Carpenters Southwest Administrative Corporation
533 South Fremont Avenue • Los Angeles, California 90071-1706 • Tel: 213-386-8590 • Toll Free: 800-293-1370
www.carpenterssw.org

March 28, 2019

TO ALL PARTICIPANTS OF THE SOUTHWEST REGIONAL COUNCIL OF CARPENTERS / NEW MEXICO RETIREMENT PLAN

As you were previously notified, the Southwest Regional Council of Carpenters/New Mexico Retirement Plan ("New Mexico Plan") was merged into the Southwest Carpenters Pension Plan ("Southwest Plan") on December 31, 2018. **We are pleased to provide the enclosed Summary Plan Description of the pre-merger New Mexico Plan for your reference. It contains important detailed information about the Plan, so please do not discard.** It is being provided to all former participants (or their beneficiaries) of the New Mexico Plan who are entitled to benefits under the terms of the pre-merger New Mexico Plan as of January 1, 2019.

As a reminder, the New Mexico Plan contains two components: a unit credit defined benefit pension plan that was frozen to new benefit accruals effective April 1, 1984 and a defined benefit cash balance plan that was frozen to new benefit accruals effective January 1, 2008. As you may recall, pension contributions were redirected to the Southwest Plan for work performed on and after January 1, 2008. Thus, any benefits earned on or after January 1, 2008 will be determined under the Southwest Plan.

The Southwest Plan has been amended to recognize the merger of the New Mexico Plan into the Southwest Plan as of December 31, 2018. Pursuant to the amendment, benefits earned under the New Mexico Plan which are in pay status as of January 1, 2019 or which may become payable after December 31, 2018 will be paid by the Southwest Plan pursuant to the terms of the pre-merger New Mexico Plan subject to the benefit claims procedures of the Southwest Plan.

Copies of the following documents may be obtained upon written request for a duplication charge of up to 25 cents per page:

- the Summary Plan Description for the Southwest Plan and any subsequent summaries of material modifications,
- the Plan Document of the New Mexico Plan,
- the Plan Document of the Southwest Plan,
- the merger agreement, and
- the announcements and FAQs regarding the merger that were sent last year by CSAC and CompuSys.

Some of these documents and more information regarding the merger are available on the CSAC website, via https://carpenterssw.org/en/retirement/new-mexico-pension-plan-merger/

You will be able to view your personal pension benefits on-line through the MemberXG portal via the CSAC website: https://carpenterssw.org. The enclosed flyer outlines the easy steps to follow to set up a MemberXG account for yourself so you can view not only pension information, but information about your health benefits, vacation payout and/or your listed beneficiaries under the Plans.

If you have any questions concerning the information in this letter or about your Plan benefits, please contact the Administrative Office at 213-386-8590 or 800-293-1370, where the staff will be happy to assist you.

Thank you,

Pension Department

Aviso a los participantes que hablan Español: Si tiene alguna pregunta sobre este aviso, por favor de comunicarse con la Oficina Administrativa del Fideicomiso de los Carpinteros del Sudoeste al (213) 386-8590 o (800) 293-1370, donde habrá varios representantes bilingües que le ayudarán.

SUMMARY PLAN DESCRIPTION

OF

BENEFITS ACCRUED THROUGH 2007

UNDER THE

SOUTHWEST REGIONAL COUNCIL OF CARPENTERS/NEW MEXICO RETIREMENT PLAN

PAYABLE, EFFECTIVE JANUARY 1, 2019, PURSUANT TO MERGER

UNDER THE

SOUTHWEST CARPENTERS PENSION PLAN AND TRUST

JANUARY 1, 2019

This Summary Plan Description is only a summary of the Restatement of the Southwest Regional Council of Carpenters/New Mexico Retirement Plan Document as incorporated by reference into the Southwest Carpenters Pension Plan document effective as of the January 1, 2019 merger of the New Mexico Plan into the larger Southwest Plan. If you would like a copy of the Plan Document provisions applicable to benefits accrued prior to the merger under the New Mexico Plan, please call 800-293-1370 or 213-386-8590, or write to CARPENTERS SOUTHWEST ADMINISTRATIVE CORPORATION, 533 South Fremont Avenue, 6th Floor, Los Angeles, CA 90071, to request a copy, free of charge. In the event of a conflict between this Summary Plan Description and the Plan Document, the applicable provisions of the Plan Document will control.

A MESSAGE FROM THE BOARD OF TRUSTEES OF THE SOUTHWEST CARPENTERS PENSION TRUST

TO CARPENTERS WITH PRESERVED ACCRUED BENEFITS EARNED UNDER THE NEW MEXICO RETIREMENT PLAN:

We are pleased to provide you with this booklet summarizing the retirement benefits accrued prior to 2008 under the Southwest Regional Council of Carpenters/New Mexico Retirement Plan ("New Mexico Plan"). These benefits are preserved, protected and paid, effective January 1, 2019, by the multi-billion dollar Southwest Carpenters Pension Plan and Trust ("Southwest Plan") as a result of the merger of the New Mexico Plan into the Southwest Plan at the end of 2018.

The purpose of the merger was to reduce administrative expenses and increase your benefit security.

This booklet explains the retirement benefits provided under the New Mexico Plan (as determinable in each participant's case under the New Mexico Plan's records at the January 1, 2019 merger date), which consist of benefits accrued through March 31, 1984 or December 31, 2007 under two benefit components. Accrual of benefits ceased under the New Mexico Retirement Plan entirely after 2007 as a result of collective bargaining under which New Mexico Carpenters began accruing benefits under the larger Southwest Plan in 2008.

Accordingly, the term "Plan" as used herein refers to the Southwest Plan's providing benefits after the merger that were accrued prior to the merger under the New Mexico Plan.

In general the amount and terms of New Mexico Plan benefits and Southwest Plan benefits are determined separately, although some service under both may be counted in limited ways for the purposes of the other as described herein.

Although the pre-merger New Mexico Plan was a single Plan, two different kinds of benefits were accrued under its rules. For ease of reference, these two components of the New Mexico Plan are generally referred to as the Cash Balance Plan, and the Pension Plan. As you have been advised by the New Mexico Plan, benefit accruals under both components have been "frozen." Pension credit ceased accruing under the Pension Plan for work performed on and after April 1, 1984, and no contributions have been credited to the "Individual Accounts" in the Cash Balance Plan for work performed after December 31, 2007. Your Individual Account, if you have one, is not a bank account and does not contain any segregated assets. It is a bookkeeping entry reflecting your service, expressed in a total amount of hypothetical dollars, which amount is then used to calculate a benefit for you at retirement, such as monthly payments for you and your spouse, based on actuarial factors.

The Internal Revenue Service most recently determined that the New Mexico Plan continues to meet the requirements for tax-qualified status in a letter dated September 29, 2015. You may have also earned benefits under the Southwest Plan for work performed on or after January 1, 2008. A separate Summary Plan Description is available that summarizes the terms of the Southwest Plan. The Southwest Plan most recently received a favorable determination letter from the IRS dated June 30, 2015. That letter is applicable to the June 1, 2015 restatement of that Plan.

This booklet is the Summary Plan Description ("SPD") required by law, which describes both components of the pre-merger New Mexico Plan in a simplified way. Your benefit from these components does not change as a result of the merger. This SPD is just a summary of the Plan provisions applicable to the New Mexico retirement benefits. If you would like a copy of those Plan provisions, please call 800-293-1370 or 213-386-8590, or write to CARPENTERS SOUTHWEST ADMINISTRATIVE CORPORATION, 533 South Fremont Avenue, 6th Floor, Los Angeles, CA 90071, ("CSAC" or "Administrative Office") to request a copy, free of charge. In the event of a conflict between this Summary Plan Description and the Plan document, the Plan document, as interpreted in the complete discretion of the Trustees of the Southwest Plan, or their authorized delegate, will control.

The SPD summarizes the eligibility rules and benefits of the New Mexico Retirement Plan at the time of the merger. When reading either this summary or the relevant Plan provisions, remember that the provisions of the Plan *as in effect at the relevant time* must be applied to the facts and circumstances of a particular situation.

Please keep in mind that only the full Board of Trustees of the Southwest Plan or their authorized delegate is authorized to interpret the Plan, which is done in their complete discretion. Information you may receive from the Union or individual employers or their representatives should be regarded as well-meant, but not official. Any information or opinion concerning your rights under the Plan, to be effective, must be communicated to you, in writing, signed on behalf of the full Board of Trustees, on CSAC letterhead.

Be sure that the Administrative Office has your correct current mailing address so that you will be sure to receive all our communications. If you have any questions about the Plan and how any rule affects you or your Beneficiaries, write to the Administrative Office. They will be happy to help you with any questions.

We hope that you will find this booklet helpful and that the Plan will provide meaningful protection for you and your family during your retirement years.

Sincerely,

BOARD OF TRUSTEES,
SOUTHWEST CARPENTERS PENSION TRUST

SUMMARY PLAN DESCRIPTION
TABLE OF CONTENTS

This 2019 Summary Plan Description of the terms of the New Mexico Plan replaces and supersedes the 2012 Summary Plan Description.

Effective January 1, 2019, the Trustees of the Southwest Plan have sole and exclusive discretionary authority and responsibility for administering, construing, and interpreting the provisions of the New Mexico Plan, determining eligibility for benefits, and making all determinations, including factual determinations, related to the New Mexico Plan.

If you have any questions about the Plan, write to the Administrative Office. The staff has up-to-date information on the operation of the Plan and on your rights and responsibilities under it. The staff is available to help you with any question. Information from other sources is not official, may not be correct, and cannot be relied upon.

Address your questions to:

CARPENTERS SOUTHWEST ADMINISTRATIVE CORPORATION
533 South Fremont Avenue, 6th Floor
Los Angeles, CA 90071
800-293-1370 (toll free) or 213-386-8590

SOME TECHNICAL TERMS USED IN THIS BOOKLET

Administrative Office

This is the office to which all communications about your benefits under the Plan should be addressed. It may also be referred to as the "Fund Office." It is the office to which anything for the Board of Trustees should be addressed. Any inquiries about your rights, benefits, responsibilities or any notice you may be required to file with the Plan should be addressed to this office. The address and telephone are:

CARPENTERS SOUTHWEST ADMINISTRATIVE CORPORATION
533 South Fremont Avenue, 6th Floor
Los Angeles, CA 90071
800-293-1370 (toll free) or 213-386-8590

Employee or Participant

The terms Employee and Participant, as used in this booklet, both have the same meaning. They refer to a person (1) who has earned and is still entitled to Pension Credit under the Pension Plan, and/or (2) for whom an Individual Account has been established under the Cash Balance Plan.

Covered Employment

Work under a Collective Bargaining Agreement which requires the Employer to contribute to this Plan.

Plan Year

The twelve consecutive month period from January 1 of one year to December 31 of the same year.

Continuous Non-Covered Employment

Employment for an Employer in a job not covered by this Plan which is continuous with an Employee's Covered Employment with the same Employer. A period of Non-Covered Employment will be considered to be continuous with Covered Employment only if there is no quit, discharge or other termination of employment between the period of Covered and Non-Covered Employment.

Individual Account

A bookkeeping entry maintained under the Cash Balance component of the New Mexico Plan, reflecting contributions for your service during time periods before 2008 when the New Mexico Plan was accruing benefits for such service, plus an earnings credit at a bank rate of interest, expressed in a total amount of hypothetical dollars, which amount is then used to calculate a benefit for you at retirement based on actuarial factors.

Hour of Service

The term Hour of Service refers not only to hours worked in Covered Employment, but also to vacation, holiday, and periods of disability or leave for which you were paid. See Sections 1.25 and 11.22 of the Plan.

Required Beginning Date

Generally, April 1 of the calendar year after the year you reach age 70-1/2. See page 41 for details.

Spouse

"Spouse" means the person to whom the Participant is legally married under the laws of any state in the United States of America.

Explanations of other technical terms and further detail will be found in the following explanatory material and in the text of the Plan documents applicable to the New Mexico Plan benefit.

