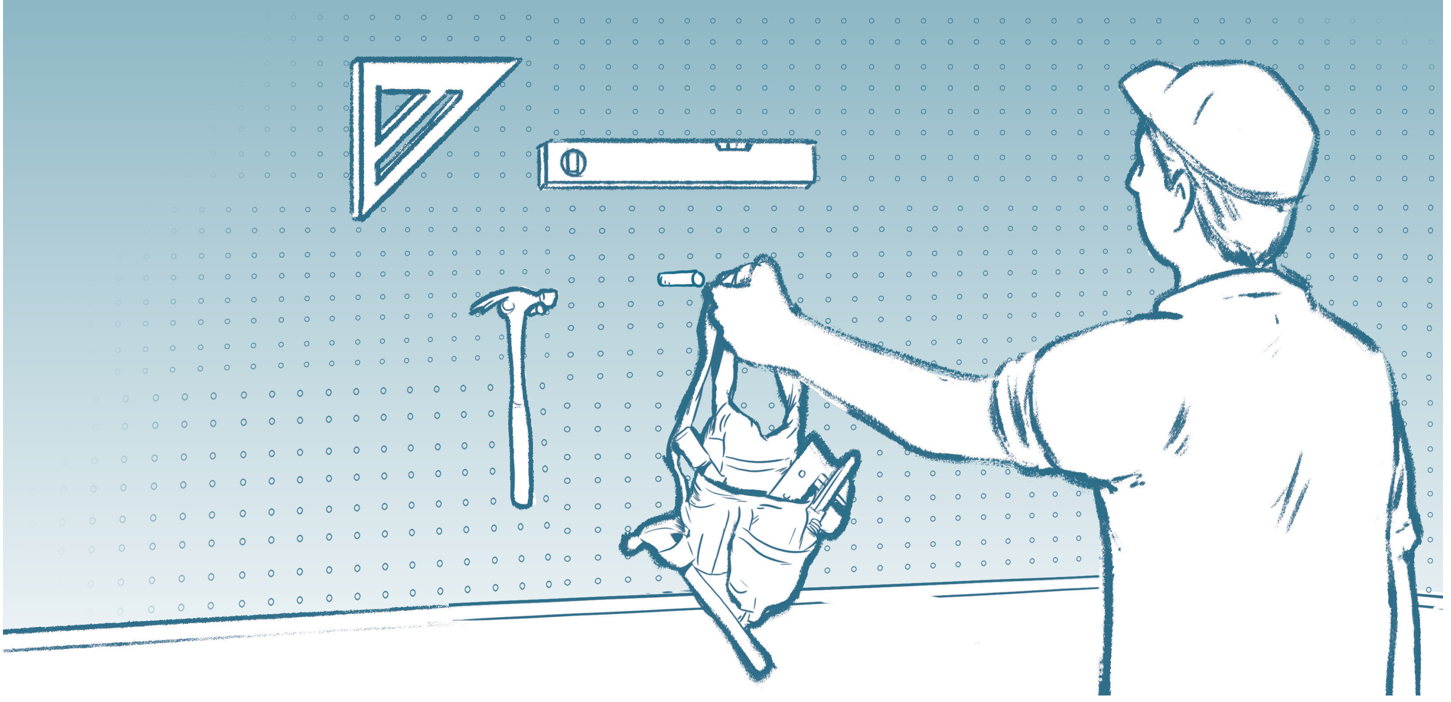
THE SOUTHWEST CARPENTERS PENSION PLAN

Summary Plan Description
January 1, 2022



THE SOUTHWEST CARPENTERS PENSION PLAN

sponsored by the

Southwest Carpenters Pension Trust

SUMMARY PLAN DESCRIPTION

January 1, 2022

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ADMINISTRATIVE OFFICE

Carpenters Southwest Administrative Corporation

533 South Fremont Avenue
Los Angeles, CA 90071-1706
(213) 386-8590
(800) 293-1370

carpenterssw.org

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A Message from the Board of Trustees of the Southwest Carpenters Pension Trust

To All Southwest Carpenters Pension Plan Participants and Beneficiaries:

This Summary Plan Description (the "SPD" or "Booklet") summarizes the rules of the Southwest Carpenters Pension Plan (the "Plan" or "Southwest Plan") effective as of January 1, 2022 and adopted by the Board of Trustees of the Southwest Carpenters Pension Trust (the "Trust"). The Trust sponsors and funds the Plan.

The Trust was formed in 1959 and was originally known as the Carpenters Pension Trust for Southern California. The Trust has grown to become one of the larger multiemployer trusts in the United States, with Carpenters and Employers participating in the 12 Southern California counties, Arizona, Colorado, Nevada, New Mexico, Utah, Wyoming, and certain western counties of Texas. As the result of the expansion of the Trust's jurisdiction, the Trust's name is now the Southwest Carpenters Pension Trust.

The Trust's large size allows it to efficiently provide benefits at lower administrative cost compared to smaller plans. The Trust is governed by a Board of Trustees (the "Board") appointed equally by the Carpenters Union and the signatory Employers. The Board has adopted a document called the Southwest Carpenters Pension Plan (the "Plan Document"), which regulates how Carpenters become eligible for Plan retirement and death benefits, and the different types of retirement benefits (commonly called "Pensions") that can be paid to eligible Participants under the Plan. The Plan Document is amended by the Board from time to time, with changes taking effect both retroactively and prospectively.

The principal purpose of the Southwest Carpenters Pension Plan is to provide retirement benefits to members of bargaining units represented by local unions affiliated with the Southwest Regional Council of the United Brotherhood of Carpenters and Joiners of America (the "Carpenters Union"). The Plan also provides certain death benefits to surviving spouses or, in some cases, other designated beneficiaries.

This Booklet is provided to help you understand how you earn retirement benefits and apply for your Pension under the Plan. It is also intended to explain your rights and protections under the law.

This Booklet explains the Plan as generally in effect on January 1, 2022. However, Pensions commencing before that date, and the amount and timing of Pensions, can be affected by the terms of the Plan in effect before January 1, 2022, including the terms of the pension plans that have merged into the Southwest Carpenters Pension Trust before January 1, 2022. The following plans have merged into this Plan:

- San Diego County Carpenters Pension Trust – merged September 30, 1991
- Construction Industry and Carpenters Joint Pension Trust for Southern Nevada ("Southern Nevada Plan") – merged January 1, 2005
- Southern California Lathing Industry Pension Plan ("Lathing Industry Plan") – merged July 1, 2008
- Carpenters Pension Trust Fund for Northern Nevada ("Northern Nevada Plan") – merged January 1, 2009
- Southwest Regional Council of Carpenters / New Mexico Retirement Plan – merged January 1, 2019
- Utah Carpenters' and Cement Masons' Pension Plan – merged January 1, 2020
- Centennial State Carpenters Pension Trust – merged January 1, 2021
- Arizona State Carpenters Pension Trust Fund – merged January 1, 2022

If you have earned a benefit under a merged plan, your benefit will generally be a combination of your benefit earned under the merged plan (subject to the terms of the pre-merger plan) and your benefit earned under the Southwest Plan (subject to the terms of the Southwest Plan). After a merger, no additional benefit will be earned under the pre-merger plan, except that you may, if specified in the Plan, continue to accrue post-merger credit for determining vesting and retirement eligibility with respect to both your pre- and post-merger accrued benefits. You may obtain a copy of a merged plan's Summary Plan Description at the time it was merged into this Plan by contacting the Administrative Office.

This Booklet is merely a summary of the Plan. Your benefits under the Plan will be determined under the Plan Document itself, as that document is amended by the Board from time to time and interpreted by it or its duly authorized delegate, in its, or its delegate's, sole and complete discretion, in accordance with the Board's intent in adopting a Plan Document provision. A copy of the Plan Document can be obtained from the Administrative Office (see "Your Rights Under the Employee Retirement Income Security Act of 1974" in Section 14 of this SPD).

Only the Board of Trustees, a duly authorized subcommittee of the Board, or the Board's specifically authorized delegate – the Carpenters Southwest Administrative Corporation (the "Administrative Office") – may interpret the Plan, this Booklet and any documents related to the management or administration of the Plan and Trust. The Board, or its duly authorized delegate, has exclusive authority, exercisable in its sole and complete discretion, to interpret the Plan and Trust documents, this Booklet, managerial or administrative documentation, and any other communications about the Plan issued under the Board's authority, such as notices and other summaries of material modifications of the Plan. While a great effort is made by the Carpenters Union and Employers to help you obtain correct information about the Plan, information you receive from the Carpenters Union or individual employers or their representatives should be regarded as unofficial. In order to be official, any information or opinion about your rights under the Plan must be communicated to you by the Administrative Office in a proper written form signed by an authorized employee of the Administrative Office on behalf of the Board.

We hope that you find this booklet helpful. Please remember to keep the Administrative Office informed, in writing, of any change in your mailing address, telephone or mobile phone number, and email address to ensure that you receive all communications. At times, the Administrative Office may send you automated voice messages or text messages to remind you of matters that require your response. Any questions about your benefits or your rights and responsibilities under the Plan, as well as notices you are required to provide to the Plan, should be directed to the Administrative Office at the following address:

Carpenters Southwest
Administrative Corporation
533 South Fremont Avenue
Los Angeles, California 90071-1706
(213) 386-8590 or (800) 293-1370
carpenterssw.org

Sincerely,

BOARD OF TRUSTEES

Aviso a los participantes que hablan Español: Este documento contiene una breve descripción sobre sus derechos de beneficios del plan, en Ingles. Si tiene dificultad en comprender cualquier parte de este documento, por favor de comunicarse con la Oficina Administrativa al (213)386-8590 o (800) 293-1370, donde habrá varios representantes bilingües que le ayudaran.

Table of Contents

OVERVIEW OF THE PLAN

1. The cost of benefits is fully paid for by the Employers. As a Participant, you are not required or permitted to contribute to the Plan.

2. To become a Participant in the Pension Plan, you must complete at least 500 Hours Worked in Covered Employment during 12 consecutive months commencing with your first reported Hour Worked in Covered Employment. Hours of Work in Covered Employment and Hours of Service before you become a Participant will only be recognized for benefit accrual and vesting purposes after you become, and while you are, a Participant, unless you are Vested. If you have a Break in Service, you are treated as a new Employee. See Section 2, *"How You Participate in the Plan."*

3. A One Year Break in Service is a calendar year in which you have less than 500 Hours of Service. A Permanent Break in Service is at least five consecutive One Year Breaks in Service in which the number of Breaks equals or exceeds your Vesting Service years. If you incur a Permanent Break, you may lose your previously earned Pension Credit and Vesting Service Credit if you are not Vested at the time of your Permanent Break. Read Section 5 for more information, including how you can restore your previous credits after a Permanent Break.

4. To become "Vested" in the Plan you must have five (5) Vesting Service Credits without incurring a Permanent Break in Service. 1,000 Hours of Service in a calendar year earns you one (1) full Vesting Service Credit. See Section 4, *"Vesting."*

5. To become eligible to be paid a Pension or other benefit you must earn Pension Credit. 1,200 hours worked in Covered Employment in a calendar year earns one Pension Credit. See Section 3, *"How You Earn Pension Credit."*

6. Generally, you will be eligible to retire on a Regular Pension at age 62 with at least 10 years of Pension Credit. An Early Retirement Pension is payable at a reduced level starting on your 55th birthday, if you have at least 10 Pension Credits. There is a reduction of ¼ of 1% for each month you are younger than age 62 (age 65 for benefits accrued on or after January 1, 2011) on your Regular or Early Retirement date. See Section 7, *"Types of Pension."* for more details about the types of pensions that may be available to you.

7. Starting in 2021, if you complete 1,800 Hours Worked in Covered Employment at an Average Contribution Rate of $5.00 or more, your Benefit Accrual Rate will be $200.00 per month for that year. If you complete 1,900 or more Hours Worked in Covered Employment, your Benefit Accrual Rate may be as much as $244.44 (for 2,200 Hours Worked in Covered Employment). If your Average Contribution Rate is less than $5.00 in 2021 or later, your Benefit Accrual Rate will be proportionately less.

8. The Plan offers a number of different types of Pensions, and forms of payment of your Pension, that can provide an income for you, or for you and your spouse or other beneficiary. See Section 8, *“Forms of Payment.”* Briefly, the Types of Pensions available are shown in the table below:

Type	Required Minimum Vesting Service Credit	Required Minimum Pension Credit	Age Requirement When Payable
Normal	5, including service on or after 1/1/99	None	65
Vested	10	None	62
Regular	None	10	62
Early Retirement	None	10	55 through 61 or 55 through 64
Service	None	30	None

9. If you die before retiring but after you are Vested, the Plan will provide a pre-retirement death benefit for your Spouse if you are married, or your beneficiary if you are not married. See the first part of Section 10, “Death Benefits” for details.

10. Overpayments by the Plan, including payments obtained by fraud, misrepresentation or concealment, may be recovered by the Plan, along with costs of collection, and punitive damages if applicable, through offset, or any other appropriate remedy elected by the Plan.

How Hours Worked in Covered Employment Count

“Hours Worked in Covered Employment” are the basic building blocks of your Pension. They determine when you become a Plan Participant. They also determine the amount of your Normal Pension (from which all other alternative types of Pension you may elect are derived), and your qualification for most Pensions. See Section 1, *“Hours Worked in Covered Employment and Hours of Service.”* **The term “Hours Worked in Covered Employment” means hours for which you are paid or entitled to payment by the Carpenter signatory contributing Employer for actual performance of duties (and back pay hours intended to compensate you for periods you would have performed such duties) which are reported or reportable with respect to the Plan to the Administrative Office by such Employer, at not less than the full Master Labor Agreement hourly contribution rate, in accordance with a Carpenters Union collective bargaining agreement, Participation Agreement or Subscribers Agreement and the procedures of the Administrative Office.**

“Hours of Service” consist of your Hours Worked in Covered Employment plus a few paid non-working categories of hours and are used only for vesting and determining qualification for a Vested Pension.

Eligibility to be a Participant

If you complete 500 or more Hours Worked in Covered Employment during the consecutive 12-month period following your first reported Hour, and in the case of apprentices you have completed the educational requirements to be at least a fourth period apprentice or the equivalent, you become a Participant in the Plan on the next January 1 or July 1. Hours of Work in Covered Employment and Hours of Service before you become a Participant will only be recognized for benefit accrual and vesting purposes after you become, and while you are, a Participant unless you are Vested.

Generally, if you do not have at least 500 Hours Worked in Covered Employment in a subsequent calendar year, you cease to be a Participant unless you have a Vested benefit, which generally requires five Vesting Service Credits without a Permanent Break in Service. Special Class Employees who are not members of a Carpenters Union bargaining unit and who are designated in the Plan as eligible to be Participants, become and remain Participants under similar rules, but using hours worked as a Special Class Employee for the applicable employer of the Special Class Employee. See Section 2, *“How You Participate in the Plan,”* for more information.

Vesting Service

1,000 or more Hours of Service in a calendar year earns you one (1) full Vesting Service Credit. In addition, 500 or more Hours of Service in a calendar year avoids a Break in Service under the vesting rules. Hours of Service for vesting, and avoiding Breaks, also include non-working hours for which you are entitled to payment for vacation, holiday, disability and leave. See Section 4, “Vesting,” for more information about Vesting Service.

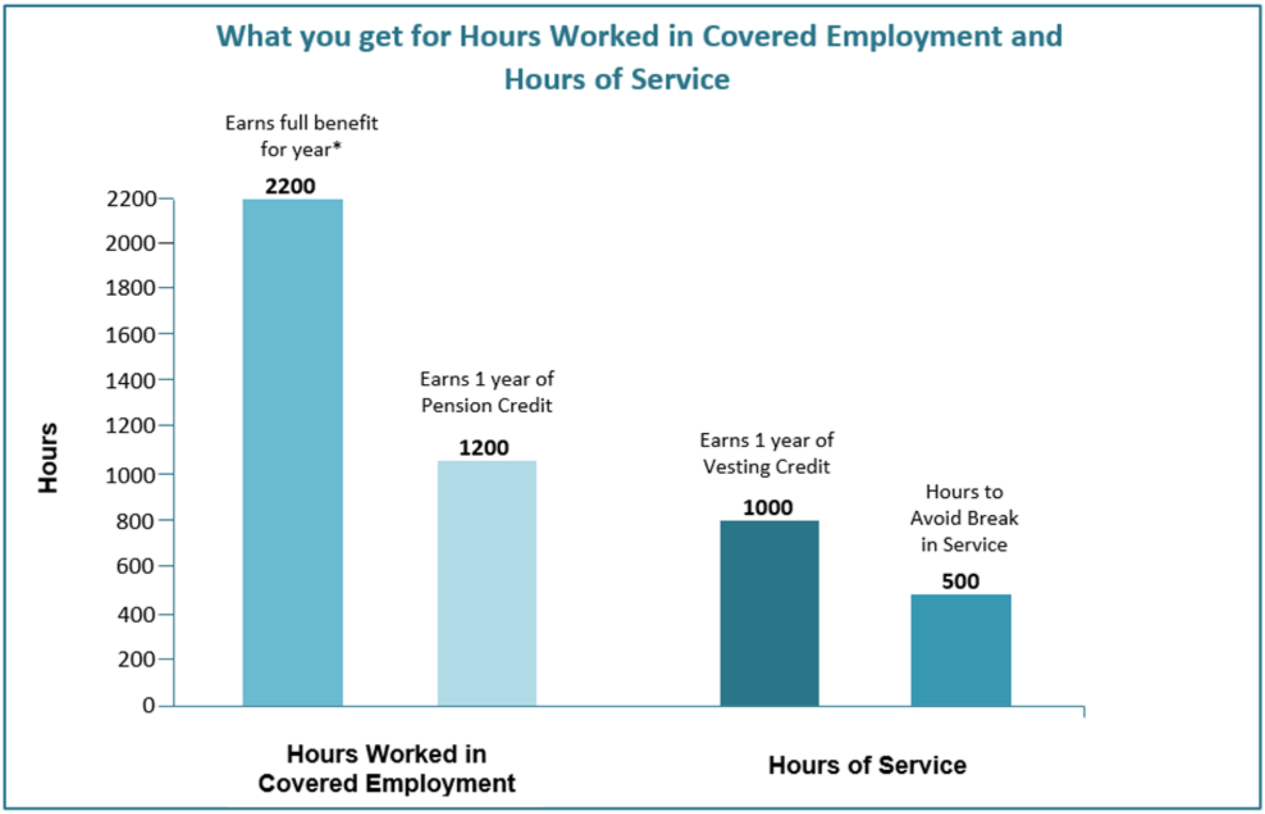
Pension Credit

1,200 or more Hours Worked in Covered Employment in a calendar year earns one full Pension Credit. Pension Credits are used to qualify you for most types of Pensions, but not the amount of the Pension. For example, you must have at least 10 Pension Credits at age 62 in order to qualify for a Regular Pension. You can earn partial credit in a year if you work fewer than 1,200 Hours Worked in Covered Employment. See Section 3, *“How You Earn Pension Credit,”* for more information about Pension Credits.

Normal Pension Monthly Benefit Amount

The number of Hours Worked in Covered Employment in a given calendar year determines the dollar amount of monthly Normal Pension you accrue in that year, commencing at Normal Retirement Age (generally age 65). Provided you complete at least 700 Hours of Covered

Employment in a calendar year, you will accrue a specific amount of Normal Pension for that year, even if you don't earn a full Pension Credit. As stated earlier, starting in 2021, if you complete 1,800 Hours Worked in Covered Employment at an Average Contribution Rate of $5.00 or more, your Benefit Accrual Rate will be $200.00 per month for that year. The maximum monthly benefit accrual of $244.44 can be earned with an Average Contribution rate of $5.00 and 2,200 or more Hours Worked in Covered Employment. For years prior to 2021, please refer to Section 6 *"Amount of Your Normal Pension"*.



*Assumes maximum Average Contribution Rate is paid for all Hours Worked in Covered Employment

Note: the 2,200-hour standard and the 1,200-hour standard shown in the chart above are based on Hours Worked in Covered Employment. The 1,000-hour standard and the 500-hour standard are based on Hours of Service which includes Hours Worked in Covered Employment as well as certain non-paid hours. See *"Vesting Service Credit"* in Section 4 of this booklet regarding Hours of Service.

CHECKLIST: Things for You to Do

Let us know where you are:

Keep the Administrative Office informed, in writing, of any change in your mailing address, email address, and telephone numbers to make sure you receive all our communications.

Our address and telephone numbers:

Southwest Carpenters Pension Plan and Trust
c/o Carpenters Southwest
Administrative Corporation
533 South Fremont Avenue
Los Angeles, CA 90071-1706
(213) 386-8590
(800) 293-1370

Website: carpenterssw.org
Email: info@carpenterssw.org

If you leave Covered Employment:

Read Section 5 *"Breaks in Service",* which explains that working fewer than 500 Hours Worked in Covered Employment in a calendar year can cause a loss of previously earned Pension Credits, unless you repair such a Break in Service with enough covered work thereafter, or if you become Vested. Even after you are Vested, you should keep the Administrative Office notified of any change of address while you are out of the carpentry industry. If you are uncertain about what is required to avoid a Break in Service or to repair such a Break, please contact the Administrative Office.

