

**LABORERS PENSION TRUST FUND  
OF NORTHERN  
NEVADA**

**SUMMARY PLAN DESCRIPTION**

**2013 Edition**



# *Northern Nevada Laborers Trust Funds*

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August 2021

## NOTICE OF MATERIAL MODIFICATION FOR THE LABORERS PENSION TRUST FUND OF NORTHERN NEVADA

### **CLARIFICATION -PENSION PLAN BENEFIT IMPROVEMENT FROM \$57 TO \$60 ON CERTAIN PRE 2015 UNITS**

Please be advised of this clarification regarding the recent benefit improvement increasing from \$57 to \$60 for certain pre 2015 Benefit units. Participants with a permanent break will not be eligible for the \$60 value Benefit Unit. Participants with a separation in Covered Employment after 2014 and prior to January 2022 will now be eligible for the \$60 value Benefit Unit.

PLEASE CONTACT THE TRUST FUND OFFICE AT 775-826-7200 IF YOU HAVE ANY QUESTIONS.



# **LABORERS PENSION TRUST FUND OF NORTHERN NEVADA**

445 Apple Street, Suite 109  
Reno, Nevada 89502  
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# **LABORERS PENSION TRUST FUND OF NORTHERN NEVADA**

445 Apple Street, Suite 109  
Reno, Nevada 89502

## **To All Covered Employees:**

This new booklet was written and designed to provide you with an up-to-date summary of the current Pension Plan. Some changes have been made in this new booklet. The most notable changes are:

- ☐ Replacement of the lifetime Disability benefit with a temporary Disability benefit;
- ☐ A reduction in the Early Retirement Pension benefits that are earned after 2012; and
- ☐ Elimination of the actuarial increase on benefits earned after 2012 if you continue to work in Covered Employment after Normal Retirement age.

These and other changes are described more fully in this booklet. Be sure to read this booklet and keep it for future reference. You should also share it with your family, since some of the benefits described may directly affect them.

This booklet summarizes selected Plan provisions and it contains a number of examples that illustrate different features of your Plan. However, your rights as a participant or beneficiary can only be determined by consulting the Plan Document.

If you have any questions, please contact the Fund Office where the staff will be happy to answer them.

Sincerely,

**BOARD OF TRUSTEES**

# **LABORERS PENSION TRUST FUND OF NORTHERN NEVADA**

## **SUMMARY PLAN DESCRIPTION**

This explanation of the Pension Plan is no more than a brief and very general statement of the most important provisions of the Pension Plan. No general statement such as this can adequately reflect all of the details of the Plan. Nothing in this statement is meant to interpret or extend or change in any way the provisions that are expressed in the Plan itself. The rights of a Participant or Beneficiary can only be determined by consulting the Plan Document. If you would like a copy of the Plan Document, please contact the Fund Office.

Only the full Board of Trustees is authorized to interpret the Plan or benefits described in this booklet. No employer, nor any representative of any employer or union, is authorized to interpret this Plan on behalf of the Board - nor can such person act as an agent of the Board of Trustees.

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## HOW YOU BECOME A PARTICIPANT IN THE PLAN

You become a Participant in this Plan on the January 1 or July 1 after you work at least 250 hours during twelve consecutive months in a job category covered by a Collective Bargaining Agreement between Laborers Local No. 169 and your current Employer or a Subscription Agreement (non-bargaining) between your Employer and the Board of Trustees ("Agreement"). The 250-hour requirement may also be satisfied using Hours of Service in Continuous Non-Covered Employment (see page 2 for a definition) with a Contributing Employer.

## HOW WORKING TIME COUNTS

The amount of time you work in a job covered by an Agreement counts in several important ways. It determines whether you are eligible for a pension and how much your pension will be. For these purposes, the time you work as a Participant in the Plan is measured in two ways - in **Years of Credited Service and Benefit Units**.

Years of Credited Service and Benefit Units are calculated differently before and after June 1, 1968.

After you become a Participant in the Plan, you receive both Years of Credited Service and Benefit Units during the time your Employer contributes to the Plan with respect to your work and the credit earned is called "Credited Future Service." You may also receive Credited Service and Benefit Units for work performed before June 1, 1968 and this Credited Service is called "Credited Past Service".

In general, Credited Service is used in determining your eligibility for a pension. However, eligibility for a Service Pension (described on page 9) is based on Benefit Units. The actual amount of your pension is calculated on the basis of the Benefit Units you have earned.

### **Years of Credited Service Before June 1, 1968 (Credited Past Service)**

You receive one year of Credited Past Service for each Calendar Year before June 1, 1968 during which you were employed at least 1,000 hours in work of the type, which now requires Contributions to this Pension Plan. If you worked less than 1,000 hours, one quarter of a Year of Credited Past Service is granted for each 250 hours of work in a Calendar Year.

A **Calendar Year** is the 12-month period from January 1 to December 31. This is the annual period used to determine your eligibility to participate, vest and accrue benefits under the Plan.

To determine the number of hours you worked before your Employer began contributing to the Fund, the Board of Trustees uses certain records.

These records include:

- ☐ the records or statements of past employers, and
- ☐ the records of the Social Security Administration, and
- ☐ Union records, and
- ☐ the records of the Construction Workers Health and Security Fund, and the Nevada Construction and Industrial Workers Health and Welfare Fund.

### **Years of Credited Service After May 31, 1968 (Credited Future Service)**

After May 31, 1968 you receive Credited Future Service for all Contributory Hours. Contributory Hours means hours in employment for which contributions are required to be made to the Fund. You receive Future Service Credit according to the following schedules:

#### **After May 31, 1968 and Before January 1, 1995**

<b>Contributory Hours Worked In Plan Credit Year</b>	<b>Credited Future Service</b>
Less than 250 hours	None
250 to 499 hours	1/4
500 to 749 hours	1/2
750 to 999 hours	3/4
1,000 hours or more	1 Year

#### **After December 31, 1994**

<b>Contributory Hours Worked In Plan Credit Year</b>	<b>Credited Future Service</b>
Less than 250 hours	None
250 to 299 hours	1/4
300 to 399 hours	3/10
400 to 499 hours	4/10
500 to 599 hours	5/10
600 to 699 hours	6/10
700 to 799 hours	7/10
800 to 899 hours	8/10
900 to 999 hours	9/10
1,000 hours or more	One Year

Beginning January 1, 1976, you also receive Credited Future Service for work in a job not covered by the Plan if you work for a Contributing Employer and:

- ☐ you move directly from a covered job with that Employer to a non-covered job with that Employer, or
- ☐ you move directly from a non-covered job with that Employer to a covered job with that Employer.

This is referred to as "Continuous Non-Covered Employment."

## How You Earn Benefit Units

The amount of your pension will be based on the number of Benefit Units you earn before you Retire (Page 17 discusses what it takes to be considered Retired). Benefit Units are granted for all work for which Employers contribute, or are required by an Agreement to contribute, to the Pension Fund.

Benefit Units are earned differently than Years of Credited Service. The different ways of earning Benefit Units are explained in the following sections.

### Benefit Units Before June 1, 1968

If you earn one year of Credited Past Service, you also earned one Benefit Unit. If you earned a portion of a year of Credited Past Service, you earned a portion of a Benefit Unit.

### Benefit Units After May 31, 1968

During the period after your first Contributory Hour you earn Benefit Units for all hours for which your Employer is required to contribute on your behalf according to the following schedules:

#### After May 31, 1968 and Before January 1, 1995

Contributory Hours Worked In a Calendar Year	Benefit Units
Less than 250 hours	None
250 to 499 hours	1/4
500 to 749 hours	1/2
750 to 999 hours	3/4
1,000 to 1,249 hours	One
1,250 to 1,499 hours	1-1/4
1,500 to 1,599 hours	1-1/2
1,600 to 1,699 hours	1-6/10
1,700 to 1,799 hours	1-7/10
1,800 to 1,899 hours	1-8/10
1,900 to 1,999 hours	1-9/10
2,000 to 2,099 hours	Two
2,100 or more	<sup>1</sup>

<sup>1</sup> 1/10 of a Benefit Unit is earned for each additional 100 hours worked in excess of 2,000 hours.

**After December 31, 1994**

<b>Contributory Hours Worked In a Calendar Year</b>	<b>Benefit Units</b>
Less than 250 hours	None
250 to 299 hours	1/4
300 to 399 hours	3/10
400 to 499 hours	4/10
500 to 599 hours	5/10
600 to 699 hours	6/10
700 to 799 hours	7/10
800 to 899 hours	8/10
900 to 999 hours	9/10
1,000 to 1,099 hours	One Year
1,100 hours or more	<sup>1</sup>

**Credit for Disability and Military Service After May 31, 1968**

If you are unable to work in Covered Employment due to a medical disability or due to certain military service in the Armed Forces of the United States, you will receive credit toward the accumulation of Credited Future Service and Benefit Units as follows:

1. At the rate of 40 hours per week if you are absent from Covered Employment due to a disability for which Worker's Compensation Temporary Disability Benefits are received. For each distinct and separate disability, no more than two years can be credited.
2. At the rate of 40 hours per week for a non-occupational disability which continued for at least 14 days. No more than one-half year can be credited for each non-job related disability.
3. At a rate based on the average number of hours you work in Covered Employment in a week during the 12-month period immediately preceding your Qualified Military Service, but not less than 40 hours per week. Qualified Military Service is a Participant's qualified military or other Uniformed service period under the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"). You are eligible for this service provided you have reemployment rights under USERRA, you had not incurred a one-year Break-in-Service at the time you entered military service, and you return to Covered Employment from such service on or after December 12, 1994 and within the timeframe required by USERRA. Unless required by law, no more than five years of Qualified Military Service will be granted for any purpose.

