

**UA LOCAL 190 PLUMBERS/
PIPEFITTERS/SERVICE
TECHNICIANS/GAS DISTRIBUTION
PENSION PLAN
SUMMARY PLAN DESCRIPTION
HANDBOOK**

Plan No. 001

As updated through June 1, 2003

**THIS HANDBOOK COMPLETELY
REPLACES ALL SUMMARIES
PREVIOUSLY ISSUED**

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TO ALL MEMBERS OF LOCAL 190

We, as Trustees of your Pension Plan, recognize that one of the most difficult problems confronting you is providing adequate financial security for yourself and your family in your retirement years. All members of the Union participate in this pension program as a group, and we are proud to say that our employee pension program is one of the finest in our industry.

Following is an easy-to-read and convenient source of information about these fine benefits. The first few pages identify those responsible for overseeing and operating the Plan. The rest of this Handbook tells you how your pension benefits work to protect you and your family now and to provide financial security for your future. It tells you what your benefits are worth, how they accrue and when they will be paid. This Handbook provides you with a summary of all the important information concerning your pension, but you may read the entire Pension Plan at the Administrative Manager's Office at any time.

The Trustees reserve the right to amend the Plan at such time the Trustees determine that any revisions are necessary or desirable. Except in very rare circumstances, no vested accrued benefit can ever be taken from you, and no amendment to the Plan can reduce or eliminate benefits already accrued to you. So far, all changes have been improvements.

We hope you will read this Handbook, place it with your other valuable records and refer to it as the need arises.

SPONSORING ORGANIZATIONS

The organizations that established this Pension Plan are:

UA LOCAL 190 - PLUMBERS/
PIPEFITTERS/ SERVICE TECHNICIANS/
GAS DISTRIBUTION ("Union" or "UA Local 190")
7920 Jackson Road
Suite B
Ann Arbor, Michigan 48103

GREATER MICHIGAN PLUMBING &
MECHANICAL CONTRACTORS
ASSOCIATION, INC. ("Association")
58 Parkland Plaza, Suite 600
Ann Arbor, Michigan 48103

MICHIGAN DISTRIBUTION CONTRACTORS
ASSOCIATION ("Association")
12690 Grand Willow Drive
Grand Ledge, Michigan 48837

Participants in our Pension Plan and Beneficiaries of Participants, upon written request to the Administrative Manager, can find out whether a particular business is a contributing employer under the Plan, or can obtain the name and address of each employer contributing to the Plan, including the employers constituting the Greater Michigan Plumbing & Mechanical Contractors Association, Inc. and the Michigan Distribution Contractors Association. A list of all such employers is also available for inspection at the Administrative Manager's office.

PLAN SPONSOR

This Plan is operated by a Joint Board of Trustees consisting of Trustees appointed by the Associations and elected by UA Local 190. The Board of Trustees is the "plan sponsor" as defined in the Employee Retirement Income Security Act of 1974 (ERISA).

The Board of Trustees' EIN is 38-6065579.

The Board of Trustees' address for all purposes is the address of the Administrative Manager identified on page 5.

Trustees elected by UA Local 190 - Plumbers/ Pipefitters/ Service Technicians/ Gas Distribution:

Ronald House
Stephen Fountain
Thomas Lavender
Scott Klapper

Alternate: Bryce Mitchell

The principal place of business for these trustees is the Union Business Office:

UA Local 190 – Plumbers/
Pipefitters/ Service Technicians/
Gas Distribution
7920 Jackson Road
Suite B
Ann Arbor, Michigan 48103

Trustees appointed by the Greater Michigan Plumbing & Mechanical Contractors Association, Inc. and their principal places of business:

Sandra L. Miller
Greater Michigan Plumbing & Mechanical Contractors
Association, Inc. (“Association”)
58 Parkside Plaza, Suite 600
Ann Arbor, Michigan 48103

Newton Squires
McGovern Plumbing & Heating, Inc.
P.O. Box 70
Milan, Michigan 48160

John T. Darr
John Darr Mechanical, Inc.
1046 Baker Road
Dexter, MI 48130

Alternate:
Michael D. Darr
Boone & Darr, Inc.
P.O. Box 1718
Ann Arbor, MI 48106

Trustees appointed by the Michigan Distribution Contractors Association and their principal place of business:

Madelyne Lawry
Michigan Distribution Contractors Association
12690 Grand Willow Drive
Grand Ledge, Michigan 48837

Alternate:
Wayne Kline
Kline's Construction Co.
20455 Centerville-Constantine Rd.
Centerville, MI 49032

ADMINISTRATIVE MANAGER

The Joint Board of Trustees retains all discretion and authority to make final decisions under the Plan and is considered the "plan administrator" under ERISA. However, daily operation of the Plan is carried out under a contract with an Administrative Manager. All correspondence to the plan administrator, Administrative Manager, or Board of Trustees should be sent to the Administrative Manager's office, which is the official address for the Plan. The Administrative Manager is:

Benefit Advisors, Inc.
Suite 100
17197 Laurel Park Drive
Livonia, Michigan 48152

EIN: 38-3558012

Telephone Number: (888) 390-7473

Correspondence to the Administrative Manager should be directed to Thomas Hayden, who is the Designated Administrator under the current agreement with Benefit Advisors, Inc.

INTRODUCTION

Some things work best as a group effort. This is especially true with pension plans.

Through our UA Local 190 Plumbers/ Pipefitters/ Service Technicians/ Gas Distribution Pension Plan, we all work together to build meaningful and secure retirement benefits. Few of us could plan for retirement as effectively on our own.

The Plan was started in 1962 and has been continuously and substantially improved since then. We expect that it will continue to change as the needs of UA Local 190 members change over the years to come. But the Plan's basic purpose will always remain the same: the UA Local 190 Pension Plan is designed to help you live comfortably in retirement.

Please review the following summary of the Plan carefully. Although the summary is technical in places, we have tried to make it easy to read.

As you read on, remember that this summary cannot possibly deal with every situation or circumstance. The summary is based on a formal Plan document that contains the complete terms of the Plan. If the summary seems to conflict in any way with the Plan document, the formal Plan document will govern your rights, benefits and the meaning of any terms.

CURRENT BENEFIT RATE

Frequent changes are made to this Plan to either improve the benefits or adapt to changing circumstances. Occasionally, the Benefit Rate may change, and this may affect your Accrued Benefit. When it does, we will send you a new copy of this

page to put in your Handbook. Following is the current rate in effect:

For Employees who are Active Participants on January 1, 2001, or who first become Active Participants on or after that date:

- **\$87.00 per Year of Benefit Credit, unless you have had a Permanent Break in Service**

See the section entitled **SEGMENTIZED BENEFITS** for a description of how your Benefit Rate is affected by a Permanent Break in Service.

GENERAL INFORMATION

This new handbook completely replaces the summary plan description previously given to you.

The Plan is a defined benefit pension plan, which means that it provides a specific amount of monthly pension – the “defined benefit” - that you will receive when you retire. The full legal documents setting forth the Plan and Trust are available for review in the office of the Administrative Manager, and you can inspect them anytime during regular business hours. You may obtain a copy of these documents. A reasonable charge will be made for the copies.

The Plan covers all qualifying and eligible members and employees of UA Local 190 - Plumbers/ Pipefitters/ Service Technicians/ Gas Distribution.

GLOSSARY - DEFINED TERMS

Throughout this Handbook the following terms have the following special meanings:

Accrued Benefit (sometimes used as just **Benefit, Pension Benefit or Retirement Benefit**): The monthly benefit that has been accrued by you at any point in time according to the Benefit formula in the Plan. This is explained in the section entitled **ADDING UP YOUR ACCRUED RETIREMENT BENEFIT**.

Active Participant: A Participant who is not yet retired, deceased or disabled and had at least 375 Hours of Work, as defined below in this **GLOSSARY**, in the most recently completed Plan Year (June 1 through May 31). For purposes of calculating the Accrued Benefit of a Participant, no Participant is considered Inactive if available for work within the jurisdiction of the Union for at least eight months of the most recently completed Plan Year.

Actuarial Equivalent: A benefit whose value has been adjusted to reflect an earlier or later starting date, ending date, or survivor benefit percentage than otherwise applies. The adjusted monthly payment is economically equivalent to the normal benefit. This adjustment is made under this Plan based on an interest rate of 6.5% and the Unisex Pension - 1984 mortality table. However, if it produces a larger benefit, when determining the lump sum value of your benefit the interest rate paid on 30-year Treasury securities on the date specified in the Plan and the "GATT" mortality table issued by the Secretary of Treasury will be used. The adjustment from the normal benefit to a Joint and 100% Survivor Benefit is subsidized (that is, a larger adjusted benefit results than otherwise would be the

case). The resulting benefit payments are calculated as if the adjusted benefit were a Joint and 50% Survivor Benefit.

Association: Either the Greater Michigan Plumbing & Mechanical Contractors Association, Inc. or the Michigan Distribution Contractors Association, sometimes referred to together as Associations.

Beneficiary: The person you name on the Plan Beneficiary Designation Form to receive any Benefits payable when you die. If you do not designate a Beneficiary, the Plan provides that your Beneficiary is your spouse, if you are married; if you are not married but have children, your children; and if you are not married and have no children, your estate.

Benefit: See definition of **Retirement Benefit**.

Benefit Credits: Units that are based on service or contributions made on your behalf, expressed in years, upon which your Retirement Benefit is calculated. See the section entitled **WHAT THE PLAN IS WORTH TO YOU** for a detailed explanation of how Benefit Credits are calculated.

Benefit Rate: The dollar amount of monthly Retirement Benefit paid at Normal Retirement for a full Benefit Credit. The Benefit Rate may vary for particular Benefit Credits depending on when the Benefit Credits were earned.

Break In Service: A Plan Year during which you work fewer than 375 Hours of Work. Each Plan Year in which you have a Break in Service is called a "Break in Service Year." See definition of **Permanent Break in Service**.

Collective Bargaining Agreement: Any collective bargaining agreement existing between an Employer or an Association and

the Union which provides for contributions into the Trust Fund as well as any extension or extensions, renewal or renewals of any such collective bargaining agreement or any new collective bargaining agreement which provides for contributions into the Trust Fund.

Credits: See definition for **Benefit Credits** as to Accrued Benefits and definition for **Vesting Service** as to vesting Credits.

Early Retirement Date: The first day of the month that coincides with or next follows the time when you have both reached age 55 and become a Vested Participant.

Eligibility Date: The first day of the month after the first 12-month period in which an Employee completes 375 Hours of Work.

Employee: Any person on whose account an Employer has been required to make contributions to the Trust Fund, including employees of the Union.

Employer: Any member of either Association or any other employer engaged in plumbing, mechanical, service technician, gas distribution or other work coming within the jurisdiction of the Union, and UA Local 190 to the extent that it acts in the capacity of an employer of its business representatives or other Employees on whose behalf it makes contributions to the Trust Fund.

Hours of Work:

- each hour for which you are directly compensated or entitled to payment by an Employer for performance of duties or attributable to back pay;
- each hour for which amounts are reciprocated from another plan to this Plan; and
- each hour of military service for which credit is required under the Uniformed Services Employment and Reemployment Rights Act of 1994.

Only hours that are covered employment for which contributions are required to be made under a Collective Bargaining Agreement are Hours of Work. Hours of Work for which contributions are reciprocated from this Plan to another plan under a reciprocity agreement with another benefit fund are not counted after contributions have been transferred to another benefit fund.

Inactive Participant: An Employee who is not an Active Participant, but who is a Participant.