If your marital status changes:

Inform the Administrative Office immediately. See the discussion on *"50% Qualified Surviving Spouse Pension"* and *"Domestic Relations Orders/Divorce Decrees"* in Section 8, *"Forms of Payment",* and *"Designating a Beneficiary"* in Section 10.

If you are contemplating retirement:

1. Contact the Administrative Office for a pension application at least three months before you want to start receiving Pension payments. You should also contact all other funds under which you may have earned credit and file applications with them.

2. Complete the application and return it to the Administrative Office. In connection with your application, you will be asked to provide:

- Social Security numbers for yourself and your spouse
- Proof of age for yourself and your spouse, and
- Proof of marriage (a list of acceptable documents can be found on the back of the application form)

If you are married and elect not to have your benefit paid as a Qualified Surviving Spouse Pension, you will also be required to provide a signed and notarized spousal consent form.

If your spouse has died, you will also be asked to provide a death certificate. Likewise, if you are divorced, you will be asked to provide a copy of your divorce decree.

3. Sign your application in front of a notary. The notary who signs your application may not be your spouse or beneficiary. If the Plan ascertains that an unqualified individual notarized your application, your application will be rendered invalid, and you will be responsible for any and all overpaid benefits.

   You should also let the Administrative Office know the names and locations of other funds to which you are applying for benefits. See *"How to Apply for Pension Benefits"* in Section 12 for more information.

Check your options:

There may be waiting periods and deadlines in connection with various types of Pensions provided by the Plan, or the optional forms of payment of the type of Pension you elect. You should check your options from time to time, especially whenever there is a change in your family status. If in doubt, please contact the Administrative Office. (See Section 7, *"Types of Pension,"* and Section 8, *"Forms of Payment,"* for more information)

Keep your records:

The Administrative Office keeps the authoritative record of (i) your Hours Worked in Covered Employment which are used to calculate the amount of your monthly Normal Pension and count toward your Pension Credit(s), and (ii) your accumulated total Pension Credit. You can protect yourself against discrepancies by checking your own work records against the annual pension benefit statement which is furnished by the Administrative Office to each Participant who had hours reported that year for Pension purposes. If you disagree with such statement, notify the Administrative Office in writing as soon as possible. *If you do not request a correction to* your *statement within three years of the close of the last calendar year reflected on the statement, the statement will be considered the final statement of your pension credit earned through the end of such calendar year*, unless evidence is presented to the Administrative Office and the Board, as determined in their complete discretion, such as original pay stubs, is presented by you thereafter. Try to keep original pay vouchers, payroll check stubs, and other evidence of employment you may receive. This applies to work under this Plan and plans that are "Related Plans" under the concept of *reciprocity*. *See Section 11, "Reciprocity."* Also, work for the same Employer immediately *before or after* working as a member of the Carpenters Union bargaining unit can help you to attain a Vested right to a Pension in some circumstances. This will not affect most Carpenters who remain continuously employed in the Carpenters Union bargaining unit. See *"Annual Statement of Pension Credits"* in Section 3 for more information.

Designate a Beneficiary:

Please be sure to file a written beneficiary designation for the Plan's Death Benefits with the Administrative Office. If your beneficiary should die before you, or if you want to change your beneficiary designation, please promptly inform the Administrative Office. If you want to have your death benefits go to someone other than your spouse, it will be necessary to file a new beneficiary designation form and obtain your spouse's consent to the named beneficiary. (See *"Designating a Beneficiary"* in Section 10 for more information)

Any questions? Ask the Administrative Office:

You should write to, or otherwise contact, the Administrative Office with any questions you have about your rights, benefits and obligations under the Plan, or any disagreement or doubts you may have concerning the record of your work hours reportable to the Trust. You can also contact the Administrative Office to inquire about the number of Pension Credits you have, Break in Service status, and any other factors that affect the calculation of your Pension, if any, to which you are entitled. Remember, if you have a question for which you want an official response, put the question in writing to the Administrative Office and request a written response. Only proper written responses from the Administrative Office signed by a duly authorized employee of the Administrative Office on behalf of the Board may be regarded as official. In rare instances, official written responses may be subject to correction in the unlikely event it is determined to be an incorrect interpretation of the Plan. The authority to interpret the Plan documents, and all related managerial or administrative documents, including this SPD, is vested exclusively with the Board. To the degree determined by the Board, such authority may be delegated to a sub- committee of the Board or to the Administrative Office. The authority to interpret the Plan documents is exercised in the sole and complete discretion of the Board or its delegate, subject only to applicable Federal law. The interpretive determinations of the Board or its delegates are binding upon Plan Participants, beneficiaries and all other interested persons. The administrative software and practice of the Administrative Office in administering Plan benefits as summarized in this Summary Plan Description represent the Board's interpretation of the Plan in accordance with the Board's original intent subject only to the unlikely event of the Board's reinterpretation of a Plan provision in a particular case.

Common Mistakes to Avoid

1. Not updating beneficiary designation or not submitting a divorce decree after a divorce (see *"Domestic Relations Orders/Divorce Decrees"* in Section 8)

2. Not submitting a written address change after moving (see *"Let us know where you are"* in the *"CHECKLIST: Things for You to Do"* portion of the Overview of the Plan)

3. Not informing the Administrative Office of employment in the jurisdiction of a related fund that has a reciprocity agreement with the Southwest Carpenters Pension Trust or for which there may be Regional Credit or Unilateral Reciprocity (see Section 11 regarding *"Reciprocity"*)

4. Not applying for Pension Credit within a year of becoming temporarily disabled (see *"Pension Credit during Periods of Temporary Disability"* in Section 3)

5. Waiting more than 3 years to dispute a discrepancy in reported hours (see *"Annual Statement of Pension Credits"* in Section 3)

Our Commitment to Serving You

1. The Pension Trust will provide you with all the required notices and information required by law, and the Administrative Office will help you understand the purpose of such information. These notices and additional helpful information are also available on the Administrative Office's website at carpenterssw.org.

2. Administrative Office personnel are available to assist you by telephone and in person during regular business hours. Assistance is available in other languages upon request.

3. If you receive a correspondence, telephone or text message related to your pension that is incorrect, please contact the Administrative Office as soon as possible.

4. The Administrative Office takes the utmost care to ascertain the identity of an individual before personal information is discussed.

SECTION 1 – HOURS WORKED IN COVERED EMPLOYMENT AND HOURS OF SERVICE

"Hours Worked in Covered Employment" are the basic building blocks used to determine the Pension the Plan provides for the Union Carpenter.

Definition of "Hours Worked in Covered Employment"

The term "Hours Worked in Covered Employment" means hours for which you are paid or entitled to payment by the Carpenter signatory contributing Employer for actual performance of duties (and back pay hours intended to compensate you for periods you would have performed such duties) which are reported or reportable with respect to the Plan, to the Administrative Office by such Employer, at not less than the full Master Labor Agreement hourly contribution rate, in accordance with a Carpenters Union collective bargaining agreement, Participation Agreement or Subscribers Agreement and the procedures of the Administrative Office.

Therefore, hours not performed under a Carpenters Union collective bargaining agreement will not count as Hours Worked in Covered Employment. Even if hours are performed under such a collective bargaining agreement, they must be reported or reportable at no less an hourly rate than provided by the Master Labor Agreement in order to be classified as Hours Worked in Covered Employment. Finally, only hours reportable to the Plan can be Hours Worked in Covered Employment. Hours reported to related funds or Regional Plans are not Hours Worked in Covered Employment. See discussion immediately below, however, about "Hours Which Are Not 'Hours Worked In Covered Employment' May Be Used for Limited Purposes Under the Plan."

How Hours Worked in Covered Employment are Used

Your Hours Worked in Covered Employment accumulated during a 12-month period, usually the calendar year, generally are used to determine:

1. Your eligibility to become a Participant in the Plan. See Section 2, "How You Participate in the Plan."

2. The amount of your monthly Normal Pension commencing at Normal Retirement Age (generally age 65) from which the amount of any alternative types of Pensions which you are qualified to choose, are derived. See Section 6, "Amount of Your Normal Pension."

3. The amount of your accumulated Pension Credit. See Section 3, "How You Earn Pension Credit."

Hours Which Are Not "Hours Worked in Covered Employment" May Be Used for Limited Purposes Under the Plan

There are other types of hours that exist that are not classified as Hours Worked in Covered Employment. These types of hours may or may not be reportable to the Administrative Office, which may ultimately affect a Pension. For example, hours reported to related funds or Regional Plans, hours reported or reportable under special collective bargaining agreements which do not require the maximum hourly Master Labor Agreement rate of contribution and hours worked by Special Class Employees (who are typically not members of a Carpenters Union collective bargaining agreement) are not classified as Hours Worked in Covered Employment but are treated as though they were, for limited purposes, under special rules applicable to each unique situation. Typically, such hours do **not** increase the amount of Normal Pension, with a few exceptions described below, but they do count toward accumulation of Pension Credits for purposes of satisfying the service requirements to qualify for a type of Pension.

There are three exceptions to the general rule that such hours, which are not Hours Worked in Covered Employment, do not increase the amount of Normal Pension:

1. Where the full Master Labor Agreement hourly rate is contributed on hours per month for a Special Class Employee in accordance with the Plan and participation agreements applicable to such Special Class Employee, such hours are counted as though they were Hours Worked in Covered Employment toward increasing the amount of a Normal Pension

2. Contributions for hours transferred from a Related Plan under the terms of the International Reciprocal Agreement are counted as though they were Hours Worked in Covered Employment toward increasing the amount of pension benefits under this Plan. Hours worked in the jurisdiction of a Related Plan for which no monetary contributions are owed to the Trust will not be credited under this Plan

3. Hours reported after 2014 under Collective Bargaining Agreements approved by the Board at average hourly rates described in Section 6, "*Service January 1, 2015 to December 31, 2020.*"

Example: Hours worked under the **Residential Contractors Association** agreement are not Hours Worked in Covered Employment because they do not require payment of the maximum hourly contributions to the Trust established by the Master Labor Agreement nor are they recognized as such effective January 1, 2015. Therefore, such hours do not increase the amount of a Normal Pension or count toward accumulation of Pension Credit. They also do not count toward qualifying for recent benefit increases. However, such hours, if timely and properly reported to the Administrative Office for purposes of the Plan, do count for purposes of eligibility to become a Participant in the Plan. Also, such hours count for Vesting Service Credit and for purposes of meeting the service requirement to qualify for certain types of Pensions. However, hours worked under the **Residential Contractors Agreement** prior to 1996 are deemed to be Hours Worked in Covered Employment for all purposes.

Definition of "Hours of Service"

Prior to May 1, 1976, "Hours of Service" meant Hours Worked in Covered Employment. Thereafter, "Hours of Service" include Hours Worked in Covered Employment as well as additional hours paid for non-performance of duties, including hours of vacation, holiday, disability and leave, provided that such "non-work time" shall not be credited if you are actually working. A period of employment that is not Covered Employment with the same contributing Employer that is continuous with your Covered Employment will not result in a Break in Service provided there is no quit, discharge, or other termination of employment between the period that is Covered Employment and the period that is not covered.

How Hours of Service are Used

Hours of Service are used to determine your accumulated Vesting Service Credit, as well as One Year Breaks in Service and Permanent Breaks in Service for vesting purposes. Five Vesting Service Credits without an intervening Break in Service results in a Vested right to a Pension at Normal Retirement Age. In order to qualify for a Vested Pension payable at age 62 you must accumulate 10 Vesting Service Credits.

SECTION 2 – HOW YOU PARTICIPATE IN THE PLAN

Unionized Carpenters

If you have 500 or more Hours Worked in Covered Employment during a 12 consecutive month period, beginning with the month in which you first have such an hour worked, you will become a Participant in the Plan on the January 1 or July 1 immediately following the end of such 12-month period, if you are then still employed in Covered Employment. Hours worked in continuous employment with a contributing Employer in a job which is not Covered Employment can be used to satisfy this 500-hour requirement if such hours of employment immediately follow or precede work in Covered Employment with the same Employer (see *Keep Your Records* under *Overview of the Plan)*. Reported hours will typically not include hours worked in non-collectively bargained positions for the same Employer.

If you have a One-Year Break in Service (described in Section 5, *"Breaks in Service"*) before you are Vested, you cease being a Participant, and must satisfy the rules set forth above, again, to qualify under the Plan.

Participation Rules for Special Classes of Employees

In addition to covering Employees working in Covered Employment, the Pension Plan permits, under certain conditions, participation by special classes of Employees. The Employer of a special class of Employees must provide documentation as required by the Administrative Office for such Employees to be eligible.

In general, special classes of Employees must meet the same eligibility requirements mentioned above for Carpenters. The hours worked by the special class Employees in their jobs are used in determining the 500-hour requirement.

The special classes of Employees that may be eligible to participate, if their Employer provides the necessary documentation and satisfies the rules of the Plan regarding special classes of Employees, include (1) Carpenter Craft Superintendents and Assistant Carpenter Craft Superintendents, (2) Employees of the Carpenters Union, (3) non-bargaining unit Employees of signatory Carpenter employers, (4) Employees of the Administrative Office and (5) certain Employees working under special collective bargaining agreements, Participation Agreement or Subscribers Agreement. Special conditions may apply to each of these groups for participation, benefit accrual (increasing the amount of Normal Pension), vesting (completion of enough Vesting Service to have the Pension that has accrued paid at retirement), or meeting service conditions to qualify for a type of Pension.

In the case of Carpenter Craft Superintendents and Assistant Carpenter Craft Superintendents, participation is permitted for those Employees who previously were employed as a Carpenter under any Collective Bargaining Agreement requiring contributions to the Trust. However, after July 1, 1990, participation for this special class is not permitted unless written application is filed with the Administrative Office within 90 (ninety) days of the date employment as a

Superintendent starts. Hours worked as a Carpenter Craft Superintendent or Assistant Carpenter Craft Superintendent are not considered Covered Employment for Pension Credit until the date your Employer properly elected to contribute to the Plan on your behalf.

Participation in the Pension Plan by these special classes of Employees may be terminated if coverage of such individuals would cause the Pension Plan to violate the non-discrimination rules of the Internal Revenue Code. If that happens, such individuals may lose any Pension Credits and Vesting Service Credit for the period such violation existed. Loss or suspension of service credited to such individuals may also result from the failure of an individual Employer to provide information, data, reports or documents or to permit the Trustees to conduct a payroll audit of the individual Employer.

Apprentices

Southwest Apprentice Carpenters become Participants when they complete the educational requirements and experience to enter the fourth period of their training (or the equivalent thereof in the Southwest Region outside of Southern California).

See page 26 for information regarding Apprenticeship Credit.

SECTION 3 – HOW YOU EARN PENSION CREDIT

Pension Credits result from the accumulation of Hours Worked in Covered Employment in a calendar year. Since 1976, once you have at least 300 Hours Worked in Covered Employment in a calendar year, you receive 1/12 of a Pension Credit for each 100 Hours Worked in Covered Employment, up to a maximum of 1 (one) Pension Credit in calendar year from 1200 Hours Worked in Covered Employment.

The accumulated Pension Credits which result from your Hours Worked in Covered Employment are used to determine whether you meet service requirements that are necessary to qualify you for certain types of Pensions.

Hours Worked in Covered Employment do not include hours reported to other trusts outside the jurisdiction of the Plan, such as hours reported outside Southern California in states in the Southwest Region before the Plan's jurisdiction expanded to such states, or which are outside the Southwest Region, but are related funds for purposes of reciprocity, which may qualify you for a Partial Pension or Pro-Rata Pension. See Section 11, *"Reciprocity."* However, such hours do result in Regional Credits, or related credits for reciprocity purposes, which do not increase the amount of your Pension under this Plan (because they typically count toward the pension in a previous plan) but, under specific rules, may help you become Vested and meet the service qualifications for types of Pensions under this Plan.

Hours Worked in Covered Employment may also include hours reported to other Carpenter Trusts which have been transferred to the Southwest Plan according to the International Reciprocal Agreement, subject to the Participant's timely election. See Sections 11 and 12 for additional information.

Types of Pension Credits

Carpenters who were working before contributions commenced to the Plan in 1959, may have obtained Pension Credit in the form of Past Service Credit. Since then, Pension Credit has been earned in the form of a Future Service Credit. *See **Past Service Credit and Future Service Credit** in this Section, below*. For most Carpenters, Pension Credit and Future Service Credit are the same.

Annual Statement of Pension Credits

The Administrative Office, who maintains the authoritative record of your accumulated Pension Credits, mails an annual statement of such record to your last known address on file. The annual statement shows changes to your accumulated Pension Credits during the preceding calendar year. This allows you to check your record for accuracy and promptly document any missing hours. If you have not received a current annual statement, please request one from the Administrative Office. The Administrative Office may correct such statements for incorrect data it discovers, including, without limitation, delinquent hours resulting from employer audits. If you disagree with your annual statement, notify the Administrative Office in writing as soon as possible. *If you do not request a correction to your statement within three years of the close of the last calendar* *year reflected on the statement, the statement will be considered the final statement of your Pension Credit through the end of such calendar year*, unless evidence convincing to the Administrative Office and Board, as determined in their complete discretion, is presented by you thereafter.

The Administrative Office is not obligated to maintain original contribution source documents indefinitely. The Administrative Office may correct mistakes in the pension record it discovers from sources other than you at any time, and particularly at the time your Pension application is processed, when the Administrative Office reviews your entire Pension history.

Provided you also have the Pension Credits (or Vesting Service Credits) necessary to qualify for a Pension, the *amount* of your Pension benefits earned in 1979 and in later years is based on the number of Hours Worked in Covered Employment. You need 1800 Hours Worked in Covered Employment in a calendar year in 1979 through 2020 to earn the maximum benefit for that year. If you have fewer than 1800 Hours Worked in Covered Employment in such a calendar year, the amount of benefit earned is reduced. Beginning in 2015, the amount of Pension benefit varies based upon both the amount of hours worked and the average contribution rate. Beginning in 2021, if you have over 1800 Hours Worked in Covered Employment in a calendar year, you may qualify for an increased benefit accrual, but the amount of Pension Credit will not change. The maximum benefit as of January 1, 2021 is reached by earning 2200 or more Hours Worked in Covered Employment.

Starting in 1987, you need a minimum of 700 Hours Worked in Covered Employment in a given calendar year to earn any benefit for that calendar year. The Administrative Office can provide further information about years prior to 1987. *See Section 6, Amount of Your Normal Pension, for further details.*

Past Service Credit and Future Service Credit

Past Service Credit is Pension Credit reflected on the Administrative Office's record of accumulated Pension Credit for individuals with Carpenter collective bargaining or Superintendent service prior to January 1, 1959 (December 1, 1961 for Carpenters Local Union 2375), when employer contributions to the Trust began. The rules for earning Past Service Credit were similar to those for accumulating Pension Credit through 1969 shown in the box in the next subsection, "*How Pension Credits are Earned and Accumulated*." If you are commencing a Pension and you are affected by Past Service Credit, the Administrative Office can furnish you with details of your Past Service Credit.

Pension Credits earned after January 1, 1959 when employer contributions to the Trust were required (December 1, 1961 for Carpenters Local Union 2375), have been historically called *Future Service Credits*. The vast majority of Pension Credits under the Plan, including the Pension Credits currently being earned, are Future Service Credits.

How Pension Credits are Earned and Accumulated

You earn Pension Credits (in the form of Future Service Credits) under the following rules, for Hours Worked in Covered Employment during periods starting in 1976, shown in the following table.

January 1, 1976 to Present	
Hours Worked in Covered Employment in a Calendar Year	**Pension Credit Earned in the Calendar Year**
Fewer than 300 hours	None
300 – 399	3/12 Year
400 – 499	4/12 Year
500 – 599	5/12 Year
600 – 699	6/12 Year
700 – 799	7/12 Year
800 – 899	8/12 Year
900 – 999	9/12 Year
1000 – 1099	10/12 Year
1100 – 1199	11/12 Year
1200 and over	One Year

You cannot receive more than one Pension Credit for work in one calendar year and surplus hours cannot be carried over except as described under *"Limited Carry-Forward of Hours Worked in Covered Employment"* under subsection, *"Special Provisions Affecting Pension Credit."*

Special Provisions Affecting Pension Credit

Limited Carry-Forward of Hours Worked in Covered Employment

If you have reported more than 1,200 Hours Worked in Covered Employment, those excess Hours in Covered Employment (other than military or disability hours described immediately below except if required by applicable law) are carried forward to the immediately subsequent calendar year to a maximum of an additional 3/12ths of a Pension Credit (300 hours), for such subsequent calendar year.