You are in Covered Employment if your time worked contributions are made to the Plan pursuant to the provisions of an Agreement.

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<sup>1</sup> 1/10 of a Benefit Unit is earned for each additional 100 hours worked in excess of 1,000 hours. The number of Benefit Units a Participant can accrue in a Calendar Year is unlimited.

## CAN YOU LOSE YOUR CREDITED SERVICE AND BENEFIT UNITS?

You cannot lose your Years of Credited Service and Benefit Units once you have attained vested status, (see "How you Achieve Vested Status). However, you may permanently lose your Years of Credited Service and Benefit Units if you are not vested and you do not work the required number of hours in a covered job for a certain number of years, thus incurring a Break in Service. A Break in Service (temporary or permanent) is determined by the Break in Service rule in effect at the time your Break occurs, as explained below.

### Breaks in Service

#### Before January 1, 1976

You lost your Years of Credited Service and Benefit Units and incurred a Permanent Break in Service if you were not vested and did not earn at least one-quarter of Credited Future Service in a period of two consecutive Calendar Years.

However, your cancelled Years of Credited Service and Benefit Units may be reinstated if you subsequently return to Covered Employment and earn 10 Years of Credited Future Service without a Permanent Break in Service.

#### After December 31, 1975 and before January 1, 1985

A *One-Year* Break in Service occurs if you do not work a minimum of 250 hours in Covered Employment in a Calendar Year. A Break in Service becomes *permanent* if the number of consecutive One-Year Breaks in Service is equal to or greater than your full Years of Credited Service previously accumulated.

#### After December 31, 1984

On or after January 1, 1985, a Break in Service becomes permanent only if the number of your consecutive One-Year Breaks in Service equals or exceeds five years, or if greater, the number of full Years of Credited Service as shown in the following example.

Year	Employee Works	Total Years of Credited Service	Break in Service Years
1	1,400 Hours	1	0
2	1,500 Hours	2	0
3	1,100 Hours	3	0
4	1,300 Hours	4	0
5	100 Hours	4	1 (Temporary)
6	0 Hours	4	2 (Temporary)
7	125 Hours	4	3 (Temporary)
8	0 Hours	4	4 (Temporary)
9	190 Hours	0	5 (Permanent)

The Employee in the above example has a Permanent Break in Service at the close of the ninth year because the number of consecutive Break in Service Years equal or exceeds five years.

**IMPORTANT:** A One-Year Break in Service can be repaired so long as the Break in Service is not permanent. All previous Breaks-in-Service years are disregarded after a Calendar Year in which an employee has sufficient hours of work in Covered Employment and/or Continuous Non-Covered Employment to earn the required minimum Credited Service, provided there was no Permanent Break in Service.

Break in Service years are not added together unless they come one right after the other without interruption, by years of less than 250 hours of work in Covered Employment or Continuous Non-Covered Employment for a Contributing Employer.

## **Grace Periods**

A grace period is a time period, which is to be disregarded in determining whether you have worked sufficient hours in Covered Employment to prevent a Permanent Break in Service. A grace period does not add to your Credited Service. Grace periods are as follows:

- ☐ Before January 1, 1976, you were allowed a grace period for the period of time you were employed in a supervisory position for a contributing employer or periods of service in the Armed Forces of the United States. You also were allowed a grace period, up to two years, if you were unable to work in covered employment due to disability.
- ☐ After January 1, 1985, you are allowed a grace period for a maximum of 501 Hours of Service due to parental responsibilities related to the birth or adoption of a child.

In order to secure a grace period, you must give written notice to the Board of Trustees with written evidence for their review.

## HOW YOU ACHIEVE VESTED STATUS

The Plan is designed to provide benefits that begin on your Normal Retirement Date if you are Vested when you stop working. You may chose to begin receiving other benefits before Normal Retirement Date if you are eligible (see "When you are eligible for a pension and how much you will receive" section below).

You have achieved Vested status if:

- ☐ Between June 1, 1968 and July 1, 1973, you attained age 50 and accumulated at least fifteen Years of Credited Past and Future Service or attained age 55 and had accumulated at least ten Years of Credited Past and Future Service, without a Permanent Break in Service; or
- ☐ On or after July 1, 1973, you accumulated at least 10 Years of Credited Past and Future Service without a Permanent Break in Service. However, you only need 5 years of Credited Past and Future Service, if you are *not* covered by a Collective Bargaining Agreement and earn at least one Hour of Service after May 31, 1989; or
- ☐ On or after January 1, 1999, you have at least one or more Hours of Service after December 31, 1998 and you have accumulated 5 Years of Credited Past and Future Service without a Permanent Break In Service; or
- ☐ You attain Normal Retirement Age (age 65, or if later, the age of your fifth anniversary of participation in the Pension Plan).

If you are not Vested in the Plan when you stop working, you will not be entitled to any benefits from the Plan unless you rejoin the Plan, meet the requirements described in the "Can You Lose Your Credited Service And Benefit Units?" section and meet the requirements above.

If you never Vest under the rules of the Plan, neither you, nor your spouse or designated beneficiary(ies) will be entitled to any benefits. Neither you nor your employer is entitled to a return of contributions made to the Plan nor any interest thereon.

## WHEN YOU ARE ELIGIBLE FOR A PENSION AND HOW MUCH YOU WILL RECEIVE

This section describes the types of pensions and the service, age and other requirements for each form of pension. The amount of your monthly pension payments will vary with each type of pension according to a number of factors, including when your Credited Service or Benefit Units were earned, when you apply for a pension, and the options you select. Information concerning the amount and duration of payments can be found in this section as well as in the section entitled "Pension Payment Methods".

Note: You must Retire to receive a pension. Page 17 discusses what it takes to be considered Retired. The

Fund Office can assist you with your questions regarding your eligibility and explain various factors, which should be considered when you are ready to Retire.



## Regular Pension

### Eligibility

You are eligible to receive a Regular Pension when:

- ☐ You have attained age 63 and are Vested (as described above) and have earned one Year of Credited Future Service; or
- ☐ You have reached your Normal Retirement Age (age 65, or if later, the age of your fifth anniversary of participation in the Pension Plan).

### Regular Pension Amount

The monthly amount of a Regular Pension effective on or after January 1, 2006, is equal to \$57 for each Benefit Unit earned after the most recent separation from Covered Employment.

### EXAMPLE: ·

Joe is retiring on a Regular Pension effective January 1, 2013. He has earned a total of 30 Benefit Units prior to his retirement. Joe's benefit would be determined as follows:

$$30 \text{ Benefit Units} \times \$57 = \$1,710.00$$

**Total Regular Pension = \$1,710.00**

**NOTE:** The Regular Pension amount can be affected by a Separation from Covered Employment. If you have incurred a Separation(s) from Covered Employment, the value of each Benefit Unit earned prior to such Separation(s) shall be the amount in effect at the time of the Separation(s). In general, a Participant will be deemed separated from covered employment at the end of any two consecutive calendar year periods during which he or she does not work at least 250 Contributory Hours in at least one of the two years.

## Early Retirement Pension

### Eligibility

You are eligible to receive an Early Retirement Pension when:

- ☐ You are at least age 55, but have not attained age 63; and
- ☐ You have at least 10 Years of Credited Service, without a Permanent Break in Service; and
- ☐ You are not receiving a Service Pension from a Related Plan; and
- ☐ You have earned one year of Credited Future Service.

*Payment of your Early Retirement Pension can begin anytime between ages 55 and 63. However, if you perform Non-Covered Employment after February 1, 2012, then the receipt of your Service Pension will be delayed six months (but not later than Normal Retirement Age) for every calendar quarter in which you worked eight hours or more in Non-Covered Employment.*

For this purpose, "Non-Covered Employment" means employment in the Building and Construction Industry that is not covered by a Collective Bargaining Agreement with the Laborers International Union of North America or one of its local unions or other agreement with the Laborers International Union of North America or one of its local unions.

### Early Retirement Pension Amount

The amount of your Early Retirement Pension is reduced from the amount of the Regular Pension because you are younger when your pension begins and you will be paid a pension for a longer period of time.

The amount of the Early Retirement Pension is calculated as described below:

- ☐ The first step is to determine the amount of the Regular Pension you would receive if you were Regular Retirement Age when your pension starts.
- ☐ This amount is then reduced by  $\frac{1}{2}$  of 1% for each month you are younger than age 63.

However, this amount cannot be less than the amount of your Regular Pension benefits earned as of December 31, 2012 reduced by  $\frac{1}{4}$  of 1% for each of the first 36 months that your Early Retirement Age precedes age 63 and further reduced by  $\frac{1}{2}$  of 1% for each month in excess of the first 36 months.