SUMMARY OF THE CASH BALANCE COMPONENT

Individual Accounts

Contributions to the Cash Balance Plan were made by Employers for a Participant's work in Covered Employment on and after April 1, 1984 and prior to January 1, 2008. The Cash Balance component was "frozen" effective December 31, 2007, meaning the benefits earned through that date were preserved but only increased thereafter due to earnings credits. The amount of contributions made for a Participant prior to the freeze date were recorded as a bookkeeping entry in what the Cash Balance component termed a Participant's "Individual Account."

Adjustment Factor

In addition to the amount of contributions credited to an Individual Account, it is also credited with earnings at a bank rate in the form of an Adjustment Factor. This credit continued after 2007. The Adjustment Factor is not a function of Plan earnings. It was set as a matter of Plan design to provide a guaranteed increase to Individual Accounts at rates similar to a bank savings account.

At the end of each Plan Year (the calendar year), the Adjustment Factor is calculated as the average of four numbers. These four numbers are the money market savings account interest rates at the United Business Bank as of four dates — January 1, April 1, July 1 and October 1 of the Plan Year for which the Adjustment Factor is being calculated.

For the 2017 Plan Year, the Adjustment Factor was 0.10%.

January 1, the first day of the Plan Year, is used as the "Valuation Date" for the previous Plan Year. For example, January 1, 2018 is the Valuation Date for the 2017 Plan Year.

After allowing time for administrative processing, Individual Accounts are credited, as of each Valuation Date, according to the Cash Balance Plan's benefit formula. See Section 13.02 of the Plan and the example below.

As of any Valuation Date, the balance of an Individual Account in the Cash Balance Plan—assuming no benefits were paid based on that Individual Account during the Plan Year being valued—will be:

(1) The balance as of the previous Valuation Date; plus

(2) The balance in (1) above multiplied by the Adjustment Factor for the Plan Year being valued; plus

(3) The contributions owed on the Participant's behalf during the Plan Year being valued (no contributions for work performed on and after January 1, 2008 were credited due to the freeze); plus

(4) The contributions in (3) above multiplied by one-half of the Adjustment Factor (this step is not applicable for Valuation Dates on or after January 1, 2009).

Here is an example of how an Individual Account would be valued as of January 1, 2018.

For the 2017 Plan Year, the Adjustment Factor is 0.10%. As of January 1, 2018, the Individual Account of the Participant in this example would be valued as follows:

(1) Balance as of the previous Valuation Date of January 1, 2017 = **$25,000.00**

(2) Balance in (1) above multiplied by the Adjustment Factor:

$25,000.00 x 0.10% = **$25.00**

The two amounts determined above are now added together to value the Individual Account as of January 1, 2018:

$25,000.00 + $25.00 = **$25,025.00**

In this example, the Individual Account balance increased from $25,000.00 to $25,025.00 as a result of the application of the 2017 Adjustment Factor.

SERVICE CREDIT

Service Credit under the Cash Balance Plan is divided into two categories — Credit prior to January 1, 1984 and Credit after January 1, 1984 — and is earned as follows:

Service Credit Before January 1, 1984

A Participant will be credited with Service Credit under the Cash Balance Plan for each Pension Credit or year of Vesting Service he earned under the New Mexico Pension Plan component before January 1, 1984, whichever is more favorable.

For example, let's say you have 15 Pension Credits and 12 years of Vesting Service under the New Mexico Pension Plan component, all of which was earned prior to January 1, 1984. This Pension Plan credit will give you 15 years of Service Credit under the Cash Balance Plan.

Combined Pension Credit (Pension Credit earned under the New Mexico Plan combined with Pension Credit earned under a Related Plan) in accordance with Article III-B of the New Mexico Plan counts as Service Credit under the Cash Balance Plan for periods before January 1, 1984.

Service Credit On and After January 1, 1984

For periods on and after January 1, 1984, a Participant can earn Service Credit in the Cash Balance component in several ways, as shown below. For the 1984 Plan Year only, the determination of whether a Year of Vesting Service was earned is based on the combination of hours under the Pension component from January 1, 1984 through March 31, 1984, and hours under the Cash Balance component from April 1, 1984 through December 31, 1984.

1. Covered Hours. A Participant receives Cash Balance Service Credit for his work in Covered Employment in accordance with the following schedule:

Hours of Work in Calendar Year	**Service Credit**
Fewer than 200	None
200 to 399	One Quarter
400 to 599	Two Quarters
600 to 799	Three Quarters
800 and more	One Year

2. Hours of Service. A Participant receives a year of Service Credit in the Cash Balance component for each calendar year after January 1, 1984 in which he

completes at least 1,000 Hours of Service. Hours of Service include not only hours of work in Covered Employment, but also any hours a Participant is paid by a contributing employer for non-working periods such as vacation, holiday and certain disability periods. See Section 11.22 of the New Mexico Plan.

3. Non-Covered Hours. A Participant also receives one year of Service Credit in the Cash Balance component for each calendar year in which he worked at least 1,000 hours for an Employer in a job not covered by the New Mexico Plan or the Southwest Plan, but only if this Non-Covered Employment immediately precedes or follows the Participant's Covered Employment and is for the same Employer.

4. Related Hours. If a Participant has earned at least one year of Service Credit under this Plan, then his Related Service Credit will also be counted as Service Credit under the Plan. Related Service Credit means service accumulated under another plan recognized by the Trustees as a Related Plan; it may be used to help establish vested status or eligibility for benefits under the Plan, but it is not used in determining the amount of benefits payable under the Plan. If you have worked under the jurisdiction of another plan and have questions about Related Service Credit, write to the Administrative Office.

   For New Mexico Plan benefit purposes, the Plan recognizes Related Service Credit earned with the Southwest Carpenters Pension Plan after 2007 as long as the Employee had earned at least one quarter of a year of Service Credit under the New Mexico Plan.

Military Service

Qualified Military Service (see page 50) will be recognized for purposes of determining your Service Credit under the Cash Balance Plan.

VESTING

Once a Participant is “vested” he cannot lose benefits which are based upon his Individual Account. He will be entitled to receive benefits starting at the permitted retirement age even if he leaves Covered Employment or earns no additional Service Credits.

In order to become vested in his Individual Account, a Participant must meet one of three requirements. These are (1) to have earned at least 10 years of Service Credit, including Pension Credit or Vesting Service earned under the Pension component of the New Mexico Plan prior to January 1, 1984; or (2) to have attained Normal Retirement Age (generally age 65); or (3) to have earned the required number of years of Service Credit under the Cash Balance component, in accordance with the following schedule:

Calendar Year	**Service Credit Required for Vesting**
1984	10 years
1985	9 years
1986	8 years
1987	7 years
1988	6 years
1989	5 years
1990	4 years
1991	3 years
1992	2 years
1993 and after	1 year

Qualified Military Service (see page 50) will be recognized for purposes of determining your Service Credit under the Cash Balance Plan.

BREAKS IN SERVICE

If you do not earn a required amount of Service Credit over a specified period of time, you will have a Break in Service. If the Break continues for too long, it can become a Permanent Break in Service which will result in the loss of previously earned Service Credits and cancellation of your Individual Account. However, if you have already met the requirements for vesting, then you cannot suffer a Permanent Break in Service.

Following is a description of the Break in Service rules of the Cash Balance component of the New Mexico Plan:

One Year Break in Service

Before January 1, 1984, a Participant had a One Year Break in Service in any calendar year in which he had a One Year Break in Covered Employment under the Pension component (see page 20 for details).

On and after January 1, 1984, a Participant had a One Year Break in Service in any calendar year in which he failed to earn at least one quarter of Service Credit and failed to complete at least 500 Hours of Service. Related Service Credit and non-Covered Service is recognized for purposes of determining whether the Participant has a One Year Break in Service. Service in the Pension component and the Cash Balance component will be counted.

Qualified Military Service (see page 50) will be recognized for purposes of determining whether you incurred a One Year Break in Covered Employment in a given Plan Year.

Permanent Break in Service

Before January 1, 1988, a Participant had a Permanent Break in Service if he had at least 3 consecutive One Year Breaks in Service and the number of such consecutive One Year Breaks equaled or exceeded the number of years of Service Credit which he had previously accumulated.

On or after January 1, 1988, a Participant has a Permanent Break in Service if he has at least 5 consecutive One Year Breaks in Service and the number of such consecutive One Year Breaks equals or exceeds the number of years of Service Credit which he previously accumulated.

DISTRIBUTIONS BASED ON THE INDIVIDUAL ACCOUNT

When a benefit becomes payable from the Cash Balance component, the benefits will be based on the then balance of the Participant's Individual Account. Following is an explanation of the circumstances under which a Participant (or his beneficiary) may receive a benefit based on his Individual Account, and the eligibility requirements for the various forms of distribution. Your Individual Account is reduced by the amount used as a basis for paying you or your beneficiary such benefit.

Regular Distribution

Upon application and retirement, a Participant will be eligible for a Regular Distribution if he is vested (see page 7) and he has attained age 55.

Normal Retirement Age Distribution

Upon application and retirement, a Participant will be eligible for a Normal Retirement Age Distribution when he reaches Normal Retirement Age (generally age 65).

Disability Distribution

Upon application and retirement, a Participant will be eligible for a Disability Distribution if he has earned at least one quarter of Service Credit under the Cash Balance component subsequent to a Permanent Break in Service, if any, and he has been awarded a Social Security Disability Benefit under Title II or Title XVI of the Social Security Act.

Payment of the Disability Distribution will continue for as long as the Participant remains disabled, except that upon attainment of age 55, a Pensioner's Disability Distribution will continue regardless of whether or not he remains disabled.

If a Pensioner receiving a Disability Distribution loses entitlement to his Social Security Disability Benefits, he must report this fact to the Administrative Office within 21 days after he is notified of the loss of benefits by the Social Security Administration. If he is younger than 55 and fails to file the notice timely, then when he retires again the distribution of his Individual Account will be delayed by six or more months; this delay, however, will not extend past his attainment of Normal Retirement Age under any circumstance. See Section 14.04(c) of the Plan.

Delayed Retirement

Subject to required minimum distribution rules generally applicable at age 70 1/2, a Participant who is otherwise entitled to receive a benefit based on his Individual Account may elect to defer commencement of such benefit by not applying for it. In such case his Individual Account continues to receive the Adjustment Factor. If the distribution based on a Participant's Individual Account begins after Normal Retirement Age and he did not work at least 40 hours in each month between Normal Retirement Age and the effective date of his distribution, then his benefit may be calculated differently. He will receive the greater of:

(1) The value represented by his Individual Account balance as of the Valuation Date immediately preceding the effective date of his distribution plus the contributions (if any) owed on his behalf for the period between such Valuation Date and the Annuity Starting Date; or

(2) his Accrued Benefit at Normal Retirement Age actuarially increased for each complete calendar month between Normal Retirement Age and the effective date of his distribution for which benefits were not suspended.

The benefit, as determined using (1) or (2) above, will be converted as of the effective date of the distribution to the form of payment elected in the pension application or, if no other form is elected, to the automatic form of payment. The actuarial increase described in (2) above shall be 1% per month for the first 60 months after Normal Retirement Age and 1.5% per month for each month thereafter.

If you are 65 (or Normal Retirement Age, if later) and you do not apply for benefits, then you will receive a formal suspension notice. This notice simply means that when you do eventually retire, the Plan's suspension rules will be applied in determining the months for which you are—or are not—entitled to an actuarial increase for delayed retirement. Payment of the delayed distribution will normally be effective on the first day of the month after the completed application for benefits has been received by the Administrative Office. However, in no event will payment of benefits begin later than April 1 following the year in which the Participant attains age 70½.

Death Benefits

1. <u>Pre-Retirement Death Benefits</u>. If an unmarried Participant (or a married Participant who is not vested or who has been married for less than a year) dies before retirement with at least one quarter of a year of Service Credit under the Cash Balance component, then his Individual Account will be distributed, in equal monthly installments, over 5 years, to his designated Beneficiary. Subject to certain limits under federal law, the Beneficiary may, however, elect to receive the distribution in one of the other forms described on page 14. Such election must be made in writing on a form prescribed by the Trustees and filed with the Trustees within 90 days of the date the Beneficiary is advised by the Trustees of the available choices.

   If a married vested Participant dies before retirement, then his Individual Account will be distributed to his surviving Spouse in the form of a life annuity. Subject to certain limits under federal law, the surviving Spouse may, however, elect to receive the distribution in one of the other forms described on page 14. Such election must be made in writing on a form prescribed by the Trustees and filed with the Trustees within 90 days of the date the surviving Spouse is advised by the Trustees of the available choices.

