retire on or after January 1, 2018, shall be determined

in accordance with the Lathers 88 Plan. All vesting service of Lathers Participants under the Lathers Plan shall be recognized under the Carpenters Plan, including service occurring after December 31, 1990, that would have been vesting service under the Lathers Plan, but for the fact that the Lathers Plan terminated under ERISA §4041A(a)(2) on December 31, 1990. All Lathers Participants, including those with fewer than ten (10) vesting credits under the Lathers Plan as of December 31, 1990, and whose accrued benefits were suspended as of August 1, 2016 (whether or not in pay status at that time), shall be immediately vested in a benefit under this Plan equal to the amount of their Lathers accrued benefit as of December 31, 1990. In addition, a one-time benefit payment shall be paid to Retired Lathers Participants whose benefit payments were suspended as of August 1, 2016, equal to the amount they would have received under the Lathers Plan (but for the suspension) for the months of August 2016 through and including December 2017.

- f. Suspension of Benefits. Pensioners under the Lathers 88 Plan as of December 31, 2017, will be subject to the suspension of benefit rules under Section 10.11. of this Plan. Notwithstanding any other provisions herein, this Section 14.05 shall be interpreted with the intent of complying with the requirements set forth in Revenue Procedure 2005-23.
- g. Determination of Withdrawal Liability. Subsequent to the merger, the allocation of liabilities to withdrawing employers will be calculated pursuant to PBGC regulations §4211.31 and §4211.32. The allocation fraction in §4211.32(b) will be replaced by the fraction described in §4211.36(d)(1).

## ARTICLE 15. MISCELLANEOUS

**Section 15.01. Gender.** Wherever any words are used in this Pension Plan in the masculine gender, they should be construed as though they were also used in the feminine gender in all situations where they would so apply; wherever any words are used in this Pension Plan in the singular form they should be construed as though they were also in the plural form in all situations where they would so apply, and vice versa.

**Section 15.02. Mailings.** Except as otherwise specifically provided in this Plan, any notice or other communication to be given under the provisions of the Plan may be given by mailing such notice or communication by first class mail to the person to be notified at his or her last address on the records of the Plan and shall be effective for all purposes on the third day after such mailing.

**Section 15.03. Addition of New Groups of Employees.** The Board shall review the relevant actuarial data with respect to any group of employees added to the coverage of this Pension Fund. If the Board concludes that modification of previously adopted funding assumptions or changes in amounts of pension benefits hereunder would result from the inclusion of such group, the appropriate provisions of the Pension Plan shall be modified with respect to the group involved so that the Fund will not be adversely affected by the inclusion of such group for coverage hereunder.

**Section 15.04. Termination.** The Trustees shall have the right to discontinue or terminate this Plan in whole or in part. In the event of a termination of this Plan, the rights of all affected Participants to benefits then accrued, to the extent then funded, shall thereupon become 100% vested and nonforfeitable. Upon a termination of the Plan, the Trustees shall take such steps, as they deem necessary or desirable to comply with §4041A and §4281 of ERISA.

**Section 15.05. Mergers.** Subject only to the extent determined by the Pension Benefit Guaranty Corporation, the following shall apply: In the case of any merger or consolidation of the Plan with, or transfer, in whole or in part, of the assets and liabilities of the Pension Fund to any other Pension Fund after September 2, 1974, each Participant shall (if the Plan then terminated) receive a benefit immediately after the merger, consolidation or transfer which is at least equal to the benefit he/she would be entitled to receive immediately before such merger, consolidation or transfer as if the Plan had then terminated.

**Section 15.06. Non-Reversion.** The Contributions and all funds of the Plan are to be administered, maintained and invested for the sole and exclusive benefit of the Participants and their Beneficiaries. Other than payment of any reasonable and lawful expenses of the Plan and any lawful refund of money to an Employer made by mistake in fact or law and within the time limits prescribed by law, there shall be no reversion of any of the assets of this Plan to any Contributing Employer.

**Section 15.07. Discretionary Authority of the Board of Trustees.** The Board of Trustees has the exclusive right and discretion to construe and interpret the Plan and is the sole judge of the standard of proof required in any claim and the application and interpretation of the Plan. Any dispute as to eligibility, type, amount or duration of benefits or any right or claim to payments from the Fund will be resolved by the Board or its duly authorized designee under and pursuant to the provisions of the Plan and the Trust Agreement, and its discretion is final and binding upon all parties, subject only to judicial review as may be in harmony with federal law.

## **ARTICLE 16. AMENDMENT**

**Section 16.01. Amendment.** This Plan may be amended at any time by the Board consistent with the provisions of the Trust Agreement. However, no amendment may decrease the accrued benefit of any Participant except:

- a. As necessary to establish or maintain the qualification of the Plan or the Trust Fund under the Internal Revenue Code and to maintain compliance of the Plan with the requirements of ERISA; or
- b. If the amendment meets the requirements of ERISA §302(c)(8) of and §412(c)(8) (for Plan Years beginning on or before December 31, 2007) or §412(d)(2) (for Plan Years beginning after December 31, 2007) of the Code, and the Secretary of Labor has been notified of such amendment and has either approved of it, or within 90 days after the date on which such notice was filed, he/she failed to disapprove.

## ARTICLE 17. MINIMUM DISTRIBUTION REQUIREMENTS

### Section 17.01. General Rules.

- a. Effective Date. The provisions of this Article will apply for purposes of determining required minimum distributions for calendar years beginning after December 31, 2005. For purposes of determining minimum required distributions for calendar years 2003, 2004, and 2005, a good faith interpretation of the requirements of section 401(a)(9) of the Code shall apply.
- b. Precedence. The provisions of Section 401(a)(9) of the Code shall override any distribution options in the Plan that are inconsistent with Section 401(a)(9) of the Code.
- c. Requirements of Treasury Regulations Incorporated. All distributions required under this Article will be determined and made in accordance with the Treasury regulations §§1.401(a)(9)-2 through 1.401(a)(9)-9 and shall comply with the incidental death benefit requirements of Section 401(a)(9)(G) of the Code.
- d. TEFRA Section 242(b)(2) Elections. Notwithstanding the other provisions of this Article, other than Section 17.01(c), distributions may be made under a designation made before January 1, 1984, in accordance with section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to section 242(b)(2) of TEFRA.

### Section 17.02. Time and Manner of Distribution.

- a. Required Beginning Date. The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date.
- b. Death of Participant Before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:
  - (1) If the Participant's surviving spouse is the Participant's sole designated beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or if later, (A) for Participants who attained age 70½ before January 1, 2020, by December 31 of the calendar year in which the Participant would have attained age 70½, (B) for Participants who attain age 70½ on or after January 1, 2020, by December 31 of the calendar year in which the Participant would have attained age 72, or (C) for Participants who attain age 72 on or after January 1, 2023, by December 31 of the calendar year in which the Participant would have attained age 73.
  - (2) If the Participant's surviving spouse is not the Participant's sole designated beneficiary, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
  - (3) If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

- (4) If the Participant's surviving spouse is the Participant's sole designated beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Section 17.02(b), other than Section 17.02(b)(1), will apply as if the surviving spouse were the Participant.

For purposes of this Section 17.02 and Section 17.05, distributions are considered to begin on the Participant's Required Beginning Date (or, if Section 17.02(b)(4) applies, the date distributions are required to begin to the surviving spouse under Section 17.02(b)(1)). If annuity payments irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 17.02(b)(1)), the date distributions are considered to begin is the date distributions actually commence.

- c. Form of Distribution. Unless the Participant's interest is distributed in a single sum on or before the Required Beginning Date, as of the first distribution calendar year distributions will be made in accordance with Sections 17.03., 17.04. and 17.05. of this Article.