#### Here is how it works:

- ☐ Joe is retiring on an Early Retirement Pension at age 58 on January 1, 2016.
- ☐ If he were age 63, his benefit would be \$1,710.00 a month. Since he is 60 months younger than age 63, his reduction is  $\frac{1}{2}\%$  (or .005) for each month between age 58 and 63. The reduction is therefore 30% (0.005 multiplied by 60) of \$1,710.00 or \$513.00, which is subtracted from the \$1,710.00; resulting in an Early Retirement Pension amount of \$1,197.00.
- ☐ Also, Joe's Regular Pension for benefits earned as of December 31, 2012 is \$1,368.00. His reduction for this amount is  $\frac{1}{4}\%$  (or 0.0025) for each month between age 60 and 63 (first 36 months before age 63), plus  $\frac{1}{2}\%$  (or 0.005) for each month between age 58 and 60 (the 24 months in excess of the first 36 months). The reduction is therefore 21% (0.0025 multiplied by 36 plus 0.005 multiplied by 24) of \$1,368.00 or \$287.28 which is subtracted from the \$1,368, resulting in an amount of \$1,080.72.
- ☐ Since \$1,080.72 is less than the Early Retirement Pension amount of \$1,197.00 the Early Retirement Pension stays at \$1,197.00

### Service Pension

#### Eligibility

You are eligible to receive a Service Pension when:

- ☐ You are at least age 55; but have not yet attained Regular Retirement Age; and
- ☐ You have at least 25 Benefit Units under this Plan without a Permanent Break in Service, excluding: prior to January 1, 1976 any Benefit Units earned in a Calendar Year in excess of one; on or after January 1, 1976 any Benefit Units earned in a Calendar Year in excess of one and  $\frac{1}{2}$ ; and
- ☐ You did not previously receive an Early Retirement Pension.

If you perform Non-Covered Employment after February 1, 2012, then the receipt of your Service Pension will be delayed six months for every calendar quarter in which you worked eight hours or more in Non-Covered Employment. "Non-Covered Employment" is described on page 8, above.

#### Service Pension Amount

The amount of the Service Pension is determined in the same manner as the Regular Pension amount.

## Disability Benefit

### Eligibility

If you become "totally disabled", you are eligible for a Disability Benefit if:

- ☐ You have not reached age 63; and
- ☐ You have at least five Years of Credited Service (without a Permanent Break in Service) with at least one or more Hours of Service after December 31, 1998 (excluding non-Covered Employment); or
- ☐ You have at least ten years of Credited Service (without a Permanent Break in Service); and
- ☐ As a result of work in Covered Employment, you have earned at least  $\frac{1}{4}$  of a Year of Credited Service in at least one of the two consecutive Calendar Years prior to the Calendar Year in which you become totally disabled; and
- ☐ You have earned at least one year of Future Service Credit.

### Total Disability

You are considered "totally disabled" upon determination by the Social Security Administration that you meet the requirements for a Social Security Disability Benefit. Proof of total disability may be shown by submitting a copy of your Social Security Disability Award, or a letter from the Social Security Administration that states you have been awarded a Social Security Disability Benefit and notes the effective date of such benefit.

*At any time, the Board of Trustees may ask for proof that you continue to qualify for these benefits.*

### Disability Benefit Amount

The amount of the Disability Benefit is determined in the same manner as the Regular Pension amount except no benefit form options are available.

Payment of your Disability Benefit begins after you have been disabled for five full calendar months, if you file an application for pension benefits and the notice of entitlement to a Social Security Disability Benefit with the Fund Office within 60 days after the date shown in the notice. Otherwise, payments will not begin until the first of the month after you file an application with the Fund Office.

*You should file an application for a Disability Benefit with the Fund Office when you apply for your Social Security Disability Benefit to make sure that Plan benefits become payable as soon as possible.*

Disability Benefit payments shall cease the earliest of:

1. Receipt of 60 payments;
2. The date of death of the disabled Participant;
3. The date the Participant is no longer Totally Disabled;
4. The date the Participant is no longer Retired; or
5. The date the Participant elects a Regular Pension or Early Retirement Pension.

If you are receiving an Early Retirement Pension and become "totally disabled", you may elect to receive a Disability Benefit instead provided that you meet all the eligibility requirements for a Disability Benefit.

**Recovery of a participant receiving a Disability Benefit before Regular Retirement Age**

Within the 60 month payment period of the Disability Benefit, if you learn that your Social Security Disability benefits are being stopped, you must write to the Fund Office within 21 days of learning of such event. Your Disability Benefit will terminate upon the effective date of your loss of entitlement to the Social Security Disability Benefit.

If you fail to provide a timely written notice and wish to Retire (page 17 discusses what it takes to be considered Retired), you will not be eligible for benefits for a period of at least 6 months following your new retirement date. In addition, if you continue to receive disability within the 60 month payment period, your Pension benefits will be further delayed to recover any such payments.

**Reciprocal Pension**

If you have worked under this Plan and other pension plans related to it through a Reciprocal Agreement, you may be entitled to a Reciprocal Pension. A Reciprocal Pension is provided for those who may not be eligible for benefits under any one pension plan or would receive less than the full benefit amount because their working time was divided between two or more plans.

You may be eligible for a Reciprocal Pension if:

- ☐ You would be entitled to a pension if your combined Credited Service (service earned under this Plan added to service earned under a Related Plan) were treated as Northern Nevada Credited Service;
- ☐ You have met the age requirements for the type of pension you are applying for under each applicable Related Plan. (If applying for a Disability Benefit, you are sufficiently disabled to meet each applicable Related Plans' definition of total disability.); and
- ☐ You have not independently qualified for a Service Pension from a Related Plan.

Related Hours will be taken into account when determining whether or not you have incurred a Permanent Break in Service or Separation from Covered Employment.

*Credit earned under Related Plans cannot be used to qualify for a Service Pension.*

If you want to find out if your service under other plans can be applied to this Plan under the Reciprocal Agreement, please contact the Fund Office.

**Reciprocal Pension Amount**

The amount of the Reciprocal Pension is determined in the same way as the Regular Retirement, Early Retirement or Disability Benefit is determined.

*Only Benefit Units earned under this Plan are used to determine the amount of a Reciprocal Pension payable from this Plan.*

The other Related Plans have adopted similar provisions for reciprocal pensions wherein the Years of Credited Service earned under this Plan can be used toward eligibility for a reciprocal pension under those plans. As a result, the other Related Plans will pay reciprocal pension benefits based on your service with each plan at the level of benefits available under those plans. Your total pension is the sum of all the reciprocal pensions.

## PAYMENT METHODS AT RETIREMENT

When you Retire, you will be asked to choose the way you want your pension to be paid. Page 17 discusses what it takes to be considered Retired. The forms of payment available to you are described in this section.

### Husband-and-Wife Pension

If you are married when you Retire, you will **automatically** receive a Husband-and-Wife pension unless you and your Spouse reject this form of payment, in writing, prior to pension payments beginning.

Under this form of payment, you will receive a fixed monthly amount for your lifetime and after your death, your Spouse will receive 50% of the amount you were receiving for the rest of your Spouse's life. The amount of the Husband-and-Wife Pension you receive will be reduced to take into account your expected life span as well as that of your Spouse.

**For Example:** Assume that you are retiring on a Regular, Early Retirement, or Service Pension, your monthly benefit is \$1,200.00 and your Spouse is:

	Monthly Benefit to Pensioner	Monthly Benefit to Spouse after death of Pensioner
10 years younger	\$1,032.00	\$516.00
5 years younger	\$1,056.00	\$528.00
Same age	\$1,080.00	\$540.00
5 years older	\$1,104.00	\$552.00
10 years older	\$1,128.00	\$564.00

### Some Important Facts Concerning The Husband-and-Wife Pension

- ☐ The Husband-and-Wife Pension protects only the Spouse married to you on your Annuity Starting Date. If you divorce and remarry after your Annuity Starting Date, your new Spouse will not be entitled to any benefits under the Husband-and-Wife Pension.
- ☐ In order for your Spouse to receive the Husband-and-Wife Pension benefits, you and your Spouse must have been legally married to each other on your Annuity Starting Date and for at least one year ending on or before your death.
- ☐ After payments begin the Husband-and-Wife Pension cannot be cancelled or increased because you and your Spouse are divorced or your Spouse predeceases you. (An exception to this is the Single Life Reversion optional benefit described on page 14.)
- ☐ In order to reject the Husband-and-Wife Pension, both you and your Spouse must sign waiver forms provided by the Fund Office. The signatures must be witnessed by a Notary Public. A rejection of the Husband-and-Wife Pension is effective only if given within 90 days of the Annuity Starting Date.

- ☐ If you are vested and die before reaching age 55, your surviving Spouse will have the choice of receiving his or her Surviving Spouse Pension (a) the month following your death or (b) beginning the month after you would have become eligible for a pension benefit under the Plan had you lived.
- ☐ If your spouse requests payment of benefits prior to your attainment of age 55, the monthly payment will be further reduced to reflect payment over a longer period.
- ☐ The rights of a former Spouse as outlined in a "Qualified Domestic Relations Order" may reduce or eliminate benefits due to your current Spouse.