Pension Credit during Periods of Temporary Disability

The Average Contribution Rate that is used to determine the amount of Normal Pension accrued during the period of entitlement to State Disability or Workers' Compensation Temporary Disability benefits shall be based on the average hourly contribution rate applicable to the Hours Worked in Covered Employment preceding your entitlement to Disability benefits.

Temporary Disability arising before January 1, 2022: If you are disabled, Pension Credit may be granted for periods of disability provided the disability commenced while you were working in Covered Employment, and you meet one of the following conditions:

1. The period of disability is one for which Workers' Compensation Temporary Disability benefits are paid (or which constituted a valid waiting period for such benefits).

2. The period of disability entails hospital confinement as a registered bed patient, up to a maximum of 26 weeks per disability, regardless of whether such period was covered by Workers' Compensation or State Disability benefits.

Pension Credit will be granted for periods of such temporary disability at the rate of 40 hours per week (less 8 hours for each Carpenter Union holiday in the week) up to a maximum of 1,200 hours per calendar year.

Temporary Disability arising on or after January 1, 2022: If you are disabled, Pension Credit may be granted for periods of disability provided the disability commenced while you were working in Covered Employment, and either (a) the period of disability is one for which Workers' Compensation Temporary Disability benefits are paid (or which constituted a valid waiting period for such benefits); or (b) the period of disability is State-approved short-term disability or (c) certified by a Physician (for States that do not provide such benefits), regardless of whether such period was employment-related.

The following requirements must be met for Temporary Disabilities on or after January 1, 2022:

1. The requesting Participant has not received Long Term Disability Payments from the Southwest Carpenters Health and Welfare Trust for the same period;
2. The requesting Participant has accrued 10 Vesting Service Credits prior to the onset of disability for which credits are requested;
3. The requesting Participant received vesting credit earned based on hours worked within the jurisdiction of the Southwest Carpenters Pension Trust of at least 1,000 Hours of Service in either the year of disability or the preceding calendar year;
4. The requesting Participant received employer reported Pension contributions based on an average of at least 120 Hours Worked in Covered Employment in each of the three months prior to onset of disability; and
5. The requesting Participant files a written application for Pension Credit for a non-working period due to temporary disability within one year of the onset of disability

If the above five requirements are satisfied, Hours Worked in Covered Employment will be granted for periods of such temporary disability at the rate of 7 hours per day to a maximum of 35 hours per week. The maximum Hours Worked in Covered Employment granted shall not exceed:

1. 1,200 hours in a calendar year;
2. 2,400 hours in a 5-calendar year period; and
3. 10% of the total Hours Worked in Covered Employment during the individual's career

Participants who live in a state that does not provide short-term State Disability Benefits can satisfy documentation requirements if he/she provides the Plan with written certification from a Physician, who is a medical doctor approved by the Plan, certifying that the Participant is disabled as defined by the Plan.

IMPORTANT: You must submit a disability affidavit within 12 months of when your disability began to receive the maximum credit. If notice is not given within 12 months of the start of temporary disability, then credit is given only for the 12 months that precede the date that notice is given. If notice is given within 12 months of the start of disability, then credit is given for the period of temporary disability up to the maximum allowed limits.

Pension Credit for Military Service

Re-Employment in Covered Employment before December 12, 1994 following Military Service.

Pension Credit may be granted for periods of service in the Armed Forces of the United States followed by re-employment prior to December 12, 1994 at the rate of 40 hours for each week of service up to a maximum of 1,800 hours per calendar year.

For military service prior to May 1, 1976, you may receive credit if your service was during a time of war or national emergency or was as a result of being drafted. For military service after May 1, 1976, but involving re-employment under the Plan before December 12, 1994, you may receive credit for military service provided your discharge was honorable. In addition, you must have been a Participant in the Plan when you entered the military and you must have been available for Covered Employment within 90 days of your discharge (unless you were disabled at the time, in which case you must have been available for work within 90 days of recovery from your disability).

Under certain circumstances, Past Service Credit may also be granted for periods of military service before your Contribution Date provided the service was covered by federal re-employment provisions and you were employed in a job that would qualify for Past Service Credit immediately before you entered military service and were reemployed as a Carpenter by an Employer who was contributing to this Plan within 90 days of your discharge or, if disabled, after recovery.

Re-Employment in Covered Employment on or after December 12, 1994 following Military Service.

Effective for re-employments occurring on or after December 12, 1994, 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 as Hours of Work in Covered Employment for all purposes under the Plan, including vesting, benefit accrual and eligibility as well as for purposes of earning Vesting Service Credit, Future Service Credit and Hours of Service for purposes of avoiding a Break in Covered Employment. To receive credit, your absence from Covered Employment must be on account of military service in the United States Uniformed Armed Services and you must be in Covered Employment at the time you entered military service. You must also return to Covered Employment after your military service ends.

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

- Advance notice is given to your Employer informing them that your absence from employment is because of military service.
- Your discharge from military service must not be on conditions other than honorable.
- The total length of your absence due to military service may not exceed five years.
- You report or submit an application for reemployment following military service within the time allowed by law.

Length of Military Service	Re-employment Deadline
Fewer 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 year of military service performed by a Plan Participant is equal to one year of Pension (Future Service) Credit (1,200 hours), Hours of Service for Vesting Service Credit (1,000 hours), and also Hours of Covered Employment for purposes of earning benefits (1,800 hours). However, if you served for less than a year, your time served will be prorated over 365 days per year. Until you or your employer notifies the Administrative Office that you have met the foregoing conditions, you will not receive any credit for your military service.

If you die or become totally disabled while performing qualified military service, the period of qualified military service shall be counted for purposes of accumulating Vesting Service Credit and Pension Credit as if you had resumed Covered Employment with an Employer on the day preceding death or total disability and then terminated Covered Employment on the date of death or the day the total disability was incurred. This is effective for deaths or total disabilities occurring on or after January 1, 2007.

In Plan Years beginning January 1, 2015, pension benefit accruals depend on an Average Contribution Rate as described in Section 6, “Amount of Your Normal Pension”. In general, for purposes of benefit accruals during Qualified Military Service, the applicable Average Contribution Rate is the average rate based on Covered Employment in the calendar year immediately preceding the calendar year when Qualified Military Service begins.

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 your military service. If you think you may be eligible for Pension Credit for a period of military service, please provide the Administrative Office with accurate records of your service.

Hours Worked in Covered Employment and Pension Credit in Special Circumstances

Pension Credit results only from Hours Worked in Covered Employment except as provided for disability and military service. Therefore, hours worked under Carpenter collective bargaining agreements requiring contributions at any rate less than the then applicable Master Labor Agreement rate, or which do not require contributions to the Trust, do not count toward accumulation of Pension Credit, except hours deemed Hours Worked in Covered employment made under Collective Bargaining Agreements approved by the Board at average contribution rates described in Section 6, under *"Service January 1, 2015 to December 31, 2020."* However, hours worked under the **Residential Contractors Association** Agreement prior to 1996 for which contributions were reported thereunder in accordance with the Plan and the required procedures of the Administrative Office, were credited as Hours Worked in Covered Employment for purposes of increasing the amount of Normal Pension and accumulating Pension Credit. Hours worked under the **Residential Contractors Association** Agreement after such date do not result in Pension Credit, but, if they were required to be reported to the Administrative Office under such Agreement and the Plan, and in fact were timely reported to the Administrative Office in a manner acceptable to it, are deemed credited for vesting purposes (see Section 4, *"Vesting"*) and for purposes of meeting the service conditions for qualification for Vested Pensions and Service Pensions (see Section 7, *"Types of Pension"*).

Special Class Employees

Certain special class employees who are not members of a collective bargaining unit may be Participants in the Plan under special rules in accordance with the Plan and agreements with the Administrative Office. Where hourly contributions are reported on behalf of such employees in accordance with the Plan and such rules and agreements at not less than the Master Labor Agreement hourly rate, such reported hours are deemed Hours Worked in Covered Employment. As a result, they increase the amount of Normal Pension and count toward accumulation of Pension Credit as though they were Hours Worked in Covered Employment.

SECTION 4 – VESTING

When you become "Vested," your right to a Normal Pension (in the amount determined by your Hours Worked in Covered Employment) can never be lost even if you stop working in Covered Employment.

You can become Vested in several ways:

Effective Date	You Become Vested
January 1, 1999	You have earned 5 Vesting Service Credits (including one Hour of Service on or after January 1, 1999) without a Permanent Break in Service; or You have reached the 5th anniversary of commencement of participation, without a Permanent Break in Service, and you are age 65 or older.
January 1, 1988	You have earned 10 Pension Credits or 10 Vesting Service Credits; or You have reached the 5th anniversary of commencement of Participation, without a Permanent Break in Service, and you are age 65 or older.
January 1, 1976	You have earned 10 Pension Credits or 10 Vesting Service Credits; or You have reached the 10th anniversary of commencement of Participation, without a Permanent Break in Service, and you are age 65 or older.

Vesting at Normal Retirement Age

Normal Retirement Age is based on two factors: your age and the number of years you have participated in the Plan. You attain Normal Retirement Age if you are an Active Participant when you are at least age 65 **and** meet one of the following requirements:

1. 10 years have elapsed since your first participation in the Plan as described in the middle set of boxes above; or

2. after January 1, 1988, five years have elapsed since your first participation in the Plan, as described in the middle set of boxes above.

For example, if you are age 65 but have not yet earned five Vesting Service Credits, you may become Vested when you have reached your fifth anniversary of Plan participation. Although the Plan has January 1 and July 1 dual entry dates for participation, when calculating the fifth or tenth anniversary of plan participation for the purpose of attainment of Normal Retirement Age, participation is deemed to begin at the start of the calendar year in which you commenced participation. Thus, if you initially became a Participant on July 1, 2015, your participation is deemed to have commenced as of January 1, 2015. Therefore, the fifth anniversary of your participation would be January 1, 2020 provided you are an Active Participant on that date and did not incur a Permanent Break in Service between January 1, 2015 and January 1, 2020.

A One-Year Break in Service will not prevent the fifth or tenth anniversary of plan participation from occurring provided you return to Covered Employment and earn a Vesting Service Credit before incurring a Permanent Break in Service. Thus, in the prior example, if you fail to earn any Hours of Service during 2007 and therefore incur a One Year Break in Service during that year, but thereafter return to Covered Employment and earn a Vesting Service Credit and resume your status as an Active Participant as of January 1, 2020, you will attain Normal Retirement Age provided you are at least 65 years old at that time. However, if you incur a Permanent Break in Service prior to the fifth anniversary of commencement of Plan participation, you lose the previous years of participation and must establish a new commencement date of participation.

Vesting Schedules

The following chart illustrates the Plan’s historical vesting rules:

Effective Date	**Requirements**
January 1, 1975	10 Pension Credits
July 1, 1972	10 Pension Credits by age 45 or 25 Pension Credits earned in the Eleven Southern California Counties
July 1, 1971	10 Pension Credits by age 45
January 1, 1963	15 Pension Credits by age 45

Remember, Vesting Service Credits or Pension Credits you earned before a Break in Service are not counted in determining your Vested status. However, you may reinstate your Vesting Service Credits and Pension Credits if you repair a Break in Service. See “*One Year Break in Service*” in Section 5 for a discussion of how to repair a One Year Break in Service.

Vesting Service Credit

Vesting Service Credit is another measure of your work in Covered Employment but differs from Pension Credit in several respects: (1) it is earned only for work after January 1, 1959 (December 1, 1961 for Local 2375), or the commencement of contributions for special class employees; (2) it is calculated based on Hours of Service and a different formula; and (3) it is used only to establish the non-forfeitability of your Pension benefits (that is, Vesting Service Credit is not used to determine the amount of your Pension, only your right to a Pension).

You earn Vesting Service Credit according to the following schedule:

Hours of Service in a Calendar Year	Vesting Service Credit
Fewer than 300 hours	None
300 - 399	3/10 Year
400 - 499	4/10 Year
500 - 599	5/10 Year
600 - 699	6/10 Year
700 - 799	7/10 Year
800 - 899	8/10 Year
900 - 999	9/10 Year
1,000 and over	One Year

Prior to May 1, 1976, "Hours of Service" as used above meant Hours Worked in Covered Employment. Thereafter, it includes Hours Worked in Covered Employment as well as additional hours paid for non-performance of duties, including hours of vacation, holiday, disability and leave, provided that such "non-work time" shall not be credited if you are actually working. A period of employment that is not Covered Employment with the same contributing Employer that is continuous with your Covered Employment will not result in a Break in Service provided there is no quit, discharge, or other termination of employment between the period that is Covered Employment and the period that is not covered.

Carry-Forward of Vesting Service Credits

If you have more Hours of Service in a calendar year than are required for a full Vesting Service Credit, the surplus Hours of Service will be carried forward to the next calendar year subject to the following conditions:

1. Only the number of Hours of Service required to give you up to an additional 3/10ths of a year of Vesting Service Credit (300 hours) will be carried forward; and

2. Such Hours of Service will be carried forward only to the immediately following calendar year; and

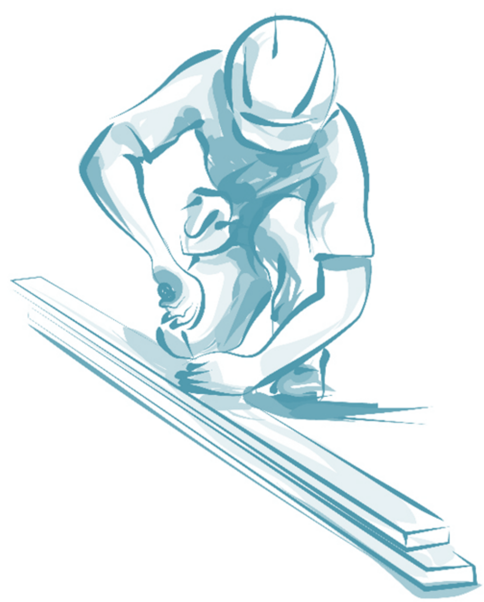
3. Credit for periods of disability and military service cannot be carried forward.

Apprentices

Though Collective Bargaining Agreements vary, most Apprentices within the coverage area of the Plan are entitled to receive employer contributions at the 3rd or 4th level of their apprenticeship. Once those contributions to the Plan are required by the Collective Bargaining Agreement, an Apprentice may become a Participant of the Plan (see Section 2). You will also be earning Pension Credit and Vesting Credit for those Hours Worked in Covered Employment.

However, all of your hours worked as an apprentice under a qualified Collective Bargaining Agreement at levels that are not entitled to employer contributions to the Plan may be counted toward your Vesting Credit and Service Pension Eligibility Credit, but not as Pension Credits, as long as you became a Participant in the Plan for Annuity Starting Dates on or after January 1, 2008. You should notify the Administrative Office if you believe you are entitled to additional Vesting Credit or Service Pension Eligibility Credit based on hours of worked as an Apprentice.

It is in your best interest to maintain a record of your work hours and pay stubs to verify and prove your eligibility for benefits and to carefully review any information or statements you receive from the Plan.



SECTION 5 – BREAKS IN SERVICE

Break in Service

The Pension Trust exists primarily to provide retirement security for Carpenters who earn their living over a major portion of their working years for work in Covered Employment. For this reason, the Plan requires reasonable continuity of service.

If you leave Covered Employment before you are Vested as previously described, you can lose all of your Plan benefits, your Pension Credit and your Vesting Service, if you incur a Permanent Break in Service.

There are provisions for repairing a One Year or Permanent Break in Service (*described in **"Reinstatement of Credit after a Permanent Break in Service"** in this Section, below*). Even when a Permanent Break in Service has been incurred, it may be possible to restore lost Credits if certain requirements are met.

The rules on what constitutes a Break in Service and how to prevent a Break from becoming permanent have been revised from time to time, based on changing conditions in the industry, federal laws and other factors. A brief summary of the rules at various times follows.

One Year Break in Service

Since January 1, 1976, you incur a One Year Break in Service during any calendar year in which you earn fewer than 500 Hours of Service. In addition to preventing you from increasing the amount of your Pension, multiple One Year Breaks in Service can adversely affect your Pension. A One Year Break in Service can be repaired if you earn 1,000 or more Hours of Service in a subsequent calendar year. Even if you have a succession of One Year Breaks in Service, if you do not incur a Permanent Break in Service (discussed below), you can repair a string of One Year Breaks in Service by one calendar year in which you have at least 1,000 Hours of Service.

"Hours of Service" which are counted toward meeting these requirements are generally the same as the Hours of Service previously described under Vesting Service Credit. Beginning January 1, 1987, you will also receive credit for up to 501 Hours of Service, for purposes of avoiding a Break in Service only if you are absent from Covered Employment on account of parental leave. However, you do not earn Hours Worked in Covered Employment or Pension Credit for such parental leave Hours of Service.

If you have fewer than 500 Hours of Service in a calendar year, please notify the Administrative Office of periods when you have continuous work with the same employer in a job not covered by the Plan, you are disabled, or if you have other paid non-work periods which may be counted to avoid a One Year Break in Service.

Permanent Breaks in Service

Since January 1, 1987, a Permanent Break in Service results from incurring at least *five* consecutive One Year Breaks in Service and the number of One Year Breaks in Service equals or exceeds the number of Vesting Service Credits Earned.

Here’s an example of how a Permanent Break in Service can occur after January 1, 1987:

1. You have earned four Vesting Service Credits;

2. You then incur five successive One Year Breaks in Service (because in each of those calendar years you did not earn at least 500 Hours of Service).

Because you have at least five One Year Breaks in Service and the number of your One Year Breaks in Service exceeds the four Vesting Service Credits you have accrued, you suffer a Permanent Break in Service.

For the definition of Permanent Break in Service for periods prior to 1987, please contact the Administrative Office.

Reinstatement of Credit after a Permanent Break in Service

If you earn at least one year of Future Service Credit and then incur a Permanent Break in Service, you can restore the Pension Credit and Vesting Service lost due to that particular Permanent Break in Service by earning thereafter at least five Future Service Credits (without an intervening Permanent Break in Service). The Pension benefit payable for the reinstated Pension Credit will be calculated based on the benefit rate scale in effect at the time of your Separation from Service (see Section 6).

SECTION 6 – AMOUNT OF YOUR NORMAL PENSION

Pension Credits that you earn and retain as described in Sections 3 and 5 are used to determine a monthly Pension amount. *This basic monthly amount is called your Normal Pension.* The actual amount of your Pension may be adjusted based on when you retire, the type of Pension, and the option you elect at retirement. The hours you work in Covered Employment each calendar year are the main determinant of the pension benefit you earn each year.

Amount of Normal Pension Earned After 2020

Service beginning on January 1, 2021. A Participant's monthly amount of Normal Pension earned during calendar years beginning with 2021 varies depending on the number of Hours Worked in Covered Employment and the rate of contribution paid on those hours.

The first step is to locate in the table below the bracket in which the number of your Hours Worked in Covered Employment in the calendar year falls and identify the corresponding Benefit Accrual Rate.

Table of Monthly Benefits Accrued in Plan Years After 2020

Benefit Accrual Rate Table

Hours Worked in Covered Employment During Calendar Year	Benefit Accrual Rate
Under 700	None
700-799	$77.78
800-899	88.89
900-999	100.00
1,000-1,099	111.11
1,100-1,199	122.22
1,200-1,299	133.33
1,300-1,399	144.44
1,400-1,499	155.56
1,500-1,599	166.67
1,600-1,699	177.78
1,700-1,799	188.89
1,800-1,899	200.00
1,900-1,999	211.11
2,000-2,099	222.22
2,100-2,199	233.33
2,200 or more	244.44

Your actual average hourly contribution rate for each calendar year is the total dollar amount of employer contributions owed for your work in Covered Employment divided by the number of hours you worked in Covered Employment during each given calendar year. The second step in determining your pension benefit accrual for the calendar year is to find the Average Contribution Rate and the Benefit Factor in the Benefit Factor Table below which applies to your actual average hourly contribution rate in the calendar year. This is done by finding the Average Contribution Rate which your actual average hourly contribution equals or exceeds, without equaling or exceeding the next higher Average Contribution Rate.

Benefit Factor Table

Average Contribution Rate	Benefit Factor
$0.00-0.99	0.0000
1.00-1.24	.2000
1.25-1.49	.2500
1.50-1.74	.3000
1.75-1.99	.3500
2.00-2.24	.4000
2.25-2.49	.4500
2.50-2.74	.5000
2.75-2.99	.5500
3.00-3.24	.6000
3.25-3.49	.6500
3.50-3.74	.7000
3.75-3.99	.7500
4.00-4.24	.8000
4.25-4.49	.8500
4.50-4.74	.9000
4.75-4.99	.9500
$5.00 or more	1.0000

The final step in determining your monthly pension benefit accrual for the calendar year is to multiply your Benefit Accrual Rate by your Benefit Factor.

Service January 1, 2015 to December 31, 2020. A Participant's monthly amount of Normal Pension earned during calendar years 2015 through 2020 varies depending on the number of Hours Worked in Covered Employment and the average rate of contribution paid on those hours.