### **Section 17.03. Determination of Amount to be Distributed Each Year.**

- a. General Annuity Requirements. If the Participant's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements:
- (1) The annuity distributions will be paid in periodic payments made at intervals not longer than one year;
  - (2) The distribution period will be over a life (or lives) or over a period certain not longer than the period described in Section 17.04 or 17.05;
  - (3) Once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;
  - (4) Payments will either be non-increasing or increase only as follows:
    - (a) By an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;
    - (b) To the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in Section 17.04 dies or is no longer the Participant's beneficiary pursuant to a qualified domestic relations order within the meaning of section 414(p);
    - (c) To provide cash refunds of employee contributions upon the Participant's death;
    - (d) To pay increased benefits that result from a Plan amendment;
    - (e) To pay additional benefit accruals earned after retirement; or

- (f) To allow a beneficiary to convert the survivor portion of a joint and survivor annuity into a single sum distribution upon the employee's death.
- b. Amount Required to be Distributed by Required Beginning Date. The amount that must be distributed on or before the Participant's required beginning date (or, if the Participant dies before distributions begin, the date distributions are required to begin under Section 17.02(b)(1) or (2)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Participant's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's required beginning date.
- c. Additional Accruals after First Distribution Calendar Year. Any additional benefits accruing to the Participant in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

**Section 17.04. Requirements for Annuity Distributions that Commence During Participant's Lifetime.**

- a. Joint Life Annuities Where the Beneficiary is not the Participant's Spouse. If the Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and a nonspouse beneficiary, annuity payments to be made on or after the Participant's required beginning date to the designated beneficiary after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant using the table set forth in Q&A-2 of section 1.401(a)(9)-6 of the Treasury regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a nonspouse beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.
- b. Period Certain Annuities. Unless the Participant's spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations plus the excess of 70 over the age of the Participant as of the Participant's birthday in the year that contains the annuity starting date. If the Participant's spouse is the Participant's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's applicable distribution period, as determined under this Section 17.04(b), or the joint life and last survivor expectancy of the Participant and the Participant's spouse as determined under the Joint and Last Survivor Table set forth in section 1.401(a)(9)-9 of the Treasury regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the calendar year that contains the annuity starting date.



**Section 17.05. Requirements for Minimum Distributions Where Participant Dies Before Date Distributions Begin.**

- a. Participant Survived by Designated Beneficiary. If the Participant dies before the date distribution of his or her interest begins and there is a designated beneficiary, the Participant's entire interest will be distributed, beginning no later than the time described in Section 17.02(b)(1) or (2), over the life of the designated beneficiary or over a period certain not exceeding:
  - (1) Unless the Annuity Starting Date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the Participant's death; or
  - (2) If the Annuity Starting Date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year that contains the Annuity Starting Date.
- b. No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- c. Death of Surviving Spouse Before Distributions to Surviving Spouse Begin. If the Participant dies before the date distribution of his or her interest begins, the Participant's surviving spouse is the Participant's sole designated beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this Section 17.05 will apply as if the surviving spouse were the Participant, except that the time by which distributions must begin will be determined without regard to Section 17.02(b)(1).

**Section 17.06. Definitions.**

- a. Designated beneficiary. The individual who is designated as the beneficiary under Section 8.03. of the Plan and is the designated beneficiary under section 401(a)(9) of the Internal Revenue Code and section 1.401(a)(9)-4 of the Treasury regulations.
- b. Distribution calendar year. A Calendar Year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to Section 17.02(b).
- c. Life expectancy. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.
- d. Required Beginning Date. The date specified in Article 10, Section 10.05 of the Plan.

## ARTICLE 18. CONTINGENT TOP HEAVY RULES

### Section 18.01. General Rules.

If the Plan is determined to be Top-Heavy for any Plan Year, then for any such year the special vesting, minimum benefit and compensation limitations of Section 18.03 shall apply to any Employee not included in a unit of Employees covered by a Collective Bargaining Agreement between the Union and one or more Contributing Employers.

### Section 18.02. Determination of Top-Heavy Status.

- a. Determination Date. The determination date for any Plan Year is the last day of the preceding Plan Year.
- b. Top-Heavy Status. The Plan is Top-Heavy for any Plan Year if, as of the determination date, the Actuarial Equivalent of the cumulative accrued benefits under the Plan for Key Employees exceeds 60 percent of the Actuarial Equivalent of the cumulative accrued benefits under the Plan for all Employees. For this purpose, the present value of the cumulative accrued benefits will be determined on the basis of five percent (5%) interest and the 1971 group annuity mortality table.
- c. Key Employees. A Key Employee means any Employee or former Employee (including any deceased Employee) who at any time during the Plan Year that includes the determination date was an officer of the Contributing Employer having annual compensation greater than \$130,000 (as adjusted under IRC §416(i)(1) for Plan Years beginning after December 31, 2002), a 5-percent owner of the Contributing Employer, or a 1-percent owner of the Contributing Employer having annual compensation of more than \$150,000. For this purpose, annual compensation means compensation as set forth in Section 1.10. The determination of who is a Key Employee will be made in accordance with IRC §416(i)(1) and the applicable regulations and other guidance of general applicability issued thereunder.
- d. Aggregation Rules. In determining if the Plan is Top-Heavy, the Plan shall be aggregated with each other plan in the required aggregation group as defined in section 416(g)(2)(A)(i) of the Internal Revenue Code and may, in the Board's discretion, be aggregated with any other plan in the permissive aggregation group as defined in section 416(g)(2)(A)(ii) of the Internal Revenue Code.
- e. Special Rules.
  - (1) Distributions During Year Ending on the Determination Date. The present values of accrued benefits and the amounts of account balances of an Employee as of the determination date shall be increased by the distributions made with respect to the Employee under the Plan and any plan aggregated with the Plan under IRC §416(g)(2) during the one-year period ending on the determination date. The preceding sentence also shall apply to distributions under a terminated plan which, had it not been terminated, would have been aggregated with the Plan under IRC §416(g)(2)(A)(i). In the case of a distribution made for a reason other than severance from employment, death, or disability, this provision shall be applied by substituting "five-year period" for "one-year period."

- (2) If an individual is not a Key Employee for any Plan Year but was a Key Employee for any prior Plan Year, any accrued benefit for such Employee shall not be taken into account for purposes of determining if the Plan is Top-Heavy.
- (3) For purposes of this Article 18, "Compensation" means the amount defined in Section 1.10 for the calendar year that ends within that Plan Year.
- (4) The Board is authorized to adopt any other rules or regulations necessary to insure that the Plan complies in all respects with the Top-Heavy rules of the Internal Revenue Code.
- (5) Employees not Performing Services During Year Ending on the Determination Date. The accrued benefits and accounts of any individual who has not performed services for the Contributing Employer during the one-year period ending on the determination date shall not be taken into account.
- (6) Minimum Benefits. For purposes of satisfying the minimum benefit requirements of section 416(c)(1) of the Internal Revenue Code and in determining years of service with the Contributing Employer, any service with the Employer shall be disregarded to the extent that such service occurs during a Plan Year when the Plan benefits (within the meaning of section 410(b) of the Internal Revenue Code) no Key Employee or former Key Employee.

### **Section 18.03. Special Vesting, Minimum Benefit, and Compensation Rules.**

The following rules will apply only to Employees not included in a unit of Employees covered by a Collective Bargaining Agreement requiring Contributions to this Plan and only if the Plan as a whole becomes Top-Heavy. Such Employees are referred to herein as Top-Heavy Employees.