2. Post-Retirement Death Benefits. If a Pensioner dies after retirement, the remaining benefits, if any, will be paid to his designated Beneficiary. If the designated Beneficiary dies before all such payments have been made, the remaining payments will be made to the Beneficiary's designated Beneficiary.

Beneficiary Designation

To ensure that death benefits are paid to the person(s) to whom you want them to be paid, you should file a Beneficiary designation with the Administrative Office. If you have no named Beneficiary or if your Beneficiary predeceases you, then benefits will be paid to your surviving Spouse, or to your children, or to your parents, or to your brothers and sisters, or to your estate.

FORMS OF PAYMENT

The Cash Balance component of the New Mexico Plan provides, based on a Participant's marital status, different automatic forms of payment based on the Individual Account. However, if the automatic form of payment is properly rejected, then a Participant's Individual Account balance may be used to determine the amount of an optional form of benefit provided by the Cash Balance component. Rejection of the automatic form of payment must be in writing and contain the notarized signatures of the Participant, and, if applicable, the Participant's Spouse.

The Cash Balance Accrued Benefit

The Accrued Benefit under the Cash Balance component of the Plan is a lifetime monthly benefit payable at Normal Retirement Age (NRA). See Section 11.32 of the New Mexico Plan. To determine the Accrued Benefit, the Individual Account balance must be projected to NRA using the Adjustment Factor (Section 13.02 of the New Mexico Plan) and converted to an annuity using the actuarial factors in Section 14.08 of the New Mexico Plan. For retirement ages younger than NRA, the Accrued Benefit is discounted back to the actual retirement age using the Applicable Interest Rate. This process—projecting forward and then discounting back—is required for cash balance plans and results in an alternative balance.

The retiree receives the actuarial equivalent of (1) the alternative balance, or (2) the Individual Account balance, whichever is greater. See Sections 14.08(a) and 14.08(c) of the New Mexico Plan.

However, based on the current figures for the Adjustment Factor and the Applicable Interest Rate, the alternative balance is ***not*** expected to result in a benefit that is greater than the Individual Account balance. The Administrative Office will use factor tables (based on the interest and mortality factors in Section 14.08 of the New Mexico Plan) to convert whichever balance is higher into the annuity forms of payment provided by the Cash Balance component of the Plan. Forms of Payment are described on pages 14-16 of this booklet. Unlike the various forms of annuity payments, the factors for Installment Payments may change from year to year.

The Adjustment Factor, and the interest rate, mortality and any other factors established by the New Mexico Plan for the purpose of deriving benefits payable under the Cash Balance component, from the balance of an Individual Account, were adopted as a matter of plan design under the Cash Balance component. They have not been amended by the New Mexico or current Board in their settlor capacity, and accordingly are not subject to change by reason of current conditions.

Automatic Forms of Payment

(1) Unmarried Participants. The automatic form of payment to a Participant who is unmarried on the date his Individual Account becomes payable is a life annuity.

This means that the value of the Individual Account, represented by its balance, will be paid to the Participant in the form of a fixed monthly benefit for his lifetime, and that payments will cease upon his death.

(2) Married Participants. The automatic form of payment to a Participant who is married on the date a benefit based on his Individual Account becomes payable is a 50% contingent annuity with the Spouse named as contingent annuitant. This means that the value of the Individual Account will be paid in the form of a fixed monthly benefit for the Participant's lifetime, and, upon his death, monthly payments for the lifetime of his surviving Spouse, if any, equal to 50% of the monthly amount payable during the Participant's lifetime.

Significant Notes About the 50% Contingent Annuity

- If you are married when you apply for the distribution of your Individual Account, then you will automatically receive the 50% contingent annuity unless you and your Spouse file a notarized statement with the Administrative Office indicating that you want your benefits paid in a different form.
- The 50% contingent annuity only protects a Spouse legally married to the Participant at the time pension payments commence **and** throughout the year before the Participant's death, except for a person designated as a "surviving spouse" in a Qualified Domestic Relations Order (QDRO).
- Once payments have begun in the form of a 50% contingent annuity, the amount of such payments shall not be changed even if the Spouse dies before the Participant or if their marriage should be dissolved.

Domestic Relations Orders/Divorce Decrees

The Retirement Equity Act of 1984 provides that the Plan must recognize any Qualified Domestic Relations Order and make payments as directed by the Order to any spouse, former spouse, child or other dependent (called an "alternate payee") of a Plan participant specified by the Order. A Qualified Domestic Relations Order (QDRO) is a state domestic relations order such as a divorce decree which creates or recognizes an alternate payee's right to, or assigns to an alternate payee the right to receive all of or a portion of the benefits payable to a participant under the Plan. Any lawful judgment, decree, or order, (including a property settlement agreement approved by a court order) may be a QDRO if it relates to the provision of child support, alimony payments, or marital property of a spouse, former spouse, child or other dependent of a Plan Participant and is made pursuant to State domestic relations law.

The Trustees cannot recognize or honor a domestic relations order, such as a divorce decree which attempts to divide a pension, unless the order or decree contains certain information and otherwise complies with federal law. If you are contemplating a divorce or are a party to any other domestic relations action which may involve your benefits under the Plan, then you should contact the Administrative Office for additional information before any such domestic relations order or decree is signed by the judge.

The Trustees have adopted formal procedures for the treatment of domestic relations orders received by the Plan, and a copy of those procedures is available without charge from the Administrative Office.

Please note that a QDRO cannot change the terms of the Plan and neither a divorce nor a Court's issuance of a QDRO are events that allow for immediate distribution of benefits.

An Alternate Payee may, upon written application to the Fund Office, in accordance with the Plan Rules, elect to begin receiving her/his share of the benefit at any time after the Participant attains the earliest retirement age under the Plan. If the Alternate Payee has not already started to receive benefits, she or he will begin receiving benefits as of the Participant's effective date.

Optional Forms of Payment

A Participant and his Spouse, if any, who have properly rejected the automatic form of payment may elect to receive payment in one of the optional forms shown below. These optional forms of payment are also available to a Spouse or Beneficiary who is entitled to receive a distribution as a result of the death of a Participant prior to retirement.

(1) An amount equal to the balance of the Individual Account, if $60,000 or less, may be distributed in a lump sum.

(2) The value represented by the balance of the Individual Account may be distributed in a combination of two forms.

    If the balance is $60,000 or less, then the allowable combination is a portion of the balance to be paid in a lump sum, and the remaining balance, which may not be less than $10,000, to be paid either as an annuity as described in (3) below, or in installment payments as described in (4) below.

    If the balance is greater than $60,000, then the allowable combination is a portion of the balance, which may not exceed $60,000, to be paid in a lump sum, and the remaining balance, which may not be less than $10,000, to be paid either as an annuity as described in (3) below, or in fixed monthly installment payments ending in the month in which the Participant attains age 62.

(3) The Individual Account balance may be used to derive a life annuity payable for the lifetime of the Participant.

(4) The Individual Account may be used to derive a 50%, 75% or 100% joint and survivor annuity, payable for the lifetime of the Participant, with the designated

beneficiary receiving, for life, a monthly survivor annuity equal to the applicable percentage (whichever was elected) of the Participant's monthly amount.

(5) The Individual Account may be used to derive a life annuity with a guarantee of at least 48 monthly payments.

(6) The amount represented by an Individual Account balance may be distributed in fixed monthly installment payments for a specified number of years, but not less than 3 years, and not more than 10 years.

(7) The Individual Account may be used to derive a 50% Joint and Survivor Annuity with Pop-Up and 48-Month Certain.

Federal Tax Withholding

Benefits to be paid as a lump sum or in fixed monthly installments for a period of ten or more years will be subject to mandatory 20% withholding for Federal Income Tax unless the individual to whom the payments are to be made elects to rollover such payments into another qualified retirement account. If you have any questions concerning the payment of benefits, you can call the Administrative Office, but you should consult with your own financial and/or tax advisor to select the best approach. **Neither the Board of Trustees nor the Administrative Office gives tax advice.**

Benefit Amount Examples

1. Single Life Annuity (SLA)

Assume the Individual Account balance is $50,000 and participant's age is 56 years, 5 months at the annuity commencement date.

The benefit in Single Life Annuity form is $394.94 per month, payable for the retiree's lifetime.

2. 50% Contingent Annuity or 50% Joint and Survivor Annuity

Assume the Individual Account balance is $50,000, the participant's age is 57 years, 3 months (rounds to 57), and the age of the spouse or other beneficiary (also called the co-annuitant) is age 55 years, 6 months (rounds to 56).

The benefit in 50% Joint and Survivor Annuity form is $362.06 per month payable during their joint lives, and $181.03 per month is payable to the co-annuitant upon the participant's death.

3. 75% Joint and Survivor Annuity

Assume the Individual Account balance is $50,000, the participant's age is 60 years, 5 months (rounds to 60), and the age of the spouse or other beneficiary is 54 years, 8 months (rounds to 55).

The benefit in 75% Joint and Survivor Annuity form is $351.74 per month payable during their joint lives, and $263.81 per month is payable to the co-annuitant upon the participant's death.

4. 100% Joint and Survivor Annuity

Assume the Individual Account balance is $50,000, the participant's age is 60 years, 5 months (rounds to 60), and the age of the spouse or other beneficiary is 54 years, 8 months (rounds to 55).

The benefit in 100% Joint and Survivor Annuity form is $332.76 per month payable during their joint lives, and the same amount, $332.76 per month, is payable to the co-annuitant upon the participant's death.

5. Single Life Annuity (SLA) with 48-month Certain

Assume the Individual Account balance is $50,000, and the participant's age is 59 years, 2 months.

The benefit in the form of a Single Life Annuity with 48-month Certain is $413.39 per month payable for life with a 48-month guarantee.

6. 50% Joint and Survivor Annuity with Pop-Up and 48-month Certain

Assume the Individual Account balance is $50,000, the participant's age is 59 years, 2 months, and the age of the spouse or beneficiary is 56 years, 6 months .

The monthly benefit payable during the joint lives of the retiree and the spouse or other beneficiary is $358.82 per month.

The lifetime monthly benefit payable to the spouse or other beneficiary upon the retiree's death is $179.41.

The monthly benefit payable to the retiree if the spouse or other beneficiary predeceases the retiree is $413.39.

If any monthly payments become payable to a secondary beneficiary under the 48-month Certain (this form of payment guarantees that at least 48 payments will be made), the amount of each such monthly payment is equal to the monthly amount that was payable at the time of the retiree's death or the co-annuitant's death, whichever is later.

SUMMARY OF THE PENSION COMPONENT

Pension Credit

Pension Credits are a measure of the amount of work an Employee performed in Covered Employment. Pension Credits are used to determine both eligibility for and the amount of benefits from the Pension Plan. There are two types of Pension Credit. These are **Past Service Credit,** which is for periods before October 1, 1964, and **Future Service Credit,** which is for the period between October 1, 1964 (September 1, 1979, for members of the former Lathers Union) and March 31, 1984. If you served in the Armed Forces, then you may be entitled to additional Pension Credit based on your time in the military. You should advise the Administrative Office of your military service, if any.

Past Service Credit

For work before October 1, 1964, an Employee is entitled to Past Service Credit for each calendar year in which he worked at least 1,400 hours in the geographical area covered by the New Mexico Plan, in any classification included in the collective bargaining agreements, or for the Union. For a calendar year in which the Employee worked fewer than 1,400 hours but at least 350 hours, he is entitled to one quarter of Past Service Credit for each full 350 hours of work.

Since it may be difficult for a Participant to establish his past service because of employment patterns in those years, Past Service Credit may be granted for the period of an Employee's membership in the Union in the areas covered by the New Mexico Plan.

Past Service Credit is subject to reduction or cancellation resulting from the termination of an Employer's participation in the Fund with respect to a bargaining unit. If you have already retired, this will not apply to you.