Similar to the subsection above, the first step is to locate in the table below, the bracket in which the number of your Hours Worked in Covered Employment in the calendar belongs and identify the corresponding Benefit Accrual Rate.

Table of Monthly Benefits Accrued During Plan Years 2015-2020

Benefit Accrual Rate Table

Hours in Covered Employment	Monthly Benefit Accrual During Calendar Years 2015-2020
Under 700	$0.00
700-799	$38.99
800-899	$44.56
900-999	$50.00
1,000-1,099	$55.69
1,100-1,199	$61.26
1,200-1,299	$66.81
1,300-1,399	$72.39
1,400-1,499	$77.96
1,500-1,599	$83.53
1,600-1,699	$89.09
1,700-1,799	$94.66
1,800	$100.00

The next step is to determine your actual average hourly contribution rate for a calendar year commencing in the years 2015 through 2020 by dividing the total dollar amount of employer contributions owed for your work in Covered Employment by the number of hours you worked in Covered Employment during each calendar year. Find the Average Contribution Rate in the Benefit Factor Table below which your actual average hourly contribution equals or exceeds, without equaling or exceeding the next higher Average Contribution Rate.

Benefit Factor Table

Average Contribution Rate	Benefit Factor
$1.00	.2500
1.25	.3125
1.50	.3750
1.75	.4375
2.00	.5000
2.25	.5625
2.50	.6250
2.75	.6875
3.00	.7500
3.25	.8125
3.50	.8750
3.75	.9375
4.00	1.0000
Over $4.00	1.0000

The final step is to multiply your Benefit Factor by your Benefit Accrual Rate.

Service January 1, 2011 to December 31, 2014. A Participant's monthly amount of Normal Pension earned during calendar years from 2011 through 2014 will be equal to $100 for each calendar year in which the Participant has 1800 or more Hours Worked in Covered Employment. If you have fewer than 1800 Hours Worked in Covered Employment in a calendar year during this period, the amount earned will be reduced as demonstrated in the rate table on page 35.

Retroactive Benefit Accrual Increase 2011-2020

Benefit accruals have been increased retroactively by 50% for years 2011 through 2020, for Participants who were credited at least 1,000 Hours of Covered Employment and accrued Pension Credit under the Southwest Carpenters Pension Plan during 2020. Participants who worked in Covered Employment under the Nevada In-House Hospitality Collective Bargaining Agreement will also qualify for the retroactive increase if they worked at least 1,000 hours in either 2020 or 2021.

Hours in Covered Employment	Monthly Benefit Accrual During Calendar Years 2011-2020	50% increase (only if more than 1,000 hours credited in 2020)*	Revised Benefit Accrual (2011 – 2020 accrual plus 50% increase)*
700-799	$38.99	$19.50	$58.49
800-899	$44.56	$22.28	$66.84
900-999	$50.00	$25.00	$75.00
1,000-1,099	$55.69	$27.85	$83.54
1,100-1,199	$61.26	$30.63	$91.89
1,200-1,299	$66.81	$33.41	$100.22
1,300-1,399	$72.39	$36.20	$108.59
1,400-1,499	$77.96	$38.98	$116.94
1,500-1,599	$83.53	$41.77	$125.30
1,600-1,699	$89.09	$44.55	$133.64
1,700-1,799	$94.66	$47.33	$141.99
1,800	$100.00	$50.00	$150.00

∗ These columns apply only when the Participant was credited with at least 1,000 Hours of Covered Employment in the 2020 calendar year.

Example 1: Jake works 900 Hours of Covered Employment in 2020 at an actual average hourly rate of $3.20 per hour. Therefore, his Average Contribution Rate from the table is $3.00, with the result that his Benefit Factor is .7500. Because Jake worked 900 hours, his Benefit Accrual Rate under the second table above is $50.00. The monthly pension benefit accrued by Jake in 2020 is $37.50 ($50.00 Benefit Accrual Rate x .7500 Benefit Factor = $37.50). Under the benefit formula in effect from 2011 through 2014, Jake would have accrued $66.81 for the year. He would not qualify for Revised Benefit Accrual for years 2011 through 2020 because he worked less than 1,000 hours in 2020.

Example 2: Rudy works 1,600 Hours of Covered Employment in 2020 at an actual average hourly rate of $3.50 per hour which is therefore his Average Contribution Rate under the first table above. The benefit accrued by Rudy in 2020 would have been $77.95 ($89.09 x .875 = $77.95) before considering his hours in 2020. Because he worked at least 1,000 hours in 2020, he qualifies for the extra 50% accrual. Using the results for 1,600 hours from the table, his benefit accrual is $116.94 ($133.64 x .875 = $116.94).

Example 3: Rafael works 1,450 Hours of Covered Employment in 2020 at an average rate of $4.00 per hour. The benefit accrued by Rafael in 2020 would have been $77.96 ($77.96 x 1.00 = $77.96) before considering his hours in 2020. Because he worked at least 1,000 hours in 2020, he qualifies for the extra 50% accrual. Using the results for 1,450 hours from the table, his benefit accrual is $116.94 ($116.94 x 1.00 = $116.94).

Example 4: Before 2020 Paul works under a contract and has hourly contributions of $3.76 paid to the Pension Plan and $5.20 per hour is contributed to the Health & Welfare Plan by Paul's employer. Beginning with hours worked in 2020, the terms of the contract provides that contributions can be redirected from the Pension Plan to the Health & Welfare Plan to ensure that a contribution rate of $6.10 per hour goes to the Health & Welfare Plan. Thus, beginning January 1, 2020, $0.90 will be moved from Pension to Health and the hourly rate paid to Pension is reduced from $3.76 to $2.86 for Paul. The pension benefit earned for a year of 1,800 hours worked at an hourly rate of $2.86 is $103.13 (.6875 x $150.00) instead of $140.63 (.9375 x $150.00).

Amount of Normal Pension Earned From 1991 through 2010

1. **Service from 2008 through 2010**. A Participant's monthly amount of Normal Pension earned during calendar years from 2008 through 2010 will be equal to $100 for each calendar year in which the Participant has 1800 or more Hours Worked in Covered Employment. If you have fewer than 1800 Hours Worked in Covered Employment in a calendar year during this period, the amount earned will be reduced as demonstrated below in the rate table on page 35, shown under the $100 scale.

2. **Service in 2007**. A Participant's monthly amount of Normal Pension earned during the 2007 calendar year will be equal to $205 for 1800 Hours Worked in Covered Employment. If you have fewer than 1800 Hours Worked in Covered Employment, the amount earned will be reduced as shown in the $205 scale in the rate table on page 35.

3. **Service from 1999 through 2006**. A Participant's monthly amount of Normal Pension earned during calendar years from 1999 through 2006 will be equal to $200 for each calendar year in which the Participant has 1800 or more Hours Worked in Covered Employment. If you have fewer than 1800 Hours Worked in Covered Employment in a calendar year during this period, the amount earned will be reduced as demonstrated on the rate table on page 35, shown under the $200 scale.

4. **Service from 1996 through 1998**. Your monthly amount of Normal Pension earned during calendar years from 1996 through 1998 will be equal to $100 or $200 for each calendar year in which you have 1800 or more Hours Worked in Covered Employment. If you have fewer than 1800 Hours Worked in Covered Employment in a calendar year during this period, the amount earned is reduced as shown in the rate table on page 35 under the $100 scale or $200 scale depending on the scale for which you are eligible. To be eligible for the $200 scale, you must meet the same requirements as stated in (5)(a) and (5)(b) below for eligibility for the $200 scale for 1991-95 service.

5. **Service from 1991 through 1995**. Your monthly amount of Normal Pension earned during each calendar year from 1991 through 1995 will be equal to either $70 or $200 for each calendar year in which you have 1800 or more Hours Worked in Covered Employment. If you have fewer than 1800 Hours Worked in Covered Employment in a calendar year during this period, the amount earned is reduced as demonstrated on the rate table on page 39, shown under the $70 scale or $200 scale depending on the scale for which you are eligible. The $70 scale will apply to you unless you are eligible for the $200 scale. To be eligible for the $200 scale, you must meet the requirements of both (a) and (b) below:

a. Either you had at least 700 Hours Worked in Covered Employment during 1996, or you had at least 700 Hours Worked in Covered Employment during 1997.

AND

b. Either your Pension effective date was during the first six months of 1998, or you had at least 350 Hours Worked in Covered Employment during the last six months of 1998. For Annuity Starting Dates on and after January 1, 2008, the 350 Hours requirement may be satisfied with hours worked during the period from July 1, 1998 through December 31, 1998 that were recognized as covered hours under the Pension Plan for the Construction Industry and Carpenters Joint Pension Trust for Southern Nevada ("Southern Nevada Plan").

Hours worked requiring contributions at less than the rate then applicable under the Master Labor Agreement, or, for hours worked after 2014, other than as specified above in the section on *"Service January 1, 2015 to December 31, 2020,"* including hours worked not requiring a contribution, such as hours worked under the Residential Contractors Association Agreement, are not Hours Worked in Covered Employment and do not count toward satisfying the preceding requirements.

Table of Monthly Benefits Accrued During Plan Years Between 1999 and 2014

Hours Worked During Plan Year	Monthly Benefit Accrual During Plan Years		
	1999-2006	2007	2008-2014
Under 700	None	None	None
700 -799	$77.78	$79.72	$38.99
800 -899	88.89	91.11	44.506
900 -999	100.00	102.50	50.00
1,000 -1,099	111.11	113.89	55.69
1,100 -1,199	122.22	125.28	61.26
1,200 -1,299	133.33	136.67	66.81
1,300 -1,399	144.44	148.06	72.39
1,400 -1,499	155.56	159.44	77.96
1,500 -1,599	166.67	170.83	83.53
1,600 -1,699	177.78	182.22	89.09
1,700 -1,799	188.89	193.61	94.66
1,800 and over	200.00	205.00	100.00

Amount of Normal Pension Earned Before 1990

Your amount of Normal Pension earned in calendar years between 1976 and 1990 was expressed in terms of Pension Credit (Past and Future Service) as follows (see Section 1 for the Hours Worked in Covered Employment that were necessary to earn such Past and Future Service Credit):

Service from 1979 through 1990

Your monthly amount of Normal Pension earned during each of the calendar years from 1979 through 1990 will be equal to between $30.85 and $47.00 for each calendar year in which you have 1800 or more Hours Worked in Covered Employment as shown in the rate table on page 38.

Service from 1976 through 1978

$2.33 for each 1/12 of Future Service Credit earned in calendar years 1976-78. If you experienced a Separation from Service, or had an Annuity Starting Date during the period November 1, 1977 through December 31, 1978, the $2.33 above is reduced to $2.00.

Service Prior to 1976

Pre-1976 credits are earned on a per-quarter basis and are subject to the highest rate available that precedes the earlier of either your Annuity Starting Date or your Separation from Service.

For most participants who had Covered Employment after July 31, 1981, the rate is $7.00 for each quarter of Future Service Credit earned before January 1, 1976. For Participants who either experienced a Separation from Service, or had an Annuity Starting Date before July 31, 1981, the rates shown below apply.

Separation or Annuity Starting Date	Pension Value Per Quarter (Per Year)	Maximum Monthly Benefit
11/1/77 to 7/31/81	$6.00 ($24.00)	No Maximum
8/1/76 to 10/31/77	5.00 (20.00)	$600.00
1/1/75 to 7/31/76	4.42 (17.66)	530.00
7/1/73 to 12/31/74	4.08 (16.33)	490.00
7/1/72 to 6/30/73	3.75 (15.00)	450.00
7/1/71 to 6/30/72	3.60 (14.40)	360.00
7/1/70 to 6/30/71	2.80 (11.20)	280.00
7/1/69 to 6/30/70	2.53 (10.10)	252.50
9/1/68 to 6/30/69	2.05 (8.20)	205.00
5/1/66 to 8/30/68	1.81 (7.25)	181.50
9/1/65 to 4/30/66	1.50 (6.00)	150.00
Prior to 9/1/65	1.06 (4.25)	106.50

Past Service Credit

Past Service Credit values are subject to the rates shown in the above table except for the period November 1, 1977 to July 31, 1981, because the maximum value for a Past Service Credit is $5.00 per quarter ($20.00 per year).

Separation from Service

A prolonged period in which you did not earn Hours Worked in Covered Employment and, therefore, Pension Credit, can result in a lower benefit even if the absence does not result in the cancellation of previously earned Pension Credits or Vesting Service Credits. This can happen if you incur a Separation from Service or restore Credits previously lost to a Permanent Break in Service.

Before January 1, 1976, you have a Separation from Service if you failed to earn at least one quarter of Future Service Credit in any period of three consecutive calendar years. Beginning January 1, 1976, you incur a Separation from Service if you have three consecutive One-Year Breaks in Service (a calendar year in which you work fewer than 500 Hours of Service). For this purpose, a Separation from Service occurs at the end of the third consecutive year. Also, Break years are considered consecutive unless they are separated by a calendar year in which you earn at least 1,000 Hours of Service. A Plan Year in which you have from 500 to 999 Hours of Service is a "null year" that will not add to a string of consecutive One-Year Breaks, but also will not end a string of consecutive One-Year Breaks.

If you incur a Separation from Service, your Pension benefit will be calculated based on the benefit rates in effect when the Separation(s) occurs instead of the rates in effect when you retire. Similarly, Credits restored after a Permanent Break in Service will be calculated at the rate in effect at the time of the Separation. If you return to Covered Employment after the Separation from Service or Break in Service, any additional Pension Credit earned will be determined at the rate in effect at retirement (or a subsequent Separation).

Multiple Rate Scales

Prior to 1999, it was possible for two different Participants who had hours in the same given year to have different pension value rates for that year. This is because the date a Participant last worked in Covered Employment determines the applicable pension rates (as discussed in *Separation from Service*, above).

Beginning in 1999, the Trust has had only one rate scale available to all Participants. For example, any hours worked in 2004 are subject to the $200 scale, regardless of whether the last day of Covered Employment was in 2004, or at a later date.

The charts shown on the next two pages demonstrate the different rates applicable to hours worked from January 1, 1976 through December 31, 1998.

Rate Scale for Service 1976 through 1986

Hours Worked in Employment in a Calendar Year (Minimum 300 Hours)	Covered Period Within Which Annuity Starting Date or Separation from Service Occurs				
	1976-78*		01/01/79-08/31/79	09/01/79-07/31/81	08/01/81-12/31/86
300	6.00	7.00	5.15	6.00	7.00
400	8.00	9.33	6.85	8.00	9.33
500	10.00	11.67	8.55	10.00	11.66
600	12.00	14.00	10.30	12.00	14.00
700	14.00	16.33	12.00	14.00	16.33
800	16.00	18.67	13.70	16.00	18.66
900	18.00	21.00	15.40	18.00	21.00
1,000	20.00	23.33	17.10	20.00	23.33
1,100	22.00	25.63	18.85	22.00	25.66
1,200	24.00	28.00	20.55	24.00	28.00
1,300	24.00	28.00	22.25	26.00	30.33
1,400	24.00	28.00	24.00	28.00	32.66
1,500	24.00	28.00	25.70	30.00	35.00
1,600	24.00	28.00	27.40	32.00	37.33
1,700	24.00	28.00	29.10	34.00	39.66
1,800 and over	24.00	28.00	30.85	36.00	42.00

* If you had a Separation or an Annuity Starting Date prior to January 1, 1979, your hours for this period are subject to the $24.00 scale. Otherwise, the hours are subject to the $28.00 scale. The maximum scale for hours earned before 1979 is $28.00.

Rate Scale for Service 1987 through 1998

Hours Worked in Covered Employment in a Calendar Year (Minimum 700 Hours)	Period Within Which Annuity Starting Date or Separation from Service Occurs			*See note below		
	01/01/87-12/31/87	01/01/88-12/31/89	01/01/90-12/31/90	01/01/91-12/31/95*	01/01/96-12/31/98*	01/01/91-12/31/98*
300	0.00	0.00	0.00	0.00	0.00	0.00
400	0.00	0.00	0.00	0.00	0.00	0.00
500	0.00	0.00	0.00	0.00	0.00	0.00
600	0.00	0.00	0.00	0.00	0.00	0.00
700	16.33	17.15	18.32	27.29	38.99	77.78
800	18.66	19.60	20.94	31.19	44.56	88.89
900	21.00	22.00	23.50	35.00	50.00	100.00
1,000	23.33	24.50	26.17	38.98	55.69	111.11
1,100	25.66	26.95	28.79	42.88	61.26	122.22
1,200	28.00	29.40	31.40	46.77	66.81	133.33
1,300	30.33	31.85	34.02	50.67	72.39	144.44
1,400	32.66	34.30	36.64	54.57	77.96	155.56
1,500	35.00	36.75	39.26	58.47	83.53	166.67
1,600	37.33	39.20	41.87	62.36	89.09	177.78
1,700	39.66	41.65	44.49	66.26	94.66	188.89
1,800 and over	42.00	44.00	47.00	70.00	100.00	200.00

∗ Eligibility for $200 scale requires at least 700 Hours of Covered Employment in 1996 or 1997 and either retirement in the first six months of 1998 or at least 350 hours in the second six months of 1998. Otherwise, the scale is based upon $70 for 1991-95 and $100 for 1996-98 for 1,800 or more hours.

A Normal Pension Example:

As an example, let's say Joe retires at age 65 on January 1, 2022 at which time he had 25.83 Years of Pension Credit.

His monthly Normal Pension would be calculated as follows:

Credited Service Year/Hours		Pension Credit Annual/Cumulative		Vesting Credit Annual/Cumulative		Contribution Benefit Rate/Factor		Pension Value Annual/Cumulative	
1996	1821	1.00	1.00	1.00	1.00	n/a	n/a	$200.00	$200.00
1997	1873	1.00	2.00	1.00	2.00	n/a	n/a	$200.00	$400.00
1998	1983	1.00	3.00	1.00	3.00	n/a	n/a	$200.00	$600.00
1999	2020	1.00	4.00	1.00	4.00	n/a	n/a	$200.00	$800.00
2000	1100	1.00	5.00	1.00	5.00	n/a	n/a	$122.22	$922.22
2001	1000	.83	5.83	1.00	6.00	n/a	n/a	$111.11	$1,033.33
2002	1933	1.00	6.83	1.00	7.00	n/a	n/a	$200.00	$1,233.33
2003	1554	1.00	7.83	1.00	8.00	n/a	n/a	$166.67	$1,400.00
2004	1741	1.00	8.83	1.00	9.00	n/a	n/a	$188.89	$1,588.89
2005	1773	1.00	9.83	1.00	10.00	n/a	n/a	$188.89	$1,777.78
2006	1329	1.00	10.83	1.00	11.00	n/a	n/a	$144.44	$1,922.22
2007	1880	1.00	11.83	1.00	12.00	n/a	n/a	$205.00	$2,127.22
2008	1991	1.00	12.83	1.00	13.00	n/a	n/a	$100.00	$2,227.22
2009	1873	1.00	13.83	1.00	14.00	n/a	n/a	$100.00	$2,327.22
2010	1903	1.00	14.83	1.00	15.00	n/a	n/a	$100.00	$2,427.22
2011	1852	1.00	15.83	1.00	16.00	n/a	n/a	$150.00	$2,527.22
2012	1867	1.00	16.83	1.00	17.00	n/a	n/a	$150.00	$2,727.22
2013	1899	1.00	17.83	1.00	18.00	n/a	n/a	$150.00	$2,877.22
2014	1823	1.00	18.83	1.00	19.00	n/a	n/a	$150.00	$3,027.22
2015	1552	1.00	19.83	1.00	20.00	$3.00	.75	$93.97	$3,121.19
2016	1015	1.00	20.83	1.00	21.00	$4.00	1.00	$83.54	$3,204.73
2017	1890	1.00	21.83	1.00	22.00	$4.00	1.00	$150.00	$3,354.73
2018	1812	1.00	22.83	1.00	23.00	$4.00	1.00	$150.00	$3,504.73
2019	1760	1.00	23.83	1.00	24.00	$4.51	1.00	$141.99	$3,646.72
2020	2000	1.00	24.83	1.00	25.00	$4.51	1.00	$150.00	$3,796.72
2021	1100	1.00	25.83	1.00	26.00	$5.11	1.00	$122.22	$3,918.94

Joe's Normal Pension amount is $3,918.94.

Note that for the years after 2014, Joe's annual pension value is determined by the amount of hours he worked as well as his contribution rate. In addition, because Joe worked more than 1,000 hours in 2020, his maximum pension benefit is $150.00 per month for 2011-2020. Had he not worked 1,000 hours in 2020, his maximum pension benefit would have been $100.00 for those years. Please reference the Benefit Factor Table on page 29 for more details.

Adjustments and Conditions which Affect Normal Pension Amount

Delayed Retirement

If your Annuity Starting Date (the effective date of your Pension) is after Normal Retirement Age (see Section 4, *"Vesting"*), your Pension may be calculated differently. You will receive the **greater** of:

1. The benefit payable at actual retirement calculated as previously described; or

2. The benefit you would have received if you retired at Normal Retirement Age (based on the credit accrued and the rates in effect at that time) actuarially increased for each month after that date in which your benefits were not subject to suspension.