Normal Retirement Date: The first day of the month that coincides with or next follows both your attaining age 60 and accruing five Years of Vesting Service since your latest Permanent Break in Service, if any, but in no event later than the first day of the month in which you are an Active Participant who has attained age 65 and reached the fifth anniversary of your participation commencement date.

Owner Employee: A person who is a member of UA Local 190, and who is employed as a plumber, pipe fitter, service technician, gas distribution worker, or a supervisor of

plumbers, pipe fitters, service technicians, or gas distribution workers by an Employer, and also controls the day-to-day business of the Employer through an ownership interest (either by him or herself, or together with other owners of the Employer and members of their families).

Participant: An Employee who has reached the eligibility date and is currently (1) an Active Participant or (2) a Vested Participant or (3) a former Employee who has an Accrued Benefit but who has not had a Permanent Break in Service.

Permanent Break In Service: A Break in Service affecting a person who is not a Vested Participant which is long enough to cause the person to lose Accrued Benefits and Years of Vesting Service. Whether a Break in Service is long enough to be treated as a Permanent Break in Service depends on the length of the service accrued before the Break in Service. From June 1, 1998 forward, anyone who is not already a Vested Participant and has five consecutive Break in Service Years has a Permanent Break in Service. This is further explained below in the section entitled **IF YOU ARE NOT VESTED WHEN YOU INCUR A BREAK IN SERVICE**

Plan: The Plan is the UA Local 190 Plumbers/ Pipefitters/ Service Technicians/ Gas Distribution Pension Plan.

Plan Year: The period beginning June 1 and ending the next May 31. All calculations for Years of Benefit Credit and Years of Vesting Service are based on the Plan Year.

QDRO or Qualified Domestic Relations Order: A court order entered in a divorce or other domestic relations proceeding, if the order is determined by the Trustees to meet federal requirements for transferring Benefit rights to a family member.

Retirement Benefit: Your monthly pension calculated by multiplying your Years of Benefit Credits by the applicable Benefit Rate(s) provided in the Plan.

Spouse: The person to whom an Employee is legally married at the time relevant to the determination.

Trust Fund (sometimes called **Trust** or **Fund**): The total contributions made to the Plan increased by profits, income, refunds or other recoveries and decreased by losses and expenses incurred and Benefits paid.

Union or UA Local 190: UA Local 190 Plumbers/ Pipefitters/ Service Technicians/ Gas Distribution, a local unit of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada.

Vested Participant: A Participant who has fulfilled either of the following requirements for Vesting: (1) accrual of five Years of Vesting Service, or (2) achievement as an Active Participant of age 65 and the fifth anniversary of date of participation, as further explained below in the section entitled **VESTING**. Note that the Vesting Period was changed from seven years to five years effective June 1, 1998.

Vesting Period: The period of time you must work in order to be Vested and entitled to be paid your Accrued Benefit. See the section entitled **VESTING** for a description of how you become Vested.

Vesting Service: From and after June 1, 1991, any Plan Year during which you as a Participant completed 870 or more Hours of Work. No fractional Years of Vesting Service are given.

Voluntary Contributions: Contributions made by an eligible Participant to purchase the balance of one Year of Benefit Credit for a Plan Year during which the Participant was available for work within the jurisdiction of the Union, but failed to work enough hours to accrue one Year of Benefit Credit for that Plan Year.

Year(s) Of Benefit Credit: Years of Benefit Credit, also called Benefit Credits, are calculated as follows:

- Calculation of Benefit Credits earned prior to June 1, 1991, is discussed in the section entitled **WHAT THE PLAN IS WORTH TO YOU**.
- For Plan Years beginning on and after June 1, 1991, and prior to June 1, 1993, for a Participant with 375 or more Hours of Work in a Plan Year, a Year of Benefit Credit and/or a fraction thereof is determined by dividing 1,500 by the total Hours of Work of the Participant during a Plan Year, rounded off to the nearest 1/10th. A Participant with fewer than 375 Hours of Work in a Plan Year earns no portion of a Year of Benefit Credit for that Plan Year.
- For Plan Years beginning on and after June 1, 1993, for a Participant with 375 or more Hours of Work in a Plan Year, a Year of Benefit Credit and a fraction thereof is determined by dividing the total dollar amount of contributions required to be made on behalf of the Participant during the Plan Year by the product of 1,500 times the highest rate of hourly contribution required to be made to the Plan for that Year for a Participant working under the terms of a Collective Bargaining Agreement with the Union, rounded off to the nearest 1/10th. A Participant with fewer than 375 Hours of

Work in a Plan Year earns no portion of a Year of Benefit Credit for that Plan Year.

Year of Vesting Service: From and after June 1, 1991, a Year of Vesting Service is given for any Plan Year during which a Participant completes 870 or more Hours of Work. Before June 1, 1991, a Year of Vesting Service was given for any Plan Year in which a Participant completed 1,000 or more hours of service, which included hours for which you were paid even though you did not work, e.g. vacation, holiday or sick pay. No fractional Years of Vesting Service are given.

THE PLAN IN BRIEF

The following non-technical, brief description will give you a general understanding of how the Plan works. Please read this entire Handbook for a summary in more detail. You may also review or obtain a copy of the official Plan document at the Administrative Manager's office.

Eligibility. You will become eligible to participate in the Plan on your Eligibility Date, which is the first day of the month after the first 12-month period in which you have completed 375 Hours of Work as an Employee of an Employer required to contribute to the Plan on your behalf.

Accruing Benefits. In past years, you accrued (or built up) future Retirement Benefits according to the number of Hours of Work you accumulated each Plan Year. Your Retirement Benefit for work performed after May 31, 1993 is based on the dollars required to be contributed to the Fund on your behalf. Your Benefit at retirement will be calculated by adding up the total value of all the Benefit Credits you have accrued over your total years of participation in the Plan, up to a maximum

of 50 Years of Benefit Credits, and multiplying the Benefit Credits by the applicable Benefit Rate(s).

When You Retire. Under current Plan provisions, you may receive your full Accrued Benefit when you stop working at any time after you turn age 60 and have at least five Years of Vesting Service.

Additional Benefits. Under certain circumstances, the Plan also provides for Early Retirement Benefits, as well as Death and Disability Benefits. These are described in the sections entitled **RETIREMENT DATES, IN CASE YOU ARE DISABLED, IN CASE OF YOUR DEATH BEFORE BEGINNING TO RECEIVE YOUR ACCRUED MONTHLY BENEFITS**, and **IN CASE OF YOUR DEATH AFTER COMMENCEMENT OF BENEFITS**.

Vesting. You will become a Vested Participant when you have 5 Years of Vesting Service. Before you have 5 Years of Vesting Service, all of your Retirement Benefit can be lost if you have a Permanent Break in Service. A Year of Vesting Service is credited for each Plan Year that starts on or after June 1, 1991 in which you complete 870 Hours of Work and for each Plan Year before June 1, 1991 in which you completed 1000 hours of service.

Payment Options. The two forms of Benefit are:

- a Ten-Year-Certain Guaranteed Life Annuity; and
- a Joint and 100% to Surviving Beneficiary Annuity.

Additionally, there is an option for payout of the two forms of Benefit in a Social Security (level income) mode.

These options are further explained in the section entitled **PAYMENT OF PENSION BENEFITS.**

Veterans' Reemployment Rights. The Plan will be administered pursuant to the provisions of the Uniformed Services Employment and Reemployment Rights Act. The Act creates certain rights for employees who return to employment after an honorable discharge from service in the United States uniformed services for five or fewer years and in some cases even if the service lasted more than five years. These rights affect various aspects of the Plan, such as Benefit accrual, Vesting accrual and Voluntary Contributions. If you are a returning service person, please contact the Administrative Manager to review these rights and to take advantage of them if you are eligible.

Social Security Benefits. The Benefits you receive under this Plan are separate from, and in addition to, the benefits you will earn through Social Security.

SUMMARY OF THE PLAN IN FULL

JOINING THE PLAN

You are automatically included as a Participant in the Plan upon achieving the requirements for participation, which are as follows:

- All Employees who are members of a collective bargaining unit represented by the Union and whose Collective Bargaining Agreement requires contributions to the Plan, as well as Employees of the Union, are eligible to participate in the Plan.

- You become a Participant on the first day of the month after you complete a 12-month period during which you have 375 Hours of Work for one or more Employers. Once you are a Participant, you will not have to achieve the requirements for participation again, even if you stop working and have a Break in Service before you return to work. But a Break in Service may affect your vesting and Benefit Rate.
-

ADMINISTRATION OF THE PLAN

The Plan is administered by eight Trustees. The Union Members elect three Trustees to serve together with the Business Manager, who is a Trustee by virtue of office (Union Trustees), and one Alternate Trustee to serve in the absence of a regular Trustee. The Greater Michigan Plumbing & Mechanical Contractors Association, Inc. appoints three Trustees, and the Michigan Distribution Contractors Association appoints one Trustee (Employer Trustees). Each Association also appoints one Alternate Trustee to serve in the absence of a regular Trustee appointed by it. If the Michigan Distribution Contractors Association does not appoint a Trustee, the Greater Michigan Plumbing & Mechanical Contractors Association, Inc. appoints a fourth Trustee. These appointees constitute a Board of Trustees which adopts, amends and administers the Plan and Trust.

The Plan administration method is known as “contract administration” because the Trustees have contracted with the Administrative Manager identified on page 5 to perform the administrative functions of the Plan and Trust, while the Trustees perform all discretionary and decision-making

functions of the Plan and Trust. The Administrative Manager is licensed as a “third party administrator” under Michigan licensing statutes. All payments by Employers to the Trust Fund are invested and administered by the Trustees.

The Plan is maintained pursuant to Collective Bargaining Agreements between the Union and the Associations and Employers. Copies of the Collective Bargaining Agreements under which the Plan is maintained are available for review at the Administrative Manager’s office and the Union Business Office upon request, and copies will be provided to Participants and the Beneficiary of a Participant upon written request to the Administrative Manager. Reasonable copying charges may apply.

CONTRIBUTIONS TO THE PLAN

Hourly contributions by Employers under the Collective Bargaining Agreements pay for the Plan. There are differences in the calculation of Credits for Pension Benefits of Participants based on these hourly contributions as explained below in this Handbook. A Participant who does not work the number of hours necessary to accrue one full Year of Benefit Credit for any Plan Year, may make Voluntary Contributions in certain circumstances and subject to specific restrictions, including a time limit. These are described in the section entitled **PURCHASING BENEFIT CREDITS THROUGH VOLUNTARY CONTRIBUTIONS**. You may obtain additional information regarding these Voluntary Contributions from the Union Business Office or the office of the Administrative Manager.

WHAT THE PLAN IS WORTH TO YOU

When you calculate your Pension Plan Benefit, five concepts are important:

1. **Hours Of Work.** From June of 1962 to May 31, 1993, our Plan based its Benefit Credits directly on the number of hours you worked for an Employer, subject to an annual accrual limit of 1,500 hours prior to June 1, 1991. On June 1, 1993, the method of calculating Benefit Credits was changed to relate to the amount of money contributed, as described below in paragraph 3 of this section entitled **Credits Based On Required Contributions**. The number of your Hours of Work still determines your eligibility to participate in the Plan and is used to calculate a Year of Vesting Service. Basically, an Hour of Work means each hour for which an Employee is paid or is entitled to pay by an Employer for working or back pay, including work under a reciprocal plan that transfers contributions to this Plan.