#### **a. Vesting.**

- (1) Applicability. If the Plan becomes Top-Heavy, the vesting schedule set forth in Subsection (a)(2) below shall apply to the accrued benefits of every Top-Heavy Employee who has at least one Contributory Hour while the Plan is Top-Heavy. Participants who do not have a Contributory Hour while the Plan is Top-Heavy will have their vesting determined under the regular vesting schedule. Any accrued benefits which were forfeited before the Plan became Top-Heavy will remain forfeited.
- (2) Special Vesting Schedule. If the Plan becomes Top-Heavy, the following vesting schedule shall apply instead of the Plan's regular vesting schedule to the Participants defined in Subsection (1):

<u>Years of Vesting Service</u>	<u>Percentage</u>
2	20
3	40
4	60
5 or more	100

(3) End of Top-Heavy Status. If, after being determined to be Top-Heavy, the Plan ceases to be Top-Heavy, then

- (a) The nonforfeitable percentage of a Participant's accrued benefit before the Plan ceased to be Top-Heavy will not be reduced;
- (b) Any Top-Heavy Employee with five or more Years of Credited Service at the time the Plan ceased to be Top-Heavy will have the vesting schedule of Subsection (2) above applied to his accrued benefits whenever earned; and
- (c) Any Top-Heavy Employee with less than five Years of Credited Service at the time the Plan ceased to be Top-Heavy will have the Plan's regular vesting provisions apply to all benefits accrued after the Plan ceased to be Top-Heavy.

b. Special Minimum Benefit Rules.

- (1) Applicability. If the Plan becomes Top-Heavy, then for the first year that the Plan is Top-Heavy, and for all subsequent years during which it is Top-Heavy, the minimum benefit set forth in Subsection (b)(2) below shall apply to all Top-Heavy Employees (other than Key Employees) who have a Year of Credited Service during any such Plan Year.
- (2) Special Minimum Benefit. If the Plan becomes Top-Heavy, the minimum Regular Pension benefit for Top-Heavy Employees (other than Key Employees) shall be the greater of (a) the Plan's basic Regular Pension benefit determined under Section 3.03, or (b) 2 percent of the Participant's Average Top-Heavy Compensation for each Year of Credited Service beginning after December 31, 1983, during which the Plan was Top-Heavy, up to a maximum of 10 such years.
- (3) "Average Top-Heavy Compensation" shall mean the average Compensation for work performed while a Participant is in this Plan for the period of consecutive Top-Heavy Years, not exceeding five, during which the Participant had the greatest aggregate Compensation. Top-Heavy Years are those Plan Years beginning on or after January 1, 1984, for which the Plan is determined to be Top-Heavy.

c. Compensation Limitation. In no event shall compensation for any Plan Year that this Plan is a Top-Heavy Plan exceed the limits in section 401(a)(17) of the Internal Revenue Code as in effect at the first day of the Year.

## APPENDIX 1

<b>50% JOINT AND SURVIVOR PENSION</b> (Applicable to Non-Disability Pensions Prior to March 1, 1988) Percentage of Pension Payable to Employee with 50% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation to Age of Employee		Percentage
35	years younger	68%
34	" "	69%
33	" "	69%
32	" "	70%
31	" "	70%
30	" "	71%
29	" "	71%
28	" "	72%
27	" "	72%
26	" "	73%
25	" "	73%
24	" "	74%
23	" "	74%
22	" "	75%
21	" "	75%
20	" "	76%
19	" "	76%
18	" "	77%
17	" "	77%
16	" "	77%
15	" "	78%
14	" "	78%
13	" "	79%
12	" "	79%
11	" "	80%
10	" "	80%
9	" "	81%
8	" "	82%
7	" "	82%
6	" "	83%
5	" "	83%
4	" "	84%
3	" "	85%
2	" "	85%
1	year "	86%

**APPENDIX 1**  
**(Continued)**

<b>50% JOINT AND SURVIVOR PENSION</b> (Applicable to Non-Disability Pensions Prior to March 1, 1988) Percentage of Pension Payable to Employee with 50% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation to Age of Employee		Percentage
	Same	86%
1	year older	87%
2	years "	88%
3	" "	88%
4	" "	89%
5	" "	89%
6	" "	90%
7	" "	91%
8	" "	91%
9	" "	92%
10	" "	92%
11	" "	93%
12	" "	93%
13	" "	94%
14	" "	94%
15	" "	95%
16	" "	95%
17	" "	96%
18	" "	96%
19	" "	97%
20	" "	97%

## APPENDIX 2

<b>50% JOINT AND SURVIVOR PENSION</b> (Applicable to Non-Disability Pensions Effective March 1, 1988 or Later) Percentage of Pension Payable to Employee with 50% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation to Age of Employee		Percentage
35	years younger	67%
34	“ “	68%
33	“ “	68%
32	“ “	69%
31	“ “	69%
30	“ “	70%
29	“ “	70%
28	“ “	71%
27	“ “	71%
26	“ “	72%
25	“ “	72%
24	“ “	73%
23	“ “	73%
22	“ “	74%
21	“ “	74%
20	“ “	75%
19	“ “	75%
18	“ “	76%
17	“ “	76%
16	“ “	76%
15	“ “	77%
14	“ “	77%
13	“ “	78%
12	“ “	78%
11	“ “	79%
10	“ “	79%
9	“ “	80%
8	“ “	81%
7	“ “	81%
6	“ “	82%
5	“ “	82%
4	“ “	83%
3	“ “	84%
2	“ “	84%
1	year “	85%

**APPENDIX 2**  
**(Continued)**

<b>50% JOINT AND SURVIVOR PENSION</b> (Applicable to Non-Disability Pensions Effective March 1, 1988 or Later) Percentage of Pension Payable to Employee with 50% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation to Age of Employee		Percentage
	Same	85%
1	year older	86%
2	years "	87%
3	" "	87%
4	" "	88%
5	" "	88%
6	" "	89%
7	" "	90%
8	" "	90%
9	" "	91%
10	" "	91%
11	" "	92%
12	" "	92%
13	" "	93%
14	" "	93%
15	" "	94%
16	" "	94%
17	" "	95%
18	" "	95%
19	" "	96%
20	" "	96%



### APPENDIX 3

<b>50% JOINT AND SURVIVOR PENSION</b> (Applicable to Disability Pensions Prior to March 1, 1988) Percentage of Pension Payable to Employee with 50% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation to Age of Employee		Percentage
35	years younger	53%
34	“ “	53%
33	“ “	54%
32	“ “	54%
31	“ “	55%
30	“ “	55%
29	“ “	56%
28	“ “	56%
27	“ “	57%
26	“ “	57%
25	“ “	58%
24	“ “	58%
23	“ “	59%
22	“ “	59%
21	“ “	60%
20	“ “	60%
19	“ “	61%
18	“ “	61%
17	“ “	62%
16	“ “	62%
15	“ “	62%
14	“ “	63%
13	“ “	63%
12	“ “	64%
11	“ “	64%
10	“ “	65%
9	“ “	65%
8	“ “	66%
7	“ “	67%
6	“ “	67%
5	“ “	68%
4	“ “	68%
3	“ “	69%
2	“ “	70%
1	year “	70%

**APPENDIX 3**  
**(Continued)**

<b>50% JOINT AND SURVIVOR PENSION</b> (Applicable to Disability Pensions Prior to March 1, 1988) Percentage of Pension Payable to Employee with 50% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation to Age of Employee		Percentage
	Same	71%
1	year older	71%
2	years "	72%
3	" "	73%
4	" "	73%
5	" "	74%
6	" "	74%
7	" "	75%
8	" "	76%
9	" "	76%
10	" "	77%
11	" "	77%
12	" "	78%
13	" "	78%
14	" "	79%
15	" "	79%
16	" "	80%
17	" "	80%
18	" "	81%
19	" "	81%
20	" "	82%