The actuarial increase will be 1% per month for the first 60 months after Normal Retirement Age and 1.5% for each month thereafter.

If You are Age 65 and Do Not Apply for Benefits

If you do not apply for benefits when you reach age 65, your Pension payments will be suspended for every month after age 65 in which you work more than 40 hours in Prohibited Employment. See Section 9, *"Suspension of Pension Payments."* You will continue to accrue Pension Credit based on the hours you work in Covered Employment. When you retire your Pension will be calculated as the greater of the amounts yielded by the two methods discussed above.

Please note: you must commence your accrued vested pension benefits by no later than your Required Beginning Date even if you are still working (See Section 14 *"Your Rights under the Employee Retirement Security Act of 1974"*).

Example: Let's assume that instead of retiring at age 65 as in the example above, Joe decides to delay his retirement until January 1, 2024, when he is age 67. Between age 65 and age 67, he worked more than 40 hours in prohibited employment in each of 10 months as follows:

2022	Hours	2023	Hours
January	160	February	160
March	140	March	200
April	160	April	160
October	160	November	140
November	160	December	140
Total Hours	**780**	**Total Hours**	**800**

Assuming that the rate of contributions paid on these hours is at least $5.00, the value of the additional benefits earned by Joe in 2022 is $77.78 ($77.78 Benefit Accrual Rate x 1.0 Benefit Factor = $77.78). The value earned by Joe in 2023 is $88.89 ($88.89 Benefit Accrual Rate x 1.0 Benefit Factor = $88.89). Since Joe's Pension is effective after Normal Retirement Age, he will receive the greater of:

1. His benefit under the Plan's formula counting all his Pension Credit: $3,918.94 (see example on page 40) + $77.78 (2022) + $88.89 (2023) = $4,085.61

2. The benefit he would have received at age 65, increased 1% for each month between normal retirement age and the effective date of his Pension in which he worked fewer than 40 hours (14 months): $3,918.94 x 1.14 (14 months x 1%) = $4,467.59

Joe's benefit when he retires on January 1, 2024 will be $4,467.59.

Note: Joe's benefit is not actuarially increased for work in the 10 months after attaining Normal Retirement Age in which he worked more than 40 hours in prohibited employment (see Section 9, *"Suspension of Pension Payments"*). This is because the actuarial adjustment for delayed retirement is not applied to months in which benefits are subject to suspension.

Early Retirement

If you are younger than age 62 (age 65 for benefits earned on or after January 1, 2011) when you retire, your monthly benefit under the Early Retirement Pension will be reduced, since you are retiring at an earlier age and will likely receive Pension benefits over a longer period. If you retire on a Regular or Vested Pension and earned all of your benefits before January 1, 2011, there is no reduction in your monthly benefit, and you will receive the same amount as you would receive under a Normal Pension at age 65.

To determine what your monthly payment would be at Early Retirement, multiply the amount you would receive as a Normal Pension by the percentage shown for your age at your last birthday before the Annuity Starting Date (effective date) of your Pension. The percentage is then increased 1/4 of 1% for each month the Annuity Starting Date is past your birthday.

For benefits earned before January 1, 2011, the first step is to calculate the amount you would receive on a Normal Pension at age 62. This amount payable as a Normal Pension will be reduced 1/4 of 1% for each month you are younger than age 62 on the Annuity Starting Date (effective date) of your Early Retirement Pension, as shown in the following table:

Table of Early Retirement Reduction Factors
Benefits Accrued Before January 1, 2011
(Table 1)

Age on Annuity Starting Date of Pension	Percentage of Normal Pension
55	79%
56	82%
57	85%
58	88%
59	91%
60	94%
61	97%

Example:
Assume that you worked twelve (12) years, six (6) before 2011 and six (6) after 2010 and that you have earned the maximum benefit of $100 in each year. If you decide to retire at age 59 and three months, your benefit will be calculated as follows:
For your benefits earned prior to January 1, 2011, you will be eligible for a Normal Pension of $600 per month if you retired at age 62. Because you decide to retire three months after your 59th birthday, the amount of your Early Retirement Pension is reduced based on the table above. The benefit percentage payable at age 59 is 91%. This percentage is increased by .25% for each of the three months you are older than age 59, or 91.75%. The monthly amount payable is then multiplied by this percentage to determine the amount of your Early Retirement Pension, or 91.75% x $600 = $550.50.

For all benefits earned after January 1, 2011, calculate the amount you will receive on a Normal Pension at age 65. The amount payable as a Normal Pension will be reduced 1/4 of 1% for each month you are younger than age 65 on the Annuity Starting Date (effective date) of your Early Retirement Pension, as shown in the following table:

Table of Early Retirement Reduction Factors
Benefits Accrued After January 1, 2011
(Table 2)

Age on Annuity Starting Date of Pension	Percentage of Normal Pension
55	70%
56	73%
57	76%
58	79%
59	82%
60	85%
61	88%
62	91%
63	94%
64	97%

For your benefits earned after January 1, 2011, you will be eligible for a Normal Pension of $600 per month if you retire at age 65. Because you decide to retire three months after your 59th birthday, the amount of your Early Retirement Pension is reduced based on the table above. The benefit percentage payable at age 59 is 82%. This percentage is increased by .25% for each of the three months you are older than age 59, or 82.75%. The monthly amount payable is then multiplied by this percentage to determine the amount of your Early Retirement Pension, or 82.75% x $600 = $496.50.

Once you have calculated your pre-January 1, 2011 Pension benefit ($550.50) that will be added to your post January 1, 2011 Pension benefit ($496.50) to give you your total monthly Pension benefit ($550.50 + $496.50 = $1,047.00).

Early Retirement = Pension	For benefits earned prior to January 1, 2011, amount you would receive on a Normal Pension at age 62 x Early Retirement Reduction Factors in Table 1	+	For benefits earned after January 1, 2011, amount you would receive on a Normal Pension at age 65 x Early Retirement Reduction Factors in Table 2

Note: This gives you your "basic benefit" amount for your lifetime (36 months guaranteed) which may be further adjusted to reflect another alternative *form* of payment you elect, such as a payment for your life and that of your spouse or other beneficiary. Forms of payment are described in more detail in Section 8 ***"Forms of Payment"***.

Service Pension

To qualify for the Service Pension described in Section 7, ***"Types of Pension,"*** you simply need 30 years of accumulated Pension Credit (at any age).

Effective January 1, 2021, for purposes of satisfying the 30 years of Pension Credit condition for a Service Pension, Participants who work in excess of 1,800 Hours Worked in Covered Employment in a calendar year will be credited with an additional 1/12th of a Pension Credit for each 100 hours above 1,800 up to a maximum of 2,200 hours, as shown in the table below.

Service Pension Eligibility Credit Earned for years 2011 and Later	
Hours Worked in Covered Employment in a Calendar Year	**Service Pension Eligibility Credit Earned in the Calendar Year**
Fewer than 300 hours	None
300 - 399	3/12 Year
400 - 499	4/12 Year
500 - 599	5/12 Year
600 - 699	6/12 Year
700 - 799	7/12 Year
800 - 899	8/12 Year
900 - 999	9/12 Year
1000 - 1099	10/12 Year
1100 - 1199	11/12 Year
1200 - 1899	One Year
1900 - 1999	1 - 1/12 Year
2000 - 2099	1- 2/12 Year
2100 - 2199	1- 3/12 Year
2200 and over	1- 4/12 Year

The preceding table will also be applied retroactively to each of the ten years from 2011 through 2020 for Participants who were credited with 1,000 Hours Worked in Covered Employment in 2020, or Participants employed under the Nevada In-House Hospitality Collective Bargaining Agreement who were credited with the 1,000 Hours Worked in Covered Employment in either 2020 or 2021, and accrued Pension Credit in 2020. Otherwise, Service Pension Eligibility Credit is equal to the Pension Credit for those years, with a maximum credit of 1.0 each year.

The benefit payable under a Service Pension is the same amount which would have been payable if you retired on a Normal Pension at age 65. There is no reduction in the amount for age.

SECTION 7 – TYPES OF PENSION

To provide you retirement flexibility, the Plan provides several *types* of Pensions, each with its own requirements for qualification. The following table summarizes the requirements for each type of Pension.

Requirements to Qualify for Each Type of Pension

Type	Required Vesting Service Credit	Required Pension Credit	Age Requirement When	Related Plan Credit Can Be Applied
Normal	5, including service on or after 1/1/99	None	65	No*
Vested	10	None	62**	No
Regular	None	10	62**	Yes
Early Retirement	None	10	55 through 64**	Yes
Service	None	30	None	No*

* However, if the Related Plan credits are allowed for purposes of Unilateral Reciprocity, they can be applied. See Section 11, "Reciprocity" for further details.

** A reduction for early commencement applies to all benefit accruals occurring on and after January 1, 2011. Please refer to Section 6.

Normal Pension

You qualify for a Normal Pension at age 65 if you have earned five or more Vesting Service Credits (including one Hour of Service on or after January 1, 1999) without a Permanent Break in Service. For this purpose, Related Pension Credits earned under a Related Plan do not count toward the five Vesting Service Credits needed to qualify for the Normal Pension.

An Active Participant aged 65 or older who had earned fewer than five Vesting Service Credits may also qualify for a Normal Pension upon the fifth anniversary of Plan participation.

Vested Pension

You become eligible for a Vested Pension when you attain age 62 and have earned at least 10 Vesting Service Credits without a Permanent Break in Service, without any benefit accruals on or after January 1, 2011.

Regular Pension

You become eligible for a Regular Pension when you attain age 62 and have earned at least 10 Pension Credits without a Permanent Break in Service, without any benefit accruals on or after January 1, 2011.

Early Retirement Pension

If you plan to retire before age 62, you may be able to retire on an Early Retirement Pension as early as age 55 if you have earned at least 10 years of Pension Credit (including 500 hours of Future Service Credit) without a Permanent Break in Service.

Pension benefits earned starting January 1, 2011 may be subject to reduction for early commencement based on age 65. See Section 6 for details on how early commencement reductions are applied.

If you have worked in Non-covered Employment (See Section 9 under ***"Non-covered Employment"***), the effective date of your Early Retirement Pension will be delayed unless you have returned to Covered Employment for at least as long as you worked in Non-covered Employment.

Early Retirement-Pensioners Qualifying for Supplemental Long Term Disability Benefits

If you are receiving an Early Retirement Pension under the Southwest Carpenters Pension Plan, you may be entitled to the Supplemental Long Term Monthly Disability Benefit if you are granted a Social Security Disability Award effective within 12 months of the date the Administrative Office received the completed Early Retirement Pension application. You must apply for Long Term Monthly Disability Benefits from the Southwest Carpenters Health and Welfare Trust **within 90 days following the date of the Social Security Disability Award**. Contact the Administrative Office for the necessary application form.

Transitioning from Long Term Monthly Disability Benefits to Pension Benefits

If you are receiving Long Term Monthly Disability Benefits under the Southwest Carpenters Health and Welfare Trust, and you satisfy any of the following conditions:

1. Attainment of Normal Retirement Age under the Southwest Carpenters Pension Plan
2. Attainment of the conditions for qualification for an unreduced Pension under the Southwest Carpenters Pension Plan
3. Establishment of an Annuity Start Date for a Pension under the Southwest Carpenters Pension Plan

Long Term Monthly Disability Benefits will cease upon any of the above events occurring. You must contact the Administrative Office to apply for a pension benefit.

For more information regarding eligibility and the amount of the Long Term Monthly Disability Benefit, please refer to Chapter 10 of the Southwest Carpenters Health and Welfare Trust Summary Plan Description.

Service Pension

You qualify for a Service Pension if you have earned at least 30 Southwest Plan Pension Credits. You may qualify for additional Service Pension Eligibility Credit after 2010, which may allow you to receive a Service Pension sooner (see Section 6). There is no age requirement to receive a Service Pension. However, if you worked in Non-covered Employment, the effective date of your Service Pension will be delayed unless you have returned to Covered Employment for at least as long as you worked in Non-covered Employment.

Exceptions

Hours worked under the Residential Contractors Association Agreement after 1995, which are not Hours Worked in Covered Employment, but which are required to be reported under the Plan, and which were reported timely in a manner acceptable to the Administrative Office, are deemed to count, on the same basis as though they were Hours Worked in Covered Employment, toward the 30 Pension Credits requirement, but they do not count for purposes of determining the amount of any Pension.

Credits earned under other pension plans typically do not count toward the 30 Pension Credits requirement unless an exception applies. For example, Related Pension Credits from the Carpenters Pension Trust for Northern California are counted for purposes of qualifying for a Partial Service Pension. More details about Partial Service Pensions are in Section 11.

Pension Credits earned under another pension plan in a jurisdiction that later became part of the jurisdiction of the Southwest Regional Council of Carpenters (Regional Credits) are counted for purposes of qualifying for a Partial Service Pension.

SECTION 8 – FORMS OF PAYMENT

The Plan provides several forms of payment for Pensions. When you apply for a Pension, you may elect to receive your benefits in one of the following forms of payment. **Only one form of payment may be chosen, and it cannot be changed once payments have begun.**

The decision of how you want your retirement benefit to be paid is an important one. The Administrative Office can provide estimates of your benefits under the available options so that you can decide which method of payment works best for you.

Single Life Annuity

This is the normal form of payment for Plan participants who are not married when they retire. The Single Life Annuity provides a monthly Pension to you for your lifetime with the guarantee that if you die before receiving 36 monthly payments, the remainder of the 36 payments will be paid to your designated beneficiary.

If you are married, the Single Life Annuity is available only if you and your spouse have rejected the 50% Qualified Surviving Spouse Pension described below, as witnessed by a Notary Public or Plan Representative.

50% Qualified Surviving Spouse Pension

This is the normal form of payment for married Plan participants.

The 50% Qualified Surviving Spouse Pension provides a monthly Pension to you for your lifetime and, after your death, a lifetime Pension for your surviving spouse. The payments to your surviving spouse will be equal to 50% of the amount you were receiving when you died.

For example, if you were receiving a monthly Pension of $1,000 when you die, your surviving spouse will receive lifetime monthly payments of $500.

Because the 50% Qualified Surviving Spouse Pension extends protection over two lifetimes, the benefit levels are reduced accordingly. During your lifetime, you will receive monthly benefits at a lower level than you would receive under the Single Life Annuity form. The amount of reduction depends on the difference in age between you and your spouse. If your spouse is much younger than you, benefits will be reduced more than if you are both close to the same age or if your spouse is older than you.

Here are the formulas:

If you are eligible for any type of Pension, your basic Normal Pension benefit will be reduced by multiplying it by 88% minus .4% for each year your spouse is younger or plus .4% for each year your spouse is older than you. The maximum percentage is 100%.

Example: You are eligible for a Normal Pension in the form of the Single Life Annuity of $1,000 per month. You are 65 years old and your spouse is 60 years old. Since your spouse is 5 years younger than you, you would multiply the 5 year age difference by .4% which equals 2%; then subtract 2% from 88%, which equals 86%. Finally, multiply your monthly Pension amount of $1000 by 86%, which equals $860. This is the monthly amount of Pension you would receive for the rest of your life under the 50% Qualified Surviving Spouse Pension. Upon your death, your surviving spouse would receive 50% of that amount, or $430 for life.

If you are married when you retire, your Pension will be paid in the form of the 50% Qualified Surviving Spouse Pension unless you and your spouse sign a notarized statement rejecting the 50% Qualified Surviving Spouse Pension and file it with the Administrative Office. A special form is provided for this purpose. If you want to elect a different form of payment, you must notify the Administrative Office before your Pension payments begin.

A rejection of the 50% Qualified Surviving Spouse Pension is valid for up to 180 days before the effective date of your Pension. If there is a delay in the effective date of your Pension, a new notarized rejection will be required.

Optional 75% Qualified Surviving Spouse Pension

If you retire on or after January 1, 2009 and you are legally married when you retire, you may elect to receive your benefit in the form of an Optional 75% Qualified Surviving Spouse Pension if you complete the forms required to reject the 50% Qualified Surviving Spouse Pension.

In exchange for continuing payments to your spouse, the amount of your own monthly payment is actuarially reduced. Thus, the amount of the Optional 75% Qualified Surviving Spouse Pension is 83.0% of the amount payable in the form of a Single Life Annuity. The 83.0% factor will be increased by .5 percentage points for each year that your spouse is older than you (to a maximum factor of 100%); or decreased by .5 percentage points for each year that your spouse is younger than you.

Special Rules for the 50% or 75% Qualified Surviving Spouse Pension

1. The Qualified Surviving Spouse Pension only applies to the spouse who is legally married to you at the time Pension payments start, and the Pension remains unchanged in the event of a subsequent divorce.

2. Survivor benefits under the Qualified Surviving Spouse Pension will not be payable if you and your spouse have been married for less than one year when you die.

3. Payments to your surviving spouse continue for life even if he or she remarries.

4. Your monthly payments under the Qualified Surviving Spouse Pension will be increased to the amount payable on the Single Life Annuity described above if your spouse dies first. If you file a copy of your spouse’s death certificate within 12 months of the date of

death, the increased benefit will be effective the month following his or her death. If the death certificate is filed later, your monthly payments will be increased effective the month following the month in which the death certificate is received by the Administrative Office. All payments will stop upon your death.

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 in accordance with Plan rules. 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 or a portion of the benefits payable to a participant under the Plan and satisfies the requirements for a QDRO under federal law. Any lawful judgment, decree, order, or property settlement agreement which has been entered into pursuant to a court order may be a QDRO if it relates to the provision of child support, alimony payments, or marital property of a 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. The procedures followed by the Administrative Office for determining if an Order satisfies the legal requirements for a QDRO are available upon request. If you are contemplating a divorce or are a party to any other domestic relations action which may involve your benefits under the Plan, 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 these procedures is available without charge from the Administrative Office.

Joint and Survivor Option

If you are eligible for an Early Retirement, Regular Pension or Service Pension, you may elect to receive your Pension benefits under the Joint and Survivor Option. The Joint and Survivor Option provides a reduced monthly Pension to you for your lifetime, with 50% or 100% of your monthly Pension continuing after your death for the lifetime of your beneficiary.

You may name anyone (including your spouse) as your beneficiary; however, federal regulations may limit the amount of benefit payable under the 100% Joint and Survivor Option if your beneficiary is younger than you. There are no such restrictions on the 50% Joint and Survivor Option. If you are married, you and your spouse must reject the 50% Qualified Surviving Spouse Pension and your spouse must consent to the election of the Joint and Survivor Option and the beneficiary.

Like the Qualified Surviving Spouse Pensions, your monthly benefit will be reduced under the Joint and Survivor Option because benefits are provided over two lifetimes. The amount of the reduction depends on the difference in age between you and your beneficiary and whether you want payments to continue at 50% or 100% of your benefit.

Here are the formulas:

100% Joint and Survivor Option. Your basic Normal Pension benefit will be reduced for the 100% Joint and Survivor Annuity by multiplying it by 80% minus .6% for each year your beneficiary is younger or plus .6% for each year your beneficiary is older than you. The maximum percentage is 100%.

50% Joint and Survivor Option. Your basic Normal Pension benefit will be reduced for the 50% Joint and Survivor Option by multiplying it by 89% minus .4% for each year your beneficiary is younger or plus .4% for each year your beneficiary is older than you. The maximum percentage is 100%.

Special Rules for the 50% and 100% Joint and Survivor Option

You must elect the Joint and Survivor Option in writing on a form required by, and filed with, the Administrative Office at least 24 months before it is to take effect. If your Pension is effective before the end of the 24-month period, your Pension will be paid in the normal form until the 24 months have elapsed.

The Joint and Survivor Option will take effect only if you and your beneficiary are both alive on the date it is effective. If you die before your pension begins and within the 24-month waiting period, your Pension will be paid under the normal form. The normal form of benefit for unmarried participants shall be a Single Life Annuity and for married participants shall be a 50% Qualified Surviving Spouse Pension.

Pursuant to IRS rules, if your non-spouse beneficiary is more than 10 years younger than you, the benefit payable to your beneficiary will be less than 100% of your benefit. Please contact the Administrative Office for details.

Once elected, the Joint and Survivor Option may only be revoked by notifying the Administrative Office, in writing, before the date the first payment is made. The revocation will be effective 24 months after it is received by the Administrative Office. If your Pension starts during the 24-month period, benefits will be paid in the amount determined under the Option until the end of the 24-month period.

Exception: The Option will be automatically revoked if your beneficiary dies before the Option is effective. In that case, you may continue the Option if you name a new beneficiary within 90 days after the death and notify the Administrative Office in writing.

The Joint and Survivor Option is not payable if it would result in a monthly benefit of less than $20.00 to you or your beneficiary. Also, your beneficiary will automatically be paid a lump sum instead of the Joint and Survivor Option if the present value of the Joint and Survivor Option does not exceed $5,000.