2. **Years of Benefit Credit(s).** The Hours of Work required for a Year of Benefit Credit have varied from time to time as follows:

June 1, 1962	June 1, 1972	June 1, 1991	
to	to	to	
May 31, 1972	May 31, 1991	May 31, 1993	Years of
Hours of	Hours of	Hours of	Accrued
Work	Work	Work	Benefit
<u>Per Plan Year</u>	<u>Per Plan Year</u>	<u>Per Plan Year</u>	<u>Credits</u>

1,600 or more	1,500 or more	1425 or more	1
		1275-1424	9/10
		1125-1274	8/10
1,200- 1,599	1,125- 1,499		3/4
		975-1124	7/10
		825-974	6/10
800 to 1,199	750 to 1,124	675-824	1/2
		525-674	4/10
		375-524	3/10
400 to 799	375 to 749		1/4
Less than 400	Less than 375	Less than 375	0

As of any date that total Years of Benefit Credit are being determined, after the individual Years of Benefit Credit as calculated above are added together, the result is rounded to the nearest one-tenth (1/10) of a year.

Prior to June 1, 1991, no matter how many Hours of Work you performed in one Plan Year, you could accrue no more than one Year of Benefit Credit for that Year. Beginning June 1, 1991, and thereafter, it is possible to earn more than one full Year of Benefit Credit during a Plan Year. You must earn 375 Hours of Work during a Plan Year beginning on and after June 1, 1991, in order to receive Benefit Credit(s) for that Plan Year. (See paragraph 3, below, for how Years of Benefit Credit accrue for Plan Years beginning June 1, 1993, and later, when we stopped using the hourly accrual method.)

Following is an illustration that shows you how the Benefit Credits are calculated for a period under the hourly accrual methods. If you accrued the following number of Hours of Work during the Years indicated, you would have accrued the Benefit Credits as shown:

(Plan Years 6/1 - 5/31)		
<u>Year Beginning:</u>	<u>Hours of Work</u>	<u>Years of Accrued Benefit Credits</u>
June 1, 1970	1,600	1
June 1, 1971	1,200	3/4
June 1, 1972	1,500	1
June 1, 1973	1,200	3/4
June 1, 1975	750	1/2
June 1, 1979	375	1/4
June 1, 1982	1,400	3/4
June 1, 1985	1,100	1/2
June 1, 1987	1,650	1
June 1, 1990	900	1/2
June 1, 1991	750	5/10
June 1, 1992	2,400	1-6/10
TOTAL		9-1/10

3. **Credits Based On Required Contributions.** For service beginning on and after June 1, 1993, the method of calculating Years of Benefit Credit has changed so that the annual Benefit Credit you receive for that period will be in proportion to the dollar amount that was required to be contributed to the Fund on your behalf. First, you must earn 375 Hours of Work during the Plan Year in order to be eligible to earn Benefit Credit for that Plan Year. Then, the amount of your Benefit Credit for that Plan Year, stated in a fraction of tenths of a year, including Credit for more than one Year of Benefit Credit where the fraction exceeds one, shall be determined by dividing the total dollar amount of contributions required to be made on your behalf during the Plan Year by the product of 1,500 times the highest rate of hourly contribution required to be made to the Plan for that Plan Year on behalf of any Participant who is working under a Collective Bargaining Agreement

with the Union. The result is rounded off to the nearest 1/10th. This is further explained below, together with example calculations, in the section entitled **ADDING UP YOUR ACCRUED RETIREMENT BENEFIT**. The current (as of June 1, 2003) contribution rates for each classification of Employee and the amount of Benefit Credit earned if the Employee worked exactly 1,500 hours in a Plan Year are:

<u>Classification</u>	<u>Hours of Work on or After</u>	<u>Contribution Rate</u>	<u>Rounded Credit for 1500 Hours</u>
Building Trades Journeyman, Building Trades Apprentice, Service Journeyman	June 1, 2003	\$5.83 per hour	1.0
Michigan Distribution Journeyman Welder	May 1, 2003	\$5.24 per hour	.9
Ohio Distribution Journeyman Welder	Sept. 1, 2002	\$2.95 per hour	.5
Michigan Distribution Journeyman Installer & Apprentice Helper	May 1, 2003	\$2.20 per hour	.4
Ohio Distribution Journeyman Installer & Apprentice Helper	Sept. 1, 2002	\$2.00 per hour	.3

Residential Pipe	June 1, 2003	\$1.00	.2
Trades, Commercial		per hour	
Metal Trades,			
Mechanical Equipment			
Service Tradesman			

If amounts are required to be contributed on your behalf under a reciprocal agreement, these amounts are treated the same as Employer contributions made to the Fund on your behalf. You receive credit for required contributions from your Employer even if the contribution cannot be collected by the Trustees.

4. Year Of Vesting Service. As discussed above, the number of your accrued Years of Benefit Credit is a major factor in determining the amount of your Retirement Benefit. In order to receive a Benefit, however, you must be Vested. The number of your accrued Years of Vesting Service is used to determine whether or not you are entitled (Vested) to that Benefit. To be credited with a Year of Vesting Service, you must have accumulated 870 Hours of Work during a Plan Year (1,000 hours of service for Plan Years beginning before June 1, 1991. See the definition of Year of Vesting Service), and you must have five such Years of Vesting Service to be Vested. Vesting is more fully explained below in the section entitled **VESTING**.

5. Accrued Retirement Benefit. Your Accrued Retirement Benefit is the dollar amount of the Retirement Benefit that you have built up as of today, stated in terms of a monthly income figure payable beginning at age 60 and continuing over your lifetime, guaranteed for ten years. This income figure is what the Plan will pay you (based on its current provisions) when you fulfill the requirements for a Normal Retirement Benefit at age 60 or over. Remember, this amount is based on a single life, so the monthly amount will be smaller if the benefit is payable also for a Spouse or Beneficiary who survives you. More information about retirement dates and income options, including the rights of your Spouse, can be found in the section entitled **RETIREMENT DATES**.

ADDING UP YOUR ACCRUED RETIREMENT BENEFIT

In order to calculate your Retirement Benefit, you must first determine the number of your total Years of Benefit Credit. The amount of your monthly Retirement Benefit is calculated by multiplying your Years of Benefit Credit by a dollar rate established by the Trustees, known as the Benefit Rate. This Benefit Rate has varied from time to time. The most current Benefit Rate is listed on page 7. Future Benefit Rate levels will be determined by the Trustees based upon contribution levels, actuarial advice and the Fund investment performance.

Prior to July 1, 1991, the dollar amount of your monthly Benefit was calculated at the Benefit Rate in effect at the time your application for Benefits was made. The Benefits of all Participants, Active and Inactive, retiring at the same time were calculated at the same rate. Effective July 1, 1991, and thereafter, the dollar amount of your monthly Benefit may be calculated differently, depending upon whether or not you were an Active Participant (as defined above in the **GLOSSARY**) as of July 1, 1991, and thereafter.

If you were an Active Participant on July 1, 1991, or become an Active Participant for the first time after July 1, 1991, and remain an Active Participant until your date of retirement, your Benefit will be calculated at the rate in effect at your date of retirement. That rate, effective for Participants who are Active Participants on January 1, 2001, is \$87.00 per month times the number of Years of Benefit Credit that you have accrued, up to a maximum of 50 Years of Benefit Credit.

If you were an Active Participant on July 1, 1991, or become an Active Participant for the first time after July 1, 1991, and you stop being an Active Participant at any point in time and retire while you are an Inactive Participant, your Benefit for the most recent period of activity will be calculated at the rate in effect when you last were an Active Participant. The rates in effect for Active Participants from 1991 through 2001 are summarized in the following table:

<u>Date</u>	<u>Rate per year if you were an Active Participant on this date</u>
July 1, 1991	\$48.00 (maximum 40 years)
October 1, 1992	\$48.00 (maximum 50 years)
September 1, 1993	\$55.00 (maximum 50 years)
January 1, 1996	\$60.00 (maximum 50 years)
January 1, 1997	\$63.00 (maximum 50 years)
January 1, 1998	\$70.00 (maximum 50 years)
January 1, 1999	\$77.00 (maximum 50 years)
January 1, 2000	\$85.00 (maximum 50 years)
January 1, 2001	\$87.00 (maximum 50 years)

The minimum Benefit Rate for any Vested Participant is currently \$48.00 times total Years of Benefit Credit.

Here is an illustration of the benefit calculation for a Participant who was an Active Participant on July 1, 1991:

<u>Year Beginning</u>	<u>Hours of Work</u>	<u>Years of Vesting</u>	<u>Years of Benefit Credit Accrued</u>
June 1, 1984	1,200	1	3/4
June 1, 1985	1,500	1	1
June 1, 1986	1,600	1	1
June 1, 1987	1,700	1	1
June 1, 1988	1,890	1	1
June 1, 1989	1,600	1	1
June 1, 1990	1,250	1	3/4
June 1, 1991	1,000	1	7/10
June 1, 1992	900	<u>1</u>	<u>6/10</u>
Retire June 1, 1993			
TOTAL		9	7-8/10

Because the Participant in this illustration was an Active Participant on July 1, 1991 (having had at least 375 Hours of Work in the previous Plan Year ending May 31, 1991) and remained Active until retirement, the Participant's Benefit will be calculated based on the rate in effect at the date of retirement. Since the rate in effect on his date of retirement was \$48.00 per Benefit Credit and he had 7.8 Benefit Credits, his monthly Retirement Benefit is \$374.40.

Here is an illustration of the benefit calculation for a Participant who had 20 Years of Benefit Credit at July 1, 1991, and who continues to get at least 375 Hours of Work until June 1, 2001, assuming each Hour of Work is at the maximum rate:

<u>Year Beginning:</u>	<u>Hours of Work</u>	<u>Years of Benefit Credit Accrued</u>
June 1, 1991	1,600	1
June 1, 1992	1,700	1
June 1, 1993	1,700	1.1
June 1, 1994	1,500	1
June 1, 1995	750	.5
June 1, 1996	2,000	1.3
June 1, 1997	1,700	1.1
June 1, 1998	1,500	1
June 1, 1999	1,500	1
June 1, 2000	1,500	<u>1</u>
Retire June 1, 2001		
TOTAL		10

Because the Participant had 20 Years of Benefit Credit at July 1, 1991, and 10 more Years of Benefit Credit with no Break in Service at June 1, 2001, all Benefit Credits are paid at \$87.00, the rate in effect at the date of retirement. His monthly Retirement Benefit is \$2,610 per month (\$87.00 X 30).

SEGMENTIZED BENEFITS

If you were not an Active Participant on July 1, 1991, or if you became or become an Inactive Participant sometime after July 1, 1991 for reasons other than becoming disabled, your Benefit will be calculated separately with respect to each period that you were an Active Participant. The Retirement Benefit for the period ending each time you become an Inactive Participant will be computed at the rate in effect as of the end of each such period of activity.

For purposes of calculating your Retirement Benefit only, you will be treated as an Active Participant at the end of any Plan Year beginning on or after June 1, 1991, if you were available for work within the jurisdiction of the Union for at least eight months of the Plan Year. If you work within the jurisdiction of the Union under the terms of an agreement between your Employer and the Union which does not require contributions to be made to the Trust Fund on your behalf, you will be considered an Active Participant as long as you remain so employed under such agreement, provided that you were a Participant in the Plan when you started working under such agreement and such work began prior to July 1, 1991. If the agreement is terminated or if you cease to work under it, you will remain an Active Participant only so long as you continue to meet the other requirements of the Plan for being an Active Participant, as defined in the **GLOSSARY** above.