Future Service Credit

For work between October 1, 1964 (September 1, 1979 for former lathers) and March 31, 1984, Future Service Credit is earned based on work in Covered Employment in accordance with the following schedules:

<u>Between October 1, 1964 and January 1, 1976:</u>

Hours of Work in Calendar Year	**Future Service Credit**
Fewer than 350	None
350 to 699	One Quarter
700 to 1,049	Two Quarters
1,050 to 1,399	Three Quarters
1,400 or more	One Year

Between January 1, 1976 and March 31, 1984:

Hours of Work in Calendar Year	**Future Service Credit**
Fewer than 334	None
334 to 666	One Quarter
667 to 999	Two Quarters
1,000 to 1,333	Three Quarters
1,334 or more	One Year

IMPORTANT: No Future Service Credit is earned after March 31, 1984. On and after April 1, 1984, benefits are earned under the Cash Balance component (see pages 3 through 16).

VESTING SERVICE

Vesting Service is another measure of an Employee's work in Covered Employment for pension purposes. However, Vesting Service differs from Pension Credit in several respects: (1) it is earned only for work after October 1, 1964 (January 1, 1979 for former lathers); (2) it is calculated by a different formula; (3) it is only used to establish a Participant's right to a pension; and (4) it continues to be earned after March 31, 1984.

Vesting Service is not used to determine the amount of your pension, only your right to a Vested Pension as explained on page 28. The amount of your pension is calculated on the basis of your Pension Credits.

A Participant earned one year of Vesting Service for each calendar year between October 1, 1964 (January 1, 1979 for former lathers) and December 31, 1983 in which he completed at least 1,000 Hours of Service. Service which is counted toward meeting the 1,000 hours includes, in addition to work in Covered Employment, vacation, holiday and periods of disability and leave for which you were paid or received benefits under the Collective Bargaining Agreements. You may also receive credit for hours of non-Covered employment if such non-Covered employment came immediately before or after Covered Employment and was with the same employer.

For Plan Years beginning on and after January 1, 1984, one year of Vesting Service (or fraction thereof) is credited for each year (or fraction thereof) of Service Credit earned under the Cash Balance component.

For the 1984 Plan Year only, the determination of whether a Participant earned a Year of Vesting Service is based on the combination of Hours of Service under the Pension component from January 1, 1984 through March 31, 1984, and Hours of Service under the Cash Balance component from April 1, 1984 through December 31, 1984.

Qualified Military Service (see page 50) will be recognized for purposes of determining your Vesting Service under the Pension component.

BREAK IN COVERED EMPLOYMENT

If a Participant does not earn a required amount of Pension Credit or Vesting Service over a specified period of time, he will have a Break in Covered Employment. If the Break continues for too long, it can become a Permanent Break in Covered Employment which, unless he has already met the requirements for vesting or is a Pensioner, will result in the loss of previously earned Pension Credits and Vesting Service.

The loss of Pension Credit and Vesting Service due to a Permanent Break in Covered Employment can be a costly and painful loss to any Carpenter. It is, therefore, important to understand the rules on Breaks in Covered Employment, especially how a Break becomes permanent and how to prevent that from happening.

Following is a description of the Break in Covered Employment rules of the New Mexico Plan for periods on and after January 1, 1976.

One Year Break in Covered Employment

Between January 1, 1976 (January 1, 1980 for former lathers) and December 31, 1983, a Participant has a One Year Break in Covered Employment in any calendar year in which he fails to earn one quarter of Pension Credit and also fails to complete at least 500 Hours of Service.

For the 1984 Plan Year only, service before April 1 in this Plan will be combined with service after April 1 in the Cash Balance Plan to determine if the Participant has a One Year Break in Covered Employment.

Beginning January 1, 1985, a Participant has a One Year Break in Covered Employment in any calendar year in which he fails to be credited with at least one quarter of Service under the Cash Balance component. Effective January 1, 1988, parental leave, as defined by Section 6.04(a)(4) of the New Mexico Plan, can be used to prevent a One Year Break in Covered Employment.

Continuous Non-Covered Employment (see Technical Terms on page 1) after January 1, 1976 will be counted as if it were Covered Employment for purposes of determining whether or not a Break in Covered Employment was incurred.

Qualified Military Service (see page 50) will be recognized for purposes of determining whether you incurred a One Year Break in Covered Employment in a given Plan Year.

Curing a One Year Break in Covered Employment

A One Year Break in Covered Employment (or a number of consecutive One Year Breaks) can be cured if, before incurring a Permanent Break in Covered Employment as defined below, a Participant completes at least 200 Hours of Service in one calendar year (1,000 Hours of Service before January 1, 1984), in the Pension Plan or the Cash Balance Plan.

Permanent Break in Covered Employment

The Permanent Break in Covered Employment rule does not apply to a Pensioner or a Vested Participant.

From January 1, 1976 through December 31, 1987, a Participant had a Permanent Break in Covered Employment if he had at least 3 consecutive One Year Breaks in Covered Employment and the number of such consecutive One Year Breaks equaled or exceeded the number of years of Vesting Service he had accumulated prior to the breaks.

Beginning January 1, 1988, a Participant incurs a Permanent Break in Covered Employment if he has at least 5 consecutive One Year Breaks in Covered Employment and the number of such consecutive One Year Breaks equals or exceeds the number of years of Vesting Service he had accumulated prior to the breaks.

Examples: A Carpenter with 5 Years of Vesting Service then has 5 consecutive One Year Breaks in Covered Employment. He has incurred a Permanent Break in Covered Employment and his 5 Years of Vesting Service and his Pension Credit are cancelled.

Assume, however, that a Carpenter with 6 Years of Vesting Service then has 5 consecutive One Year Breaks in Covered Employment. Because his consecutive One Year Breaks do not yet equal or exceed his Years of Vesting Service, he has not yet incurred a Permanent Break in Covered Employment. If, in the next calendar year, he completed 200 Hours of Service (or, prior to January 1, 1984, 1,000 Hours of Service) then the string of 5 consecutive One Year Breaks would be ended before it equaled his years of Vesting Service and he would not have incurred a Permanent Break in Covered Employment.

On and after April 1, 1984, even though a Participant is no longer earning Future Service Credit under the Pension Plan, the Break in Covered Employment rules continue to operate. If you are not vested, these break rules could have the effect of cancelling your previously earned Pension Credits and Vesting Service. Remember, however, that on and after April 1, 1984, a sufficient amount of service under the Cash Balance component will protect you against a Permanent Break in Covered Employment under the Pension component.

TYPES OF PENSION

This section describes the types of pensions payable under the Pension component and, for each type, the age, service, and other eligibility requirements. The Administrative Office can tell you about your eligibility and explain the various factors which should be considered when you are ready to think about retirement.

REGULAR PENSION

Eligibility

Upon application and retirement, you will be eligible for a Regular Pension, if you meet **all** of the following requirements:

1. You are at least age 62.

2. You have at least 10 Pension Credits, **or** the sum of your years of Pension Credit earned prior to April 1, 1984 and your years of Vesting Service earned on and after April 1, 1984 is at least 10. The 1984 Plan Year may not be counted as more than one (1) in determining this sum.

3. You have at least one quarter of Pension Credit earned after October 1, 1964.

Amount

The monthly amount of the Regular Pension is the sum of:

1. $13.50 for each full Past Service Credit ($3.375 for each quarter), plus

2. $14.00 for each full Future Service Credit ($3.50 for each quarter). Remember that no Future Service Credit is earned after March 31, 1984.

Only the most recent 30 Pension Credits earned will be used in the calculation of the Regular Pension. Also, the Regular Pension will be reduced for the Husband-and-Wife Pension, if applicable (see pages 32-34).

Example

A Carpenter retires at age 65 with 5 years of Past Service Credit and 15 years of Future Service Credit. His monthly benefit would be calculated as follows:

5 Past Service Credits x $13.50/Credit = $ 67.50
15 Future Service Credits x $14.00/Credit = $210.00
$67.50 + $210.00 = $277.50

Delayed Retirement

The Plan's "Delayed Retirement" provisions apply if the Annuity Starting Date under of the pension is after the Participant's Normal Retirement Age (generally age 65, but see page 59 of this summary, and Section 1.20 of the Plan).

When a Delayed Retirement Pension becomes effective, the retiree will receive the benefit he would have received if he had retired at Normal Retirement Age (based on the benefit rates in effect at that time) actuarially increased for each month after that date in which he did not work in "Disqualifying Employment." The increase will be 1% per month for the first 60 months after Normal Retirement Age and 1.5% per month for each month thereafter. Benefits will be considered formally suspended for all months after Normal Retirement Age in which a Participant works in "Disqualifying Employment Between Normal Retirement Age and Age 70½." See page 48 of this booklet. The delayed retiree will not receive the actuarial increase for months of delayed retirement in which he worked in such "Disqualifying Employment."

If you are 65 (or Normal Retirement Age, if later) and you do not apply for benefits, then you will receive a formal suspension notice. This notice simply means that when you do eventually retire, the Plan's suspension rules will be applied in determining the months for which you are—or are not—entitled to an actuarial increase for delayed retirement.

You continued to accrue benefits under the Cash Balance component, based on the hours you worked in Covered Employment, until January 1, 2008, when benefit accruals ceased under the Cash Balance component.

EARLY RETIREMENT PENSION

Eligibility

Upon application and retirement, you will be eligible for an Early Retirement Pension, if you meet **all** of the following requirements:

1. You are at least age 55.

2. You have at least 10 Pension Credits, **or** the sum of your years of Pension Credit earned prior to April 1, 1984 and your years of Vesting Service earned on and after April 1, 1984 is at least 10. The 1984 Plan Year may not be counted as more than one (1) in determining this sum. You also must have **fewer** than 25 Pension Credits (30 prior to August 1, 1988).

3. You have at least one quarter of Pension Credit earned after October 1, 1964.

Amount

To determine the amount of your Early Retirement Pension, the first step is to calculate the amount of Regular Pension you would be entitled to receive if you were age 62. See page 22.

With an Early Retirement Pension you will receive less than the Regular Pension amount because you are retiring at an earlier age and, therefore, it is likely that you will be receiving pension benefits for a longer time. Accordingly, the second step is to reduce the amount determined in the first step by 1/2 of 1% for each month by which you are younger than age 62 on the effective date of your pension. The percentage of the Regular Pension amount you will receive if you take an Early Retirement Pension is shown in the following table:

Age of Effective Date of Pension	Percentage of Regular Pension
55	58%
56	64%
57	70%
58	76%
59	82%
60	88%
61	94%

The above percentages would be adjusted for any months since your last birthday.

Example

A Carpenter retires at age 60. Assume, based on his or her Pension Credit, that if he or she were age 62 the monthly benefit would be $300.00. Because the Pensioner is taking Early Retirement at age 59 years, 6 months (30 months before age 62), the reduction is as follows:

30 months x .5%/month = 15%

The Pensioner will receive an Early Retirement Pension equal to 85% of the benefit payable if he or she were age 62.

$300.00 x 85% = $255.00

The Early Retirement Pension will also be reduced for the Husband-and-Wife Pension, if applicable (see pages 32-34).

DISABILITY PENSION

Eligibility

Upon application and retirement, you will be eligible for a Disability Pension, if you meet **all** of the following requirements:

1. You became totally disabled before reaching age 62.

2. You have been awarded a Social Security Disability Award, under Title II or Title XVI of the Social Security Act..

3. You have at least 10 Pension Credits, **or** the sum of your years of Pension Credit earned prior to April 1, 1984 and your years of Vesting Service earned on and after April 1, 1984 is at least 10. The 1984 Plan Year may not be counted as more than one (1) in determining this sum.

4. You have at least one quarter of Pension Credit earned after October 1, 1964.

5. You have at least one quarter of Service Credit under the Cash Balance Plan in the three consecutive calendar-year period before the calendar year in which you became disabled.

Amount

The monthly amount of the Disability Pension is calculated in the same manner as the Regular Pension. There is no reduction for age.

Special Rules for a Disability Pension

Disability benefits may be payable as of the sixth month of disability (the date of entitlement to Social Security Disability benefits), provided the pension application and a copy of the Social Security Disability Award are filed with the Administrative Office within sixty (60) days after the Social Security Administration mailed the Award. If an applicant files these papers more than sixty days after the Social Security Administration mailed the Award, then Disability benefits under the Pension plan will not be effective until the first of the month following the month in which the papers are received by the Administrative Office.