Level Income Option

The Level Income Option offers you a comparable total monthly income before and after the earliest age you can collect Social Security benefits. If you retire on an Early Retirement Pension or a Service Pension, with benefits accrued before January 1, 2014, and you are under the age of 62, the plan offers a Level Income Option form of monthly payment. This payment option is based on an estimate of your Social Security Benefit payable at age 62 and will increase your monthly pension benefit from the effective date of retirement until you reach age 62. Upon reaching age 62, your monthly pension benefit will be reduced to account for the monthly income expected from Social Security.

To apply for this benefit, you must provide an estimate of your Social Security benefit amount payable at age 62, which is available upon request from the Social Security Administration. Your Level Income pension benefit will be reduced at age 62, regardless of when you officially commence your Social Security benefits.

To select the Level Income Option, you (and your Spouse, if married) must waive all other forms of payment, including the Qualified Surviving Spouse Pensions, and you must select this option before the effective date of your retirement. You will not be able to make any changes once payments begin under the Level Income Option.

In the event of your death, the Level Income Option may provide payment to your beneficiary if your death occurs before the benefits paid equals the amount you would have received had you elected the Single Life Annuity for 36 months.

Lump Sum Payment

If the actuarial present value of your benefit does not exceed $5,000 at the time of receipt of your completed application, your benefit will be paid in one lump sum distribution as soon as administratively feasible. The actuarial present value of your benefit is the current value of your monthly annuity paid for your lifetime based on mortality and interest rate assumptions specified in the Plan.

SECTION 9 – SUSPENSION OF PENSION PAYMENTS

To continue receiving monthly Pension payments, and to avoid delays in the recommencement of your monthly Pension payments, you must retire and refrain from the type of work which is prohibited by the Plan. This consists of *Prohibited Employment* and *Non-covered Employment.*

Prohibited Employment

Working any hours in Prohibited Employment before Normal Retirement Age (generally age 65) results in a suspension of your Pension benefit, while the rules are less restrictive after Normal Retirement Age.

Prohibited Employment before Normal Retirement Age.

You cannot work in employment or activity in the building and construction industry if you are younger than Normal Retirement Age (generally age 65). "Work" means working for someone else or for yourself in your own business. Prohibited work includes, *but is not limited to*, the following:

- all job site and off-site construction
- pre-fabrication and pre-cutting
- Training Fund personnel
- cabinet and shop work
- supervisory and labor relations
- expediting and maintenance work
- work for profit as a contractor
- work at any job covered by any building trades or industrial craft bargaining agreement, or for the Southwest Regional Council of Carpenters or any of its affiliated Local Unions
- work for any labor organization
- work of the type now covered or which may be covered in the future under a collective bargaining agreement between a labor organization making contributions to the Trust and the OPEIU Locals 30 and 537
- Acting as a building inspector for a contractor. However, the portion of your benefits earned prior to 2012 is still payable while you are working as a building inspector, and the portion of your benefits earned on and after 2012 and before 2016 may still be paid if your work as a building inspector is direct employment by a governmental agency.

Prohibited Employment after Normal Retirement Age and before April 1 Following Age 70-1/2

After Normal Retirement Age (generally age 65) and before the April 1 immediately following the calendar year in which you attain age 70-1/2, your Pension will be suspended for any month in which you work more than 40 hours in a calendar month in the same industry, in the same trade or craft, and in any of the geographical areas of the Plan. Examples of prohibited work are the same as in the preceding section. However, if you work 40 hours or less in such employment in a calendar month, your Pension remains payable.

Prohibited Employment after April 1 Following Age 70-1/2

Beginning with the April 1 immediately following the calendar year in which you attain age 70-1/2, there are no restrictions on the type, duration or location of the work you may perform while receiving Pension payments from the Plan.

Examples of Activities that do not constitute Prohibited Employment at any age

- Residential related inspection for home purchase, sale, financing or insurance purposes by a certified inspector if a certification is required or permitted in the applicable area
- Retail sales not involving sales of construction services
- Picket duty or banner detail
- Architect, Draftsman, CAD Designer, or Engineer provided the work is not performed as an employee of a contractor involved in the building and construction industry
- Custodial work for an employer not covered by a Collective Bargaining Agreement
- Self-employed handyman services
- Member of a construction contractor's board of directors where compensation is limited to no more than a director's stipend
- Consulting on the construction viability of a project for a project owner provided that no participation in the construction project is involved
- Convention services work under a Southern Nevada Trade Show Agreement
- Working as an instructor with the Southwest Carpenters Training Fund for no more than 100 hours per month
- Work as a Training Supervisor for no more than 40 hours in any calendar month, subject to specific requirements. Contact the Administrative Office for additional details.

If you work in Prohibited Employment, you must notify the Administrative Office, in writing, within 15 days after you start work. The Administrative Office will send you a notice of the suspension of your benefits. The notice will include a description of the specific reasons for suspension, a description and copy of the relevant Plan provisions, a reference to the applicable Department of Labor regulations, a statement of the procedure for securing review of the suspension, and a description of the benefits resumption procedures and Benefits Resumption Notice that you must file before benefits can be resumed. The notice will also inform you if the Administrative Office intends to offset any suspendible amounts which you were previously paid for the periods of Prohibited Employment involved, the suspendible amounts which are subject to offset, and the manner in which the Administrative Office intends to offset such suspendible amounts. Your monthly Pension, or its commencement, will be suspended during the time you are working and possibly longer, as described later in this section. If, in the discretionary judgment of the Administrative Office, the information you provide verifies that you have not been employed in employment resulting in suspension or delay of commencement of your Pension, as soon as administratively feasible you will be paid amounts which were withheld but which were not subject to suspension or offset.

Suspension Period

If you work in Prohibited Employment prior to the April 1 of the calendar year following attainment of age 70-1/2, you must notify the Administrative Office, in writing, within 15 days after you start such work. Your Pension will be withheld for each month you are employed in Prohibited Employment. If you are younger than Normal Retirement Age, your Pension payments will be suspended for an additional six months after the end of the Prohibited Employment. An exception to the additional 6-month period of suspension is available for Pensioners that return to work as a Carpenter Craft Superintendent or Assistant Carpenter Craft Superintendent. You must contact the Administrative Office <u>before</u> you return to work in order to qualify for this exception.

Effective January 1, 2017, a one-time waiver of the 6-month additional suspension will be permitted for reemployment in Prohibited Employment that occurs on or after January 1, 2016.

If you fail to notify the Administrative Office within 15 days as required and you are younger than age 65, your Pension payments will be suspended for an additional 12 months, or a total of 18 months.

If your Pension is suspended, you have the right to Appeal to the Board of Trustees. The Appeal must be in writing and must be filed with the Administrative Office within 60 days of the date on the notice of suspension. For further information regarding the Trust's Claims and Appeals Procedure please see Section 12.

If you have received Pension payments which should have been suspended, the Administrative Office will recover any overpayments either by a request for an immediate refund or through offset against future monthly payments, as permitted by the Plan.

The Plan also requires that you file a Benefits Resumption Notice before your Pension payments can resume. To meet this notice requirement, you must advise the Administrative Office, in writing, as to when you stopped or will stop working in Prohibited Employment and the first month you would like your payments to begin again. At that time, the Administrative Office will examine the circumstances of the employment and determine the date when your Pension will recommence and also determine how the recovery of any overpayments 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 with the name employer for whom you intend to work, the job description and any relevant details. The Administrative Office will advise you in writing if the job will cause a suspension of your benefits.

At any reasonable time, including in connection with your providing 15-day notice of re-employment, or the Administrative Office becoming aware of your possible re-employment, you must provide any reason- able information, including any records showing the amount of time worked by you in such re-employment and tax returns covering periods of re-employment, which the Administrative Office deems reasonable and necessary to determine that you are not employed in Prohibited Employment. If, in the discretionary judgment of the Administrative Office, the information you provide verifies that you have not been employed in employment resulting in suspension or delay of commencement of your Pension, as soon as administratively feasible you will be paid amounts which were withheld but which were not subject to suspension or offset. The Administrative Office will also describe the foregoing requirements in annual correspondence concerning such verification of employment.

Whenever the Administrative Office or Board becomes aware that you have become employed in the same industry, in the same trade or craft, and in the same geographical area covered by the Plan in a month after your Normal Retirement Age, and you have failed to notify the Trustees of this employment, in writing, within 15 days after the commencement of such employment, the Administrative Office and Board will act on the basis of a rebuttable presumption that (i) you worked more than 40 hours in such month in Prohibited Employment and that your benefit for such month is accordingly subject to suspension, and (ii) if your employment was at a construction site, that you were employed in Prohibited Employment for as long as any employer for whom you were employed at such site was engaged at such site. For benefits accrued prior to 2005, the "same geographical area covered by the Plan" is California. For benefits accrued after 2004 and prior to April 1, 2008, the "same geographical area covered by the Plan" is Arizona, California, Nevada and Utah. For benefits accrued on and after between April 1, 2008 and May 31, 2014, the "same geographical area covered by the Plan" is Arizona, California, Nevada, New Mexico, and Utah, and within Texas, the counties of Culberson, El Paso, Hudspeth, Jeff Davis and Presidio. For benefits accrued after June 1, 2014, the "same geographical area covered by the Plan" is Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming, and within Texas, the counties of Culberson, El Paso, Hudspeth, Jeff Davis and Presidio.

Additional Benefits

If you return to work in Covered Employment after retirement, you may earn additional Hours Worked in Covered Employment which may increase the amount of your Normal Pension for your work in excess of 700 Hours of Covered Employment in a calendar year. Such Hours Worked in Covered Employment may also result in an increase in your Pension Credit (each 100 Hours Worked in Covered Employment results in 1/12 Pension Credit, with one full Pension Credit being the maximum you can earn in one Calendar Year).

When you stop working, your Pension will be recalculated to reflect any additional credit earned for work after retirement. Any increase in the amount of your payments will become payable beginning on the next January 1st after the credit was earned and you returned to retirement status. If you retired before Normal Retirement Age and your Pension was not suspended due to a return to employment, you may elect a different form of payment for the new accruals, but in no event can you change the form of payment for benefits based on work performed before you returned to work.

Additional Reinstatement Rule Applicable only to Early Retirement Pensioners

For Early Retirement Pensioners who return to work, the monthly Pension payable upon "re-retirement" will be (1) recalculated based on age and service as of the date benefits are being reinstated, and (2) reduced by 1% percent of the total dollar amount of Early Retirement Pension payments, if any, previously received prior to the date of recalculation and prior to Normal Retirement Age. However, in no event will the monthly amount upon reinstatement be less than the amount payable at the time a Pensioner returned to work, and in no event will additional benefits due to a return to Covered Employment become payable earlier than January 1 of the calendar year following the Plan Year in which the Pension Credits were earned.

Non-covered Employment

If you work in Non-covered Employment, the special rules described below will apply with respect to the portion of any Pension attributable to Hours Worked in Covered Employment after November 1, 1992:

"Non-covered Employment" means work in the building and construction industry in the geographical jurisdiction of the Plan (the Southwest Region) after November 1, 1992 for an employer which has not signed a collective bargaining agreement with the Union or any self-employment which is not covered by a collective bargaining agreement with the Union.

1. **Early Retirement Pension**. The effective date of an Early Retirement Pension will be delayed six months for every calendar quarter in which you work at least one hour in Non-covered Employment, but not later than Normal Retirement Age.

2. **Service Pension**. The effective date of a Service Pension will be delayed six months for every calendar quarter in which you work at least one hour in Non-covered Employment, but not later than Normal Retirement Age.

3. **Suspension of Pension Benefits**. If your Pension is suspended on account of employment in Prohibited Employment, an additional six months of suspension shall be added to the period of suspension otherwise provided for in the Plan for each calendar quarter in which you perform Non-covered Employment but not beyond Normal Retirement Age.

4. **Death Benefits**. Pre-retirement death benefits other than the Surviving Spouse Annuity shall not be payable to your surviving spouse if you work in Non-covered Employment.

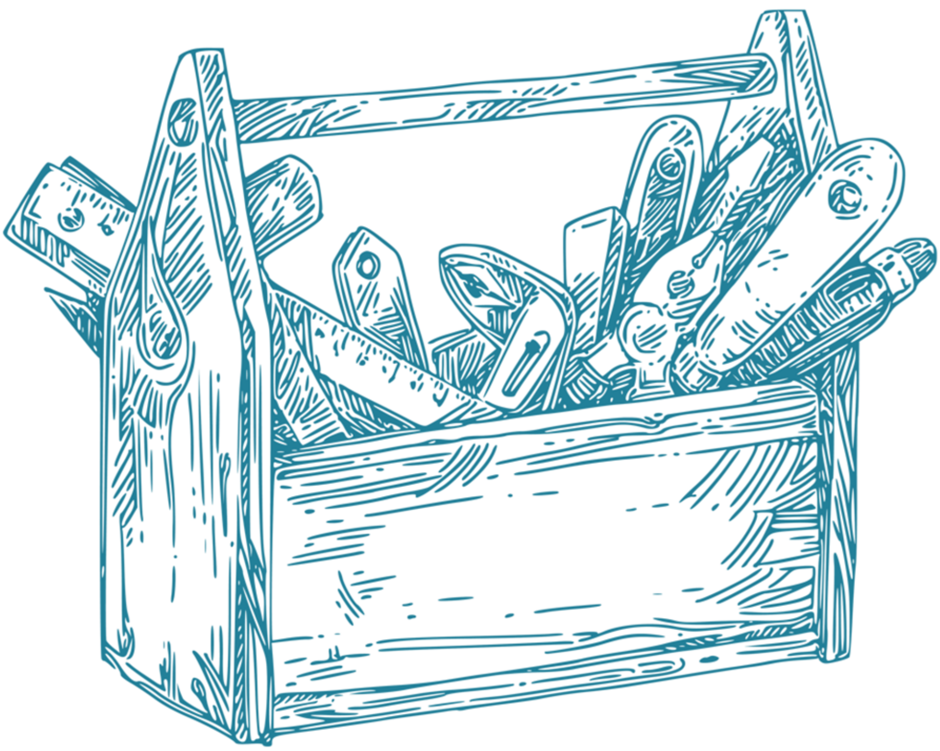
5. **Return to Covered Employment**. If you work in Non-covered Employment and then return to employment for an employer required to contribute to the Plan for at least as long a period as you previously worked in Non-covered Employment, the penalties provided for such work prior to that period shall be waived.

Annual Pension Verification

The Administrative Office will periodically request information from pensioners or beneficiaries that is necessary to properly administer plan benefits. Failure to respond to these requests in a timely manner will result in a suspension of your pension benefits.

If you under age 65 while receiving a Pension benefit, the Plan may at any time require evidence that you are still retired from work in the construction industry and not engaging in Prohibited Employment. For most pensioners, a copy of your annual Federal tax filing along with corresponding Forms W-2 would be required as certification that you continue to be eligible for benefits. If you are not required you to file a Federal tax return, you may be required to provide additional information as requested by the Administrative Office to verify your status.

If you are over age 65 while receiving a Pension benefit, you may be required to submit a notarized statement to verify that you are in fact living and receiving your monthly pension benefits.



SECTION 10 – DEATH BENEFITS

If You Die Before Pension Payments Commence

The following benefits may be payable if you die before Pension benefits have commenced. If you had 10 or more Vesting Service Credits at the time of your death, payments to your surviving spouse can begin with the month following the month in which you died. Your spouse may elect to postpone the start of payments to the first day of any later month, but not later than December 1 of the year in which you would have attained age 72 (age 70-1/2 if the Participant was born before July 1, 1949). If you had at least five but fewer than 10 Vesting Service Credits, payments to your spouse will be deferred until the first of the month in which you would have attained Normal Retirement Age, had you lived. If you die during military service, you may be treated as if you died while working in Covered Employment.

Non-spouse beneficiaries and spouses married less than one year

If you are not married (or you have been married for less than one year) and die before retirement but after you are Vested, your beneficiary may be eligible for the 36 Monthly Payments Benefit if you had fulfilled the age and service requirements for a Regular, Early, Service or Vested Pension at the time of your death.

Under this benefit, he or she will receive 36 payments equal to the amount you would have received at age 65 based on the Pension Credit you had accrued at the time of your death.

Pre-Retirement Surviving Spouse Annuity

If you are married and die before retirement, but after you are Vested, your surviving spouse may be entitled to the Surviving Spouse Annuity. In order to be eligible for the Surviving Spouse Annuity, you and your spouse must have been married throughout the one-year period prior to your death. Your spouse must complete an application for benefits and provide the Administrative Office with certified marriage and birth certificates.

When Pension Payments to a Surviving Spouse Begin

Pension payments to a surviving spouse will be paid as follows:

- If you had 10 or more Vesting or Pension Credits at the time of your death, payments to your surviving spouse may begin with the month following the month of your death.

- If you had at least five but fewer than 10 Vesting Service Credits, payments to your surviving spouse will begin on the first of the month coinciding with the date you would have attained Normal Retirement Age.

- Under certain circumstances, your surviving spouse may also elect to defer payment of benefits. In this case, the benefit payment will be increased in recognition of the later beginning date. However, benefits may not be delayed beyond December 1 of the calendar year in which you would have reached age 72, (age 70-1/2 if the Participant was born before July 1, 1949) or, if later, December 1 of the calendar year following the calendar year of your death.

- Your spouse must file an application for benefits with the Administrative Office before payments can begin.

Amount of Pre-Retirement Surviving Spouse Annuity

The pre-retirement Surviving Spouse Annuity provides monthly payments to your spouse for his or her lifetime equal to 50% of the amount you would have received if you had retired on the 50% Qualified Surviving Spouse Pension on the day before you died. If you are younger than age 55 when you die, the benefit will be calculated as if you had been age 55. However, if you had accrued at least 30 years of Pension Credit at the time of your death, the benefit will be calculated as if you had been age 65.

Example where Participant dies with 5 but less than 10 Vesting Service Credits

If $1,000 is the amount of Regular Pension that would have been payable on the day before your death, the amount paid as a 50% Qualified Surviving Spouse Pension would be $880, assuming you and your spouse were the same age. (Please refer to Table 2 under Early Retirement in Section 6.) Your surviving spouse would then receive half of that amount or $440 each month *beginning with the month in which you would have attained Normal Retirement Age (usually age 65)*.

Example where Participant dies with 10 or more Vesting Service or Pension Credits

If you had 10 or more Vesting Service or Pension Credits, benefits commence with the month after your death instead of after you would have reached age 65. Therefore, the benefit is reduced further for early retirement if you die before age 62 (age 65 for benefits earned after January 1, 2011). If you were age 55, or younger, at the time of death, the $880 Qualified Surviving Spouse Pension in the prior example would be reduced by 21% to $695.20 (assuming all benefits were earned prior to 2011). Your surviving spouse would then receive half of that amount or $347.60 for each month *beginning with the month after the month you died*.

If, however, your benefits were all earned after 2010, the amount of reduction starts from age 65. Thus, if you die at age 57, the amount in the prior example would be reduced by 24% to $668.80. Your surviving spouse would then receive half of that amount or $334.40 for each month *beginning with the month after the month you died*.

These rules are summarized in the following table:

Pre-Retirement Surviving Spouse Payments

Credits Earned	When Payable	How Calculated	Example
5 (but less than 10) Vesting Service Credits	Month Participant would have been 65	NRA x QSS x 50%	$1000 x .88* x 50% = $440.00
10 or more Vesting Service or Pension Credits	Month following Participant's death	NRA x ERF x QSS x 50%	$1000 x .79** x .88 x 50% = $347.60
30 Pension Credits	Month following Participant's death	NRA x QSS x 50%	$1000 x .88 x 50% = $440.00
NRA: amount the participant would have received if had retired at age 65 (Section 6). ERF: reduction for age, if participant was under age 62 (age 65 for benefits earned after January 1, 2011) (Section 6). QSS: 50% Qualified Surviving Spouse Factor (Section 8).			

* This is the applicable factor for a member whose spouse is the same age.

** This is the applicable Early Retirement Factor for a participant age 55, or younger, at time of death.

Spouse's Choice. Instead of the pre-retirement Surviving Spouse Annuity, your spouse may elect to receive the 36 Monthly Payments Benefit as described below. After your death, your spouse will receive an estimate for both types of benefits and will have 90 days to make an election. The amount of the 36 monthly payments will be increased, if necessary, to be equal to the actuarial present value of the Surviving Spouse Annuity. ***The 36 Monthly Payments Benefit is not available to your Surviving Spouse if you worked in Non-covered Employment (see Non-Covered Employment in Section 9).***

If You Die After Pension Benefits Have Commenced

Your Pension benefits are payable for your lifetime. As described below, depending on the election you make at retirement, payments may also be available to your beneficiary after your death.