Example of No Segmentizing. Here is an example of a Participant who had a period of inactivity in 1986 and 1987 but was an Active Participant on July 1, 1991 and had no later period of inactivity:

<u>Year Beginning:</u> <u>Year Beginning</u>	<u>Hours of</u> <u>Work</u>	<u>Years of</u> <u>Vesting</u>	<u>Years of</u> <u>Benefit Credit</u> <u>Accrued</u>
June 1, 1984	1,200	1	3/4
June 1, 1985	1,500	1	1
June 1, 1986	0	0	0
June 1, 1987	0	0	0
June 1, 1988	1,890	1	1
June 1, 1989	1,600	1	1
June 1, 1990	1,250	1	3/4
June 1, 1991	1,000	1	7/10
June 1, 1992	900	<u>1</u>	<u>6/10</u>
Retire June 1, 1993			
TOTAL		7	5-8/10

Because the Participant in this illustration was an Active Participant on July 1, 1991 (having had at least 375 Hours of Work in the previous Plan Year ending May 31, 1991) and remained Active until retirement, the Participant's Benefit will be calculated based on the rate in effect at the date of retirement. The period the person was an Inactive Participant in this illustration occurred prior to July 1, 1991, and because the Participant was Active on and after July 1, 1991, the inactive period had no effect on the Benefit calculation. Since the rate in effect on his date of retirement was \$48.00 per Benefit Credit and he had 5.8 Benefit Credits, his monthly Retirement Benefit is \$278.40.

Example of Segmentizing. Here is an example of a Participant who had periods of inactivity that cause his benefit to be segmentized. This example assumes that contributions for Hours of Work are paid at the highest hourly contribution rate under UA Local 190's Bargaining Agreement for each Plan Year:

(Plan Years 6/1-5/31)			Years of Vesting	Years of Benefit Credit Accrued
<u>Year</u>	Hours of <u>Work</u>	Dollars <u>Contributed</u>		
<u>Beginning</u>				
June 1, 1984	1,600		1	1
June 1, 1985	1,500		1	1
June 1, 1986	1,200		1	3/4
June 1, 1987	1,150		1	3/4
June 1, 1988	890		0	1/2
June 1, 1989	0		0	0
June 1, 1990	250		0	0
June 1, 1991	0		0	0
June 1, 1992	900		1	6/10
June 1, 1993	750 @ \$2.00	\$1,500	0	5/10
June 1, 1994	1,000 @ \$2.27	2,270	1	7/10
June 1, 1995	1,600 @ \$2.60	4,160	1	1-1/10
June 1, 1996	1,500 @ \$2.80	4,200	1	1
June 1, 1997	1,500 @ \$3.25	4,875	1	1
June 1, 1998-	350 @ \$3.65	1,277.50	0	0
June 1, 1999	400 @ \$3.90	1,560	0	3/10
Retire				
June 1, 2000				
TOTAL			9	9-2/10

In this illustration the Participant was not an Active Participant on July 1, 1991, not having had 375 Hours of Work in the preceding Plan Year. The Participant was also not an Active Participant on June 1, 1992, assuming that the Participant was not available for work within the jurisdiction of the Union for at least eight months of the previous Plan Year. The Participant became an Active Participant again on June 1, 1993

because he had 375 or more Hours of Work in the preceding Plan Year. He became inactive again on June 1, 1999 because he had less than 375 Hours of Work in the preceding Plan Year. He became an Active Participant again on June 1, 2000 and then retired.

This means the Participant's Benefit is calculated in segments, as follows: The Benefit Credits from before the Participant first became inactive, 4 Benefit Credits, will be multiplied by the rate in effect at the end of the Participant's first period of activity--June 1, 1990. (The rate for those Benefit Credits is \$48.00) The credits for the next period of activity, June 1, 1992 through June 1, 1998, 4.9 Benefit Credits, will be multiplied by the rate in effect on January 1, 1999, the last rate in effect while he was still an Active Participant before he again became inactive on June 1, 1999 (the rate in effect then was \$77.00). The last 0.3 Benefit Credits will be multiplied by the rate in effect on June 1, 2000, when he again became an Active Participant and retired (the rate in effect then was \$85.00). The three segmentized Benefits are then added together, and the Participant receives the total, as follows:

<u>Time Period</u>	<u>Benefit Credits</u>	<u>Applicable Rate</u>	<u>Benefit Amount</u>
June 1, 1984 - June 1, 1989	4.0	\$48.00	\$192.00
June 1, 1992 -June 1, 1998	4.9	\$77.00	\$377.30
June 1, 1999 -June 1, 2000	0.3	\$85.00	\$ 25.50
TOTAL	9.2		\$594.80

SHORT-TERM DISABILITY EXCEPTION TO SEGMENTIZED BENEFITS

If you were not an Active Participant on July 1, 1991, or if you became or become an Inactive Participant after July 1, 1991 due to becoming disabled, it is possible that your benefits calculation may not be segmentized.

First, if you become disabled, but then become rehabilitated and return to work within a two-year period from the date of your disability, and continue to work at least 375 Hours of Work in the succeeding 12-month period, or show availability for work within the jurisdiction of the Union for at least eight months in that 12-month period, then your benefit will not be calculated separately, but will be calculated as if there were no interruption of active status.

However, you will need to submit evidence of your disability to the Trustees, and they must determine that you were disabled to the extent that you would be entitled to a Disability Retirement Benefit (whether or not you actually are eligible for that benefit). (See the section entitled **IN CASE YOU ARE DISABLED**.) If requested, you will have to give them evidence of your continuing disability. If you don't, or if the Trustees determine that your disability has ended but that you did not then return to work, the two-year deferral period will no longer apply to you.

In addition, if you receive a Disability Retirement Benefit for at least the two-year period, but for not more than five years total, another exception to segmentizing may apply. This happens if after your disability you return to work, and continue to achieve 375 Hours of Work per Plan Year (prorated for partial Plan Years) for a period of time equal to the period of time you received Disability Retirement Benefits. If this happens,

segmentizing will not occur, and your Retirement Benefit will be calculated as if you were an Active Participant throughout your disability.

These disability-based exceptions don't affect any separate calculation based on a period of inactive status from something other than becoming disabled, or from another period of disability that does not meet the requirements of these exceptions.

ADJUSTMENTS FOR DIFFERENT CONTRIBUTION RATES

Effective for Hours of Work performed by you on and after June 1, 1993, the method of calculating your Years of Benefit Credit is adjusted so that the Benefit you receive when you retire will be in proportion to the amount that was required to be contributed to the Fund on your behalf. Because there are different rates of Fund contributions for the different trades and job classifications, some Participants have more money than others contributed to the Fund on their behalf. The following method was adopted to make the Plan fair to all Participants:

Beginning with the Hours of Work on and after June 1, 1993, the Benefit Credit that you will accrue during a Plan Year will be computed as follows:

Total Pension contributions required to be made by an
Employer on your behalf for Hours of Work in the
Plan Year

divided by

1,500 hours times the highest hourly contribution rate under a UA Local 190 Bargaining Agreement for that Plan Year,

rounded to the nearest 1/10,

equals

Benefit Credit accrued for that Plan Year.

This means that each time the highest hourly contribution rate under a UA Local 190 Collective Bargaining Agreement increases, the portion of a Year of Benefit Credit per Hour of Work that accumulates for Participants whose contribution is made at a lower rate automatically become smaller unless their hourly contribution rate for that year increases proportionately. The highest hourly contribution rate changes almost every year, and the Trustees have no control over this. It is determined through negotiations between the Union and the Associations.

Contributions actually transferred to the Fund on your behalf under a reciprocal agreement are treated the same as Employer contributions made to the Fund on your behalf, so if they are less than or greater than the highest contribution rate for that year, you will get a proportionate amount of Benefit Credit.

Examples:

Each of the following examples is based on the highest hourly contribution rate under UA Local 190's Bargaining Agreement for the Plan Year beginning June 1, 1997, which was \$3.25 per hour.

- Participant A, who has contributions made to the Fund at the rate of \$3.25 per hour, accrues 1,650 Hours of Work during the Plan Year beginning June 1, 1997.

$$\underline{1,650 \text{ hours} \times \$3.25 = \$5162.50}$$

$$1,500 \text{ hours} \times \$3.25 = \$4,875$$

= 1.1 Years of Benefit Credit

- Participant B, who has contributions made to the Fund at the rate of \$3.25 per hour, accrues, during the Plan Year beginning June 1, 1997, 1,250 Hours of Work and 400 Hours of Work while working for an Employer who makes contributions to the Fund for this Participant at \$3.10 per hour under a reciprocal agreement.

$$\frac{(1,250 \text{ hours} \times \$3.25) + (400 \text{ hours} \times \$3.10)}{1,500 \text{ hours} \times \$3.25} = \frac{\$5,302.50}{\$4,875}$$

= 1.088 ; after rounding,

= 1.1 Years of Benefit Credit

- Participant C, who has contributions made to the Fund at the rate of \$2.80 per hour, accrues 1,500 Hours of Work.

$$\frac{1,500 \times \$2.80}{1,500 \times \$3.25} = \frac{\$4,200}{\$4,875}$$

= .86; after rounding,

= .9 Year of Benefit Credit

- Participant D, who has contributions made to the Fund at the rate of \$1.70 per hour, accrues 1,650 Hours of Work.

$$\underline{1,650 \times \$1.70 = \$2,805}$$

$$1,500 \times \$3.25 = \$4,875$$

= .58; after rounding,

= .6 Year of Benefit Credit

However, under the provisions of the Plan, Participants C and D, if Vested, are given the option to make Voluntary Contributions up to the amount necessary, when added to the Benefit Credit that each Participant actually accrued, to give each Participant one full Year of Benefit Credit. This is further explained in the section entitled **PURCHASING BENEFIT CREDITS THROUGH VOLUNTARY CONTRIBUTIONS.**

PURCHASING BENEFIT CREDITS THROUGH VOLUNTARY CONTRIBUTIONS

Participants Who May Purchase Benefit Credits

If you are a Vested Participant who is not an Owner Employee and who does not have a full Year of Benefit Credit for a Plan Year, and you were either (1) available for work within the jurisdiction of the Union during that Plan Year as certified by the Union Business Manager, or (2) employed during such Plan Year by the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, you may make Voluntary Contributions up to the total dollar amount necessary, when added to all other contributions required to be made on your behalf for that Plan Year, to give you one full Year of Benefit Credit at the current contribution rate for that Plan Year, provided that you comply with the applicable time limits set

forth in the Plan. (See **Time Limits for Making Voluntary Contributions** below.)

You may not make any Voluntary Contributions for any Plan Year beginning on and after June 1, 1992, if you were not Vested at any time during the Year for which you want to make Voluntary Contributions.

If, on June 1, 1992, you were not a Vested Participant, but you were an Active Participant (as defined in the **GLOSSARY**) and you earned less than one full Year of Benefit Credit during a Plan Year beginning prior to June 1, 1992, you may, upon becoming Vested, make Voluntary Contributions for the additional number of Hours of Work required to give you one full Year of Benefit Credit at the current contribution rate for that Plan Year; provided that (1) you were available for work within the jurisdiction of the Union during that Plan Year as certified by the Union Business Manager, and (2) you comply with the applicable time limits stated below in this section.

If you were a Vested Participant on June 1, 1992, or if you were not Vested and not an Active Participant on June 1, 1992, you may not make Voluntary Contributions for any Year prior to June 1, 1992.

If you have one Year of Benefit Credit for a Plan Year, no Voluntary Contributions may be made for that Plan Year. You cannot make any Voluntary Contributions for any Plan Year that begins after your Normal Retirement Date.

You may not purchase Credits to improve Vesting. Once you are Vested, for a specified time you may purchase Benefit Credits, but you may never purchase Vesting Service Credits.