## APPENDIX 4

<b>50% JOINT AND SURVIVOR PENSION</b> (Applicable to Disability Pensions Effective March 1, 1988 or Later) Percentage of Pension Payable to Employee with 50% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation to Age of Employee		Percentage
35	years younger	52%
34	“ “	52%
33	“ “	53%
32	“ “	53%
31	“ “	54%
30	“ “	54%
29	“ “	55%
28	“ “	55%
27	“ “	56%
26	“ “	56%
25	“ “	57%
24	“ “	57%
23	“ “	58%
22	“ “	58%
21	“ “	59%
20	“ “	59%
19	“ “	60%
18	“ “	60%
17	“ “	61%
16	“ “	61%
15	“ “	61%
14	“ “	62%
13	“ “	62%
12	“ “	63%
11	“ “	63%
10	“ “	64%
9	“ “	64%
8	“ “	65%
7	“ “	66%
6	“ “	66%
5	“ “	67%
4	“ “	67%
3	“ “	68%
2	“ “	69%
1	year “	69%

**APPENDIX 4**  
**(Continued)**

<b>50% JOINT AND SURVIVOR PENSION</b> (Applicable to Disability Pensions Effective March 1, 1988 or Later) Percentage of Pension Payable to Employee with 50% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation to Age of Employee		Percentage
	Same	70%
1	year older	70%
2	years "	71%
3	" "	72%
4	" "	72%
5	" "	73%
6	" "	73%
7	" "	74%
8	" "	75%
9	" "	75%
10	" "	76%
11	" "	76%
12	" "	77%
13	" "	77%
14	" "	78%
15	" "	78%
16	" "	79%
17	" "	79%
18	" "	80%
19	" "	80%
20	" "	81%

## APPENDIX 5

<b>75% JOINT AND SURVIVOR PENSION</b> (Applicable to Regular, Early or Service Pensions Effective April 1, 2004 or Later) Percentage of Pension Payable to Employee with 75% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation To Age of Employee		Percentage
35	years younger	0.6075
34	“ “	0.6130
33	“ “	0.6185
32	“ “	0.6240
31	“ “	0.6295
30	“ “	0.6350
29	“ “	0.6405
28	“ “	0.6460
27	“ “	0.6515
26	“ “	0.6570
25	“ “	0.6625
24	“ “	0.6680
23	“ “	0.6735
22	“ “	0.6790
21	“ “	0.6845
20	“ “	0.6900
19	“ “	0.6955
18	“ “	0.7010
17	“ “	0.7065
16	“ “	0.7120
15	“ “	0.7175
14	“ “	0.7230
13	“ “	0.7285
12	“ “	0.7340
11	“ “	0.7395
10	“ “	0.7450
9	“ “	0.7505
8	“ “	0.7560
7	“ “	0.7615
6	“ “	0.7670
5	“ “	0.7725
4	“ “	0.7780
3	“ “	0.7835
2	“ “	0.7890
1	year “	0.7945
	Same	0.8000

**APPENDIX 5**  
**(Continued)**

<b>75% JOINT AND SURVIVOR PENSION</b> (Applicable to Regular, Early or Service Pensions Effective April 1, 2004 or Later) Percentage of Pension Payable to Employee with 75% of Reduced Pension Payable to Spouse			
Age of Spouse in Relation To Age of Employee			Percentage
1	year	older	0.8055
2	years	"	0.8110
3	"	"	0.8165
4	"	"	0.8220
5	"	"	0.8275
6	"	"	0.8330
7	"	"	0.8385
8	"	"	0.8440
9	"	"	0.8495
10	"	"	0.8550
11	"	"	0.8605
12	"	"	0.8660
13	"	"	0.8715
14	"	"	0.8770
15	"	"	0.8825
16	"	"	0.8880
17	"	"	0.8935
18	"	"	0.8990
19	"	"	0.9045
20	"	"	0.9100

## APPENDIX 6

<b>75% JOINT AND SURVIVOR PENSION</b> (Applicable to Disability Pensions Effective April 1, 2004 or Later) Percentage of Pension Payable to Employee with 75% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation to Age of Employee		Percentage
35	years younger	0.4800
34	“ “	0.4840
33	“ “	0.4880
32	“ “	0.4920
31	“ “	0.4960
30	“ “	0.5000
29	“ “	0.5040
28	“ “	0.5080
27	“ “	0.5120
26	“ “	0.5160
25	“ “	0.5200
24	“ “	0.5240
23	“ “	0.5280
22	“ “	0.5320
21	“ “	0.5360
20	“ “	0.5400
19	“ “	0.5440
18	“ “	0.5480
17	“ “	0.5520
16	“ “	0.5560
15	“ “	0.5600
14	“ “	0.5640
13	“ “	0.5680
12	“ “	0.5720
11	“ “	0.5760
10	“ “	0.5800
9	“ “	0.5840
8	“ “	0.5880
7	“ “	0.5920
6	“ “	0.5960
5	“ “	0.6000
4	“ “	0.6040
3	“ “	0.6080
2	“ “	0.6120
1	year “	0.6160
	Same	0.6200

**APPENDIX 6**  
**(Continued)**

<b>75% JOINT AND SURVIVOR PENSION</b> (Applicable to Disability Pensions Effective April 1, 2004 or Later) Percentage of Pension Payable to Employee with 75% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation to Age of Employee		Percentage
1	year older	0.6240
2	years "	0.6280
3	" "	0.6320
4	" "	0.6360
5	" "	0.6400
6	" "	0.6440
7	" "	0.6480
8	" "	0.6520
9	" "	0.6560
10	" "	0.6600
11	" "	0.6640
12	" "	0.6680
13	" "	0.6720
14	" "	0.6760
15	" "	0.6800
16	" "	0.6840
17	" "	0.6880
18	" "	0.6920
19	" "	0.6960
20	" "	0.7000



## APPENDIX 7

<b>100% JOINT AND SURVIVOR PENSION</b> (Applicable to Regular, Early or Service Pensions Effective April 1, 2004 or Later) Percentage of Pension Payable to Employee with 100% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation To Age of Employee		Percentage
35	years younger	0.5400
34	" "	0.5460
33	" "	0.5520
32	" "	0.5580
31	" "	0.5640
30	" "	0.5700
29	" "	0.5760
28	" "	0.5820
27	" "	0.5880
26	" "	0.5940
25	" "	0.6000
24	" "	0.6060
23	" "	0.6120
22	" "	0.6180
21	" "	0.6240
20	" "	0.6300
19	" "	0.6360
18	" "	0.6420
17	" "	0.6480
16	" "	0.6540
15	" "	0.6600
14	" "	0.6660
13	" "	0.6720
12	" "	0.6780
11	" "	0.6840
10	" "	0.6900
9	" "	0.6960
8	" "	0.7020
7	" "	0.7080
6	" "	0.7140
5	" "	0.7200
4	" "	0.7260
3	" "	0.7320
2	" "	0.7380
1	year "	0.7440
	Same	0.7500

**APPENDIX 7**  
**(Continued)**

<b>100% JOINT AND SURVIVOR PENSION</b> (Applicable to Regular, Early or Service Pensions Effective April 1, 2004 or Later) Percentage of Pension Payable to Employee with 100% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation To Age of Employee		Percentage
1	year older	0.7560
2	years “	0.7620
3	“ “	0.7680
4	“ “	0.7740
5	“ “	0.7800
6	“ “	0.7860
7	“ “	0.7920
8	“ “	0.7980
9	“ “	0.8040
10	“ “	0.8100
11	“ “	0.8160
12	“ “	0.8220
13	“ “	0.8280
14	“ “	0.8340
15	“ “	0.8400
16	“ “	0.8460
17	“ “	0.8520
18	“ “	0.8580
19	“ “	0.8640
20	“ “	0.8700