Disability Pension payments will continue for as long as a Pensioner is totally disabled, except that after age 62 the Disability Pension will continue regardless of whether or not the Pensioner remain totally disabled.

If a Disability Pensioner loses entitlement to Social Security Disability benefits, then he must report this fact to the Administrative Office, in writing, within 21 days of the date on which he received notice from the Social Security Administration of the loss of such entitlement. Failure to give this timely notice will delay pension payments for at least six months upon subsequent re-retirement. The Disability Pension will be reduced for the Husband-and-Wife Pension, if applicable (see pages 32-34). The Disability Pension is a welfare benefit, and accordingly may be modified, amended or terminated by the Trustees in their complete discretion for participants not yet disabled.

VESTED PENSION

Eligibility

Upon application and retirement, you will be eligible for a Vested Pension if you meet **one** of the following requirements:

1. You have at least 10 years of Vesting Service; or

2. You have at least 10 Pension Credits including at least one quarter of Future Service Credit earned after October 1, 1964; or

3. You are a Non-Bargained Employee (an Employee who is not covered under a Collective Bargaining Agreement) and you have at least 5 Years of Vesting Service including at least one Hour of Service on or after January 1, 1989; or

4. You are a Bargained Employee (an Employee who is covered under a Collective Bargaining Agreement) and you have at least 5 Years of Vesting Service including at least one Hour of Service on or after January 1, 1999; or

5. You have attained Normal Retirement Age (generally age 65; but see page 59 of this summary, and Section 1.20 of the Plan.

If you meet the requirements of 1, 2, or 3 above, then your Vested Pension can begin at any time after you reach age 62. If you meet the requirements for an Early Retirement Pension, then your Vested Pension can begin at any time after you reach age 55.

There are different rules for former Employees who retired or left Covered Employment prior to January 1, 1989. If you have any question, call the Administrative Office.

Amount

If you are 62 or older when you retire, then the monthly amount of the Vested Pension is calculated in the same way as the Regular Pension. If you are younger than 62 when you retire, then the monthly amount of the Vested Pension is calculated in the same way as the Early Retirement Pension.

Also, the Vested Pension will be reduced for the Husband-and-Wife Pension, if applicable (see pages 32-34).

SERVICE PENSION

Eligibility

Upon application and retirement, you will be eligible for a Service Pension, if you meet **both** of the following requirements:

1. You have at least 25 Pension Credits (30 prior to August 1, 1988), **or** the sum of your years of Pension Credit earned prior to April 1, 1984 and your years of Vesting Service earned on and after April 1, 1984 is at least 25. The 1984 Plan Year may not be counted as more than one (1) in determining this sum.

2. You have at least one quarter of Future Service Credit earned after October 1, 1964.

Amount

The monthly amount of the Service Pension is calculated in the same manner as the Regular Pension. There is no reduction for age.

The Service Pension will be reduced for the Husband-and-Wife Pension, if applicable (see pages 32-34).

PRO RATA PENSION

A Pro Rata Pension is provided for Participants who, because their years of employment have been divided between this Pension Plan and other Related Plans, have fewer than 10 years of Pension Credit in this Pension Plan and would not otherwise qualify for a pension. The term "Related Plans" refers to other Carpenters pension plans which are signatory to a Reciprocal Agreement with this Plan.

Eligibility

Upon application and retirement, you will be eligible for a Pro Rata Pension, if you meet **all** of the following requirements:

1. You would be entitled to a Regular, Early Retirement, Disability or Vested Pension under this Pension Plan if your Pension Credits earned in Related Plans were added to the Pension Credits you earned in this Pension Plan.

2. You have at least one (1) Pension Credit under this Pension Plan and at least one comparable credit under each of the Related Plans from which credit is used to establish your eligibility for a Pro Rata Pension under this Pension Plan.

Additionally, if you are applying for a Pro Rata Disability Pension, then you must be sufficiently disabled so as to be considered disabled according to each of the Related Plans from which credit is used to establish your eligibility for a Pro Rata Pension under this Pension Plan; and if age is a requirement for the type of Pro Rata Pension for which you are applying, then you must meet the minimum age requirement for a pension under each of the Related Plans from which credit is used to establish your eligibility for a Pro Rata Pension under this Pension Plan.

Amount

The monthly amount of the Pro Rata Pension is determined in the same way as the Regular, Early Retirement, Disability or Vested Pension, depending on which type of Pro Rata Pension you are eligible to receive.

The Pro Rata Pension from this Plan is calculated only on the basis of your Pension Credits in this Plan. Credits earned in other related plans will be used to calculate your benefit in those other plans.

The Pro Rata Pension will be reduced for the Husband-and-Wife Pension, if applicable (see pages 32-34).

SEPARATION FROM COVERED EMPLOYMENT

The calculation of all types of pension benefits under the Pension component is subject to the rules on Separation from Covered Employment.

A Participant has a Separation from Covered Employment if after January 1, 1976, he fails to earn one quarter of Pension Credit in any period of three consecutive Calendar Years. The Participant will be considered to be "separated" at the end of such three-year period.

A Participant who has a Separation from Covered Employment will have his benefit amount "frozen" at the benefit rate in effect at the beginning of the three-year period which constitutes the Separation, but in no event less than $10.50 for each full year of Pension Credit.

If the Participant returns to Covered Employment after a Separation and earns additional Pension Credit, then such additional Pension Credits will be calculated at the benefit rate in effect at the time of his retirement or subsequent Separation, whichever occurs first.

OPTIONS AND OTHER PROVISIONS AFFECTING BENEFICIARIES

The monthly pension amounts given in the preceding section are for single-life protection. This means the benefit level is based on payment of benefits only for the lifetime of the Participant with a minimum of 48 monthly payments.

In single-life protection, if the Participant should die before he has received 48 monthly pension payments, the payments would be continued until a total of 48 payments have been made. Otherwise, all benefit payments cease after the Participant's death.

Single-life protection is the automatic form of payment for unmarried retirees. However, for married retirees, the automatic form is called the Husband-and-Wife Pension which assures that payments will also continue for the lifetime of the Pensioner's surviving spouse.

All pensions will be paid in the automatic form which corresponds to the retiree's marital status unless that form of payment is properly rejected. If the automatic form is rejected, you may elect one of the optional forms of payment explained beginning on page 35. The payment options available to a married individual who properly rejects the Husband-and-Wife Pension include the single life annuity with 48 minimum payments.

This and other provisions which may affect Beneficiaries on the death of a Pensioner or of a Participant who was eligible for pension but not yet retired, are explained in this section.

HUSBAND-AND-WIFE PENSION

The Husband-and-Wife Pension provides that after the Participant's death, monthly payments will continue, for the surviving Spouse's lifetime, in an amount equal to 50% of the monthly amount the Participant was entitled to receive.

Because the Husband-and-Wife Pension extends protection over two lifetimes, benefit levels are adjusted accordingly. During his lifetime, the Participant will receive a lower monthly benefit than he would receive if he were not taking the Husband-and-Wife Pension. Monthly payments to the Spouse after the Participant's death will be one-half of the amount the Participant received and will continue for the rest of the Spouse's life.

The amount of benefit reduction depends on the difference in age between the Participant and the Spouse. If the Spouse is much younger than the Participant, the benefits will be reduced more than if they were close to the same age or if the Spouse is older than the Participant. Here are the reduction factors:

Non-Disability Pensions. If you are eligible for any type of pension other than a Disability Pension, your monthly pension will be reduced for the Husband-and-Wife Pension by multiplying it by 89% minus .4% for each year your Spouse is younger than you or plus .4% for each year your Spouse is older than you. The maximum percentage is 99%.

Disability Pensions. If you are eligible for a Disability Pension, your monthly pension will be reduced for the Husband-and-Wife feature by multiplying it by 79% minus .4% for each year your Spouse is younger than you or plus .4% for each year your Spouse is older than you. The maximum percentage is 99%.

For example, let's say you are eligible for a Regular Pension of $400 per month. You are 62 years old and your Spouse is 57 years old. The first step is to multiply your age difference of 5 years by .4%, which equals 2%. Since your Spouse is younger than you, you subtract 2% from 89%, which equals 87%. Your Regular Pension of $400 is multiplied by 87% which equals $348. This is the monthly Regular Pension you will receive with the Husband-and-Wife Pension. Upon your death, your Spouse will receive 50%, of that amount, or $174 for the remainder of her life.

If you are unable to determine the amount of your Husband-and-Wife Pension, you can write to the Administrative Office. They will be happy to help you with the calculation.

Husband-and-Wife Pension at Retirement

If you are married when you retire, your pension will **automatically** be paid in the form of a Husband-and-Wife Pension unless you and your Spouse sign a notarized statement rejecting the Husband-and-Wife Pension and file it with the Administrative Office. A special election form is provided for this purpose.

When a married Participant files a pension application, the Administrative Office will give him a statement of what the monthly benefit will be with and without the Husband-and-Wife Pension. The Participant and his Spouse then have 180 days to file the election form either electing or rejecting the Husband-and-Wife Pension.

Once payments have started on a Husband-and-Wife Pension, the monthly benefits must be continued on that basis, even if the marriage is dissolved or if the Spouse should die before the Participant.

Husband-and-Wife Pension Before Retirement

If a married vested Participant dies before starting to receive pension payments from this Plan, his surviving Spouse will **automatically** receive a 50% pre-retirement survivor annuity, provided the surviving Spouse was legally married to the Participant throughout the year before the Participant's death,.

The surviving Spouse will receive 50% of the amount of the Husband-and-Wife Pension the Participant would have received if he had retired on the day before he died. If the Participant is younger than age 55 on his death, benefits will be calculated as if he were age 55. Benefits to his Spouse will begin as of the first of the month following the month in which the Participant died.

Significant Notes About The Husband-and-Wife Pension

- If you are married when you apply for pension, you will automatically receive the Husband-and-Wife Pension unless you and your Spouse file a notarized statement with the Administrative Office indicating that you want your benefits paid in a different form.

- If you are vested and die before retirement, your surviving Spouse will automatically receive a 50% pre-retirement survivor annuity.

- The Husband-and-Wife Pension only protects the Spouse legally married to the Participant at the time pension payments commence **and** throughout the year before the Participant's death, except for a person designated as a "surviving spouse" in a Qualified Domestic Relations Order (QDRO). Refer to the information about QDROs on pages 13-14 of this summary.

- Once payments have started on a Husband-and-Wife pension, they will continue at the same benefit amount even if the Spouse dies before the Participant or if the marriage should be dissolved.

OPTIONAL FORMS OF PAYMENT

Lump Sum Benefit

For pensions effective on and after January 1, 1993, a Participant who has properly rejected the automatic form of payment, or a Beneficiary, may elect to receive a lump-sum payment instead of the pension otherwise payable. This optional form of payment is available only if the actuarial value of such pension is not more than $7,000. The Administrative Office will tell you if you are eligible for this option.

50% Husband-and-Wife Pension with Pop-up

A married Participant may elect to receive the Husband-and-Wife Pension with an additional Pop-Up Option. Under the Husband-and-Wife Pension with the Pop-Up Option, the Participant receives a lower monthly amount during the joint lives of the Participant and Spouse. If the Spouse predeceases the Participant, then, commencing on the first day of the month following the month in which such death occurs, the monthly amount payable to the Participant is increased to the monthly amount that would have been payable had the Participant elected the single life annuity. Such increased monthly amount shall be payable for the lifetime of the Participant and shall cease upon the Participant's death.

Non-Disability Pensions. If payment of a pension other than a Disability Pension is to be made in the form of a Husband-and-Wife Pension with the Pop-Up Option, then the pension amount is adjusted by multiplying it by the following percentage: 88 percent minus .4 percentage points for each year by which the Spouse is younger than the Participant or plus .4 percentage points for each year by which the Spouse is older than the Participant; provided, however, that in no event shall the resulting percentage be greater than 98.0 percent.

Disability Pensions. If payment of a Disability Pension is to be made in the form of a Husband-and-Wife Pension with the Pop-Up Option, then the pension amount is adjusted by multiplying it by the following percentage: 78 percent minus .4 percentage points for each year by which the Spouse is younger than the Participant or plus .4 percentage points for each year by which the Spouse is older than the Participant; provided, however, that in no event shall the resulting percentage be greater than 98.0 percent.