Time Limits for Making Voluntary Contributions

If you were a Vested Participant on or before June 1, 1992, the time limit for making Voluntary Contributions for any Plan Year that ended prior to June 1, 1992, has expired.

If you were not a Vested Participant, but you were an Active Participant on June 1, 1992, you must make Voluntary Contributions for any Plan Year that ended before June 1, 1992, by the end of the calendar year containing the end of the Plan Year (May 31) during which you become Vested. For example, if you achieve Vesting by earning the last necessary Year of Vesting Service during the Plan Year that ends May 31, 2004, you must make Voluntary Contributions for Plan Years beginning prior to June 1, 1992, by December 31, 2004. Note that the Vesting Period for collectively bargained Participants with more than one Hour of Work on or after June 1, 1998 changed from seven years to five years on June 1, 1998.

You must make Voluntary Contributions for any Plan Year beginning on and after June 1, 1992, by December 31 following the end of the Plan Year (May 31) for which the Voluntary Contributions are being made, and you must have been a Vested Participant on the last day of that Plan Year. For example, if you wish to make Voluntary Contributions for the Plan Year that ends May 31, 2003, you must be Vested on May 31, 2003, and you must make the Voluntary Contributions by December 31, 2003.

You may request and receive a refund of all (but not less than all) of your Voluntary Contributions plus interest at any time before Retirement Benefit payments begin, but you will lose the Benefit Credits attributable to the refunded Voluntary Contributions.

VESTING

Vesting is the word used to indicate whether or not you are entitled to be paid your Accrued Benefit. It is a totally separate calculation from your Accrued Benefit calculation. You can become Vested in either of two ways.

1. One way to become Vested is to have five Years of Vesting Service, which is calculated as Plan Years of 1,000 hours of service prior to June 1, 1991, and Plan Years of 870 Hours of Work beginning on and after June 1, 1991. Note that the Vesting Period for collectively bargained Participants was seven years or more prior to June 1, 1998. On June 1, 1998, any Participant with at least 5 Years of Vesting Service that had not yet been lost because of a Permanent Break in Service became a Vested Participant, regardless of whether the Participant ever performs another Hour of Work.

No Vesting Credit is given for service prior to June 1, 1962, the date when the original Plan went into effect; or in the case of Participants who are Employees of members of the Michigan Distribution Contractors Association, no Vesting Credit is given for service prior to June 1, 1973.

Ohio gas distribution workers who formerly were members of a Collective Bargaining Unit represented by UA Local 190 Plumbers & Pipefitters, and who transferred to Local 577 of Portsmouth, Ohio, and who transfer back by December 31, 2000, will be credited with Years of Vesting Service (but not Years of Benefit Credit) for their Hours of Work under Local 577 of

Portsmouth, Ohio, for the purposes of meeting Years of Vesting Service requirements under the Plan.

As an illustration, if you performed the following number of Hours of Work (or hours of service before June 1, 1991) during the Plan Years indicated, you would have accrued Vesting Credits under current Plan Vesting requirements as shown below:

(Plan Years, 6/1-5/31)		
<u>Year Beginning</u>	<u>Hours</u>	<u>Years of Vesting</u>
June 1, 1988	1,100	1
June 1, 1989	1,650	1
June 1, 1990	900	0
June 1, 1991	750	0
June 1, 1992	900	1
June 1, 1993	850	0
June 1, 1994	1,000	1
June 1, 1995	950	<u>1</u>
TOTAL		5

2. The other way to become Vested is to have Active Participant status on or after the date you reach age 65 and achieve the fifth anniversary of your most recent date of participation in the Plan that was not followed by a Permanent Break in Service.

As an illustration, if, at age 56, you began participation in the Plan on June 1, 1989, and had the following employment record, under current Plan provisions you would be Vested on June 1, 1998, even though you had only 3 Years of Vesting Service:

<u>Age</u>	(Plan Years, 6/1-5/31) <u>Year Beginning:</u>	<u>Hours</u>	<u>Years of Vesting</u>
56	June 1, 1989	950	0
57	June 1, 1990	1,200	1
58	June 1, 1991	800	0
59	June 1, 1992	1,200	1
60	June 1, 1993	0	0
61	June 1, 1994	350	0
62	June 1, 1995	300	0
63	June 1, 1996	350	0
64	June 1, 1997	750	0
65	June 1, 1998	875	<u>1</u>
TOTAL			3

Your Vesting would be achieved because you have not had a Permanent Break in Service, you were an Active Participant, you reached age 65, and the fifth anniversary of your participation in the Plan had passed.

BENEFIT IF NOT VESTED

Unless you are Vested, you are entitled to no Pension Benefit if your employment is terminated for any reason other than total and permanent disability caused by an on-the-job (Union job) injury, in which case you may be entitled to a Disability Benefit under another section of the Plan. Disability Benefits are described in the section entitled **IN CASE YOU ARE DISABLED**.

RETIREMENT DATES

When you can request Retirement Benefits to start depends on two factors:

1. your age, and
2. your Years of Vesting Service.

These are discussed in the following paragraphs.

Normal Retirement Date. Under current Plan provisions your Normal Retirement Date is defined in the Plan as the first day of the month that coincides with or next follows both your becoming age 60 and accruing five Years of Vesting Service since your latest Permanent Break in Service, if any, but in no event later than the first day of the month that coincides with or next follows both your becoming age 65 and reaching the fifth anniversary of your participation commencement date (or reparticipation commencement date if you have had a Permanent Break in Service).

If you have reached age 60, provided that you have completed five Years of Vesting Service, your Benefit will be based on your Accrued Benefit at that time, without any reduction for Early Retirement.

(Note: Your participation commencement date is the first day of the first Plan Year in which you started to participate in the Plan, unless that year has been excluded by a Permanent Break in Service. This is further explained below in the section entitled **WHAT IF YOU ARE NOT VESTED WHEN YOU INCUR A BREAK IN SERVICE.**)

Early Retirement Date. Under current Plan provisions, you may retire early provided you have reached age 55 and completed five or more Years of Vesting Service, but the amount of your Benefit will be reduced if you have not reached age 60. If you retire after 1999 having reached age 55 and before reaching age 60, you are entitled to a Retirement Benefit that is calculated by the same formula as your Normal Retirement Benefit, reduced $1/360$ th for each month that you are under age 60 at the time your Early Retirement Benefit begins. An illustration of the reduction in Benefit due to retirement after age 55 but before age 60 is as shown below:

- A Vested Participant who was an Active Participant on July 1, 1991, and thereafter, retired on October 1, 2001, at the age of 57 with 30 years of Accrued Benefit Credits. That Participant's monthly Benefit is calculated by multiplying \$87.00 (the Benefit Rate in effect at the date of retirement) by 30, or \$2,610, which amount is then reduced by $1/360$ th for each month that the Participant is under age 60. The reduction for retiring three years (36 months) early at age 57 is $36/360$ ths or 10%, amounting to \$261, for a total reduced monthly Benefit of \$2,349. This reduction is due to the fact that the Participant will be receiving a Pension Benefit for an additional 36 months as contrasted to waiting until age 60 to Retire.

If you have satisfied the Vesting Service requirements for an Early Retirement Benefit, but you are no longer an Employee, you will be eligible for an Early Retirement Benefit when you satisfy the age requirement.

Late Retirement Date. You can work past your Normal Retirement Date if you wish. In that case, you will begin to receive Benefit payments when you actually retire and submit a

retirement application to the Trustees in writing. Prior to July 1, 1997, the law required you to begin taking distributions by April 1 following the end of the calendar year in which you reached age 70-1/2, whether you were working or not, but this is no longer applicable. You will continue to accrue Years of Benefit Credit and Years of Vesting Service until your actual date of retirement, and, of course, your monthly Benefit when you do retire is based upon the number of Benefit Credits you have accrued at actual retirement. If the commencement of distribution of your Benefit is delayed beyond the Normal Retirement Date, you may be entitled to an increased monthly Benefit calculated by the Plan's actuary. An increased benefit might be payable if you did not work during some of the months after the Normal Retirement Date. If you did work after the Normal Retirement Date, an increased benefit may apply only if after taking into account the hours you did work, you would not have had benefits suspended as described in the section entitled **SUSPENSION OF BENEFITS** during the entire period of delay.

WHEN BENEFIT PAYMENTS BEGIN

The starting date for your Retirement Benefit will be the first day of the month that next follows the date of your retirement after you have fulfilled the requirements for a Retirement Benefit, provided you have completed the application procedure set forth in the section entitled **HOW TO APPLY FOR BENEFITS**.

SUSPENSION OF BENEFITS: IF YOU BEGIN TO RECEIVE BENEFITS, AND THEN YOU ARE REEMPLOYED

You can perform fewer than 40 Hours of Work a month, or in payroll periods failing within a calendar month, in our industry and still be considered retired. But your Benefit will be suspended on the first day of the month or payroll period following any reported month or payroll period in which you (1) completed 40 or more Hours of Work (including self-employment), (2) in the same industry in which any Employer was engaged when you retired, (3) in the same trade or craft in which you were employed while a Participant, and (4) that employment is within the State of Michigan. Employment which may cause a Suspension of Benefits includes supervisory activities related to your trade. Your Benefit will remain in suspension until you again stop such working.

In certain circumstances (for example, when the Trustees determine that manpower shortages make it necessary) the Trustees may waive the suspension of Benefits and allow you to continue to receive your pension while you are working more than 40 hours in a month. If they do, then you may receive an increase for any newly-earned Years of Benefit Credit as of the beginning of the next Plan Year at the rate then in effect. The Plan actuary will compare the monthly Benefit that is the Actuarial Equivalent of the pension payments that could have been suspended to the monthly benefit increase from the new Benefit Credit. If the monthly Benefit increase from the new Benefit Credit is larger, you will receive an increase equal to the difference.

Remember, you must notify the Administrative Manager in writing if you become reemployed as described above. Once

suspended, payments will not restart until you notify the Administrative Manager in writing that you have again terminated this employment. After termination of your reemployment, your Pension Benefit payments will resume no later than the third month after you notify the Administrative manager that you terminated your reemployment, but the lost monthly Pension Benefits will not be made up.

Whenever the Trustees become aware that you are employed at a construction site and you have not notified the Administrative Manager with regard to that employment, the Trustees can presume that you worked for the same Employer for as long as that same Employer worked at that construction site. This will cause your Benefits to be suspended and also may cause future benefit payments to be reduced to recover amounts paid during that time. You will have the opportunity to prove that this presumption is wrong, but the burden will be on you to convince the Trustees by providing appropriate proof.

Whenever you apply for Benefits and after you have retired, you will be asked to certify that you are unemployed or provide information proving to the Trustees' satisfaction that any employment does not violate these rules. You will be requested to provide this information at least annually, and must provide this information whenever it is specifically requested by the Administrative Manager. The Administrative Manager may require reasonable information for the purpose of verifying your employment or unemployment, including, for example, a report from the Social Security Administration, payroll stubs, tax returns, 1099 forms, and Form W-2. If you don't provide this information or refuse to sign any consents necessary to verify this with the government, your payments can be stopped.

You may request a determination of whether specific contemplated employment will cause you to have your Benefits suspended under the plan provisions concerning suspension of benefits. The Trustees will respond in the same way and in the same time period as if you filed a claim for Benefits. See the procedure in “HOW TO APPLY FOR BENEFITS.”

You can have any decision under these rules reviewed under the Plan’s claim review procedure. See “IF YOUR APPLICATION IS DENIED.”