## APPENDIX 8

<b>100% JOINT AND SURVIVOR PENSION</b> (Applicable to Disability Pensions Effective April 1, 2004 or Later) Percentage of Pension Payable to Employee with 100% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation To Age of Employee		Percentage
35	years younger	0.4200
34	“ “	0.4240
33	“ “	0.4280
32	“ “	0.4320
31	“ “	0.4360
30	“ “	0.4400
29	“ “	0.4440
28	“ “	0.4480
27	“ “	0.4520
26	“ “	0.4560
25	“ “	0.4600
24	“ “	0.4640
23	“ “	0.4680
22	“ “	0.4720
21	“ “	0.4760
20	“ “	0.4800
19	“ “	0.4840
18	“ “	0.4880
17	“ “	0.4920
16	“ “	0.4960
15	“ “	0.5000
14	“ “	0.5040
13	“ “	0.5080
12	“ “	0.5120
11	“ “	0.5160
10	“ “	0.5200
9	“ “	0.5240
8	“ “	0.5280
7	“ “	0.5320
6	“ “	0.5360
5	“ “	0.5400
4	“ “	0.5440
3	“ “	0.5480
2	“ “	0.5520
1	year “	0.5560
	Same	0.5600

**APPENDIX 8**  
**(Continued)**

<b>100% JOINT AND SURVIVOR PENSION</b> (Applicable to Disability Pensions Effective April 1, 2004 or Later) Percentage of Pension Payable to Employee with 100% of Reduced Pension Payable to Spouse		
Age of Spouse in Relation To Age of Employee		Percentage
1	year older	0.5640
2	years "	0.5680
3	" "	0.5720
4	" "	0.5760
5	" "	0.5800
6	" "	0.5840
7	" "	0.5880
8	" "	0.5920
9	" "	0.5960
10	" "	0.6000
11	" "	0.6040
12	" "	0.6080
13	" "	0.6120
14	" "	0.6160
15	" "	0.6200
16	" "	0.6240
17	" "	0.6280
18	" "	0.6320
19	" "	0.6360
20	" "	0.6400

## APPENDIX 9

Percentage of Contribution Factor	
Effective Date	Percentage of Contribution Factor
January 1, 2007 to June 30, 2011	1.75%
July 1, 2011 to June 30, 2012	1.44%
July 1, 2012 to June 30, 2013	1.39%
July 1, 2013 to June 30, 2014	1.36%
July 1, 2014 to June 30, 2015	1.31%
July 1, 2015 to June 30, 2016	1.29%
July 1, 2016 to June 30, 2017	1.27%
July 1, 2017 to June 30, 2018	1.25%
July 1, 2018 to June 30, 2019	1.19%
July 1, 2019 to June 30, 2020	1.16%
July 1, 2020 to June 30, 2021	1.13%
July 1, 2021 to June 30, 2022	1.10%
July 1, 2022 to June 30, 2023	1.085%
July 1, 2023 to June 30, 2024	1.071%
July 1, 2024 to June 30, 2025	1.057%
July 1, 2025 to June 30, 2026	1.043%
July 1, 2026 to June 30, 2027	1.030%

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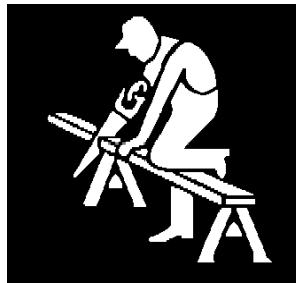
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## **CARPENTERS PENSION TRUST FUND FOR NORTHERN CALIFORNIA**



### **ZONE STATUS**

**Plan Year**  
**September 1, 2023 – August 31, 2024**

### **ANNUAL FUNDING NOTICE**

**Plan Year**  
**September 1, 2022 – August 31, 2023**





## CARPENTER FUNDS ADMINISTRATIVE OFFICE OF NORTHERN CALIFORNIA, INC.

[carpenterfunds.com](http://carpenterfunds.com)

265 Hegenberger Road, Suite 100  
Oakland, California 94621-1480  
Toll-Free: (888) 547-2054  
Phone: (510) 633-0333

December 21, 2023

**TO:** All Participants, Beneficiaries, Participating Local Unions, and Contributing Employers

**FROM:** Board of Trustees

**RE:** Carpenters Pension Trust Fund for Northern California  
Notice of Critical Status – EIN #94-6050970  
Plan Year: September 1, 2023 – August 31, 2024

**If you are currently retired and receiving a monthly benefit payment from the Pension Fund, your monthly check will continue uninterrupted.**

The Pension Protection Act of 2006 (“PPA”) imposed rules designed to accelerate the funding of defined benefit plans like the Carpenters Pension Trust Fund for Northern California. Previously, plans were required to address funding issues only when a plan would not satisfy minimum funding standards for the current year, and could spread investment losses over longer periods of time. Alternatively, the PPA mandates that plans accelerate funding, anticipate future funding issues based upon projections, and for those certified to be in critical status to develop a “Rehabilitation Plan.”

*Federal law requires that you receive this notice.* Following the determination of critical status (“red zone”) for prior Plan Years, a Rehabilitation Plan was adopted that was designed to have the Pension Plan emerge from the red zone within the time frame allowed by law.

This is to inform you that on November 29, 2023, the actuary for the Carpenters Pension Trust Fund for Northern California (the “Plan”) certified to the U.S. Department of the Treasury and to the Board of Trustees, that the Plan remains in critical status (the “red zone”) for the Plan Year beginning September 1, 2023. **The certification also notified the IRS that the Plan is making the scheduled progress in meeting the requirement of its Rehabilitation Plan.**

**Although the Pension Plan remains in critical (red zone) status, because the Rehabilitation Plan continues to address long term funding issues, no new changes are required at this time.**

### Critical Status

According to provisions of the PPA, for the Plan Year beginning September 1, 2023, the Plan is labeled as being in critical status because the Plan has an accumulated funding deficiency within the next four Plan years.

### Rehabilitation Plan

The Plan’s actuary certified the Plan was in critical status for the first time for the Plan Year beginning September 1, 2009. Federal law requires that pension plans in critical status adopt a Rehabilitation Plan aimed at restoring the financial health of the plan. This is the fifteenth year the Plan has been in critical status. The law permits pension plans in critical status to reduce, or even eliminate, benefits called “adjustable benefits” as part of a Rehabilitation Plan. On July 27, 2010, the Board of Trustees adopted a Rehabilitation Plan consisting of two contribution rate/benefit schedules. All contributing employers and bargaining units adopted the Rehabilitation Plan’s “Preferred Schedule” which does not require elimination or reduction in “adjustable benefits.” To minimize the impact to participants and employers, it was anticipated that the adopted Rehabilitation Plan would address the long term funding issues over the full time frame allowed by law.

The Plan remains in critical status. At this time no further modification to the benefit levels under the Preferred Schedule of the Rehabilitation Plan have been made. The Plan is continuing to make scheduled progress in meeting the requirements of its Rehabilitation Plan.

If, in future years, the Trustees determine that future benefit reductions are necessary, you will receive a separate notice identifying and explaining the effect of those reductions. Any reduction of adjustable benefits (other than a repeal of a recent benefit increase) will not reduce the level of a participant's basic benefit payable at Normal Retirement Age.

Please be advised that whether or not the Plan reduces adjustable benefits in the future, the Plan has not been permitted to pay lump sum benefits (i.e., Level Income Option benefits) since it first provided Notice of Critical Status on December 23, 2009 and will not be permitted to do so while it continues to be in critical status.

### **Adjustable Benefits**

During the rehabilitation period, the Plan continues to offer the following adjustable benefits:

- Disability Pension Benefits (if not yet in pay status);
- Service Pension Benefits;
- Early Retirement Pension Subsidies;
- 75% and 100% Joint-and-Survivor Pension;
- Pre-Retirement Death Benefit;
- 36 and 60 month Guarantee connected with Single-Life Pension.