75% Joint and Survivor Annuity Option

If you are legally married when you retire, you may elect to receive your benefit in the form of a 75% Joint and Survivor Annuity. Much like the 50% Husband-and-Wife Pension, the 75% Joint and Survivor Annuity gives you monthly payments for the rest of your life. After your death, your surviving spouse will receive monthly benefits for the rest of his or her lifetime equal to 75% of the monthly amount you were receiving.

Since the 75% Joint and Survivor Annuity extends protection over two lifetimes, benefit levels are adjusted accordingly. During your lifetime, you will receive monthly benefits at a lower amount than you would have received with single-life protection; after your death, monthly benefits to your surviving spouse for life will be 75% of your reduced benefit.

The amount your benefit is reduced for the 75% Joint and Survivor Annuity depends on the difference in age between you and your spouse. If your spouse is younger than you, benefits will be reduced more than if you are the same age or if your spouse is older than you. The reason for this is that, statistically speaking, a younger spouse is likely to receive benefits for a longer period of time.

These are the formulas for determining the adjustment:

Non-Disability Pensions. If you are eligible for any type of pension other than a Disability Pension, your "single-life" pension amount will be reduced for the 75% Joint and Survivor Annuity by multiplying your single-life pension amount by 84%, minus .5% for each year your spouse is younger than you, or plus .5% for each year your spouse is older than you. The maximum percentage is 99%.

For Example: You are eligible for a monthly Regular Pension of $1,000.00, you are 62 years old and your spouse is 57 years old.

1. To calculate the monthly amount you would receive under the 75% Joint and Survivor Annuity, you first determine how many years younger or older your spouse is than you, and multiply that number of years by .5%. In this case, your spouse is 5 years younger than you, so you would multiply 5 years by .5% which equals 2.5%.

2. Since your spouse is younger than you, you must subtract the 2.5% from 84%, which equals 81.5%. You then multiply your monthly Regular Pension of $1,000 by 81.5%, which equals $815.00. This is the monthly pension you would receive for the rest of your life under the 75% Joint and Survivor Annuity. Following your death, your surviving spouse will receive 75% of that amount for life, or $611.25.

Disability Pensions. If you are eligible for a Disability Pension, your "single-life" pension amount will be reduced for the 75% Joint and Survivor Annuity by multiplying your single-life pension amount by 71%, minus .5% for each year your spouse is younger than you, or plus .5% for each year your spouse is older than you. The maximum percentage is 99%.

If you have difficulty figuring out the amount of your 50% Husband-and-Wife Pension or the 75% Joint and Survivor Annuity, you can write the Administrative Office. They will be happy to help you with the calculation.

Federal Tax Withholding

Benefits to be paid as a lump sum will be subject to mandatory 20% withholding for Federal Income Tax unless the individual to whom the payments are to be made elects to rollover such payments into another qualified retirement account. If you have any question, you can call the Administrative Office, but you should consult with your own financial and/or tax advisor to select the best approach. **Neither the Board of Trustees nor the Administrative Office gives tax advice.**

DEATH BENEFITS

The Pension componenet provides certain death benefits for deaths before and after retirement.

Death Before Retirement

If a Participant dies before starting to receive pension payments from the Plan but after accumulating at least 10 Pension Credits, including at least one quarter of Future Service Credit after October 1, 1964, his or her designated Beneficiary will be entitled to a death benefit. The death benefit is 48 monthly payments equal to the monthly pension the Participant would have received if he or she had retired and been age 62 on the date of death.

If payments are due under the Husband-and-Wife Pension at the time of the Participant's death, no pre-retirement death benefits will be paid to a Beneficiary. However, if the surviving Spouse who is receiving the Husband-and-Wife Pension dies before receiving 48 monthly payments under that provision, the remainder of the 48 payments will be paid to the surviving Spouse's designated Beneficiary.

Death After Retirement Benefit

1. <u>48-Month Guarantee</u>. If a retired Participant dies before receiving 48 monthly pension payments, the remainder of the 48 payments will be paid to the Participant's designated Beneficiary.

   If payments are due under the Husband-and-Wife Pension at the time of the Participant's death, no post-retirement death benefits will be paid to a Beneficiary. However, if the surviving Spouse who is receiving the Husband-and-Wife Pension dies before receiving 48 monthly payments under that provision, the remainder of the 48 payments will be paid to the designated Beneficiary.

2. <u>Lump-Sum Benefit</u>. Upon the death of a retired Participant a lump-sum death benefit of $1,000 will be paid to the Participant's designated Beneficiary.

   This benefit is in addition to benefits, if any, which are payable in accordance with the 48-month guarantee described above.

   <u>Exception</u>: If the retired Participant is receiving a Pro Rata Pension based on fewer than 10 Pension Credits in the Plan, then no lump-sum benefit is payable under this provision unless he had 10 or more years of total credit under the Pension component and the Cash Balance component (excluding credit in a Related Plan). In that case, the Participant's Beneficiary will receive a lump-sum death benefit equal to $100 for each year of Pension Credit in this Plan up to a maximum of $900.

Beneficiary Designation

To ensure that death benefits are paid to the person(s) to whom you want them to be paid, you should file a Beneficiary designation with the Administrative Office. If you have no named Beneficiary or if your Beneficiary predeceases you, then benefits will be paid to your surviving Spouse, or to your children, or to your parents, or to your brothers and sisters, or to your estate.

GENERAL PROVISIONS

HOW TO APPLY FOR BENEFITS

The first step in applying for your benefits is to request an application from the Administrative Office. At the same time, you can get information from the Administrative Office about your credits, benefits, options and other information which will help you make your decisions and complete the application.

You will be considered as having applied for benefits only when the Administrative Office has received your completed application. Payments cannot begin until your completed application has been received.

You will also have to provide copies of certain documents, such as your birth certificate or other proof of your date of birth. If you are married, you may also have to provide copies of your Spouse's birth certificate and your marriage certificate.

If you are applying for Disability benefits, you must also provide proof of your disability. The proof would be a copy of the notice of entitlement to Social Security Disability benefits you received from the Social Security Administration.

If you are applying for a Pro Rata Pension, you should also apply to the Related Plan or Plans for a pension under their rules.

When a Participant dies, the surviving Spouse or other Beneficiary must file an application for any benefits that may be due. To make it possible for payments to begin with minimum delay, Beneficiaries or a representative should contact the Administrative Office as soon as possible after a Participant's death.

The Administrative Office will provide information to properly authorized representatives on the Participant's eligibility and possible benefits due.

LUMP SUM IN LIEU OF MONTHLY PAYMENT

If, at the time benefits are payable from this Plan, the sum of your Individual Account under the Cash Balance component and the actuarial present value of your monthly benefit payable under the Pension component is $5,000 or less, then, in lieu of the form in which benefits would otherwise be payable, the Trustees will pay your benefits in a lump sum.

ANNUITY STARTING DATES

The earliest date your pension can begin is the first day of the month after the completed application for pension has been filed with the Administrative Office.

However, the start of payments may be delayed in some cases because of processing. For example, the Administrative Office may have to get proof of employment for Past Service Credit from the Social Security Administration. This may cause a delay to verify all credit allowable.

Generally, once processing is completed and you are found to be eligible for a pension, you will receive payments retroactive to your Annuity Starting Date, which is usually the first day of the month after your application was received, or if later, the first day of the month following your last day of Covered Employment. This date is known as your Annuity Starting Date.

The Annuity Starting Date is determined in the same manner under both the Cash Balance component and the Pension component.

The commencement of benefits may not be postponed to a date later than April 1 of the calendar year immediately following the calendar year in which an Employee attains age 70½. This date is called the Required Beginning Date.

Under the Pension component, disability payments may be payable for certain months prior to the Annuity Starting Date.

Disability Benefits

Disability benefits under the Pension component may be payable as of the date of the Participant's entitlement to Social Security Disability payments, provided the Participant files his application for disability benefits, along with a copy of his Social Security Disability Award, no later than 60 days after the mailing date of the notice of entitlement to Social Security Disability benefits. If the information is filed more than 60 days after the mailing date, then benefits will be delayed until the first of the month after the application and the Social Security notice are received by the Administrative Office.

To assure that your Disability benefits under the Pension component will be payable as early as possible, you should (1) file your application for benefits with the Administrative Office about the same time as you apply to Social Security for Social Security Disability benefits, and (2) promptly send the notice of entitlement you receive from the Social Security Administration to the Administrative Office.

Refer to the explanation of the Disability Pension on pages 26-27.

Waiver of Minimum 30-day Notice Period for Distributions to Married Participants

By law, married participants and their spouses have a 30-day notice period to decide if they want monthly benefits payable in a form other than the automatic form (a Husband-and-Wife Pension). If an alternate form of payment is chosen (such as a single life annuity with a 36-month guarantee), your Annuity Starting Date cannot occur before this notice period ends unless you elect to waive the minimum 30-day notice period and your spouse consents to that waiver. An election to waive the 30-day minimum waiting period will be granted as long as:

(1) you are informed of the right to take at least 30 days to consider whether to waive the Husband-and-Wife Pension (under the Pension component) or the 50% contingent annuity (under the Cash Balance component) and consent to receive an alternative annuity or a lump sum,

(2) you are given at least seven days to change your mind and cancel an election to waive the automatic form of payment, and

(3) distribution of benefits does not begin until after the seven-day period expires.

This change will allow a married Participant to have benefits begin as of the eighth day after he or she is provided with the written explanation of the Husband-and-Wife Pension or 50% contingent annuity although administrative delay in processing the pension application may delay issuance of your first benefit payment. This change is effective for retirements on or after January 1, 2000.

CLAIMS PROCEDURES

A. What is a Claim

These procedures only apply to a “claim for benefits.” A claim for benefits includes:

- A request by a specific claimant (or authorized representative thereof) for Plan benefits that is submitted in writing to the administrative office of the Pension Trust (the “Administrative Office”).

- A request submitted in writing to the Administrative Office for a determination whether suspension of benefits will result if a pensioner engages in a specific type of employment.

- A request submitted in writing to the Administrative Office for a statement of accrued and vested benefits.

What is NOT a “claim for benefits”

Inquiries, questions and requests regarding eligibility or available benefits made before an application for benefits is completed are not subject to the time limits that apply to Claims and carry no right to appeal.

B. Where to File a Claim

Claims must be received at the Administrative Office located at:

CARPENTERS SOUTHWEST ADMINISTRATIVE CORPORATION
533 South Fremont Avenue, 6th Floor
Los Angeles, CA 90071
800-293-1370 (toll free) or 213-386-8590

Claim forms may be obtained by contacting the Administrative Office.

C. Authorized Representatives

An authorized representative, such as your spouse, may complete the claim form for you if you have designated the individual to act on your behalf. A form can be obtained from the Administrative Office to designate an authorized representative. The Administrative Office may request additional information to verify that this person is authorized to act on your behalf.

D. When a Decision Will be Made on a Claim

Pension claims are required to be decided and notice of the decision given to you within a reasonable period of time, not later than ***90 days*** after receipt of the claim by the Administrative Office.

This period may be extended one time for up to ***90 days***, provided that the Administrative Office both: (1) determines that special circumstances require the extension; and (2) notifies you, prior to the expiration of the initial 90-day period, of the circumstances requiring the extension of time and the date by which a decision on your claim may be expected.

E. When a Claim is Deemed "Received"

A claim is "received" for purposes of these rules when the signed benefit application form is received by the Administrative Office, although additional information, including election forms, tax forms, retirement declarations, etc. may be required before an initial determination can be made on the application. The Administrative Office will specify what additional information may be needed.

F. Missing Information

If your claim is received without all the information needed to process your claim, you will be notified by the Administrative Office of what additional information is needed and you will be given additional time to supply the missing information. The time periods for making decisions discussed in paragraphs 1 and 2 above are suspended from the date you are notified of the need to supply missing information until the date you respond to the notice to the Administrative Office.

In the case of a claim for pension benefit you will be given at least ***90 days*** to provide the missing information. If such information is not received by the Administrative Office within the 90-day extension period, the claim will be denied, and a new application must be filed with the Administrative Office.