50% Qualified Surviving Spouse Pension

The payments to your surviving spouse will be equal to 50% of the monthly Pension you were receiving at the time of your death. Only the spouse to whom you were married at the time of your retirement is the beneficiary of this survivor payment, even if the two of you later get divorced. If your spouse pre-deceases you, your benefit may be increased to the amount that you would have received had you elected the Single Life Annuity, effective with the month that follows your spouse's date of death. Refer to Section 8 for details.

Optional 75% Qualified Surviving Spouse Pension

Beginning with retirements after January 1, 2009, your surviving spouse will receive payments equal to 75% of the monthly Pension you were receiving at the time of your death if you elected the Optional 75% Qualified Surviving Spouse Pension instead of the 50% Qualified Surviving Spouse Pension when you retired. If a married participant dies after materially completing a pension application selecting the Optional 75% Survivor Annuity, the surviving spouse will still be entitled to the Optional 75% Survivor Annuity.

36 Payment Death Benefit

If you retire on a Single Life Annuity and die **before** receiving 36 monthly payments, the Plan will continue to pay your monthly benefits to your beneficiary until the balance of 36 payments have been completed. This benefit is not available if you were receiving payments under the Qualified Surviving Spouse Pension or a Joint and Survivor Annuity.

Joint and Survivor Option (50%, 100%)

Depending on the option you elected at retirement, the payments to your survivor will be 50% or 100% of the monthly Pension you were receiving at the time of your death. Similar to the Qualified Surviving Spouse Pension, the choice of beneficiary cannot be changed after you have elected this option. Unlike the Qualified Surviving Spouse Pensions, the amount of your payments under a Joint and Survivor option will not be increased should your beneficiary pre-decease you. If the 24-month pre-filing period is not completed prior to your death, your beneficiary will receive the amount you were receiving at the time of your death, for the balance of 36 months.

Level Income Option

This form of benefit is only available for benefits earned prior to January 1, 2014. This option will provide beneficiary payments only if your death occurs before you have collected enough payments to equal the amount you would have received had you elected and received the Single Life Annuity for 36 months. If, for example, you could have elected a $1,000 Single Life Annuity at retirement, $36,000 would have been guaranteed. If you had elected the Level Income Option and received less than $36,000 at the time of death, your beneficiary would receive the difference between what you received and the $36,000, in monthly payments equal to the amount ($1,000 in this example) your monthly Pension would have been under the Single Life Annuity.

$1,000 Death Benefit

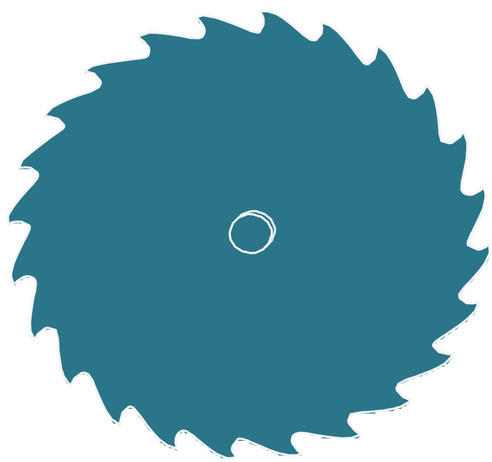
This benefit is paid on behalf of all retired carpenters who die while receiving any type of Pension provided they had accrued at least 10 years of Southwest Plan Pension Credit (without regard to reciprocal credits) at the time they retired. If you meet this requirement, a lump sum payment of $1,000 will be paid to your beneficiary in addition to any other payments which may be due from the Plan.

DESIGNATING A BENEFICIARY

You may designate a beneficiary to receive any payments due upon your death that are not payable only to your surviving spouse. If you are married when you retire, your spouse must consent to any non-spouse beneficiary you named.

If you do not designate a beneficiary, or if your designated beneficiary deceases and you have not named a new one, any available death benefits will be paid to your surviving spouse, or if none, to your family or estate according to the Plan Document as interpreted by the Board of Trustees.

Important: your beneficiary designation will remain in effect, **even in the case of a divorce**, unless you submit a new beneficiary designation. Beneficiary designation forms are available from the Administrative Office and online at the Administrative Office website.



SECTION 11 – RECIPROCITY

There are several ways in which your hours reported to other pension trusts, principally Carpenter trusts outside the Southwest Region, can affect your qualification for the type of Pension under the Plan, or the other trusts to which your hours are reported. Reciprocity is designed to allow you to qualify for benefits you might not otherwise obtain simply by reason of your having worked outside the Southwest Region or having your hours reported to other plans within the Southwest Region. Specific rules apply to determine whether your hours under other plans affect your qualification for a benefit under the Southwest Plan.

Two Ways Reciprocity Can Help You

1. **Transfer of Contributions/Money-Follows-the-Person**. A Reciprocal Agreement allows your contributions to be transferred (sometimes called "money-follows-the-person") to your "home fund" where they then are treated as contributions as though made directly by employers, subject to the rules of recognition of the home fund. This election must be made within 60 days of starting work with a participating fund.

2. **Combining Pension Credits earned with different pension trusts.** Pension Credit earned with other trusts (Related Credit) may in some cases be used to qualify you for benefits that would not otherwise be available to you using only your Southwest Plan credit.

Examples of this are:

Partial Pensions. Service under a plan that is signatory to the International Reciprocal Agreement for Carpenters Pension Funds may help you qualify for a Partial Pension under the Plan. The *amount* of a Partial Pension is determined solely by your Hours Worked in Covered Employment under the Southwest Plan, which explains why it is called "partial," but you may qualify for it by adding your service under the other plan to your service under the Southwest Plan if needed to reach a service requirement, such as 10 Pension Credits.

Pro-Rata Pensions. Individual arrangements have been made with a few specified plans to recognize service credits under such plans for purposes of paying Pro Rata Pensions under the Plan. Pro Rata Pensions resemble Partial Pensions in that the *amount* of the Pro Rata Pension is determined solely by your Hours Worked in Covered Employment under the Southwest Plan, but service under the other plans may allow you to meet a service requirement for a type of Pension offered under the Plan.

Unilateral Reciprocity. In a few specified cases, service under another specified construction industry plan may be recognized by the Plan for limited purposes, usually qualifying for the service requirement of a Pension.

"Money-Follows-the-Person" Transfer of Contributions

Beginning August 1, 1988, in addition to the Partial Pension described below, the Plan adopted International Reciprocal Agreement Exhibit B which permits the transfer of contributions from one Related Plan to another. In this type of reciprocity, the contributions made to a Related Plan on your behalf for work outside the jurisdiction of your Home Fund may be transferred to your Home Fund if you elect. You will receive credit for these contributions under the provisions of the pension plan *receiving* the contributions. In the event the Southwest Carpenters Pension Trust is your Home Fund and contributions are made by a Related Plan on your behalf, your credit for those contributions will be based on the hours you worked. In order to understand how this works, it is important to understand the following terms:

1. Cooperating Fund: Any pension fund which has adopted *both* Exhibit A (Partial Pensions) and Exhibit B (Transfer of Contributions) of the International Reciprocal Agreement. Contributions CANNOT be transferred unless both pension funds involved are signatory to Exhibits A and B.

2. Home Fund: In general, if you are a member of a local union, your Home Fund will be the Cooperating Fund to which your local union is signatory. Otherwise, your Home Fund will be that Cooperating Fund which has received the majority of contributions made on your behalf in the last 3 years.

Eligibility for Transfer of Contributions

You are eligible to have the contributions that are made on your behalf transferred to your Home Fund if:

1. You are temporarily employed outside the jurisdiction of your Home Fund and within the jurisdiction of a Cooperating Fund; and

2. You have filed a written authorization form **within 60 days** of the commencement of employment within the jurisdiction of the Cooperating Fund electing to have such contributions transferred to your Home Fund.

Upon receipt of these contributions, the Home Fund will credit the Employer contributions in accordance with the provisions of the Home Fund.

Before authorizing the transfer of contributions, you should carefully evaluate the terms of each plan and the duration of your expected employment in another jurisdiction. In the event you do not wish to have contributions transferred or fail to file the written authorization form in a timely manner, the contributions will remain in the Cooperating Fund and the Partial Pension provisions (see above) will apply. In no event will a contribution result in a duplication of credit hours, pension or vesting credits.

If you would like to find out if a particular Carpenters pension plan participates in this type of reciprocity or have any other questions, please contact the Administrative Office.

Partial Pensions

Carpenter Union Employment in Areas Outside the Southwest Region May Qualify You for a Partial Pension

The Plan is a party to the International Reciprocal Agreement for Carpenters Pension Funds (the "Reciprocal Agreement") sponsored by the United Brotherhood of Carpenters and Joiners of America. One purpose of the Reciprocal Agreement is to provide that the service with a signatory plan (called "Related Plan") can be combined for the purpose of meeting a service requirement to qualify for a Pension, although the amount of the pension under a Related Plan is determined solely based on hours reported to, and retained by, that plan. In the case of the Southwest Plan, this is accomplished by permitting *Partial Pensions*. A Partial Pension is a type of Pension offered under the Plan for purposes of reciprocity which is based on your Normal Pension amount actually earned solely under the Plan. However, if you do not have enough Credit under the Plan itself to qualify for a Pension requiring a minimum amount of service (such as 10 Pension Credits), you can apply the Related Credits you have for service under a Related Plan. Also Related Credits under the Reciprocal Agreement can count for purposes of avoiding a Break in Service (this does not apply in the case of Pro Rata Pensions, as described below). The Administrative Office will determine your related credits for Partial Pension qualification for you, by obtaining them from the Related Plan. You should assist them by making sure they are aware of other Carpenter plans under which you worked through the years.

The Amount of a Partial Pension

The amount of a Partial Pension will be based solely upon your Hours Worked in Covered Employment under the Plan.

Eligibility for a Partial Pension using Related Plan Credit

You must have earned, after January 1, 1959, at least one year of Pension Credit under this Plan and at least one year of credit under a Related Plan.

Types of Pensions Payable as Partial Pensions

Similar related pension credits from a related fund can be combined with Pension Credits earned under the Plan to meet the service requirements for a Regular or Early Retirement Pension, resulting in your qualifying for a Partial Regular or Partial Early Retirement Pension.

Related credits *cannot* be used to reach the 30 Pension Credits required to qualify on a partial basis for a Service Pension, with the exception that pension credits from the Carpenters Pension Trust for Northern California can be used in order to meet the 30 Pension Credits requirement in order to qualify for a Partial Service Pension.

Pro Rata Pensions

Pro Rata Pensions are generally determined in the same way as Partial Pensions when there is a special reciprocity agreement between this Plan and the related fund, which is not signatory to the International Reciprocal Agreement for Carpenters Pension Funds. In order for related credits to be counted toward a Pro Rata Pension, you must have earned, after January 1, 1959, at least two years of Pension Credit under this Plan and any related fund. In addition, a Service Pension is not payable under any circumstances as a Pro Rata Pension.

Please contact the Administrative Office if you believe you are entitled to related credits from a related plan that has entered into a special reciprocity agreement with this Plan.

Suspension of Partial and Pro Rata Pension Payments When You Return to Work in Prohibited Employment

Once a Partial Pension or Pro Rata Pension commences, its monthly payments are subject to suspension and further penalty delays if you return to work in Prohibited Employment, including Non-covered Employment. Each plan's suspension of benefits rules generally applies to the portion of the benefit paid by that plan. However, a Partial Pension or Pro Rata Pension for which you qualify by reason of Related Credits will be suspended not only under the Plan's rules, but in the event the Related Plan suspends its associated partial pension. See Section 9, *Suspension of Pension Payments,* for the general rules pertaining to suspension of benefits under the Plan.

Unilateral Reciprocity

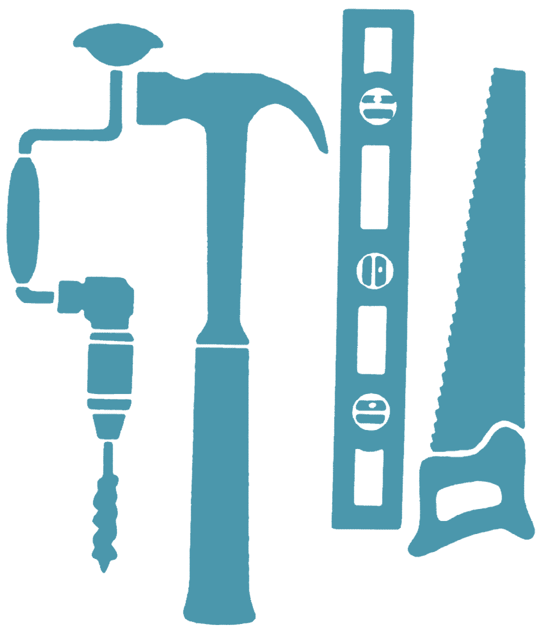
Your pension credit earned under another building trades industry pension plan may be recognized by the Plan under specific rules which may vary for purposes of vesting, satisfying the service requirement for any type of Pension or preventing a Break in Service, provided the following conditions are met:

1. The Board of Trustees has adopted a resolution that recognizes the other building trades industry pension plan as a Related Plan;

2. You have earned at least one year of Future Service Credit under this Plan;

3. You provide written evidence that verifies your hours of employment which are credited under a Related Plan.

Again, as with Partial and Pro Rata Pensions, the monthly amount of benefit paid to you by the Plan will be based solely on Hours Worked in Covered Employment credited under this Plan. The Administrative Office can advise you which building trades industry funds are subject to Unilateral Reciprocity from time to time and the specific crediting rules applicable to such plan.



SECTION 12 – HOW TO CLAIM YOUR PENSION AND APPEAL A CLAIM DENIAL

How to Apply for Pension Benefits

You can request an application from the Administrative Office and submit the completed application at least 90 days prior to the date you want your monthly payments to start. Pensions are usually effective on the first day of the month following the month once all eligibility requirements are met and all requested documents have been received.

A claim for a Pension cannot be filed more than 12 months prior to your Annuity Starting Date. If you file your claim too soon, you will be asked to complete a new application closer to your expected date of retirement.

Along with your application, you must provide a copy of your birth certificate or other proof of your date of birth along with any other information or proof requested by the Administrative Office. Proof of marriage or divorce and of your spouse's date of birth must also be submitted. For a Joint and Survivor Annuity, you must submit proof of your beneficiary's date of birth.

The Administrative Office must verify your Pension Credits. For **Past Service Credits**, based on employment before contributions to the Plan prior to the early 1960's, this proof often has to be obtained from the Social Security Administration. Therefore, in such cases it may take additional time after the Administrative Office receives an application to complete processing.

After processing of your application has begun, the Administrative Office will send you additional forms on "How my Pension is to be Paid," and "Retirement Declaration." If you have any questions about these forms, contact the Administrative Office as soon as possible. The signed (and notarized, if applicable) completed forms must be received by the Administrative Office before your monthly payments can begin.

Annuity Starting Dates

Generally, Pensions are effective on the first day of the month following the month your completed application for Pension benefits is received. However, the start of payments may be delayed in some cases because of processing. For example, the Administrative Office often has to obtain proof of employment for Past Service Credit from the Social Security Administration. This may cause a delay.

If You Are Married

The default form for married retirees is a 50% Qualified Surviving Spouse Pension, and, for unmarried retirees, it is a Single Life Annuity (with 36-month minimum). By law, you and your spouse have a 30-day notice and election period in which to decide the form of payment.

Regardless of the form of payment chosen, your Annuity Starting Date (the date as of which your benefits become effective) and the actual distribution of your benefits cannot occur before this notice period ends unless you elect to waive the minimum 30-day notice and election period *and your spouse, if any, consents to that waiver and the distribution of benefits does not begin until at least seven days have passed since consent was given.*

Required Beginning Date

You may elect to defer commencement of your benefit payments past retirement; however, for distributions required to be made after December 31, 2019, you are required by law to begin your payments no later than April 1 following the calendar year in which you reach age 70-1/2 (for Participants born before July 1, 1949), or age 72 (for Participants born on or after July 1, 1949). This date is known as your Required Beginning Date.

Beneficiaries' Application for Benefits

If you die before retirement, your surviving spouse or other beneficiary must file an application with the Administrative Office for any death benefits which may be due.

Claims and Appeals Procedures

This section describes the procedure for you to follow if your claim (as defined below) is denied in whole or in part and you wish to appeal the decision.

CLAIMS PROCEDURES

1. **Claims for Benefits**

   These procedures only apply to "claims" for benefits. <u>Requests for information are not "claims".</u> Inquiries, questions and requests you pose to the Administrative Office regarding eligibility, amount, types and forms of pensions are not "claims". They are not subject to time limits for response and are not appealable.

   <u>What is a "claim" for benefits?</u>

   The following become claims when submitted in writing to the Administrative Office as described below:

   - Your fully completed Pension Application

   - Your request for reinstatement of a suspended benefit

   - Your request for determination of whether specific employment will result in suspension of benefits

- Your request on a form provided by the Administrative Office for an adjustment in the amount of Hours Worked in Covered Employment, Pension Credit or Vesting Credit, including Regional Credit, otherwise shown on the Administrative Office's record of your pension history

2. **Where to File a Claim**

Claims must be received at an Administrative Office located at:

Southwest Carpenters Pension Trust
533 South Fremont Avenue
Los Angeles, CA 90071-1706
(213) 386-8590
(800) 293-1370
FAX (213) 739-9369

Claim forms that require your signature and/or notarization must be on paper with original signatures and imprints. Claim forms may be obtained by contacting the Administrative Office.

3. **Authorized Representatives**

An authorized representative, such as an individual with power of attorney or a court-appointed conservator, may complete the claim form on your behalf if you are unable to complete the form on your own. The Administrative Office may request additional information to verify that this person is authorized to act on your behalf.

4. **When a Decision Will be Made on a Claim**

   a. Pension Claims

   Pension claims will be adjudicated and notice of the decision sent to you within a reasonable period of time, but not later than ***90 days*** after receipt of the claim by the Administrative Office.

   This period may be extended once for another 90-day period, provided that the Administrative Office: (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.

   b. When a Claim is Deemed "Received"

   A claim is "received" for purposes of these rules when the signed Pension Application form, written request for reinstatement of a suspended benefit or for a determination as to whether specific employment will result in suspension of benefits, or completed form for an adjustment in the amount of Hours, Pension or Vesting Credits is received in writing by First Class Mail or personal delivery to 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 claim. The Administrative Office will specify what additional information may be needed. Claims sent by electronic mail are not accepted as "received" claims.

c. Missing Information

If your claim is received without all the required information 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 Sections 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 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.

5. **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 that sets forth:

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

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

c. 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

d. 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 and the time limit for bringing such suit described in subsection 6 at the end of this section.

APPEALS PROCEDURES

1. **Time to Request Review**

   You may appeal a denial of your claim for benefits by filing a written review request with the Pension Appeals Committee or its delegate at the Administrative Office. The Trust's Benefits Committee serves as the Pension Appeals Committee. Each appeal must be delivered to the Administrative Office by mail or personal delivery.

   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.

2. **Full and Fair Review of Appeals**

   You will be given the opportunity 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, reason- able 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 review will be conducted by the Pension Appeals Committee or its delegate and their decision will be independent of the initial denial.

   The Administrative Office will take steps to ensure and to verify that all 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.

3. **Determination on Review – Notice**

   A determination on review is required to be made by the Pension Appeals Committee or its delegate no later than the date of the meeting of the Pension Appeals Committee 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 Pension Appeals Committee 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 suspended 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 five days after such a determination is made.

4. **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:

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

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

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

d. A statement of your right to sue under Section 502(a) of ERISA and the time limit for bringing such suit described in subsection 6 at the end of this section.

5. **Discretionary Authority**

In carrying out their responsibilities under the Plan, the Trustees 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 and in accordance with the Trustees' intent in adopting those Plan provisions. 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.

The Trustees may request any information that is reasonably necessary to verify that Participants and Beneficiaries are eligible for benefits and/or that they continue to be eligible for benefits after their commencement. All Pensioners and Beneficiaries over the age of 65 may be requested to sign and return a Life Verification Form to confirm that they are alive and receiving their monthly pension. The Form must be signed before a notary or a Plan or Union representative. Benefits may be withheld until the requested documents and/or information has been provided.

Any Participant or other person seeking or obtaining the benefits of the Plan agrees that the Trust may recoup, offset other payments due from the Plan, or obtain any other appropriate remedy, including recouping costs of collection and punitive damages, if applicable, with respect to (1) any amounts paid by the Plan in excess of the amounts payable under the Plan, or (2) any amounts paid as a result of fraud, misrepresentation or concealment, including by means of false or incomplete information in an application.

6. **Limitation on When a Lawsuit may be Filed**

   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. You must bring any suit under Section 502 of ERISA within one year of the exhaustion of your claim and appeal administrative remedies as described in the preceding sentence. Any suit filed against the Fund must be filed in the appropriate Court in Los Angeles County.

   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 Administrative Office on and after January 1, 2002.

SECTION 13 – BASIC INFORMATION

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

   The Southwest Carpenters Pension Plan is a defined benefit plan, adopted, sponsored and administered by the Board of Trustees of the Southwest Carpenters Pension Trust which is a collectively bargained trust governed by the Board of Trustees. The Board of Trustees is appointed in equal numbers by Labor and Management representatives.