### **Pensioners 60-Month Guaranteed Pension**

If you are single when you Retire (page 17 discusses what it takes to be considered Retired), or married and you and your Spouse reject the Husband-and-Wife Pension, you will receive monthly pension payments guaranteed for 60 months. Of course, benefits are paid to you for your lifetime, but if you die before 60 monthly pension benefits have been paid, the monthly payments will continue to your named Beneficiary until a total of 60 payments have been made.

*For example:* If your pension begins January 1, 2013, and you die in June, 2015 (30 months later), your Beneficiary would receive payments under this method through the remaining guaranteed period, December, 2017 (30 months).

## OPTIONAL PAYMENT METHODS AT RETIREMENT

In lieu of the automatic methods of payment, you may elect to receive one of the following payment options:

### 75% or 100% Contingent Pensioner Option

These options are similar to the Husband-and-Wife Option described on page 12, except under these forms of payment, you will receive a reduced amount for your lifetime and after your death, your Spouse will receive 75% or 100% (whichever you elect) of the amount you were receiving for the rest of your Spouse's life.

The amount of the Husband-and-Wife Pension you receive will be reduced to take into account your expected life span as well as that of your Spouse. The amount of the reduction is based on the difference in the ages of you and your spouse.

Note: A Single Life Reversion option as described below may also be requested for either of the above options.

### Single Life Reversion Husband-and-Wife Pension

If you are married upon retirement, you and your Spouse may choose the Single Life Reversion option. Under this form of payment, you will receive a reduced monthly pension for your lifetime, and after your death your Spouse will receive 50% (or, alternatively, 75% or 100% if you should elect) of your monthly benefit for the rest of your Spouse's life. However, should your Spouse predecease you, your monthly benefit will be increased to the amount you would have received if the Husband-and-Wife Pension had not been chosen.

The amount of the Single Life Reversion option you receive will be reduced to take into account you and your Spouse's expected life span as well as the cost of the Reversion feature. The amount of reduction is based on the difference in the ages of you and your Spouse and shall be determined as follows:

<b>For Example*:</b> Assume that you are retiring with a Regular Pension and your monthly benefit is \$1,200.00 and your Spouse is:			
	<b>Monthly Benefit to Pensioner</b>	<b>Monthly Benefit to Spouse if Pensioner Dies First</b>	<b>Monthly Benefit to Pensioner if Spouse Dies First</b>
10 years younger	\$1,014.00	\$507.00	\$1,200.00
5 years younger	\$1,038.00	\$519.00	\$1,200.00
Same Age	\$1,062.00	\$531.00	\$1,200.00
5 years older	\$1,086.00	\$543.00	\$1,200.00
10 years older	\$1,110.00	\$555.00	\$1,200.00
* 50% Option assumed.			

## OTHER SURVIVOR BENEFITS

### Surviving Spouse Pension

If you are married, a Surviving Spouse Pension protects your Spouse if you should die after you become vested or are receiving a disability benefit but prior to receiving a pension benefit, provided you have been married for at least one year prior to your death. The Surviving Spouse Pension is payable for your Spouse's lifetime.

If you die *after* becoming eligible for any benefit under the Plan, your surviving Spouse will receive 50% of your earned retirement benefit adjusted as though you had Retired on the day before your death and had elected the Husband-and-Wife Pension. Benefits to your Spouse will begin on the first of the month following the month in which you died.

If you die *before* becoming eligible for any benefit under the Plan, your Surviving Spouse will have the choice of receiving his or her Surviving Spouse Pension (a) the month following your death or (b) the month following the date when you would have become eligible for a pension benefit under the Plan had you lived.

If the Surviving Spouse pension is deferred until the month following the month you would have become eligible for a pension benefit under the Plan, the amount payable to your Surviving Spouse will be determined as if you had left Covered Employment on the day before your death and had elected the Husband-and-Wife Pension on the last day of the month in which you would have become eligible for a pension benefit under the Plan. If you had not become eligible for a pension benefit under the Plan at the time you die and if the Surviving Spouse Pension is paid the month following your death, the amount of the pension will be adjusted to reflect the fact that benefits will be paid over a longer period of time.

Your Spouse may elect in writing to postpone the starting date of the Surviving Spouse Pension to anytime after the day your Spouse becomes entitled to receive the pension, but no later than December 1 of the calendar year in which you would have reached age 70½ or, if later, December 1 of the calendar year following your death. If your Spouse elects to postpone the starting date of the pension, your Spouse will receive 50% of the amount determined in accordance with the terms of the Plan in effect when you last worked in Covered Employment and as if you had Retired on a Husband-and-Wife Pension and died the day before your Spouse's benefit were to start. **The Surviving Spouse Pension is payable for your Spouse's lifetime.**

### Spousal Pre-Retirement Death Benefit

A death benefit is payable to your Surviving Spouse for 36 monthly payments if, at the time of your death:

- ☐ You have actually worked at least 250 Contributory Hours in either of the two consecutive Calendar Years prior to the Calendar Year in which you die, or you die while in Qualified Military Service (see page 4) and actually worked at least 250 Contributory Hours in either of the two consecutive Calendar Years prior to the Calendar Year in which you entered into military service; and
- ☐ You accumulated at least 5 Years of Credited Service (without a Permanent Break in Service) with at least one or more Hours of Service after December 31, 1998; or



- ☐ You accumulated at least 10 Years of Credited Service (without a Permanent Break in Service); and
- ☐ Your Surviving Spouse elects the death benefit in lieu of the Surviving Spouse Pension.

### **Pre-Retirement Lump Sum Death Benefit**

A lump sum death benefit is payable to your Beneficiary if, at the time of your death on or after January 1, 1995:

- ☐ You have worked at least 250 Contributory Hours in one of two consecutive Calendar years prior to the Calendar year of your death; and
- ☐ You are not eligible for any other death benefit.

Your beneficiary will receive \$250.00 for each Benefit Unit earned prior to your death or, \$1,000 per Benefit Unit if you are not married and Vested (as follows):

- ☐ You accumulated at least 5 Years of Credited Service (without a Permanent Break in Service) with at least one or more Hours of Service after December 31, 1998; or
- ☐ You accumulated at least 10 Years of Credited Service (without a Permanent Break in Service).

If you are married and **you have waived the Surviving Spouse Pension** (described above) with the consent of your Spouse, this death benefit can also be paid to a Beneficiary who is not your Spouse.

### **Spouse's Choice of Pre-Retirement Death Benefits**

If at the time of your death, your surviving Spouse is eligible for both a Surviving Spouse Pension and the Spousal Pre-Retirement Death Benefit, he or she may elect to receive either form of benefit he or she prefers.

### **Naming a Beneficiary**

You may designate anyone as Beneficiary to receive any payments due upon your death by completing a Beneficiary Designation card from the Fund Office. If you are married and elect a Beneficiary other than your Spouse, your Spouse must consent to such designation before a Notary Public. (Designating a beneficiary other than your spouse is void if your spouse has not consented to such a designation before a Notary Public.) If a Beneficiary is not named, or if the named Beneficiary dies before receiving full payment of the benefits due under the Plan, the remaining payments will be payable to your surviving Spouse, if living. If there is no Spouse or your Spouse later dies, payment shall be made to any other person who is wholly dependent on you at the time of your death. If there is more than one person who was so dependent, payment will be divided equally among such dependents. If there is no individual wholly dependent on you, no further benefits are payable.

**IMPORTANT:** You should be sure that you have a Beneficiary Designation Card on file with the Fund Office and that it is up to date. You may obtain a Beneficiary Card from the Fund Office.

## LUMP SUM PAYMENT IN LIEU OF MONTHLY BENEFIT

If, at the time a monthly benefit becomes payable to you or your surviving Spouse, the actuarial present value of your monthly benefits is \$5,000 or less, the Board will pay you or your surviving Spouse a lump sum amount equal to the actuarial present value in lieu of the monthly benefit otherwise payable.

## RETIREMENT, WORKING AFTER RETIREMENT AND SUSPENSION OF BENEFITS

### Retirement, Retiree or Retired

In order to receive monthly pension payments from this Plan, you must be Retired and not work during any calendar month in the type of employment described below:

#### **Before Normal Retirement Age (Age 65, or if later, the age of your fifth anniversary of participation in the Pension Plan)**

To be considered Retired before Normal Retirement Age, you must complete a Pension Application and declare under penalty of perjury that you have withdrawn completely and refrained from any employment for wages or profit anywhere in the Building and Construction Industry.

Building and Construction Industry is defined as:

*All Building, heavy, highway, industrial, engineering, and/or any other type of construction, including, without limitation: all construction, erection, alteration, repair, modification, demolition, addition, maintenance, improvement, and/or any other operation incidental thereto performed by any Contributing or Non-Contributing Employer, including self employment.*

*Building and Construction includes: mine work and/or related trucking when performed by an Employer engaged in the Building and Construction Industry and manufacturing of products used primarily in the Building and Construction Industry.*

#### **After Normal Retirement Age (age 65, or if later, the age of your fifth anniversary of participation in the Pension Plan) and Before your Required Beginning Date**

To be considered Retired after Normal Retirement Age (and before your Required Beginning Date), you must complete a Pension Application and declare under penalty of perjury that you have refrained from employment of 40 hours or more during any calendar month:

- ☐ in the geographical jurisdiction covered by the Plan; and
- ☐ in an industry which requires the type of work and skills employed by Employees covered under this Plan at the time your pension began.