G. Form of Notice of Initial Determination

If your claim for benefits is denied in whole or in part, the Administrative Office will provide you a written notification setting forth:

1. The specific reason(s) for the determination;

2. Reference to the specific plan provision(s) on which the determination is based;

3. A description of any additional material or information necessary to perfect the claim and any explanation of why the additional material or information is necessary; and

4. A description of the Plan's appeal procedures and the time limits applicable to such procedures, including a statement of your right to sue under Section 502(a) of ERISA after exhaustion of the review procedures, but no later than one year after filing the initial claim for benefits.

APPEALS PROCEDURES

A. Time to Request Review

You may appeal a denial of your claim for benefits by filing a written review request with the Board of Trustees at the Administrative Office.

You have 60 days following receipt of notification of an adverse determination to file an appeal of a denied claim for pension benefits.

Any request for review received by the Administrative Office after these time frames is untimely and subject to denial on review on that basis alone.

B. Full and Fair Review of Appeals

You are entitled to submit written comments, documents, records and other information relating to the claim. The Administrative Office will provide you, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the claim. The review of the claim will take into account all comments, documents, records and other information you submit relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

The Administrative Office will take steps to ensure and to verify that your benefit claim determinations are made in accordance with governing plan documents and that these plan provisions have been applied consistently with respect to you and other similarly-situated claimants.

C. Determination on Review – Notice

A determination on review is required to be made by the Board of Trustees or its delegate no later than the date of the Trustee meeting that immediately follows receipt of the request for review by the Administrative Office, unless the request for review was filed within 30 days preceding the date of such meeting. In such a case, a benefit determination on review may be made no later than the date of the second meeting following the receipt of the request for review. If special circumstances require a further extension of time for processing, a benefit determination on review shall be rendered not later than the third meeting of the Board of Trustees following the receipt of the request for review. If special circumstances require such an extension, the Administrative Office will notify you in writing of the extension, describing the special circumstances and the date on which the benefit determination on review will be made. If an extension is due to your failure to submit information necessary to decide the claim, the period for making the determination on review will be tolled from the date on which the notification or extension is sent to you until the date on which you respond to the request for additional information. Notice of the benefit determination on review will be given not later than 5 days after such a determination is made.

D. Form of Notice of Determination on Review

The Administrative Office will provide you with written notification of the determination on review. If the determination is adverse, the written notice will set forth:

1. The specific reason(s) for the determination;

2. Reference to the specific plan provision(s) on which the determination is based;

3. A statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information related to the claim; and

4. A statement of your right to sue under Section 502(a) of ERISA no later than one year after the initial claim for benefits (for claims filed on and after December 13, 2018).

TRUSTEE AUTHORITY

In carrying out their responsibilities under the Plan, the Trustees or their delegates have discretionary authority to interpret the terms of the Plan and to interpret any facts relevant to the determination, and to determine eligibility and entitlement to Plan benefits in accordance with the terms of the Plan. Any interpretation or determination made under this discretionary authority will be given full force and effect, unless it can be shown that the interpretation or determination was arbitrary and capricious.

LAWSUIT FILING LIMITATIONS

You may not file a lawsuit to obtain benefits until you have exhausted all of the claim and appeal procedures and a final decision has been made on your appeal, or until the appropriate time frame described above has elapsed without a final decision being rendered on your claim or appeal for benefits. A lawsuit under the rules of the Plan post-merger must be filed within one year of a final denial of your claim on an administrative appeal as described above.

*   *   *

We encourage you to read this material carefully, so that you will be familiar with your rights under the Plan. You should also keep this announcement with your copy of the summary plan description booklet for future reference. The Trustees may be contacted c/o the Administrative Office.

These procedures are intended to comply with ERISA § 503 and Regulations developed by the United States Department of Labor at 29 CFR § 2560.503-1 effective for benefit claims filed with the Fund on and after January 1, 2002. To the extent these procedures are not consistent with these sections of ERISA or the Regulations, these procedures will be superseded by the appropriate provisions of ERISA or the Regulations issued thereunder.

RECOVERY OF OVERPAYMENT

If any individual receives a payment or payments from the Plan to which the recipient was not entitled in accordance with the Plan, the Trustees may recover the amount of such overpayment by deduction from or offset against any amounts, including, but not limited to, monthly payments, survivor benefits, death benefits, or any other form of benefit without regard to whom the overpayment was made, and without regard to the cause of the overpayment. The New Mexico Plan was a single Plan with two components, and it has since been merged into the Southwest Plan under which you may have benefits under several benefit provisions. The Trustees may recover overpayments relating to one provision of the Plan by offset against benefits otherwise payable from another provision of the Plan.

The Plan does not limit the right of the Trustees to recover an overpayment by any legal or equitable remedy.

If a Participant has attained Normal Retirement Age, the recovery of any overpayment for months in which the Participant engaged in suspendable employment shall be limited to 100% of the amount due to the Participant for the first payment upon the resumption of benefits and 25% of the monthly pension benefit amount thereafter, until all overpayments are fully recovered.

SUSPENSION OF BENEFITS FOR WORK AFTER RETIREMENT

In order to receive benefits from the Plan, a Participant must retire and refrain from any work prohibited by the Plan rules. If a Pensioner takes work which is prohibited by the Plan, then his benefits will be suspended until he is no longer working in prohibited employment, and possibly, as described in Sections 7.09 and 16.07 of the New Mexico Plan, for longer periods.

Disqualifying Employment Before Normal Retirement Age (Generally Age 65)

To be considered retired before Normal Retirement Age, you cannot work **anywhere** for wages or profit at the carpenter or millwright trade. This includes all work **covered** under the Collective Bargaining Agreement as well as all work **of the type covered** under the Collective Bargaining Agreement.

Disqualifying Employment Between Normal Retirement Age and Age 70½

To be considered retired between Normal Retirement Age 65 and the April 1 immediately following the calendar year in which you reach age 70½, you cannot work in excess of 40 hours per month in the same industry, in the same trade or craft, in the State of New Mexico. This includes self-employment as well as work as an employee.

No Disqualifying Employment After Age 70½

Beginning with April 1 immediately following the calendar year in which you reach age 70½, there are no restrictions on the type of work or the number of hours of work you may perform while still receiving benefit payments from the Plan.

Suspension of Payments

If a retired Participant becomes employed in Disqualifying Employment as described above, his benefits from both the Cash Balance component and the Pension component will be suspended for any month of such employment. If the Participant is younger than age 65, payments will be suspended for an additional period of six months following the end of the Disqualifying Employment, but in no event beyond age 65.

A retired Participant who works in Disqualifying Employment must notify the Administrative Office of such fact in writing prior to beginning the work. If he is younger than age 65 and fails to notify the Board, an additional six-month suspension period will be imposed, but not beyond age 65.

However, the additional six calendar months of suspension discussed in the two preceding paragraphs will not apply to Pensioners who meet all of the following requirements: (1) their return to Covered Employment must be on or after January 1, 2000; (2) their return to Covered Employment must be at the request of the Union; (3) their job placement must be made through the Union's hiring hall after the Union determines that there are no Active Participants available for referral; and (4) their return to Covered Employment must be exclusively in the millwright trade. The Union shall notify the Administrative Office when a Pensioner returns to Covered Employment under these circumstances, and shall also give notice when the employment ends.

If your benefits are suspended, you have the right to appeal to the Board of Trustees by written request within 60 days after receiving the notice of suspension. The appeal will be considered by the Trustees and their decision will be furnished in writing and will include the specific reasons for the suspension and specific references to the Plan provisions on which the decision was based.

The Trustees will recover the amount of any payments made which should have been suspended. This recovery will be done either by request for an immediate refund of the total amount of the overpayment or through offset against future monthly benefit payments.

A Participant whose benefits have been suspended must notify the Trustees, in writing, when his Disqualifying Employment has ended. Benefit payments will not begin until such notice has been received. When the Trustees receive the notice, they will examine the circumstances of the employment and advise the Participant how the recovery of any improperly made payments will be scheduled.

If you have any questions as to whether a job you plan to take will cause a suspension, please write to the Administrative Office, giving the name of the employer for whom you intend to work and describing the job you propose to perform. You will be advised if the job will cause a suspension of your benefits.

Resumption of Payments Following Suspension—Special Cash Balance Rule for Participants receiving Installment Payments

The Plan provides special procedures that are applicable to reinstatement following suspension under the Cash Balance component of the Plan.

If you are receiving installment payments and you engage in suspendable employment, as described on the previous page, then your installment payments will be suspended. Payments will resume (in the same amount) with the first month after you cease suspendable employment and after any penalty months, if applicable, have passed. Upon resumption, your installment payments will continue until the Plan has paid installments for the number of months that you originally elected. If you return to suspendable employment after payments resume, your payments will again be suspended.

QUALIFIED MILITARY SERVICE

Qualified Military Service will be recognized for vesting purposes, and for purposes of avoiding a break in covered employment, under both the Pension component and the Cash Balance component.

Qualified Military Service will be recognized for benefit accrual only under the Cash Balance component.

Participants who satisfy conditions imposed by the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) will be entitled to have their period of military service treated the same as Covered Employment for purposes of vesting (under both the Cash Balance component and the Pension component) and benefit accrual (under the Cash Balance component only). To receive credit, you must have left employment for an Employer in a job classification covered by a Collective Bargaining Agreement to join the military.

Your entitlement to benefits for time spent in military service also depends on your compliance with other legal requirements of USERRA, including the following:

- Your separation from military service must be other than disqualifying under USERRA, such as where you have a dishonorable or bad conduct discharge.
- The total length of your absence due to military service may not exceed five years.
- You report or submit an application for re-employment following military service within the time allowed by law.

Length of Military Service	Reemployment Deadline
Less than 31 days	1 day after discharge
31 through 180 days	14 days after discharge
More than 180 days	90 days after discharge

Each full week of Qualified Military Service is equal to the average weekly hours of Service in Covered Employment earned during the 12 months preceding the start of Qualified Military Service. Future service credit is pro-rated on 40 hours if the period of Qualified Military Service is less than a full week. Until you or your employer notifies the Administrative Office that you have met the foregoing conditions you will not receive credit for your military service.

As the rules for crediting military service are complex, we recommend that you contact the Administrative Office before you leave and after you return from military service. If you think you may be eligible for contributions for a period of military service, please provide the Administrative Office with accurate records of your service. This change is effective for veterans returning to employment on or after December 12, 1994.

SOME QUESTIONS AND ANSWERS

Who Administers the Plan?

The Plan is administered by a Board of Trustees made up equally of representatives of the Union and of the Employers. The actions of the Board of Trustees are ruled by the Agreement and Declaration of Trust. This provides that all money paid into the Plan can be used only for the purpose of providing benefits in accordance with the Plan and paying the costs of administration. Since the merger, the administration of the Plan is generally delegated by the Board to the Administrative Office, which is the experienced administrative corporation owned by the Southwest Carpenters Trusts.

Who is Covered by the Plan?

The New Mexico Plan covered only Employees of contributing Employers pursuant to Carpenter collective bargaining in New Mexico through 2007. Work done by any owner-operator, partner, independent contractor or self-employed person was not covered by the New Mexico Plan.

Can an Employee or Beneficiary Appeal if Benefits are Denied?

Yes. Any Employee or Beneficiary who is denied a benefit or disagrees with the type or amount of benefits allowed has the right to appeal to the Board of Trustees under the claims and appeals rules of the Southwest Plan

Are Plan Documents Available to Employees?

Yes. Copies of the Plan documents relevant to the New Mexico benefits are available for inspection at the Administrative Office during regular business hours. On written request copies will be supplied by mail. A reasonable fee will be charged. You should find out what the charge will be before sending your request.

May Pension Benefits be Assigned?

No. This is prohibited by the Plan. However, benefits will be paid in accordance with a Qualified Domestic Relations Order (QDRO) as required by federal law. Refer to the information regarding QDROs on pages 13-14 of this booklet.

Do the Pensions Provided Under the Plan Affect Social Security Benefits?

No. The benefits under the Plan are in addition to benefits paid under Social Security.

Are Benefits Taxable?

Generally, yes. You should contact the Internal Revenue Service or your tax advisor regarding your individual situation.