2. **Internal Revenue Service plan identification number.**

   The Federal Employer Identification Number (EIN) issued to the Board of Trustees by the Internal Revenue Service is 95-6042875. The Plan number is 001.

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

   Daniel M. Shanley, Esq.
   Shanley A.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 Plan Administrator.**

   The Board of Trustees of the Southwest Carpenters Pension Trust is the Plan Administrator of the Plan for purposes of the Employee Retirement Income Security Act of 1974, as amended. The Board of Trustees has delegated day-to-day administration of and claims processing for the Plan to:

   Carpenters Southwest Administrative Corporation
   533 South Fremont Avenue
   Los Angeles, CA 90071-1706
   (213) 386-8590

5. **Names, titles and addresses of the Trustees.**

Management Trustees

Curtis Conyers, Jr.
c/o Carpenters Southwest
Administrative Corporation
533 South Fremont Avenue
Los Angeles, California 90071

Tony Cornell
c/o Carpenters Southwest
Administrative Corporation
533 South Fremont Avenue
Los Angeles, California 90071

Kim Fromer
c/o Carpenters Southwest
Administrative Corporation
533 South Fremont Avenue
Los Angeles, California 90071

Richard Harris
c/o Carpenters Southwest
Administrative Corporation
533 South Fremont Avenue
Los Angeles, California 90071

Clint G. Larison
c/o Carpenters Southwest
Administrative Corporation
533 South Fremont Avenue
Los Angeles, California 90071

Bert Lewitt
c/o Carpenters Southwest
Administrative Corporation
533 South Fremont Avenue
Los Angeles, California 90071

Anthony Rosetti
c/o Carpenters Southwest
Administrative Corporation
533 South Fremont Avenue
Los Angeles, California 90071

Greg Wilson
c/o Carpenters Southwest
Administrative Corporation
533 South Fremont Avenue
Los Angeles, California 90071

Labor Trustees

Collective Bargaining Agreement. Contributions to this Plan are made on behalf of each employee in accordance with Collective Bargaining Agreements between the Southwest Regional Council and Local Unions in the Southwest Region affiliated with the United Brotherhood of Carpenters and Joiners of America and employers in the industry.

The Administrative Office will provide you, upon written request, for a reasonable charge, a copy of the Collective Bargaining Agreement and/or a list of contributing Employers and employee organizations sponsoring the Plan. The Collective Bargaining Agreement and complete list of employers and employee organizations sponsoring the Plan is also available for examination by participants and beneficiaries at the Administrative Office.

6. The Plan's requirements with respect to eligibility for participation and benefits are summarized in Section 2 *"How You Participate in the Plan,"* Section 4 *"Vesting,"* and Section 7 *"Types of Pension"* of this summary plan description.

7. **Non-exclusive description of material circumstances which may result in disqualification, ineligibility, or denial, loss, forfeiture, suspension, offset, reduction, or recovery of benefits.**

    a. Beginning January 1, 1985, a Participant will incur a "Permanent Break in Covered Employment" if the number of consecutive plan years in which he failed to complete 500 hours of service is at least five and equals or exceeds the number of full years of Vesting Service Credit which he had previously accumulated.

    b. If a retired Employee returns to employment prohibited by the Plan, he must inform the Board of Trustees in writing within 15 days of his return. Benefits will be suspended for work in Prohibited Employment.

    c. A retired Employee is not eligible to receive a Pension until the first day of the month following the date on which he files an application for a Pension. The procedure for filing an application for benefits is outlined in Section 12 of this Booklet under *"How to Apply for Pension Benefits."*

    d. In addition to the description set forth elsewhere in this Booklet, your benefits may be reduced if they exceed the maximum amount allowed by Section 415 of the Internal Revenue Code.

       That section generally limits annual benefits to a flat dollar amount. For 2022, the flat dollar limit is $245,000, reduced slightly for the value of the 36-month guarantee. The flat dollar amount is further reduced if benefits start earlier than the Normal Retirement Age for full benefits or are paid in a form other than a Single Life Annuity with a 36-month guarantee or a Qualified Surviving Spouse Pension. For example, the limit is approximately $153,000 for an individual age

55. These limits are adjusted periodically to reflect changes in the cost of living. In applying these limits, the benefits of all retirement plans (except for other multiemployer plans) sponsored by the same employer are aggregated. These limits shall be applied separately to benefits earned from different employers but only for benefits accrued before 2008.

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.

If a Retired Employee's benefit must be reduced due to aggregation with a non-multiemployer plan, the reduction applies to the benefit from the non-multiemployer plan unless the benefit from that plan has been paid.

e. Refer to Section 2 of this summary under *"How You Participate in the Plan"* with regard to the requirements to participate in the Plan. See Section 2 "Participation Rules for Special Classes of Employees" regarding termination of participation and loss of Pension Credit and Vesting Service Credit in the event the accrual of benefits violates IRS nondiscrimination rules.

f. Refer to Section 7 of this summary under *"Types of Pension"* with regard to the eligibility requirements for the types of Pensions available under this Plan.

g. Refer to Section 12 *"Claims Procedures"* of this summary with regard to the requirement of advance written application for benefits.

h. Refer to Section 12 *"Discretionary Authority"* of this summary with regard to the Trustees' power to recoup, offset, or recover overpayments made by the Fund, and the Trustees' authority to require that Pensioners and Beneficiaries over age 65 sign a Life Verification Form before a notary or a Plan or Union representative as a condition for continuing to receive their benefits.

i. Refer to Section 9 of this summary under *"Additional Reinstatement Rule Applicable only to Early Retirement Pensioners"* 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 Pension payment following suspension.

j. Refer to *"Lump Sum Payment"* in Section 8 *"Forms of Payment"* of this summary with regard to certain benefits that are subject to mandatory cash out, as a consequence of which, forms of payment that would otherwise be available are not permitted.

k. Refer to Section 9 of this summary *"Suspension of Pension Payments"* about suspension of Pension payments for prohibited employment and /or failure of a Pensioner to notify the Plan of a return to suspendible employment.

l. Refer to *"Suspension Period"* in Section 9 under *"Suspension of Pension Payments"* of this summary with regard to the Trustees' power to recover overpayments.

m. Refer to *"Summary of Plan provisions governing the authority of the Trustees to terminate and amend the Plan"* in Section 13 of this summary with regard to plan termination.

n. Refer to *"Non-covered Employment"* in Section 9 of this summary with regard to loss of benefits for performing Non-covered Employment.

8. **Source of financing of the plan and identity of any organization through which benefits are provided.** All contributions to the Plan are made by Employers in accordance with Collective Bargaining Agreements.

   Benefits are provided directly from Trust assets which are accumulated under the provisions of the Trust Agreement which provide for the control of its assets by the Board of Trustees. The Board may, and does, delegate its investment responsibility to investment managers registered under the Investment Advisers Act of 1940 or other qualified delegates. The Board establishes the Trust's funding and investment policy, and benefit levels in light of all facts and circumstances from time to time, in its complete discretion, subject only to ERISA and the Internal Revenue Code. The Board provides notices to participants and beneficiaries of the funded status of the Plan in the forms required by law, which forms do not necessarily reflect the opinion of the Board or its actuaries as to the practical funded status of the Plan.

9. **Plan Year.** The fiscal year of the Plan and Trust, generally referred to as the Plan Year, is the calendar year.

10. **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.

    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-bar- gained 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 guaranteed benefit limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first $11 of the monthly benefit accrual rate and (2) 75% of the next $33. The PBGC 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.

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

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

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC 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 pension insurance program is available through the PBGC website on the Internet at http://www.pbgc.gov.

11. **Summary of Plan provisions governing the allocation of and disposition of assets of the Plan upon termination.** The Plan provides that benefits accrued to the date of the termination, partial termination or discontinuance will be vested to the extent they are funded by Plan assets. If the Plan assets are sufficient to fully fund all benefits, your benefits will be paid to you in the normal way except that they may come from an annuity policy issued by an insurance company.

    The Plan also provides that the Trustees shall take steps needed to comply with ERISA Sections 4041A and 4281. Thus, if assets are not sufficient to fully fund all benefits accrued to the date of termination, the Plan may not pay death benefits for deaths after the termination date or new disability Pension awards. In addition, Pension awards might have to be reduced or suspended if the Plan terminates by a mass withdrawal of all employers and assets are not sufficient to fund all accrued benefits.

    Examples of benefits that are subject to reduction or elimination include benefits that were not vested under the Plan on the date of termination, and benefits and benefit increases in effect for fewer than 60 months.

If the Plan terminates and becomes insolvent, the PBGC will pay the benefits at the level provided by law. The PBGC guarantee of monthly benefits is currently limited to $35.75 multiplied by years of Pension credit.

12. **Summary of Plan provisions governing the authority of the Trustees to terminate and amend the Plan.** Some Trustee decisions are made in the settlor capacity of the Trustees and accordingly are not fiduciary acts under ERISA. Board adoption of amendments affecting the benefit design of the Plan are ordinarily settlor acts of the Board not subject to ERISA.

    The terms of the Plan give the Trustees authority to discontinue or terminate the Plan in whole or in part. However, no amendment may decrease the benefit of any Participant except:

    a. To the extent required to comply with the Internal Revenue Code or ERISA; or

    b. To the extent the amendment meets the hardship exception of ERISA § 302(c)(8) and Internal Revenue Code § 412(c)(8).

    Only the full Board of Trustees or its duly authorized delegate is authorized to interpret the Pension Plan described in this booklet. The Board of Trustees, or its duly authorized delegate, has the authority and responsibility in its complete discretion to interpret the Plan, the Trust and this Booklet, and any administrative materials pertaining to the Plan, in accordance with all the facts and circumstances it deems relevant, including its intent in adopting any provision. No employer or union nor any representative of any employer or union, in such capacity, is authorized to interpret this Plan nor can any such person act as agent of the Trustees. The Trustees reserve the right to amend, modify, terminate or discontinue all or part of this Plan whenever, in their judgment, conditions so warrant, and such act shall be a settlor act.

SECTION 14 – YOUR RIGHTS UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

As a participant in the Southwest Carpenters Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

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 a 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, in or in part, you may file a suit in a state or Federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it is determined that plan fiduciaries misused the plan's money, or discriminated against you for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in 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 frivolous.

Receive Information About Your Plan and Benefits

You may:

1. 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.

2. 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 impose a reasonable charge for the copies.
3. 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 annual funding notice.

4. 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.

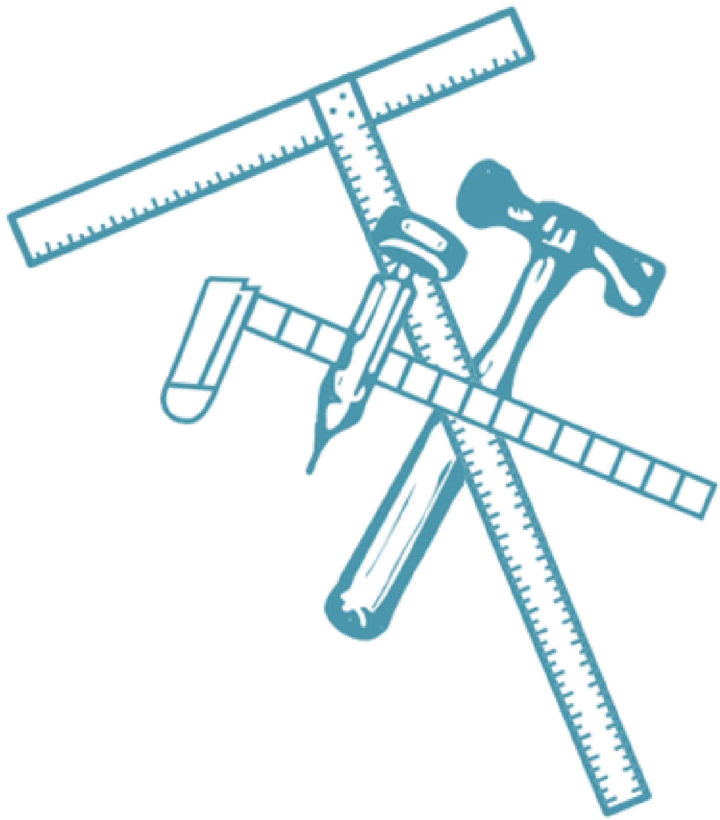
If you make a written request for certain documents, the Plan may impose a reasonable charge to cover the cost of furnishing those documents, provided the least expensive means of reproduction is used. In no event may such charge exceed 25 cents per page. You will be notified by the Administrative Office of the amount of any charge that applies. Free copies of certain documents are available online from the CSAC website: https://carpenterssw.org/ Documents can also be provided to you electronically via e-mail upon request. The Plan's Form 5500, "Annual Return/Report of Employee Benefit Plan" is available online at https://www.efast.dol.gov/portal/app/disseminate?execution=e1s1. Any lawsuit filed under ERISA §502(a) to recover benefits under the Plan or to enforce any rights under ERISA must be filed within one year of the issuance of a written decision regarding the denial of benefits following an appeal or other failure to comply with ERISA. Any suit filed against the Pension Trust must be filed in the appropriate Court in Los Angeles County.

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.

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.



SECTION 15 – PENSION PLAN TERMS

Following are brief explanations of some basic terms used in this booklet.

Active Participant
An Employee who meets the requirements for participation in the Plan, and excludes a Retired Employee, Beneficiary, or Vested Participant.

Administrative Office
The Carpenters Southwest Administrative Corporation ("CSAC"), including, as the context requires, the physical location of CSAC where you would direct all your communications about your Pension, inquiries about your rights, benefits and responsibilities, and any notice you may be required to give the Plan or to the Board of Trustees. The addresses is:

Southwest Carpenters Pension Trust
533 South Fremont Avenue
Los Angeles, CA 90071-1706

Annuity Starting Date
The date your Pension becomes effective.

Beneficiary
A person that has a right to receive benefits following the death of a Participant. See *"Designating a Beneficiary"* in Section 10 for more information.

Break in Service
Failure to earn a required minimum of Pension Credit or Vesting Service over specified periods of time. Unless certain conditions are met, a Break in Service can cause the loss of an Employee's previously earned Pension Credit and Vesting Service. For detailed explanations of what causes a Break in Service, what can make a Permanent Break in Service, and how breaks can be repaired, see *"Break in Service"* in Section 5 of this Summary.

Collective Bargaining Agreement
An agreement entered into by the Union requiring contributions to the Trust for Hours of Work in Covered Employment.

Covered Employment
Work for which a signatory Employer is required to contribute to the Trust on the employee's behalf pursuant to a Collective Bargaining Agreement, Participation Agreement or Subscribers Agreement.

Employee
A person who performs Covered Employment, or a Special Class Employee.

Employer
A signatory employer that is required to contribute to the Fund on the Employee's behalf pursuant to a Collective Bargaining Agreement, Participation Agreement or Subscribers Agreement, or the employer of a Special Class Employee.

Hours of Service
Includes Hours Worked in Covered Employment and hours paid but not worked, for example, paid vacation or holidays. However, no more than 501 Hours of Service will be credited for hours paid but not worked in any continuous period. Two periods of paid non-work time will be considered continuous for this purpose if they are paid for the same reason and are not separated by at least ninety (90) days.

"Continuous Non-Covered Employment"—which refers to employment for an Employer in a job not covered by this Plan which is continuous with Covered Employment with the same contributing Employer— will also be counted as Hours of Service. A period of employment that is not Covered Employment will be considered "continuous" with Covered Employment only if there is no quit, discharge or other termination of employment between the period of Covered Employment and the employment that is not covered.

Hours Worked in Covered Employment
The term "Hours Worked in Covered Employment" means hours for which you are paid or entitled to payment by the Carpenter signatory contributing Employer for actual performance of duties (and back pay hours intended to compensate you for periods you would have performed such duties) which are reported or reportable with respect to the Plan to the Administrative Office by such Employer, at not less than the full Master Labor Agreement hourly contribution rate, in accordance with a Carpenters Union collective bargaining agreement and the procedures of the Administrative Office. Hours performed on or after January 1, 2015 under a Collective Bargaining Agreement recognized by the Board of Trustees and contributable to the Trust at an average contribution rate described in Section 6.2(a) of the Pension Plan are also Hours Worked in Covered Employment.

Master Labor Agreement
The Southern California Master Labor Agreement between United General Contractors, Inc. and the Southwest Regional Council of Carpenters and Local Unions in the Twelve Southern California Counties Affiliated with the United Brotherhood of Carpenters and Joiners of America entered into on July 1, 2006 and any predecessor or successor thereto. As determined by the Administrative Office in its complete discretion the Master Labor Agreement shall refer to the generally applicable labor agreement effective in another state or region within the Southwest Region (outside the 12 Southern California counties) for purposes of determining Hours Worked in Covered Employment.

Non-covered Employment
Work after November 1, 1992 in the building and construction industry in the geographical jurisdiction of the Plan (the Southwest Region) for an employer which has not signed a Collective Bargaining Agreement with the Union or any self-employment which is not covered by a Collective Bargaining Agreement with the Union. See Section 9.

Normal Retirement Age
Age 65, or, if later, an applicable anniversary date. The anniversary date is the earlier of (1) the 10th anniversary of participation in the Plan, or (2) the 5th anniversary of participation in the Plan counting only service on and after January 1, 1988. See "*Vesting at Normal Retirement Age*" in Section 4,

Participant
An Employee that has satisfied the conditions for participation. See *"How You Participate in the Plan"* in Section 2.

Pension
A type of retirement benefit as described in Section 7.

Pension Credits and Vesting Service Credits
Units used to measure the amount of time an Employee has worked in Covered Employment. See *"How You Earn Pension Credit"* in Section 3 and *"Vesting Service Credit"* in Section 4 of this Summary. Note that Pension Credit and Vesting Service may also be earned during certain nonworking periods, under conditions specified in the Plan. See *"Pension Credit during Periods of Temporary Disability or Military Service"* in Section 3.

Pension Plan or Plan or Southwest Plan or SW Plan
The Southwest Carpenters Pension Plan, or, where the context requires, the document that sets forth the rules and regulations of the Southwest Carpenters Pension Plan that are applied in determining eligibility for and the amount of any type of benefit payable to a Participant or Beneficiary.

Plan Year
The twelve consecutive month period beginning on January 1 of any year and ending on December 31 of the same calendar year.

Prohibited Employment
Employment that would result in the suspension of Pension payments.

Reciprocal Agreement
The International Reciprocal Agreement for Carpenters Pension Funds.

Related Credit
Pension Credits accumulated and maintained by an Employee under a Related Plan.

Related Plan
A pension plan which has executed the International Reciprocal Agreement to which this Plan is a party.

Required Beginning Date
For distributions required to be made after December 31, 2019: For Participants born before July 1, 1949, it is April 1 of the year following the calendar year in which you reach age 70-1/2. For Participants born on or after July 1, 1949, it is April 1 of the year following the calendar year in which you reach age 72.

Separation from Service
Failure to earn a required minimum of Pension Credit or Vesting Service over specified periods of time. As a result, an Employee's previously earned Pension Credit may, upon retirement, be frozen at the benefit rate in effect at the time of the Separation. See *"Separation from Service"* in Section 6.

Single Life Annuity
This is the automatic form of payment for unmarried employees. You would receive a monthly benefit for your lifetime with a 36-month guarantee. Payments stop upon your death except that if you die within 36 months of your Annuity Starting Date, the remainder of the 36 payments will be paid to your designated beneficiary. The benefit paid under this method is the full monthly amount determined under the pension formula (but reduced for early retirement, if applicable). A married participant may also elect this form as an optional payment method with the consent of the spouse.

Southwest Region
The geographical jurisdiction of the Plan and Trust as established under collective bargaining agreements between the Union and employers for work in the Southwest Region of the United States. Upon completion of such collective bargaining agreements, this generally coincides with the jurisdiction of the Southwest Regional Council of the United Brotherhood of Carpenters, and presently includes the 12 Southern California counties, Colorado, Nevada, Utah, Arizona, New Mexico and Wyoming (including some portions of west Texas).

Special Class Employees
Certain special class employees who are not members of a collective bargaining unit may be Participants in the Plan under special rules in accordance with the Plan and agreements with the Administrative Office.

Trust or Pension Trust or Trust Fund
The Southwest Carpenters Pension Trust, or, where the context requires, the Southwest Carpenters Pension Trust Agreement.

Union
The terms "Union" or "Carpenters Union" mean the Southwest Regional Council of the United Brotherhood of Carpenters and Joiners of America and its affiliated local unions.

Vested
The term "Vested" has the meaning set forth in Section 4.

NOTES

CARPENTERS SOUTHWEST ADMINISTRATIVE CORPORATION
ESTABLISHED 1982

carpenterssw.org/en
ENGLISH

carpenterssw.org/es
SPANISH

bit.ly/MemberXG-CSAC
MEMBERXG