#### **After the Required Beginning Date**

Beginning with the April 1 immediately following the calendar year in which you attain your Required Beginning Date (Age 70 $\frac{1}{2}$ ) or the calendar year in which you stop working in Covered Employment, the Fund must begin payment of your pension benefit, if you so elect. There will no longer be any restrictions on the type, duration or location of the work you may perform before benefits are suspended.

## Working After Retirement/Suspension of Payments

If you decide to work in the type of job described in the "Retirement" section on page 17 ("prohibited employment"), you must notify the Fund Office.

### Steps to Notify the Fund Office of Prohibited Employment are as follows:

1. Prior to engaging in prohibited employment, you should contact the Fund Office in writing to request a determination on whether a particular employment will result in a suspension of pension payments.

A written request for a determination shall be submitted to the Fund Office which shall fully describe:

- i. the particular employment;
- ii. the duties and skills required and used in the particular employment;
- iii. the industry;
- iv. the geographic location of the particular employment; and
- v. the name and address of the anticipated employer and contact person.

The Plan shall provide the Pensioner with its determination.

***If you are under Normal Retirement Age, your pension benefits will be suspended and permanently withheld for an additional three months after you stop working in prohibited employment.***

2. Within 31 days of starting any prohibited employment you MUST notify the Fund office in writing.

***If you are under Normal Retirement Age, failure to notify the Fund Office will result in an additional suspension of your benefits for 12 months.***

3. You MUST notify the Fund Office in writing of when you have stopped engaging in any prohibited employment so that benefits will no longer be suspended. Unless otherwise described above, and provided you provide notice, benefits will resume after the last month for which they were suspended.

### Notification of Suspension of Benefits

You shall be informed of any suspension of your benefits by notice given by personal delivery or first class mail during the first calendar month in which your benefits are withheld. Such notice shall include a description of the specific reasons for the suspension, copy of the relevant provisions of the Plan, reference to the applicable regulation of the U.S. Department of Labor, and a statement of the procedure for securing a review of the suspension. In addition, the notice shall describe the procedure for you to notify the Plan when your prohibited employment ends.

If the Plan intends to recover prior overpayments, the suspension notice shall explain the offset procedure and identify the amount expected to be recovered, and the periods of employment to which they relate.

### Your Right to a Review of Suspension of Benefits

**You shall be entitled to a review of a determination suspending your benefits by written request to the Fund Office within 180 days of the notice of suspension.** The same right of review shall apply, under the same terms, to a determination by or on behalf of the Trustees that contemplated employment will be prohibited.

## **Additional Credits After Return to Covered Employment**

### **Before Normal Retirement Age (Age 65, or if later, the age of your fifth anniversary of participation in the Pension Plan)**

If you Retire before Normal Retirement Age and subsequently return to Covered Employment your pension will be withheld for each calendar month during which you are working in prohibited employment. (You are deemed in prohibited employment when you are no longer Retired, as explained on page 17.)

If you earn additional benefits, you will receive additional pension benefits when you again Retire based on the additional benefit you earned while working. At that time you will have two pensions when you once again Retire. Your first pension will be in the same amount and type you were receiving before you returned to work. You will not be entitled to a new election as to the Husband-and-Wife Pension or any optional form of benefit payment provided by the Plan.

Your second pension will have a separate Annuity Starting Date and will be based on the additional benefits you earned while your first pension was suspended. If the value of your second pension is \$5,000 or less, you will receive a lump sum payment equal to the value of this pension. If the value is greater than \$5,000, you will be offered all the benefit options provided by the Plan.

### **After Normal Retirement Age (Age 65, or if later, the age of your fifth anniversary of participation in the Pension Plan) (and Before your Required Beginning Date)**

If you Retire after Normal Retirement Age and before your Required Beginning Date, your pension payments will be suspended for the months during which you were employed 40 hours or more in prohibited employment. (You are deemed in prohibited employment when you are no longer Retired, as explained on page 17.) If you fail to notify the Fund Office within 31 days, as required, the Trustees will presume that you worked at least 40 hours in that month and each month following, unless and until you cease such employment and provide evidence to the contrary.

If you earn additional benefits, these additional benefits will be payable, when you once again Retire, in the same form as the form of benefit payments you were receiving prior to your return to work. Any additional benefits earned after Normal Retirement Age will be determined as of the end of the Plan Year in which they were earned.

### **After the Required Beginning Date**

After your Required Beginning Date, you will continue to receive your pension payments from this Plan during any period of employment, even if you become employed in the type of work prohibited by the Plan rules.

If you earn additional benefits, your pension will be adjusted at the end of each Plan Credit Year and paid to you on February 1 of the calendar year following the Plan Credit Year in which you earned the additional benefit.

## **Delayed Retirement**

If your Annuity Starting Date is after your Normal Retirement Age and you do not work in prohibited employment in any full calendar month after your Normal Retirement Age and before your Annuity Starting Date, you will be entitled to a pension payment for any such calendar month(s). Payment of such pension benefits will be made in the form of a lump sum payment or as an actuarial increase to the pension benefit payable at your Annuity Starting Date. However, Actuarial increases will no longer be payable on any benefits earned after December 31, 2012. You will be given a choice of the way you want this pension benefit paid at the time you Retire.

Note: Continuing in Covered Employment beyond Normal Retirement Age without retiring is not considered prohibited employment.

## **APPLICATIONS, IRC SECTION 415 BENEFIT LIMITATIONS & FEDERAL INCOME TAX WITHHOLDING**

### **How to Apply for Benefits**

To apply for your pension, you must request an application from the Fund Office. The application with instructions for completing will be provided. Be sure to send the application, and any other documents needed (such as proof of age for yourself and your Spouse and proof of marriage) to the Fund Office so that it arrives before the month in which your benefit payments are due to begin.

If you are applying for a Disability Benefit, you must submit proof that you have been awarded a Social Security Disability Benefit. You should indicate on your pension application whether you have applied for a Social Security Disability Benefit. If you get a Social Security Disability Benefit, you should send the notice of entitlement to the Fund Office within 60 days after you receive it, in order to have your Disability Benefit begin as early as possible.

### **Internal Revenue Code (IRC) Section 415 Benefit Limitations**

IRC Section 415 limits the amount of benefits that can be paid from pension plans. Your pension benefit can be no more than a fixed amount set by the government, adjusted for each year you are younger or older than the Social Security Retirement Age at retirement.

The above amount is further reduced if you elect to receive a pension with a five-year guarantee option.

These limitations apply to the total benefits of all pension plans you participate in with the same employer with some exceptions. These limitations will be adjusted annually for changes in the cost of living.

These benefit limitations are most likely to affect you if you Retire on a Service Pension at an early age and are receiving pensions from multiple sources on behalf of contributions from the same Employer.

### **Federal Income Tax Withholding**

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

Federal law requires that if you or your Spouse are receiving certain types of benefits from the Plan, 20% must be withheld for income tax purposes. These types of benefits are certain lump sum payments, installment payments over a period of less than 10 years, and certain death benefit payouts. However, these types of benefits are also eligible for a "rollover" into an IRA or other tax exempt retirement plan. If you roll over your benefits, withholding is not mandatory. You will be given complete information when you apply for benefits and the opportunity to elect or reject rollover treatment if your benefit is subject to mandatory 20% withholding.

## **SOME QUESTIONS AND ANSWERS**

### **WHO ADMINISTERS THE PLAN?**

A Board of Trustees consisting of an equal number of Employee and Employer representatives, in accordance with the law.

### **WHO IS COVERED BY THE PLAN?**

Only Employees of Contributing Employers who work under Collective Bargaining or Subscription (Non-Bargaining) Agreements between the Employer and the Local Union or the Board, respectively. Employees of the Local Union are covered by the Plan.

### **DO THE PENSION BENEFITS PROVIDED BY THE PLAN AFFECT SOCIAL SECURITY BENEFITS IN ANY WAY?**

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

### **MAY PENSION BENEFITS BE ASSIGNED?**

No, except to the extent provided in a qualified domestic relations order resulting from marriage dissolution proceedings.

### **ARE PLAN DOCUMENTS AVAILABLE TO PARTICIPANTS AND BENEFICIARIES?**

Yes. Copies of the Trust Agreement, Pension Plan Document (and subsequent amendments) as well as other materials are available for inspection at the Fund Office during regular business hours and upon written request will be furnished by mail.

In addition, copies of the Collective Bargaining Agreements and a full annual report (Form 5500) are available for inspection at the Fund Office during regular business hours and upon written request will be furnished by mail upon payment of reasonable charges. You should therefore find out what that charge will be before writing and asking for copies of these documents.

## INFORMATION REQUIRED BY THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

1. The Plan is administered and maintained by the Joint Board of Trustees at the following address:

Laborers Pension Trust Fund of Northern Nevada  
445 Apple Street, Suite 109  
Reno, Nevada 89502

The Employer Identification Number (EIN) issued to the Board of Trustees by the Internal Revenue Service is 88-0138600.

The Plan Number is 001.