*If the existing Rehabilitation Plan has to be modified sometime in the future, adjustable benefits may be reduced or eliminated.*

### **Employer Surcharge**

The law requires that all contributing employers who have not agreed to a Collective Bargaining Agreement that implements the Rehabilitation Plan, pay to the Plan a surcharge to help correct the Plan's financial situation beginning 30 days after the employer is notified that the Plan is in critical status. If applicable, the surcharge would have been 5% of an employer's negotiated contribution rate applicable the first Plan Year in critical status (September 1, 2009 through August 31, 2010) and would have been increased to 10% beginning September 1, 2010 for each succeeding Plan year in which the Plan remains in critical status. **All contributing employers have agreed to a Collective Bargaining Agreement implementing the Rehabilitation Plan, therefore no surcharges have been assessed.**

### **What's Next**

**We understand that legally required notices like this one can create concern about the Plan's future. Be assured that the Board of Trustees takes very seriously its obligation to preserve the financial viability of the Plan and has been very proactive in addressing funding issues. Also, if you are currently retired and receiving a monthly benefit payment from the Pension Fund, your monthly check will continue uninterrupted.**

With the assistance of the Plan's actuary, legal counsel and other professionals, and working with the contributing employers and the Union, the Trustees have developed a Rehabilitation Plan that addresses these issues. As a final note, since the Pension Plan is influenced by economic and financial variables beyond our control (such as market volatility and changes in employment and/or the number of contributing employers), unexpected developments can further affect the Plan's status and may require additional future corrective actions. Each year the Board of Trustees will review the Plan's progress with its professional advisors and adjust Plan rules as necessary to maintain the Plan's financial integrity.

### **Where To Get More Information**

For more information about this notice or the Pension Plan in general, please contact the Trust Fund Office at the address or phone number below. You have a right to receive a copy of the Rehabilitation Plan from the Plan.

Carpenter Funds Administrative Office of Northern California, Inc.  
265 Hegenberger Rd., Suite 100, Oakland, California 94621  
Toll-Free: (888) 547-2054 or (510) 633-0333  
benefitservices@carpenterfunds.com

<p><i>As required by law, this notice is being provided to the Pension Benefit Guaranty Corporation (PBGC) and the Department of Labor (DOL).</i></p>
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## CARPENTER FUNDS ADMINISTRATIVE OFFICE OF NORTHERN CALIFORNIA, INC.

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265 Hegenberger Road, Suite 100  
Oakland, California 94621-1480  
Toll-Free: (888) 547-2054  
Phone: (510) 633-0333

December 21, 2023

**TO:** All Participants, Beneficiaries, Participating Local Unions, and Contributing Employers

**FROM:** Board of Trustees

**RE:** Carpenters Pension Trust Fund for Northern California  
Annual Funding Notice – EIN #94-6050970  
Plan Year: September 1, 2022 – August 31, 2023

### Introduction

This notice, which is required by Federal law, includes important information about the funding status of your multiemployer Pension Plan (the “Plan”). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation (“PBGC”), a federal insurance agency. All traditional pension plans (called “defined benefit pension plans”) must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is for the Plan Year beginning September 1, 2022 and ending August 31, 2023 (“Plan Year”).

### How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the “funded percentage.” The Plan divides its assets by its liabilities on the Valuation Date for the Plan Year to get this percentage. In general, the higher the percentage, the better funded the Plan. The Plan’s funded percentage for the Plan Year and each of the two preceding Plan Years is shown in the chart below. The chart also states the value of the Plan’s assets and liabilities for the same period.

Funded Percentage			
Valuation Date	2022 Plan Year as of September 1, 2022	2021 Plan Year as of September 1, 2021	2020 Plan Year as of September 1, 2020
Funded Percentage	85.6%	83.7%	83.6%
Value of Assets	\$5,337,777,146	\$4,995,259,395	\$4,502,646,134
Value of Liabilities	\$6,232,454,055	\$5,969,437,197	\$5,383,101,772

### Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are “actuarial values.” Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan’s funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan’s assets for each of the two preceding Plan Years.

Market Value of Assets			
	August 31, 2023 <sup>1</sup>	August 31, 2022	August 31, 2021
Fair Market Value of Assets	\$5,342,607,972	\$ 5,041,527,629	\$5,469,802,769

<sup>1</sup> Unaudited figure, subject to change.

### **Critical Status**

Under federal pension law, a plan generally is in “critical” status if the funded percentage is less than 65 percent (other factors may also apply). If a pension plan enters critical status, the trustees of the plan are required to adopt a rehabilitation plan. Rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time.

The Plan was in “critical” status in the Plan Year ending August 31, 2023, because (1) the Plan had an accumulated funding deficiency for the current Plan Year, and (2) the Plan was in critical status the prior Plan Year and was projected to have an accumulated funding deficiency within the next ten Plan years, and (3) the Plan did not have a projected insolvency. This was the fourteenth year that the Plan was in critical status.

On November 25, 2009, for the Plan Year beginning September 1, 2009, the Plan’s actuary certified the Plan to be in critical status for the first time. The Plan has continued to be certified to be in critical status for all Plan Years, including the Plan Year described in this Notice. Each year, all Participants, Beneficiaries, participating Employers, Local Unions, and the Pension Benefit Guaranty Corporation have been notified of the Plan’s critical status, the requirement that the Board of Trustees adopt a “Rehabilitation Plan” and the possibility that certain types of adjustable benefits could be eliminated under the Rehabilitation Plan.

On July 27, 2010, as required by Federal law for pension plans in critical status, a Rehabilitation Plan consisting of two contribution rate/benefit schedules aimed at restoring the financial health of the Plan was adopted by the Board of Trustees. All contributing employers and bargaining units adopted the Rehabilitation Plan’s “Preferred Schedule” which provided for a series of employer contribution increases and reductions in the future benefit accrual formula. However, no previously earned benefits or “adjustable benefits” were reduced or eliminated.

Annually, the Board of Trustees reviews and, if necessary, updates the Rehabilitation Plan. The Plan is continuing to make scheduled progress in meeting the requirements of its Rehabilitation Plan. Based on reasonable assumptions and the implemented Rehabilitation Plan, the Plan is currently projected to emerge from Critical Status by September 1, 2025.

You may get a copy of the Plan’s Rehabilitation Plan, any updates to the Plan and the actuarial and financial data that demonstrate any action taken by the Plan toward fiscal improvement by contacting the Plan administrator.

If the Plan is in endangered, critical, or critical and declining status for the Plan Year ending August 31, 2024, separate notification of that status will be provided.

### **Participant Information**

The total number of participants in the Plan as of the Plan’s valuation date was 50,808. Of this number, 21,193 were active participants, 19,275 were retired or separated from service and receiving benefits, and 10,340 were retired or separated from service and entitled to future benefits.

### **Funding & Investment Policies**

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The funding policy of the Plan is based on collective bargaining agreements that provide for employer contributions on an agreed-upon cents-per-hour basis. There are no employee contributions.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan is to invest in a manner consistent with the fiduciary standards of ERISA, namely (1) to undertake all transactions in the sole interest of Plan Participants and Beneficiaries, (2) to provide benefits and defray reasonable expenses of Plan administration in a prudent manner, and (3) to diversify assets. All investments shall be made in compliance with relevant laws and the Trust Agreement governing the Trust.

Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

<b>Allocation of Investments – Year End August 31, 2023</b>	
Interest-bearing cash	1.2%
Partnership/Joint Venture Interests	15%
• Real Estate	0.4%
• Loans (Other than to Participants)	0.7%
Value of Interest in Common/Collective Trusts	71.2%
Registered Investment Companies (MF)	4%
Other	7.5%
<b>TOTAL</b>	<b>100.00%</b>

For information about the Plan's investment in any of the following types of investments, common/collective trusts, pooled separate accounts, or 103-12 investment entities – contact:

Carpenter Funds Administrative Office of Northern California, Inc.  
 265 Hegenberger Rd. Suite 100, Oakland, California 94621  
 Toll-Free: (888) 547-2054 or (510) 633-0333  
[benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com)

### **Events Having a Material Effect on Assets or Liabilities**

By law this notice must contain a written explanation of new events that have a material effect on plan liabilities or assets. This is because such events can significantly impact the funding condition of a plan. For the Plan Year beginning on September 1, 2023 and ending on August 31, 2024, the Plan does not expect there to be any such events.

### **Right to Request a Copy of the Annual Report**

Pension plans must file annual reports with the U.S. Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to [www.efast.dol.gov](http://www.efast.dol.gov) and using the search tool. Annual reports also are available from the U.S. Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, Rm N-1513, Washington DC 20210, or by calling 202-693-8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator. A copy of the Annual Report will not be available until June 2024.

Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your Plan administrator if you want information about your accrued benefits. Your Plan administrator is identified below under "Where to Get More Information."

### **Summary of Rules Governing Insolvent Plans**

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for the plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see "Benefit Payments Guaranteed by the PBGC" below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

### **Benefit Payments Guaranteed by the PBGC**

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to

receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by PBGC's multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first \$11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next \$33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is \$35.75 per month times a participant's years of credited service.

*Example 1:* If a participant with 10 years of credited service has an accrued monthly benefit of \$600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ( $\$600/10$ ), which equals \$60. The guaranteed amount for a \$60 monthly accrual rate is equal to the sum of \$11 plus  $\$24.75$  ( $.75 \times \$33$ ), or  $\$35.75$ . Thus, the participant's guaranteed monthly benefit is  $\$357.50$  ( $\$35.75 \times 10$ ).

*Example 2:* If the participant in Example 1 has an accrued monthly benefit of \$200, the accrual rate for purposes of determining the guarantee would be \$20 (or  $\$200/10$ ). The guaranteed amount for a \$20 monthly accrual rate is equal to the sum of \$11 plus  $\$6.75$  ( $.75 \times \$9$ ), or  $\$17.75$ . Thus, the participant's guaranteed monthly benefit would be  $\$177.50$  ( $\$17.75 \times 10$ ).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under a plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC's website at [www.pbgc.gov/multiemployer](http://www.pbgc.gov/multiemployer). Please contact your employer or plan administrator for specific information about your Pension Plan or Pension Benefit. PBGC does not have that information. See "Where to Get More Information About Your Plan," below.

#### **Where to Get More Information**

For more information about this notice, or the Pension Plan in general, please contact the Trust Fund Office at:

Carpenter Funds Administrative Office of Northern California, Inc.  
265 Hegenberger Rd., Suite 100, Oakland, California 94621  
Toll-Free: (888) 547-2054 or (510) 633-0333  
[benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com)

For identification purposes, the official Plan number is 001 and the Plan's employer identification number or "EIN" is 94-6050970. For more information about the PBGC and benefit guarantees, go to the PBGC's website, [www.pbgc.gov](http://www.pbgc.gov), or call PBGC toll-free at 1(800) 400-7242 (TTY/TDD users may call the Federal Relay Service toll free at 1(800) 877-8339 and ask to be connected to 1(800) 400-7242).

**CARPENTER FUNDS ADMINISTRATIVE OFFICE  
OF NORTHERN CALIFORNIA, INC.**

265 Hegenberger Road, Suite 100  
Oakland, California 94621  
(510) 633-0333 • (888) 547-2054  
www.carpenterfunds.com



March 15, 2024

**RE: Carpenters Pension Trust Fund for Northern California  
Carpenters Annuity Trust Fund for Northern California  
Income Tax Withholding**

Dear Retiree/Beneficiary:

As a reminder, you may choose federal income tax withholding from your retirement payments. You may also elect to have no withholding. The following information explains who may be subject to a default federal withholding (if you did not complete a W-4P Form) and what you need to do if you want to change your withholding. Also, if you elected withholding, we will continue to withhold taxes based on your previous request.

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**Benefits that Started Before 2022 without an updated Form W-4P, revision 2022 or later:**

Beginning in 2024, you may be subject to an automatic Federal income tax withholding if your monthly benefit is at least \$2,440 per month. However, you may elect an alternate withholding calculation by completing a **new Form W-4P Withholding Certificate for Pension or Annuity Payments**.

If your monthly Pension or Annuity Payments are **less than \$2,440** per month in 2024

- We **will not** automatically withhold federal taxes

If your monthly Pension or Annuity Payments are **greater than \$2,440** per month in 2024

- We **will** automatically withhold federal taxes, assuming you are married and claiming three withholding allowances.

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**Benefits that Started in 2022 or Later:**

In all cases we will automatically withhold federal taxes assuming you are "Single or Married filing separately" with no adjustments. However, you may elect an alternate withholding calculation by completing a new *Form W-4P Withholding Certificate for Pension or Annuity Payments*.

**Exception:** If the Fund Office has no U.S. street address on record, a Retiree may not elect "no withholdings".

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**If you are a California resident,** we will automatically withhold state taxes if the amount of Federal withholding is at least \$100. You may elect to withhold a different amount or no withholding at all for state personal income tax by completing a DE-4P form. If you elect to have state taxes withheld, you can change or cancel withholding instructions at any time.

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**To obtain a federal Form W-4P Withholding Certificate or California State DE-4P Form:**

- Contact the Fund Office Benefit Services Department  
(510) 633-0333 or Toll Free at (888) 547-2054  
benefitservices@carpenterfunds.com, or  
www.carpenterfunds.com/forms-and-documents/
- Visit the Internal Revenue Service website: [www.irs.gov](http://www.irs.gov)
- Visit the State of California website: [www.edd.ca.gov](http://www.edd.ca.gov)

If you request a change, it will be put into effect within 60 days after receipt of the form.

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**Withholding is one way for you to pay a portion of your income tax. If no tax, or not enough tax, is withheld from your benefits, you may have to pay estimated taxes during the year or a tax penalty at the end of the year. Of course, *whether you have to pay state or federal income tax on your benefit payments depends on the total amount of your taxable income. Your decision on withholding is an important one, and you may wish to discuss it with a qualified tax adviser.***

Sincerely,  
Boards of Trustees



**CARPENTERS PENSION TRUST FUND AND  
CARPENTERS ANNUITY TRUST FUND  
FOR NORTHERN CALIFORNIA**

**carpenterfunds.com**

265 Hegenberger Road, Suite 100  
Oakland, California 94621-1480  
Toll-Free: 1 (888) 547-2054  
Phone: (510) 633-0333

March 28, 2025

**TO: All Plan Participants and their Beneficiaries**

**FROM: BOARD OF TRUSTEES**  
**Carpenters Pension Trust Fund for Northern California**  
**Carpenters Annuity Trust Fund for Northern California**

**RE: Pension and Annuity Plan Benefit Changes**

- Clarification and definition of Pension Plan Reciprocity rules
- Clarification and definition of Annuity Plan Reciprocity rules

This Participant Notice will advise you of material modifications that have been made to your Health and Welfare Plan benefits. This information is important to you and your Dependents. Please take the time to read it carefully.

**PENSION BENEFIT CHANGES**

**Pension Plan Reciprocity Rules Effective 12/01/2023**

You may be required at times to work temporarily in geographic locations outside Northern California. Under certain circumstances, the Plan allows you to transfer monies earned in another jurisdiction to your primary location. This is known as Reciprocity.