IN CASE YOU ARE DISABLED

To be eligible for a Disability Benefit, you must satisfy the following requirements:

- you must be determined by the Trustees to be totally disabled pursuant to the Plan provisions;
- your disability must be incurred during a Plan Year in which you have at least 375 Hours of Work or during a Plan Year immediately following a Plan Year in which you had at least 375 Hours of Work; and
- you must submit to the Trustees evidence of your continuing total disability.

If you are Vested and have satisfied the above-stated requirements for eligibility before your 60th birthday, you will be entitled to a Disability Benefit.

If you are not Vested and become totally disabled due to an on-the-job injury only while working for a contributing Employer or for an employer who transfers contributions to the

Fund under a reciprocity agreement, you will be eligible for a Disability Benefit if you meet the above-stated requirements, and you will continue to accrue Years of Vesting (not Benefit accrual) Service while so disabled. If you are not Vested and suffer a disability due to a cause other than an on-the-job injury while working for a contributing Employer or an employer who transfers contributions to the Fund under a reciprocity agreement, you are not eligible for a Disability Benefit.

Determination of disability is based on medical evidence which the Trustees determine proves that you have a mental or physical condition which prevents you from performing your usual duties for the Employer or the duties of such other position or job that the Employer makes available to you and for which you are qualified by training, education or experience, and which is expected to continue for an undeterminable period of time. Although not required, proof that you qualify for Social Security Disability Income benefits is sufficient proof of total disability for this Plan.

AMOUNT OF DISABILITY BENEFIT

If you are eligible for a Disability Benefit, the Benefit will be payable only for periods after the Trustees have received your application, unless the Trustees determine that the delay in applying was not due to any negligence on your part.

The Disability Benefit is calculated in the same manner as a Normal Retirement Benefit with no cutback for early commencement and is supplemental to, and not deducted from, your Retirement Benefit, which will begin and replace the Disability Benefit when you are eligible to receive a Normal Retirement Benefit (currently age 60). However, your Disability Benefit will be eliminated if, while disabled, you

engage in employment which would be inconsistent with the finding of total disability. Your Disability Benefit will be reduced if your earnings from other employment for the preceding calendar year plus your unreduced Disability Benefit for the preceding calendar year exceed 1,700 multiplied by the base wage rate for your classification under the Collective Bargaining Agreement in effect for the preceding calendar year. This rule is based on the principle that you should not get Disability Benefits that will give you a total combined income greater than if you worked 1,700 hours. If your earnings plus unreduced Disability Benefit exceed this amount for a calendar year, your Disability Benefit for the following year will be reduced by the amount of the excess. Starting January 1, 2004, this reduction will become effective for the following Plan Year (June 1 – May 31) rather than the following calendar year, to allow the Administrative Manager time to gather earnings information before making the adjustment. The earnings test will always be based on the previous calendar year earnings, however.

For example, if a Participant's full Disability Benefit would be \$1,500 per month in a year when he earned \$3,000 a month in a job unrelated to his trade, and his base rate under the Collective Bargaining Agreement was \$22.00 per hour, the calculation would be as follows:

$$\$1,500 \times 12 = \$18,000 \text{ annual Disability Benefit}$$

$$\$3,000 \times 12 = \$36,000 \text{ annual earnings from unrelated work}$$

$$\$18,000 + \$36,000 = \$54,000 \text{ total}$$

$$1,700 \times \$22.00 \text{ base rate} = \$37,400 \text{ maximum total allowed}$$

$$\$54,000 - \$37,400 = \$16,600 \text{ EXCESS}$$

$$\frac{\$16,600}{12} = \$1,383.33 \text{ per month reduction in next year}$$

$$\$1,500 - \$1,383.33 = \$116.67 \text{ monthly benefit}$$

In this case, the Participant's monthly benefit for the next year would be reduced from \$1,500 per month to \$116.67 per month.

If, while disabled, you are Vested when you reach 60 (under current Plan provisions) or if you become Vested after reaching age 60, your Disability Benefit will cease, and your Normal Retirement Benefit will begin, based on your Years of Benefit Credits accrued at that time.

In no circumstance, however, will you qualify for a Disability Benefit if the Trustees determine that your disability results from chronic alcoholism, self-addiction to narcotics, an injury suffered while engaged in a felonious or criminal act or enterprise, or service in the Armed Forces of the United States which entitles you to a veteran's disability pension.

IN CASE OF YOUR DEATH BEFORE BEGINNING TO RECEIVE YOUR ACCRUED MONTHLY BENEFITS

If you die before you start to receive a Benefit payment, your Beneficiary may be entitled to one of the Survivor's Benefits listed below, depending upon how many Years of Vesting Service you have accumulated. The amount of the monthly Benefit will be determined by the Plan's actuary based upon the life expectancy of your surviving Spouse or other Beneficiary.

You may obtain an estimate and further explanation of any of the Survivor's Benefits from the Administrative Manager upon request.

Married Vested Participant. If at the time of your death you are fully Vested and have been married to your Spouse for at least one year, your surviving Spouse will be entitled to receive a surviving Spouse's Benefit, unless your Spouse has consented to the designation of another Beneficiary pursuant to federal law. Depending on your age at the time of your death and provided that your Spouse has not consented to the designation of another Beneficiary, your Spouse will have the following options:

- **Age 60 or Above.** If you reach age 60 before dying, your Spouse will be entitled to an immediate surviving Spouse's Benefit in the form of a survivor annuity beginning at any time your Spouse elects, as described below in the section entitled **PAYMENT OF PENSION BENEFITS**.
- **Under Age 60.** If you do not reach age 60 before dying, your Spouse will be entitled to an immediate surviving Spouse's Benefit in the form of a survivor annuity beginning at any time your Spouse elects, subject to a cutback calculated as follows: (1) There will be a cutback of 1/360th for each of the first 120 months (between the ages of 60 and 50) you would have been under age 60 at the time the Benefit begins. (2) In addition, there will be further actuarial reduction for the number of months you would have been under the age of 50 at the time the benefit begins, based on the factors in the definition of **Actuarial Equivalent**.

There is no lump-sum payment option available to your Spouse unless the current cash value of your Vested Benefit is \$5,000 or less, in which case the Trustees will pay the Benefit in a lump sum. The cash value is based on the Actuarial Equivalent factors.

If your Spouse has consented in writing to the designation of another Beneficiary, your Survivor's Benefit will be paid as explained in the paragraph below describing Survivors' Benefits for unmarried Participants. Only a consent and waiver on the official form available from the Administrative Manager will be accepted by the Trustees. The consent and waiver by your Spouse must be witnessed by a Notary Public to be valid

If your Spouse predeceases you, or if your Spouse dies at the same time you do, then your Benefit will be paid to your surviving named contingent Beneficiary. This is why it is very important for you to name a contingent Beneficiary when you sign your beneficiary form. If you do not name a contingent Beneficiary, then your Benefit will be paid to your Spouse, if any; if not, then to your children, in equal shares, if you have any; if not, then to your estate. Please see the next paragraph entitled **Unmarried Vested Participant**, which describes the situation where your Spouse does not survive you and you have designated a contingent Beneficiary.

Unmarried Vested Participant. If at the time of your death you are unmarried, you have been married for less than one year, or you are married and your Spouse has consented to another Beneficiary, your named Beneficiary will be entitled to receive a Survivor's Benefit, in the same form described in the preceding paragraphs for a surviving Spouse. Although Survivors' Benefits are calculated in the same manner as a surviving Spouse's Benefit, there will be differences in the

amount of the monthly annuity payments to the survivors based on the ages and life expectancies of the Beneficiaries.

There is no lump-sum payment option available to your named Beneficiary unless the current cash value of your Vested Benefit is \$5,000 or less, in which case the Trustees will pay the Benefit in a lump sum.

If you name more than one Beneficiary, and a named Beneficiary dies before benefit payments begin, his or her share will be paid to the still-living Beneficiaries (in proportion to the shares otherwise payable to them) unless you designate otherwise.

Nonvested Active Participant. If at the time of your death you are an Active Participant, have not received any Retirement Benefit or Vested Benefit from the Plan, and you are not yet Vested but you have at least three Years of Vesting Service, a Death Benefit will be paid in a lump sum to your named Beneficiary in an amount equal to \$1,000 times your number of Years of Benefit Credit. This is the only cash payment of a Benefit that might be over \$5,000 now authorized by the Trustees. If you are a married Participant, you must name your surviving Spouse as Beneficiary unless your Spouse consents in writing to another Beneficiary. If at the time of your death you had fewer than three Years of Vesting Service since your latest Permanent Break in Service, if any, there will be no Death Benefit payable to your Beneficiary.

Withholding and Rollover of Payment to an Individual Retirement Account. Pension Benefits are deferred income, and are subject to income tax withholding. However, for lump sum distributions, which are only available for the above-described non-Vested Death Benefit, and for a total Benefit which is \$5,000 or less made to your surviving Spouse

upon your death, your Spouse may request that a direct rollover of all or a portion of the distribution amount be made to an Individual Retirement Account (IRA) owned by your Spouse. A direct rollover will result in no income tax being due until your Spouse withdraws the funds from the IRA. Prior to distribution from the Fund your Spouse will receive a special tax notice required by the Internal Revenue Service regarding the direct rollover option.

Under current law at the date of this summary, your Beneficiary, other than your surviving Spouse, does not have the option to roll over the distribution into an IRA. Federal law presently requires that all lump sum distributions of a Death Benefit made to a non-Spouse Beneficiary have 10% of the distribution withheld and sent to the IRS as withholding tax. A lump sum distribution to a surviving Spouse who does not elect a direct rollover is subject to tax withholding of 20% of the distribution.

IN CASE OF YOUR DEATH AFTER COMMENCEMENT OF BENEFITS

If you die after commencement of Retirement Benefit payments, your Beneficiary will receive the remaining Benefit, if any, under the form of annuity you are receiving. For instance, if you were receiving a Single-Life, Ten-Year-Certain Guaranteed Life Annuity, and died after six years, there would still be four years of Pension Benefit that would be paid to your Beneficiary. If you were receiving the Joint and 100% Survivor Benefit, and your Beneficiary survived you, your Beneficiary would receive 100% of the amount of your Benefit for the rest of the Beneficiary's life. If your Beneficiary did not survive you, then under the Joint and 100% Survivor Benefit, there would be no further payments no matter when you died after the commencement of your Benefit.

IF YOUR PARTICIPATION IN THE PLAN IS TERMINATED

The primary purpose of our UA Local 190 Pension Plan is to help long-term Participants provide for their retirement income needs. If you terminate employment as a Participant permanently before you are Vested for any reason other than Normal Retirement, total and permanent disability due to an on-the-job injury sustained while working for a contributing Employer, including an Employer who makes contributions to the Fund on your behalf under the provisions of a reciprocity agreement, or death after you have accrued three Years of Vesting Service, you could forfeit all of your Accrued Benefit under the provisions of this Plan. See the section entitled **IF YOU ARE NOT VESTED WHEN YOU INCUR A BREAK IN SERVICE**, below.

The key is whether or not you are Vested. As stated above in the VESTING section of this summary, there are two ways to become Vested: (1) to accrue the required number of Years of Service, or (2) to reach Normal Retirement Date under Plan provisions as an Active Participant, or become an Active Participant again after Normal Retirement Date has been reached.

If you are Vested and quit work before you are eligible for Early Retirement, which also requires reaching age 55, you then have what is called a deferred Vested Benefit. You may begin to receive that Benefit at any time after you have reached Early Retirement Date (see **GLOSSARY**) and completed the application process, but unless you have reached age 60 when the Benefit begins, the amount of the Benefit will be reduced in the same manner as an Early Retirement Benefit. See the section entitled **Early Retirement Date** under **RETIREMENT DATES**.