2. The Plan is a defined benefit pension plan. For those members eligible for benefits under the Laborers Pension Trust Fund of Northern Nevada, a defined benefit is payable upon retirement.
3. The person designated as agent for service of legal process is the "Fund Manager" located at:

Benefit Plan Administrators, Inc.  
Laborers Pension Trust Fund of Northern Nevada  
445 Apple Street, Suite 109  
Reno, Nevada 89502

Service of legal process may be made upon the Board of Trustees or a Plan Trustee.

If you have questions please contact the Fund Manager at the address above or call 775-826-7200

4. The Board of Trustees is the Plan Administrator. This means that the Board of Trustees is responsible for seeing that information regarding the Plan is reported to government agencies and disclosed to Plan participants and beneficiaries in accordance with the requirements of the Employee Retirement Income Security Act of 1974.
5. The names and addresses of the Trustees are:

### **Employer Trustees**

Mr. John Madole, Co-Chairman  
Associated General Contractors  
P. O. Box 7578  
Reno, Nevada 89510

Mr. Craig Holt  
Sierra Nevada Construction, Inc.  
P.O. Box 50760  
Sparks, Nevada 89435

Mr. Dave Backman  
KG Walters Construction  
9945 N. Virginia St.  
Reno, Nevada 89506

### **Employee Trustees**

Mr. Richard "Skip" Daly, Chairman  
Laborers Local #169  
570 Reactor Way  
Reno, Nevada 89502

Mr. John Russell  
Laborers Local #169  
570 Reactor Way  
Reno, Nevada 89502

Mr. Dan Rusnak  
Laborers Local #169  
6718 Monitor Road  
Richmond, Virginia 23225

6. The Plan is maintained pursuant to Collective Bargaining Agreements and Subscription Agreements. A copy of these Agreements may be obtained upon written request to the Fund Manager.

7. Contributions to provide Plan benefits are paid by the contributing employers in accordance with their bargaining agreements at fixed rates per hour.

The Fund Manager will provide you, upon written request, a complete list of sponsors and with information as to whether a particular employer is contributing to this Plan on behalf of Participants working under the Collective Bargaining Agreement or under a Subscription Agreement.

8. The date of the end of the Plan Year is May 31.

9. The Plan's Normal Retirement Age is age 65, or if later, the age of your fifth anniversary of participation in the Pension Plan.

10. Benefits are provided directly from the Fund's assets which are accumulated under the Trust Agreement and held in custody by the corporate co-trustee.

11. Termination Insurance

Benefits to which you are entitled under the Pension Plan are insured by the U.S. Government's Pension Benefit Guaranty Corporation (PBGC). The insurance guarantees that those benefits will be paid if the Plan should terminate for some reason.

Generally, the PBGC guarantees most vested normal retirement age benefits, early retirement benefits and certain disability and survivor's pensions. However, PBGC does not guarantee all types of benefits under covered plans, and the amount of protection is subject to certain limitations.

The PBGC guarantees vested benefits at the level in effect on the date of plan termination. However, if a plan has been in effect less than five years before it terminates, or its benefits have been increased within the five years before plan termination, the whole amount of the plan's vested benefits or the benefit increase may not be guaranteed. In addition, there is a ceiling on the amount of monthly benefits that PBGC guarantees, a ceiling which is adjusted periodically.

For more information on the PBGC insurance protection and its limitations, ask your Plan Administrator (Fund Office) or the PBGC. Inquiries to the PBGC should be addressed to Pension Benefit Guaranty Corporation, 1200 K Street, N.W., Washington, D.C. 20005 (202) 326-4000.

12. Statement of Rights Under Employee Retirement Income Security Act of 1974

As a participant in the Laborers Pension Trust Fund of Northern Nevada you are entitled to certain rights and protection under the Employee Retirement Income Security Act of 1974 (ERISA) which provides that all Plan participants shall be entitled to:

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 Collective Bargaining Agreements and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports and plan descriptions. The Fund Office business hours are 8:00 a.m. to 12:00 noon and 1:00 p.m. to 5:00 p.m.

Obtain copies of all plan documents and other plan information upon written request to the Plan Administrator. The administrator may make a reasonable charge for the copies.



Receive a summary of the plan's annual financial report. The Trustees are required by law to furnish each participant with a copy of this Summary Annual Report for Plan Years ending through May 31, 2008. Beginning with the plan year ending after May 31, 2008, participants will be provided with an Annual Funding Notice instead of Summary Annual Report.

Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age 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 12 months. The Plan must provide the statement free of charge. The Plan will provide this information to the extent it is able to, based on available records.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who direct the operations or invest the assets of the employee benefit plan. The people who operate your plans, 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.

If your claim for a pension benefit is denied, in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the plan review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits, which is denied or ignored, in whole or in part, you may file suit in a state or federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court may decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you 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, you should contact the nearest area office of the 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 Ave N.W., Washington D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration at (800) 998-7542.

## CLAIMS AND APPEAL PROCEDURES

### Filing A Claim

Your application for benefits must be made in writing on an application established by the Board of Trustees and must be filed with the Fund Office prior to the payment of any benefits.

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

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

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

### Determining Initial Claim

#### Benefits Other Than Disability Benefits

:

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

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

#### Disability Benefits

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

The initial 45 day period may be extended for up to 30 calendar days, to a total of 75 calendar days, if an extension of time is necessary due to matters beyond the Plan's control. The Fund Office will notify you, in writing, prior to the expiration of the initial 45 day period of the circumstances requiring the extension of time and the date by which the Plan expects to make a determination.

If the Plan needs a second extension of time to make a determination due to circumstances beyond its control, you will be notified of an extension of up to 30 calendar days, or a maximum of 105 calendar days after the initial receipt of your application. Before the end of the first 30 day extension period, the Fund Office will notify you, in writing, of the circumstances requiring the extension and will give you the new date by which a determination will be made.

*If an application for benefits is not acted on within these time periods, you may proceed to the appeal procedures as if the claim had been denied.*

**Notice of Claim Denial**

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

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

**Right to Appeal**

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

- ☐ Must be in writing; and
- ☐ Must state in clear and concise terms the reason(s) for your disagreement with the decision of the Board of Trustees; and
- ☐ May include documents, records, and other information related to the claim for benefits; and
- ☐ Must be filed by you or your authorized representative with the Fund Office within 60 days after you received notice of denial. In the case of a claim for disability benefits under Subsection 6.06.a.(1) of the Plan, your petition for reconsideration must be filed with the Fund Office within 180 days after you received notice of denial. Failure to file an appeal within these time limits will constitute a waiver of your rights to review of the denial of your claim. A late application may be considered if the Board of Trustees finds that the delay in filing was for reasonable causes.

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

**Review of Appeal**

A properly filed appeal will be reviewed by the Board of Trustees (or by a committee authorized to act on behalf of the Board of Trustees) at its next regularly scheduled quarterly meeting. However, if the appeal is received within 30 days prior to such meeting, the appeal may be reviewed at the second quarterly meeting following the receipt of your appeal. If special circumstances require an extension of time, the Board of Trustees will render a decision at the third scheduled quarterly meeting following the receipt of your appeal. The Fund Office will notify you, in writing, before the beginning of the extension of the special circumstances and the date that the Board of Trustees will make its decision.

The Board of Trustees will review all submitted comments, documents, records and other information related to your claim, regardless of whether the information was submitted or considered in the initial benefit determination. The Board of Trustees will not give deference to the initial adverse benefit determination.

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

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

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



**LABORERS PENSION TRUST FUND**

**OF**

**NORTHERN NEVADA**

**PLAN DOCUMENT**

**Restated Effective January 1, 2015**

**PENSION PLAN**  
**for the**  
**Laborers Pension Trust Fund of Northern Nevada**  
**(Restated Effective January 1, 2015)**

This document sets forth the Rules and Regulations of the Pension Plan as amended effective January 1, 2015 and constitutes an amendment, restatement and continuation of the Plan. This revised Pension Plan is intended to comply with the Employee Retirement Income Security Act of 1974 and with the requirements for tax qualification under the Internal Revenue Code and all regulations thereunder, and is to be interpreted and applied consistent with that intent.

This revised Pension Plan replaces the prior Plan and is applicable only to pensions or other benefits that commence on and after January 1, 2015. Unless otherwise indicated, pensions or benefits that commenced prior to January 1, 2015 as well as deferred vested benefits of former Employees who had a Separation from Covered Employment prior to January 1, 2015 are to be determined based on the Pension Plan rules in effect on the date of separation.

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## ARTICLE 1. DEFINITIONS

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

**Section 1.01. "Actuarial Equivalent"** means two benefits of equal Actuarial Present Value based on the actuarial factors or assumptions specified in the provision in which that phrase is used or, if not otherwise specified, based on the assumptions described in Section 1.02.