Most of the rules regarding Reciprocity remain unchanged and the definitions below serve only as a reminder. Minor changes to your benefit will be described and noted.

**Definitions.**

**Cooperating Pension Fund.** Each Pension Fund which has executed the Master Reciprocal Agreement and have adopted both the Partial Pensions Agreement and Transfer of Contributions Agreement.

**Home Pension Fund or Home Fund** means the Cooperating Pension Fund in which your local union participates by virtue of its collective bargaining agreement with employers requiring contributions; or the Outside Fund where you worked the majority of hours (including hours from consolidated or realigned Funds) in the most recent 3 calendar years.

**Outside Fund** means any Cooperating Fund which is not your Home Fund.

**Reciprocal Pension** means a pension benefit from this Plan that resulted from Combined Reciprocal Eligibility Credit with Related Plans. The terms Reciprocal, Partial and Pro-Rata pension are synonymous.

**Related Eligibility Credit** means the related credit for those periods of service during which credit is granted for eligibility purposes.



**Related Plan(s).** Each pension plan that has adopted Partial Pensions, of the United Brotherhood of Carpenters and Joiners of America Master Reciprocal Agreement for Pension Funds is considered a Related Plan. The Board of Trustees may recognize any other pension plan as a Related Plan.

**Purpose.** You may work temporarily in jurisdictions other than your Home Fund. Reciprocal Pensions are provided under this Plan if you would otherwise be ineligible for a pension because your years of employment have been divided between more than one Related Plan.

In the event this situation occurs, contributions are transmitted and reported to your Home Fund, provided that you authorize the Cooperating Funds to do so in writing.

**Authorization.** You can request a Cooperating Fund to transfer contributions to your Home Fund on your behalf. The request must be made in writing on an approved form, signed and dated by you. This request form will release the Boards of Trustees of both Funds from any liability or claim by you, that the transfer of contributions may not work to your best interest. A completed request form must be filed by you with the Cooperating Fund within one (1) year following the beginning of your employment within the Cooperating Fund's jurisdiction. This longer time frame is a change in Plan rules.

**Transfer of Contributions.** The Cooperating Fund will collect and transfer to your Home Fund the contributions made on your behalf.

Your Home Fund will file with the Outside Fund a copy of your waiver and request for transmittal the payments received by the Outside Fund based on your work. Each month after receipt of contributions, the Outside Fund will transmit to the Home Fund all monies received because of your work. When this Fund is the Outside Fund, the contributions required to be paid by the collective bargaining agreement covering the work you perform will be transferred to the Home Fund. This monthly transfer is a change in Plan rules.

Credit earned under each Related Plan will be based on the rules in effect for that Related Plan at the time the employment occurred. Related credit will be relevant solely for eligibility purposes. Related Eligibility Credit excludes Vesting Credit earned for Continuous Non-Covered Employment or Vesting Credit earned for non-contributory Apprenticeship Hours for which Eligibility Credit was not granted. This clarification has been added to the Plan rules.

**Change in Home Pension Fund.** Situations may arise where you will change your Home Pension Fund because of a change of residence, availability of work, or for other reasons. An updated written authorization of a new Home Fund will automatically revoke any other previously designated Home Fund(s). You can have only one Home Fund at any time, a clarification that was added to the Plan rules.

#### **I. Eligibility for a Reciprocal Pension.**

You, or your Surviving Spouse in the case of a Joint and Survivor Pension, will be eligible for a Reciprocal Pension if you meet the requirements. The Plan rules were amended to clarify the eligibility of a Surviving Spouse.

The full Schedule of Benefits is available at the Trust Fund Office upon request.

## ANNUITY BENEFIT CHANGES

### **Annuity Plan Reciprocity Rules Effective 12/01/2023**

You may be required at times to work temporarily in geographic locations outside Northern California. Under certain circumstances, the Plan allows you to transfer monies earned in another jurisdiction to your primary location. This is known as Reciprocity.

Most of the rules regarding Reciprocity remain unchanged and the definitions below serve only as a reminder. Minor changes to your benefit will be described and noted.

#### **Definitions.**

**Cooperating Funds.** “Cooperating Funds” are those funds signatory to the United Brotherhood of Carpenters and Joiners of America Master Reciprocal Agreement for Annuity/Defined Contribution Funds.

**Home Fund** means the Cooperating Fund in which your local union participates by virtue of its collective bargaining agreement with employers requiring contributions; or the Outside Fund where you worked the majority of hours (including hours from consolidated or realigned Funds) in the most recent 3 calendar years. The terms Home Fund and Home Annuity Fund are synonymous.

**Outside Fund.** The term “Outside Fund” means any Cooperating Fund under which you work that is not your Home Fund. The terms Outside Annuity Fund, Outside Fund and Away Fund are synonymous.

**Purpose.** You may be required to work temporarily in jurisdictions other than your Home Fund. You should not be deprived of Annuity or Defined Contribution benefits for which you might otherwise be eligible, and should be given an equitable opportunity to become eligible for, and to increase your Annuity or Defined Contribution benefits under the Home Fund. In the event that this situation occurs, contributions are transmitted and reported to the Home Fund, provided that you authorize the Cooperating Funds to do so in writing.

**Authorization.** When working in an area covered by an Outside Fund, you may authorize your Home Fund to request the Outside Fund to transmit the monies due from employers due to your employment in the Outside Fund’s jurisdiction. By this request you will waive all rights that you may have to eligibility for benefits in the Outside Fund and acknowledges that the contributions to the Home Fund may not result in your best interest.

This request and waiver will continue until you have revoked those conditions in writing and delivered the revocation to his/her Home Fund. The Home Fund will deliver a copy of the written revocation to the Outside Fund, which shall implement the revocation as soon as administratively feasible after receiving the request. This clarification has been added to the Plan rules.

**Transfer of Contributions.** Upon receipt of a timely and properly completed request for a transfer of contributions due to your Home Fund, the Outside Fund will collect and transfer to your Home Fund the contributions required to be made to the Outside Fund on your behalf. Those contributions will be forwarded to your Home Fund at the end of each calendar month in which the contributions were due. This monthly transfer is a change in Plan rules.

Your Home Fund will file with the Outside Fund a copy of your waiver and request for transmittal the payments received by the Outside Fund based on your work. Each month after receipt of contributions, the Outside Fund will transmit to the Home Fund all monies received because of your work. When this Fund is the Outside Fund, the contributions required to be paid by the collective

bargaining agreement covering the work you perform will be transferred to the Home Fund.

The Outside Fund will transfer the actual dollar amount of contributions due regardless of any difference in the contribution rates between the funds.

**Change in Home Fund.** Situations will arise where you may change your Home Fund because of a change in residence, availability of work, or for other reasons

An updated written authorization of a new Home Fund will automatically revoke any other previously designated Home Fund(s). You can have only one Home Fund at any time. This is a clarification that was added to the Plan rules.

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Please keep this notice with your benefit booklet. If you have any questions, please contact Benefit Services at the Fund Office at (510) 633-0333 or toll free at (888) 547-2054. You may also send an email to [benefitservices@carpenterfunds.com](mailto:benefitservices@carpenterfunds.com). Forms and information can be found on our website at [www.carpenterfunds.com](http://www.carpenterfunds.com).

*The Board of Trustees maintains the right to change or discontinue the types and amounts of benefits under this Plan. This notice is intended as a summary only, and actual Plan documents will be used to interpret the Plan. Only the full Board of Trustees is authorized to interpret the Plan. The Board has discretion to decide all questions about the Plan, including questions about your eligibility for benefits and the amount of any benefits payable to you. No individual Trustee, Employer or Union Representative has authority to interpret this Plan on behalf of the Board or to act as an agent of the Board.*

*In accordance with ERISA reporting requirements, this document serves as your Summary of Material Modifications to the Plan.*