BREAKS IN SERVICE

Prior to June 1, 1976, the Plan contained no Break-in-Service rules, but no credited service was given for less than 400 Hours of Work. The concept of a Break in Service to comply with changes in the federal pension law was first introduced in the Plan restatement effective June 1, 1976. You have a Break in Service if you have a Plan Year in which you achieve fewer than 375 Hours of Work. Then you are no longer an Active Participant, although you can again become an Active Participant, as described below.

IF YOU QUIT AND LATER COME BACK TO WORK

The effect of quitting and later coming back to work on your Accrued Benefit and Vesting depends on whether or not you have a Break in Service. If you come back to work before you incur a Break in Service, nothing happens. Your service before you left will be combined with your service after you come back when determining your Vested interest in the Plan as well as your Accrued Benefit.

If you are Vested when you leave work and you are rehired after a Break in Service, no matter how long it is, your service for determining both Vesting and Benefit Credits before and after the Break in Service will count in determining your Retirement Benefit under the Plan. However, your Benefit Credit before and after the Break in Service may be calculated at different rates (segmented), as discussed above in the section entitled **ADDING UP YOUR ACCRUED RETIREMENT BENEFIT**.

IF YOU ARE NOT VESTED WHEN YOU INCUR A BREAK IN SERVICE

If you are not Vested when you incur a Break in Service, the result will depend on how long you are gone. If the number of your consecutive one-year Breaks in Service equals or exceeds five, you will have incurred a Permanent Break in Service, and because you were not Vested at the time you left, your service before and after the Permanent Break in Service will not be totaled and your total prior service will be lost. On the other hand, if the number of your consecutive one-year Breaks in Service is less than five, your Years of Vesting Service before and after the Break in Service will be included in your total. Again, this holds true for the calculation of both Vesting and Benefit Credit. Benefits from before and after a Break in Service may be paid at different rates. Remember, a Vested Participant cannot incur a Permanent Break in Service and therefore cannot lose any otherwise Accrued Benefits.

Here is an illustration of a Break in Service that is not permanent under current Vesting requirements:

(Plan Years 6/1-5/31) <u>Year Beginning</u>	<u>Hours of Work</u>	<u>Years of Vesting</u>	<u>Break in Service Years</u>
June 1, 1997	1,800	1	0
June 1, 1998	1,150	1	0
June 1, 1999	350	0	1
June 1, 2000	0	0	1
June 1, 2001	250	0	1
June 1, 2002	0	<u>0</u>	<u>1</u>
TOTAL		<u>2</u>	<u>4</u>
June 1, 2003	900	1	0
June 1, 2004	750	0	0

Because there were only four consecutive Break in Service Years in this illustration, the number of the consecutive one-year Breaks in Service was less than five, so the Break in Service Years did not constitute a Permanent Break in Service, and the Vesting and Benefit Credits accrued prior to the Break in Service Years will be added to the new service. But the Benefit Credits before 1999 will be paid at the 1999 Benefit Rate.

Here is an illustration of a Permanent Break in Service, assuming the first year worked was 1995:

(Plan Years 6/1-5/31) <u>Year Beginning</u>	<u>Hours of Work</u>	Years of <u>Vesting</u>	Break in <u>Service Years</u>
June 1, 1995	1,600	1	0
June 1, 1996	1,200	1	0
June 1, 1997	1,500	1	0
June 1, 1998	1,200	1	0
June 1, 1999	250	0	1
June 1, 2000	175	0	1
June 1, 2001	0	0	1
June 1, 2002	0	0	1
June 1, 2003	0	<u>0</u>	<u>1</u>
TOTAL		<u>4</u>	<u>5</u>
June 1, 2004	900	1	0
June 1, 2005	750	0	0

Because the consecutive Break in Service Years in this illustration equaled five, the Breaks in Service caused a Permanent Break in Service to occur on May 31, 2004, and the Vesting and Benefit Credits accrued prior to the Plan Year beginning June 1, 2004, will be lost.

These rules changed on June 1, 1998, because of federal law changes. An unvested Participant with five or more Break in Service Years before June 1, 1998 did not have a Permanent Break in Service if the number of Break in Service years was less than the Years of Vesting Service that had not been previously lost. For example, a Participant with six Years of Vesting Service before June 1, 1998 was not a Vested Participant because the Plan required seven Years of Vesting Service to become a Vested Participant. Such a Participant could have five consecutive Break in Service Years before June 1, 1998 and not have a Permanent Break in Service. On June 1, 1998, any Participant with at least five Years of Vesting Service that had not yet been lost because of a Permanent Break in Service became a Vested Participant, regardless of whether the Participant ever performs another Hour of Work.

For purposes of determining whether a non-Vested Participant has suffered a Permanent Break in Service, Break in Service years due to circumstances beyond the control of the Participant will not be counted as a Break in Service. Examples of circumstances beyond the control of a Participant include being drafted into military service or voluntary service in the armed forces at a time when the draft is being used, incarceration, incapacity (including disability), and lack of covered employment as certified by the Union Business Manager. Whether a situation is or is not beyond the control of a Participant shall be determined by the Trustees in their discretion.

PAYMENT OF PENSION BENEFITS

Monthly Installments as an Annuity. Our Plan provides that you are paid a Pension Benefit consisting of a monthly amount as an annuity. There is no lump sum payment available except for the Death Benefit as previously described. However, the Plan does provide that if the current cash value of your Vested Benefit totals \$5,000 or less, the Trustees will have the option to distribute your Benefit to you in a lump sum.

Amount of Retirement Benefit. The Plan provides that your Retirement Benefit beginning at Normal Retirement Date consists of a single-life annuity providing monthly income in the amount determined by the Plan formula for calculating your Benefit, payable from your Normal Retirement Date for the rest of your life, guaranteed for at least ten years. As an example, if you are an Active Participant with no periods of being an Inactive Participant since July 1, 1991, with 30 Years of Accrued Benefit Credit and are age 60 and have at least five Years of Vesting Service, under the January 1, 2001 Benefit amount your monthly pension will be $30 \times \$87.00$ or \$2,610 per month. If you die after five years, the remaining five years at \$2,610 per month will be paid to your surviving Spouse or named Beneficiary. Thereafter, no payments will be made.

If you are not an Active Participant (you had fewer than 375 Hours of Work in the preceding Plan Year) on July 1, 1991, or you have a Break in Service any time after July 1, 1991, your monthly Benefit will be calculated separately with respect to each period that you were an Active Participant at the rate in effect as of the end of each such period of your status as an Active Participant. However, your total Benefit when you retire cannot be less than \$48.00 times your Years of Benefit Credit accrued for work prior to July 1, 1991, so if you had 30

Years of Benefit Credit, you would be entitled to a minimum benefit of 30 X \$48 or \$1,440 per month.

As mentioned above, it is important to remember that the Benefit Rate is the rate for the Single-Life Ten-Year-Certain Annuity form of payment. If your Benefit is paid in a form other than the Single-Life Ten-Year-Certain Annuity, the amount of the monthly annuity payments made to you will not be the same as it would have been had you chosen the Single-Life Ten-Year-Certain Annuity. For instance, if payments are made for more than one lifetime, instead of just for your lifetime, such as in the Survivor's Benefit as described in Option 2 below, the monthly payments have to be reduced to account for the likelihood that payments will be made for a longer time period.

The Two Forms of Benefit. Your Retirement Benefit will be paid through your choice of the basic annuity options described in Option 1 and Option 2 below, with the further opportunity to choose whether you wish the option chosen to be paid in the Social Security (level income) mode described below. As you approach retirement, you should carefully consider your financial and family situation to determine which income option is right for you.

Note: Once your Benefit begins to be paid, no changes may be made in the form of Benefit that you chose.

- **Option 1 Ten-Year-Certain Guaranteed Life Annuity**

If you are married at the time that your Benefit payments commence, you may select the Ten-Year-Certain Guaranteed Life Annuity form of

distribution only with your Spouse's written consent, as discussed under **Form of Benefit if Married** below.

Under the Ten-Year-Certain Guaranteed Life Annuity option, annuity payments will be made to you after retirement for as long as you live and are guaranteed for a minimum of ten years. If you die before the ten-year period has expired, the balance of the ten-year payments will be paid to your Beneficiary and then stop. If you die after the first ten years of payments have been paid, there will be no death benefit for your Spouse or any other beneficiary. Unless the provisions of a Qualified Domestic Relations Order (QDRO), as discussed below in the section entitled **QUALIFIED DOMESTIC RELATIONS ORDER**, resulting from a divorce action provide otherwise, the following rules apply:

If your designated Beneficiary dies while you are still alive but before the expiration of the ten-year period, you may name a new Beneficiary. A secondary or contingent Beneficiary should always be named by you when the original Beneficiary designation is made.

If you are not married at the time that your Benefit payments begin, you may change your designated Beneficiary at any time within ten years after your Benefit payments begin.

If you are married at the time that your Benefit payments begin, you may change your Beneficiary designation within the ten-year period only with your Spouse's consent (as required by federal law).

If you die after the expiration of ten years, no additional payments will be made to anyone.

- **Option 2: Joint and 100% to Surviving Beneficiary Annuity**

Under the Joint and 100% to Surviving Beneficiary Annuity option, you will receive payments during your lifetime and, after your death, your eligible surviving beneficiary will receive monthly payments for life in an amount equal to 100% of the monthly amount paid to you. Your eligible surviving Beneficiary is your Spouse if you are married at the time Benefits begin, unless your Spouse has consented to another Beneficiary pursuant to federal law or the provisions of a Qualified Domestic Relations Order provide otherwise. Your payments under this option will be less than those in Option 1 because your eligible surviving Beneficiary will receive payments in the same amount after your death. In other words, payments continue over two lifetimes, not one, and are actuarially reduced to require approximately the same amount of Fund assets. No further payments will be made after the deaths of both you and your Beneficiary. This means that if you elect and begin receiving your Benefit in the form of a Joint and 100% to Surviving Beneficiary Annuity, and the surviving Beneficiary should die before you, you may not name any other Beneficiary for any part of your Benefit. If your Spouse is your named Beneficiary at the time you begin to receive your Benefit, and you divorce after Benefit payments have commenced, your Spouse may be awarded a portion of your Benefit pursuant to the judgment of divorce and a QDRO, but a new Spouse would not receive anything. This would be dealt with in the divorce action and governed by the terms of a QDRO.

- **The Social Security (Level Income) Option**

Once you have chosen Option 1 or 2 above, you may choose to have the form chosen paid out in the Social Security (level income) mode. Under the Social Security (level income) option, if you retire before you are entitled to receive your Social Security payments, the amount of your monthly Benefit will be actuarially modified to pay an increased amount before your Social Security Benefits begin and a decreased amount after your Social Security Benefits begin. The object of this option is to provide you with a consistent amount of monthly income from both your Retirement Benefit and your Social Security Benefit. This option does not affect the amount of your Social Security Benefit, but adjusts the Benefit from the Pension Plan to provide for a uniform combined amount over the period of Benefit payments.

For example, consider a Participant who chooses to retire early under the following circumstances:

Age at which Participant takes Early Retirement:	57
Age at which Social Security Benefits commence:	62
Monthly Early Retirement Benefit from Plan:	\$800
Monthly retirement benefit from Social Security:	\$600

Under the Ten-Year-Certain Social Security (level income) option the Pension Plan Benefit of \$800 per month of this retiree would be modified to the following:

From age 57 to 62:	\$1,175 per month
From age 62 forward:	\$575 per month

This produces a level amount of combined retirement income of \$1,175 per month from age 57 forward. From age 57 to age 62, the total of \$1,175 comes entirely from the Plan. From age 62 forward, the Participant receives \$575 from the Plan and \$600 from Social Security, producing a consistent monthly total of \$1,175.