**Section 1.02.** Unless otherwise specified in the Plan, **"Actuarial Present Value"** means:

a. For determinations as of any Annuity Starting Date that are on or after June 1, 2011, a benefit will have the same actuarial value as another benefit based on the "Applicable Mortality Table" and "Applicable Interest Rate" as described below:

- (1) The "Applicable Mortality Table" for the calendar year in which the benefit is being valued is the table prescribed for use in that year in the Regulations under the Internal Revenue Code Section 417(e), and which until modified or superseded, is the table set forth in Notice 2008-85, 2008-2 C.B. 905; and
- (2) The "Applicable Interest Rate" is the "applicable interest rate", for the November (as published in December) immediately preceding the calendar year that contains the Annuity Starting Date, set forth in IRC 417(e)(3)(C) and (D), as such sections may be amended from time to time.

However, in no event will any lump sum amount be less than the amount calculated under Section 9.09.

b. For determinations as of any Annuity Starting Date that are on or after the adoption date of this change effective January 1, 2003 and before June 1, 2011, a benefit will have the same actuarial value as another benefit based on the "Applicable Mortality Table" and the "Applicable Interest Rate" as described below:

- (1) The "Applicable Mortality Table" for the calendar year in which the benefit is being valued is the table prescribed for use in that year in the Regulations under the Internal Revenue Code Section 417(e), and which until modified or superseded, is the table set forth in Revenue Ruling 2001-62; and
- (2) The "Applicable Interest Rate" is the annual rate of interest as specified by the Commissioner of the Internal Revenue Service for the November (as published in December) immediately preceding the calendar year that contains the Annuity Starting Date.

However, in no event will any lump sum amount be less than the amount calculated under Section 9.09.

c. For determinations with Annuity Starting Dates that are on or after January 1, 2003 and prior to the adoption date of this change, a benefit will have the same actuarial value as another benefit when based on the greater of the assumptions specified in Section 1.02.a.or Section 1.02.b. above and the assumptions specified in Section 1.02.d. below

However, in no event will any lump sum amount be less than the amount calculated under Section 9.09.

- d. For determinations with Annuity Starting Dates that are on or after June 1, 2000 and prior to January 1, 2003, a benefit will have the same actuarial value as another benefit when based on the Applicable Mortality Table and Applicable Interest Rate as described below:
- (1) The Applicable Mortality Table for a calendar year is the table prescribed for use in that year in Regulations under Code Section 417(e), and which until modified or superseded, is the table set forth in revenue ruling 95-6: and
  - (2) The Applicable Interest Rate is, for a calendar year, the annual rate of interest on 30 year Treasury securities as specified by the Commissioner of the Internal Revenue for the month of November (as published in December) immediately preceding the calendar year that contains the Annuity Starting Date.

However, in no event will any lump sum amount be less than the amount calculated under Section 9.09.

- e. For determinations with an Annuity Starting date that is prior to June 1, 2000, the Actuarial Present Value of a benefit shall be determined using the interest rate prescribed by the Pension Benefit Guaranty Corporation for valuing annuities under single-employer plans that terminate without Notice of Sufficiency during the first day of the calendar year in which the date as of which the benefit is valued occurs. The mortality assumptions shall be as follows:
- (1) For payments where the Participant is not disabled as defined under Section 3.08, the 1971 Group annuity Mortality Table weighted as follows:
    - (a) For a Participant's benefit, 100% male and 0% female;
    - (b) For the benefit of a Participant's Spouse or former spouse, 0% male and 100% female; and
    - (c) In any other case, 50% male and 50% female.
  - (2) For payment where the Participant is disabled as defined under Section 3.08, the PBGC Mortality Tables for Disabled Lives Eligible for Social Security Disability Benefits weighted according to e.(1) above.

However, in no event will any lump sum amount be less than the amount calculated under Section 9.09.

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

- a. the first day of the month after submission by the Participant of a completed application for benefits, or
- b. 30 days after the Plan advises the Participant of the available benefit payment options.
- c. Notwithstanding the above, the Annuity Starting Date may occur and benefits may begin before the end of the 30-day period provided:
  - (1) the Participant and Spouse (if any) consent in writing to the commencement of payments before the end of that 30-day period and distribution of the benefit begins more than 7 days after the written explanation was provided to the Participant and Spouse,
  - (2) the Participant's benefit was previously being paid because of an election after the Normal Retirement Age, or

- (3) the benefit is being paid out automatically as a lump sum under Section 9.06 of the Plan.
- d. Notwithstanding subsections (a) and (b) above, a Participant who has attained Normal Retirement Age and consented to waive the 30-day period in accordance with subsection (c)(1) above, may elect an Annuity Starting Date that is retroactive to the first day of any month following the date he or she had both attained Normal Retirement Age and fulfilled all of the conditions for entitlement to benefits except for the filing of an application.
- e. The Annuity Starting Date will not be later than the Participant's Required Beginning Date.
- f. The Annuity Starting Date for a Beneficiary or alternate payee under a Qualified Domestic Relations Order (within the meaning of Section 206(d)(3) of ERISA and Section 414(p) of the Internal Revenue Code) will be determined as stated in subsections (a), (b), and (c) above, except that references to the Husband-and-Wife Pension and spousal consent do not apply.
- g. A Participant who retires before his or her Normal Retirement Age and then earns additional benefit accruals under the Plan through reemployment will have a separate Annuity Starting Date determined under this Section with respect to those additional accruals including the election of any benefit payment options available under the Plan, except that an Annuity Starting Date that is on or after Normal Retirement Age shall apply for any additional benefits accrued through reemployment after that date.

**Section 1.04. "Beneficiary"** means a person (other than an Employee or a Pensioner) who is receiving benefits under this Plan because of his or her designation for such benefits by a Pensioner or Participant.

**Section 1.05. "Building and Construction Industry"** means all Building, heavy, highway, industrial, engineering, and/or any other type of construction, including, without limitation: all construction, erection, alteration, repair, modification, demolition, addition, maintenance, improvement, and/or any other operation incidental thereto performed by any Contributing or Non-Contributing Employer, including self-employment.

Building and Construction includes: mine work and/or related trucking when performed by an Employer engaged in the Building and Construction Industry and manufacturing of products used primarily in the Building and Construction Industry.

**Section 1.06. "Calendar Year"** means the period from January 1 to the next December 31. For purposes of ERISA regulations, the calendar year shall serve as the vesting computation period and benefit accrual computation; and after the initial period of employment, the computation period for eligibility to participate in the Plan.

**Section 1.07. "Collective Bargaining Agreement"** means the collective bargaining agreement or agreements in effect from time to time between the Union and the Nevada Chapter of the Associated General Contractors of America, Inc.; or other employers, requiring employer contributions to the Pension Trust.

**Section 1.08. "Compensation"** for purposes of identifying Highly Compensated Employees and determining limitations under Internal Revenue Code Section 415 shall mean amounts defined in Section 3401(a) of the Internal Revenue Code for purposes of federal income tax withholding at the source determined without regard to limitations relating to the nature or location of employment, plus all other payments for which the Employer is required to furnish the Employee a written statement under Sections 6041(d), 6051(a)(3), or 6052 of the Internal Revenue Code.

Notwithstanding the foregoing, for Plan Years beginning after May 31, 1997, an Employee's compensation shall include any elective deferral (as defined under Code §402(g)(3)), any amount which is contributed or deferred by the Employer at the election of the Employee and which by reason of Code §125 or §457, is not included in the gross income of the Employee and beginning June 1, 2001, transportation fringe benefit plans under Code Section 132(f)(4).



Effective June 1, 2002, any provisions in this Section 1.08 that are contrary to the provisions contained in Section 15.03 shall be superseded by those provisions contained in Section 15.03.

**Section 1.09. "Contribution"** means the payment made or required to be made to the Fund by any Employer on behalf of hours worked by an Employee.

**Section 1.10. "Contributory Hours"** means hours of work in Covered Employment for which Contributions are made or are required to be made to the Fund, or hours credited pursuant to Section 6.05 for certain absences from Covered Employment.

**Section 1.11. "Covered Employment"** means work as an "Employee"; as defined in Section 1.12.

"Continuous Non-Covered Employment" means employment for a Contributing Employer after June 1, 1976 in a job not covered by this Plan, which is continuous with an Employee's Covered Employment with the same Contributing Employer. A period of Non-Covered Employment will be considered to be continuous with Covered Employment only if there is no quit, discharge, or other termination of employment between the period of Covered and Continuous Non-Covered Employment.

**Section 1.12. "Employee"** means any employee of a Contributing Employer (including a sole proprietor, partner, or self-employed individual) with respect to whose time worked contributions are made to the Fund pursuant to the provisions of a Collective Bargaining Agreement, a Subscription Agreement, the Trust Agreement or the Plan.

Effective January 1, 1997 the term "leased employee" is any person (other than an employee of the Employer) who pursuant to an agreement between the Employer and any other person (Leasing organization) has performed services for the Employer (or for the Employer and related persons determined in accordance with Section 414(n)(6) of the Code) on a substantially full-time basis for a period of at least one year, and such services are performed under primary direction or control of the Employer.

**Section 1.13. "Employer" or "Contributing Employer"** means any employer who is required by a Collective Bargaining Agreement to make contributions to the Pension Fund or who, in fact, makes such payments with the approval of the Trustees. To the extent consistent with applicable law and requirements of the Internal Revenue Code the term "Contributing Employer" shall also include the Union or other labor organization representing Employees of Contributing Employers, if it makes contributions to the Fund on behalf of its Employees with the approval of the Trustees.