CHECKLIST: THINGS FOR YOU TO DO

- **Let us know where you are.**

  Keep the Trustees informed of any change in your mailing address to make sure you receive all of our communications. Telephone the Administrative Office at 800-293-1370 (toll free) or 213-386-8590 , or write to:

  CARPENTERS SOUTHWEST ADMINISTRATIVE CORPORATION
  533 South Fremont Avenue, 6th Floor
  Los Angeles, CA 90071

- **If you leave Covered Employment.**

  Check the section of the Pension Plan on Breaks in Covered Employment and the section of the Cash Balance Plan on Breaks in Service. Keep in mind that if you are not vested, failure to earn sufficient credits over a number of years may cause the loss of all previously earned credits. Even after you have achieved vested status, you should keep the Trustees informed of any change of address. If you are uncertain about what is required to avoid a break, always check with the Administrative Office. They can tell you how you stand and what has to be done to protect your interests.

- **If your marital status changes.**

  Inform the Administrative Office. See the section of the New Mexico Plan on the Husband-and-Wife Pension, and the section of the Cash Balance Plan on the 50% contingent annuity. If you are separated or getting divorced, you may request that the Administrative Office send to you the Plan's Important Information Concerning Qualified Domestic Relations Orders which includes a model QDRO that your attorney may use. The Plan will have to determine that your divorce decree or other court order is a "QDRO" before it can pay benefits to an alternate payee, such as your former spouse. Refer to the information regarding QDROs on pages 13-14 of this booklet.

- **If you are thinking about retirement.**

  Get the information you need and file your application well in advance. You will need copies of certain documents such as birth certificates, marriage certificate, etc. The Administrative Office can tell you what you will need.

- **Keep your records.**

  The accuracy and completeness of the records of your work in Covered Employment can be important in determining your eligibility for benefits under the Plan. You can protect yourself against possible future difficulty by checking the work records you receive. Try to keep pay vouchers, payroll check stubs, and other evidence of our employment until you are sure you have been credited for that work. This applies to work under the Plan as well as Related Plans.

- **Designate a Beneficiary.**

  For the protection of the person or persons to whom you want the Plan's death benefits to be paid, be sure that you have made your designation of Beneficiary known to the Administrative Office. If your Beneficiary should die before you, or if for any other reason you want to change your choice, then you should promptly request the proper form from the Administrative Office. You may designate more than one beneficiary. Multiple beneficiaries may share the benefits equally, or you may name a successor beneficiary in the event your primary beneficiary does not survive you.

- **Any Questions? Ask the Administrative Office.**

  You should contact the Administrative Office about any question you have on the Plan and your rights and benefits under it, or about any disagreement or doubts you may have concerning your records. You can also check your status with respect to Pension Credit or Breaks in Covered Employment under the Pension component, your Individual Account balance under the Cash Balance component, etc. Remember, only information in writing, signed on behalf of the Board of Trustees on CSAC letterhead, can be considered official.

ERISA STATUTORY INFORMATION

The following information, some of which appears elsewhere in this booklet, is specifically required by Section 102(b) of the Employee Retirement Income Security Act of 1974 (ERISA).

1. **The name, type of plan, and type of administration of the Plan.**

   The Southwest Carpenters Pension Plan and Trust, incorporating by merger effective January 1, 2019, the grandfathered, frozen benefits accrued through 2007 under the Southwest Regional Council of Carpenters/New Mexico Retirement Plan (also called the "New Mexico Plan" herein, referred to as the "Plan" in this SPD).

   The Plan is an IRC 401(a) multiemployer pension plan with a cash balance defined benefit component and a traditional defined benefit component.

   The Southwest Carpenters Pension Trust that holds the pre-merger New Mexico Plan's assets effective January 1, 2019 is a collectively bargained, jointly-trusteed labor-management trust subject to ERISA.

2. **Internal Revenue Service Plan Identification Number and Plan Number.**

   The Employer Identification of the pre-merger New Mexico Plan is: 85-0283488
   Plan Number: 001

   The Employer Identification of the post-merger Plan is: 95-6042875
   Plan Number: 001

3. **Name and address of the person designated for service of legal process.**

   John T. DeCarlo, Esq.
   DeCarlo & Shanley, P.C.
   533 South Fremont Avenue
   9th Floor
   Los Angeles, CA 90071-1706

   Legal process may also be served on a Plan Trustee or the Plan Administrator.

4. **Name and address of the Administrator/ Plan Sponsor.**

The Board of Trustees is the Plan Administrator and plan sponsor as that term is defined by ERISA §3(16). The Trustees maintain the following administrative corporation to perform the routine administrative functions of the Plan:

CARPENTERS SOUTHWEST ADMINISTRATIVE CORPORATION
533 South Fremont Avenue, 6th Floor
Los Angeles, CA 90071
800-293-1370 (toll free) or 213-386-8590

5. **Board of Trustees:**

Mailing Address:

Board of Trustees, Southwest Carpenters Pension Trust
c/o Carpenters Southwest Administrative Corporation
533 South Fremont Avenue
Los Angeles, CA 90071

6. **Collective Bargaining Agreement Information.**

Contributions to the Plan were made by signatory Employers on behalf of each Employee in accordance with their respective Collective Bargaining Agreements. The Administrative Office will provide you, upon written request, with a list of contributing employers and a copy of the Collective Bargaining Agreements, if available.

7. **Recordkeeping Period and Plan Year.**

The recordkeeping period and Plan Year are the Calendar Year.

8. **The Plan's Requirements with Respect to Eligibility for Participation and Benefits.**

The eligibility requirements for benefits under each component of the Plan are set forth in the New Mexico Plan Document and are described on the pages of this summary as follows:

Cash Balance :	pages 3 through 16
Pension:	pages 17 through 39
General Provisions:	pages 40 through 54

9. **Procedure to Follow for Filing Claims and Appeals.**

The procedure for filing a claim for benefits under the Plan is described on pages 41-42 (Annuity Starting Dates), and 43-45 (Claims Procedures).

The procedure for filing an appeal for any decision of the Trustees regarding benefits and eligibility under the Plan is described on pages 45-46.

10. **Description of Provisions for Non-Forfeitable Benefits.**

A Participant achieves vested status under the Pension component in accordance with the provisions of Section 3.13 of the New Mexico Plan. See page 28 of this summary.

A Participant achieves vested status under the Cash Balance component in accordance with the provisions of Section 15.04 of the Plan. See page 7 of this summary.

11. **Description of circumstances which may result in disqualification, ineligibility, or denial, loss, forfeiture, suspension, offset, reduction, or recovery of benefits.**

Refer to Articles II and XII of the New Mexico Plan and page 1 of this summary with regard to the requirements to participate in the Plan.

Refer to Articles III, III-A, and XIV of the New Mexico Plan, and pages 9 through 11 and 22 through 30 of this summary with regard to the eligibility requirements for the types of pensions and cash balance distributions available under the Plan.

Refer to Sections 3.09 and 14.04(c) of the New Mexico Plan and pages 9 and 26-27 of this summary with regard to a Disability Pensioner's loss of entitlement to Social Security Disability Benefits.

Refer to Sections 6.04 and 15.03 of the New Mexico Plan and pages 8 and 20-21 of this summary with regard to the rules on Permanent Breaks in Covered Employment.

Refer to Section 32.02 of the New Mexico Plan and page 17 of this summary with regard to the cancellation of Past Service Credit due to failure of an Employer to contribute to the New Mexico Plan, or termination of an Employer's participation in the New Mexico Plan with respect to a bargaining unit.

Refer to Sections 7.01 and 16.01 of the New Mexico Plan and pages 9, 22 through 30, and 40 through 42 of this summary with regard to the requirement of advance written application for benefits.

Refer to Sections 4.06(b), 7.02, 14.06(e)(2), and 16.02 of the Plan with regard to the Trustees' power to recoup, offset, or recover overpayments made by the Fund if the Board determines that the overpayments were made due to a false statement on which the Trustees relied.

Refer to Section 7.10(d) of the New Mexico Plan. The Trustees have the power to recoup, offset, or recover overpayments made by the Fund, without regard to the cause of the overpayment. Also see page 47 of this summary.

Refer to Sections 7.05(c) and 16.05(c) of the New Mexico Plan and pages 9-10 and 23 of this summary with regard to the offset of the value of accruals after Normal Retirement Age against the value of the actuarial adjustment for non-suspendible months, as part of the Plan's method for calculating a delayed retirement benefit.

Refer to Sections 3A.06, 7.06, and 15.02(e)(4) of the New Mexico Plan with regard to non-duplication of pension entitlement.

Refer to Section 7.07 of the New Mexico Plan and page 40 of this summary with regard to certain benefits that are subject to mandatory cashout, as a consequence of which, forms of payment that would otherwise be available are not permitted.

Refer to Sections 7.08 and 16.06 of the New Mexico Plan and page 48 of this summary with regard to prohibited employment for Pensioners.

Refer to Sections 7.09 and 16.07 of the New Mexico Plan and pages 48-49 of this summary with regard to suspension of pension payments for prohibited employment and/or failure of a Pensioner to notify the Plan of a return to suspendable employment.

Refer to Sections 1.30, 11.30, and 33.02 of the New Mexico Plan with regard to the maximum compensation that may be taken into account for plan purposes, as provided by section 401(a)(17) of the Internal Revenue Code.

Refer to Article XXXII of the New Mexico Plan and pages 59-60 of this summary with regard to plan termination.

The maximum annual benefit payable by the Plan with respect to all benefit provisions derived from one Employer is limited by section 415 of the Internal Revenue Code. That section imposes an annual dollar limit on the benefits that may be payable from a qualified trust. For 2019, that limit is $225,000. The flat dollar amount is further reduced if benefits start earlier than Social Security normal retirement age or are paid in a form other than a single life annuity or a Husband-and-Wife Pension. This limit is adjusted periodically to reflect changes in the cost of living.

If the annual retirement benefit exceeds the maximum benefit permitted, the retired employee's benefit will be reduced to the limit then in effect. In following years, as cost of living increases raise the limits on benefits, payments may be increased. Refer to Sections 1.30, 11.30, 33.01, and 35.02 of the Plan.

12. **Normal Retirement Age.**

Normal Retirement Age under the Plan is age 65 or, if later, a specified anniversary of participation in the Plan. That anniversary is the earlier of (1) the tenth anniversary of participation, or (2) the fifth anniversary only counting service on and after January 1, 1988.

13. **A description of joint and survivor benefits.**

For the Pension component of the Plan, the various provisions that provide lifetime benefits for a surviving spouse, are set forth in Article IV of the Plan. See pages 32-34 of this summary.

For the Cash Balance component of the Plan, the various provisions that provide lifetime benefits for a surviving spouse or other designated beneficiary are set forth in Article XIV of the Plan. See pages 13-16 of this summary.

14. **Plan Termination.**

The Southwest Carpenters Pension Plan including the merged Regional Council of Carpenters/New Mexico Retirement Plan may be terminated in accordance with the Trust Agreement by an instrument in writing executed by the Trustees and the parties to the Trust Agreement.

In the event of termination, the Trustees shall apply the Trust Assets to pay or provide for the payment of any and all obligations of the Trust and shall distribute and apply any remaining surplus in such manner as will, in their opinion, best effectuate the purposes of the Trust. However, no part of the assets or income of the Trust shall be used or diverted to purposes other than for the exclusive benefit of the covered persons, their families, beneficiaries or dependents or the administrative expenses of the Trust or for other payments in accordance with provisions of the Trust. Under no circumstances shall any portion of the assets or income of the Trust, directly or indirectly, revert or accrue to the benefit of Employers or the Union.

PBGC Guarantee of Plan Benefits Upon Termination. The collective bargaining parties intend that this Plan continue indefinitely. However, the collective bargaining parties reserve the right, subject to the provisions of the Trust Agreement, to terminate the Plan. See Section 32.03 of the Plan.

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

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

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first $11.00 of the monthly benefit accrual rate and (2) 75% of the next $33.00. The PBGC's maximum guarantee limit is $35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be $12,870.00.

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

15. **Statement of ERISA Rights.** As a Participant in the Southwest Carpenters Pension Plan, you are entitled to certain rights and protection under the Employee Retirement Income Security Act of 1974. ERISA 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 and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

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

Receive a copy of the plan's annual funding notice. The plan administrator is required by law to furnish each participant with a copy of this notice.

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65, or, if later, an applicable anniversary date) and if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (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 employee benefit plan. The people who operate your plan, called “fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

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.

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.

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