Income Taxation. A Pension Benefit is deferred compensation, which is taxable income, so state and federal income taxes will be withheld as required by state and federal tax regulations. You will be required to fill out a form W-4, and withholding will be based on tax table requirements.

Estimate of Benefit. You may receive an estimate of your Retirement Benefit based on current Benefit levels by contacting the Administrative Manager's Office. The official determination of your Benefit, however, will be made by the actuary of the Fund at the time you are to begin receiving your Retirement Benefit.

EFFECT OF MARITAL STATUS ON RETIREMENT BENEFITS

Form of Benefit if Unmarried. If you are unmarried at the time of your retirement, unless you elect otherwise, you will receive your Benefit in the form of a Ten-Year-Certain Guaranteed Life Annuity. You may choose to have your Benefit paid instead in the form of a Joint and 100% to Surviving Beneficiary Annuity, or you may choose the Social Security (level income) option.

Form of Benefit if Married. If you are married at the time your Benefit commences, federal law requires your Benefit to be paid in the form of a Joint and 100% to Surviving Beneficiary (your Spouse) Annuity described in Option 2, unless you elect otherwise with the written consent of your Spouse. If your Spouse consents in writing, on a form provided by the Administrative Manager, witnessed by a Notary Public, to your waiver of the joint and survivor annuity described in Option 2 above, then you may choose to have your Benefit paid instead in the form of a Ten-Year-Certain Guaranteed Life Annuity, or in the form of a Joint and 100% to Surviving Beneficiary Annuity with someone other than your Spouse as the Beneficiary, and you may choose the Social Security (level income) option if you wish.

ECONOMIC EQUALITY OF OPTIONS

Actuarial equivalency means that the present value of each option is equal to the others. “Present value” is a financial concept that takes into account how long payments will be made under each option, based on life expectancy under actuarial mortality tables. Present value also takes into account the effects of compound interest. The mortality tables and interest assumptions used by the Plan’s actuary to determine actuarial equivalencies are the Unisex Pension - 1984 mortality table and 6.5%. Since all options are designed to pay you the same total amount, actuarially calculated, monthly benefit payments vary depending on which payment option you choose. The difference reflects the expectation that payments will be made for a longer or shorter period than the “normal” form of benefit.

Your benefit options under this Plan are, in general, designed to be actuarially equivalent. However, Option 2, “Joint and

100% to Surviving Beneficiary,” is adjusted to be equal to the payments under a Joint and 50% to Surviving Beneficiary method of payment. Because the payments are calculated as if only 50% would continue, but 100% actually does, this form of benefit is actuarially worth more than other forms of benefit. It may or may not amount to more total benefit depending on your own circumstances (such as how long you and your Beneficiary actually live once payments begin), as discussed above.

WHEN PAYMENTS START

Your Pension Benefit payments start after you achieve eligibility to receive your pension and your pension application has been submitted in writing and approved by the Trustees.

QUALIFIED DOMESTIC RELATIONS ORDERS

As a general rule, your interest in your Accrued Benefit, including your Vested interest, may not be alienated (assigned to another). This means that your interest may not be sold, used as collateral for a loan, given away or otherwise transferred. In addition, your creditors may not attach, garnish or otherwise interfere with your Accrued Benefit. However, your creditors, including the Internal Revenue Service, may be able to attach or garnish your Benefits at the time you become entitled to each payment of the Benefit.

There is an exception, however, to this general rule. The Administrative Manager may be required by law to recognize obligations you incur as a result of court-ordered child support or property settlement or alimony payments. The Administrative Manager must honor a Qualified Domestic Relations Order. A Qualified Domestic Relations Order is a

decree or order issued by a court that obligates you to pay child support or alimony, or otherwise allocates a portion of your Benefit in the Plan to your Spouse, former Spouse, child or other dependent, and meets certain other technical requirements. If a Qualified Domestic Relations Order is received by the Administrative Manager, a portion of your Benefits may be used to satisfy the obligation, but benefits will be paid only when and as otherwise permitted by the Plan.

The Administrative Manager through the Plan's legal counsel will determine whether or not any Domestic Relations Order received constitutes a Qualified Domestic Relations Order. When a Domestic Relations Order that claims to affect Retirement Benefits is received by the Plan, a copy of the Domestic Relations Order and the Plan's Procedure for determining whether the order is a Qualified Domestic Relations Order will be sent to the parties to the court order. The Domestic Relations Order will be referred to the Plan's legal counsel for review and upon a determination as to whether it is a Qualified Domestic Relations Order, the parties will be informed by mail. A copy of the Plan's Qualified Domestic Relations Order procedure is available upon written request to the Administrative Manager.

HOW TO APPLY FOR BENEFITS

When you have achieved eligibility and you want to receive your Benefit, notify the Administrative Manager of your desire to Retire, and you will then receive information to assist you to select the type of Benefit you wish to receive. You will need to review the options available and fill out and sign required forms, and the Trustees must approve your application. The process takes approximately 90 to 120 days, so begin well ahead of the date you wish to start receiving your Benefit.

A Disability Benefit will normally not be paid for the period before you applied for the benefit, even if you were disabled earlier. See the section entitled **IN CASE YOU ARE DISABLED**.

The procedure is as follows:

- you or your duly authorized representative file a claim with the Administrative Manager on forms provided by the Administrative Manager for any Benefit to be provided by the Plan; and
- the Administrative Manager submits your request to the Trustees for approval, and the Trustees grant or deny your request (or notify you that they need extra time) no later than 90 days after the completed claim is received by the Administrative Manager.
- If the Trustees need more time than 90 days to process your claim, they may take up to an additional 90 days. If they need this extension, the Administrative Manager will notify you of the need for additional time.

IF YOUR APPLICATION IS DENIED

If your request is wholly or partially denied, you will receive notice of the decision within 90 days after your application is received by the Administrative Manager. The Administrative Manager will provide you with a written notice, in easy-to-understand language, stating the following:

- the specific reason for the denial;

- a specific reference to the Plan provisions on which the denial is based;
- a description of any additional material or information necessary for you to perfect your claim and an explanation of why such information is necessary; and
- an explanation of the Plan's claim review procedure.

If you have had no response to your application within 90 days after submission of the application to the Administrative Manager, your request is deemed denied for purposes of proceeding to a review of the Trustees' denial of your claim.

If you do not agree with a determination affecting you, you will have the right to a full and fair review by the Trustees of your (or your Beneficiary's) claim. For this purpose, you (or your representative) have the following rights:

- to request a review upon written application to the Trustees within 60 days after receipt of notice of denial of your claim;
- to review pertinent documents. You will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits; and
- to submit issues and comments in writing to the Trustees.

The Trustees will review the first determination and make a final decision on the claim or notify you of the need for additional time within 60 days of receiving the request for review (or at the next regularly scheduled meeting of the Board

of Trustees, if later), taking into account all comments, documents, records, and other information submitted by you relating to the claim, without regard to whether the information was submitted or considered in the initial benefit determination. The Trustees may take up to 120 days to issue a final decision if circumstances require additional time. When the review is complete, written notice of the final decision will be provided.

OTHER RIGHTS IF YOU ARE NOT SATISFIED WITH THE OUTCOME OF THE REVIEW

If you are not satisfied with the outcome of the review, you have available to you all of the rights as described in detail in the **PARTICIPANTS' RIGHTS** section of this Handbook.

PLAN TERMINATION OR CHANGE

The Trustees hope and expect that the Plan will continue indefinitely but necessarily reserve the right to change, amend or discontinue the Plan. Except under rare circumstances provided by law, if any change is made, you cannot have taken from you any Vested Benefit that you had accrued at that time.

IF THE PLAN IS TERMINATED

If the Plan is ever terminated, regardless of your Years of Vested Service, you will automatically become fully Vested in your Benefit accrued up to the date the Plan is terminated to the extent the Trust has sufficient assets to pay all Benefits.

Your pension benefits under this multi-employer plan are insured by the Pension Benefit Guaranty Corporation (PBGC),

a federal insurance agency. A multi-employer plan is a collectively bargained pension arrangement involving two or more unrelated employers, usually in a common industry.

Under the multi-employer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multi-employer 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 multi-employer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first \$11 of the monthly benefit accrual rate and (2) 75% of the next \$33. The PBGC's current maximum guarantee limit is \$35.75 per month times a participant's Years of Benefit Credit. For example, the maximum guarantee for a retiree with 30 Years of Benefit Credit would be \$1,072.50 per month (\$12,870 per year). The PBGC changes this guarantee rate from time to time.

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

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

insurance, life insurance, certain death benefits, vacation pay, and severance pay.

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

SOCIAL SECURITY

The retirement income provided in this Plan is separate from and in addition to your Social Security Benefits.

The amount of your Social Security Benefit is determined from your average monthly earnings (subject to Social Security taxes) over a certain period of time. The exact amount of your payments can be determined only after an application has been made to the Social Security Administration to get the latest information regarding your Benefit. To receive this information, write to:

Social Security Administration
Wilkes Barre Data Operations Center
P.O. Box 7004
Wilkes Barre, PA 18767-7004

You may also contact the Social Security Administration by calling 1-800-772-1213 or through the Social Security Administration website on the Internet at [http:// www.ssa.gov](http://www.ssa.gov).

When you are writing for information regarding your Social Security Benefit, be sure to include your Social Security Number.

PARTICIPANTS' RIGHTS

As a Participant in the UA Local 190 Plumbers/ Pipefitters/ Service Technicians/ Gas Distribution Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended (ERISA). This Act provides that all Plan Participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the plan administrator's office (which for this Plan is the Administrative Manager's office) and at the Union Business Office, all documents governing the Plan, including Collective Bargaining Agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefit Security Administration.
- Obtain, upon written request to the Administrative Manager, copies of documents governing the operation of the Plan, including Collective Bargaining Agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Administrative Manager may make a reasonable charge for the copies.

- Receive a summary of the Plan's annual financial report. The plan administrator is required by law to furnish each Participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at your Normal Retirement Date and if so, what your benefits would be at your Normal Retirement Date if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

- In addition to creating rights for plan participants ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and Beneficiaries. No one, including your Employer, the 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 a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.
- If you file a lawsuit, you are entitled to serve legal process of the lawsuit on the following “agent for legal process” at the following address:

Ferguson & Widmayer, P.C.
538 North Division
Ann Arbor, Michigan 48104

Attention: Warren J. Widmayer

Service of process for a lawsuit involving the Plan also may be made on a Trustee or the Board of Trustees at the Administrative Manager's address.

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, 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.

ENTIRE PLAN

This Handbook outlines the principal features of the Pension Plan and those which we feel are of most interest to you. However, the terms of the Plan and Trust Agreement will govern all situations, and must be referred to as a final authority for all action relative to the Plan. Copies of the entire Plan and the Trust are held at the Administrative Manager's Office and the Union Business Office, and may be reviewed by any Participant or Beneficiary upon request. If errors are made in operating the Plan, such as overpayment or underpayment of

benefits, the actual language of the entire Plan and Trust will control, and the Administrative Manager and Board of Trustees will correct the errors as the Trustees determine is appropriate in their sole discretion. Errors in records or Benefit estimates may be corrected in the records or by issuing a corrected estimate, and the errors are not binding on the Plan. Overpayments will be collected by the Trustees through legal action if necessary, or through offset or reduction of future Benefit payments, all in the discretion of the Trustees.