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

For purposes of identifying Highly Compensated Employees and applying the rules on Participation, vesting and statutory limits on benefits under the Fund but not for determining Covered Employment, the term "Employer" includes all members of an affiliated service group with the Employer within the meaning of Internal Revenue Code §414(m).

**Section 1.14. "Fund" or "Trust"** means the trust fund created by the Trust Agreement.

**Section 1.15. "Highly Compensated Employee"** means each highly compensated active employee and highly compensated former employee of an Employer. Whether an individual is a highly compensated employee is determined separately with respect to each Employer, based solely on that individual's Compensation from or status with respect to that Employer.

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

- a. Was a 5% owner of the Employer at any time during the calendar year or the preceding calendar year, or
- b. During the preceding calendar year received Compensation from the Employer in excess of \$80,000 (as adjusted annually for increases in the cost-of-living in accordance with the regulations prescribed by the Secretary of the Treasury), and
- c. Was one of the top 20% of the employees of the Employer during the preceding calendar year when ranked on the basis of the Compensation during that calendar year. (This subsection may or may not be elected by the employer as a way to determine highly compensated active employees.)

**Section 1.16. "Hours of Service"** means each hour for which an Employee is paid or entitled to payment by a Contributing Employer after June 1, 1968, directly or indirectly, but excluding any time compensated under a workers' compensation law or an unemployment compensation law or a plan pursuant to a mandatory disability benefits law, and excluding any hours or non-work time in excess of 501 hours in any continuous period. "Hours of Service" shall also include hours for which back pay, irrespective of mitigation of damages, is awarded or agreed to by an Employer, to the extent that such award or agreement is intended to compensate an Employee for periods during which the Employee would have been engaged in the performance of duties for the Employer. Two periods of paid non-work time shall be deemed continuous if they are compensated for the same reason and are not separated by at least 90 days. Furthermore, whenever it is necessary to compute Hours of Service in situations where no work is performed or where pay is computed on other than an hourly basis or to determine the computation periods to which Hours of Service will be credited, the Board will establish a rule specifically permitted under applicable lawful regulations issued by the Department of Labor under ERISA, or some other rule no less favorable to the Participant.

Hours of Service shall be computed and credited in accordance with paragraphs (b) and (c) of Section 2530.200b-2 of the Department of Labor Regulations, which are incorporated by reference herein.

**Section 1.17. "Non-Bargained Employee"** means an Employee whose Participation is not covered by a Collective Bargaining Agreement but is covered by a Subscription Agreement.

**Section 1.18. "Normal Retirement Age"** means age 65 or, if later, the age of the Participant on the fifth anniversary of his or her Participation.

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

**Section 1.19. "Participant"** means a Pensioner, Beneficiary, or an Employee who has met the requirements for participation in the Plan as set forth in Article 2, or a former Employee who has attained Vested Status under this Plan and has Separated from Employment. A "Vested Participant" is a Participant who qualifies for a Deferred Vested Pension in accordance with the provisions of Section 6.08.

**Section 1.20. "Pension Plan" or "Plan"** means the Laborers Pension Trust Fund of Northern Nevada and any modification, amendment, extension or renewal thereof.

**Section 1.21. "Pensioner"** means a former Employee who is Retired (as defined in section 9.11) and is receiving pension benefits under the Plan and any other person to whom a pension would be paid but for the time required for administrative processing. A Pensioner who has returned to Covered Employment and is accruing benefits on the same basis as other Employees as of the effective date of a benefit increase will not be considered a Pensioner for purposes of that benefit increase.

**Section 1.22. "Plan Year"** means the Fund's fiscal year, the period from June 1 of any year through May 31 of the succeeding year.

**Section 1.23. "Qualified Military Service"** means a Participant's qualified military or other uniformed service period under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), as amended.

Notwithstanding any provision to the contrary, vesting, benefit and service credit with respect to Qualified Military Service will be provided in accordance with USERRA and Section 414(u) of the Internal Revenue Code for Participants who were absent from Covered Employment due to Qualified Military Service and who return to Covered Employment from such service on or after December 12, 1994. Qualified Military Service will be counted for purposes of accruing benefits and earning Credited Future Service, Hours of Service for vesting, avoiding a Break in Service, and avoiding a Separation from Covered Employment provided the following conditions are satisfied:

- a. An Employee must have re-employment rights under USERRA in order for this period of Qualified Military Service to be recognized.
- b. The Employee must not have incurred a One-Year Break in Service at the time he or she entered Qualified Military Service.
- c. After discharge from Qualified Military Service, the Participant must return to work within the time required by USERRA.
- d. No more than five years of Qualified Military Service may be recognized for any purpose, except as required by law.

**Section 1.24. "Required Beginning Date"**

- a. For a Participant who is not a 5% owner and who attains age 70-½ on or after January 1, 1999, "Required Beginning Date" means the April 1 following the latter of the calendar year in which the Participant attains age 70-½ or the calendar year in which the Participant stops working in Covered Employment, whichever the Participant chooses in a one-time election.
- b. For a Participant who is a 5% owner (regardless of when such Participant attains age 70-½) or for a Participant who attains age 70-½ before January 1, 1999, "Required Beginning Date" means the April 1 following the calendar year in which the Participant attains age 70-½.

As provided in Code Section 416(i)(1)(B)(i), a 5% owner means either (1) any person who owns (or is considered owning under the Code) more than 5% of the outstanding stock of a contributing corporation or stock possessing more than 5% of the total combined voting power of all stock of the contributing corporation, or (2) any persons who owns more than 5% of the capital or profits interest in a Contributing Employer which is not a corporation.

**Section 1.25. "Spouse"** means a person to whom a Participant is legally married.

**Section 1.26. "Subscription Agreement"** means an agreement or agreements in effect from time to time between the Employer and the Board of Trustees which obligates the Employer to make contributions to this Plan on behalf of the Employees who are not covered by a Collective Bargaining Agreement.

**Section 1.27. "Trust Agreement"** means the Trust Agreement originally dated June 15, 1968, establishing the Laborers Pension Trust Fund of Northern Nevada and any modifications, amendment, extension or renewal thereof.

**Section 1.28. "Trustees"** means those trustees appointed to administer the Fund pursuant to the Trust Agreement, and "Board" or "Board of Trustees" means the Trustees collectively.

**Section 1.29. "Union"** means the Northern Nevada Laborers Union Local No. 169.

**Section 1.30. Other terms** are specially defined as follows:

Term	Section(s)
a. ERISA	2.01
b. Regular Pension	3.02 and 3.03
c. Early Retirement Pension	3.04 and 3.05
d. Disability Benefit	3.06 and 3.07
e. Reciprocal Pension	4.08 and 4.09
f. Years of Credited Service:	
Credited Past Service	6.02
Credited Future Service	6.03
g. Benefit Units	6.04
h. Break in Service	6.06
(One-Year Break in Service, Permanent Break in Service)	
i. Separation from Covered Employment	6.07
j. Vesting	6.08
k. Husband-and-Wife pension	7.01
l. Retirement or Retired	9.11

## **ARTICLE 2. PARTICIPATION**

### **Section 2.01. Purpose.**

This Article contains definitions to meet certain requirements of the Employee Retirement Income Security Act of 1974 (otherwise referred to as ERISA). Once an Employee has become a Participant, he or she receives Credited Service and Benefit Units for employment before he or she became a Participant in accordance with the provisions of Article 6.

### **Section 2.02. Participation.**

An Employee who works in Covered Employment after June 1, 1968 shall become a Participant in the Plan on the January 1, or July 1 next following a 12-consecutive-month period (which includes his or her first Hour of Service in Covered Employment) during which he or she accumulates at least 250 Hours of Service in Covered Employment. The 250-hour requirement may also be completed with Hours of Service in Continuous Non-Covered Employment with a Contributing Employer.

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

### **Section 2.03. Termination of Participation.**

A Participant who incurs a One-Year Break in Service shall cease to be a Participant as of the last day of the calendar year, which constituted the One-Year Break in Service, unless he or she is a Pensioner or Vested Participant.

### **Section 2.04. Reinstatement of Participation.**

An Employee, who has lost his status as a Participant in accordance with Section 2.03, shall again become a Participant by meeting the requirements of Section 2.02 within a calendar year on the basis of Hours of Service, which begin after the calendar year during which Participation terminated. Such reinstatement of Participation shall be retroactive to the first day of his or her reemployment.

## ARTICLE 3. PENSION ELIGIBILITY AND AMOUNTS

### Section 3.01. General.

This article sets forth the eligibility conditions and amounts payable for the pensions provided by the Plan. The accumulation and retention of Benefit Units and Credited Service for eligibility are subject to the provisions of Article 6. The pension amounts are subject to reduction on account of the Husband-and-Wife Pension as described in Article 7. Entitlement of an eligible Participant to receive pension benefits is subject to his or her retirement and application for benefits, as provided in Article 9.

Eligibility in most instances depends upon Credited Service, which is defined in Section 6.02 and 6.03, and takes into account creditable employment both before and after Contributions began. Pension amounts are based on accumulated Benefit Units as defined in Section 6.04 which also takes into account creditable employment both before and after Contributions began.

### Section 3.02. Regular Pension - Eligibility.

A Participant who is Retired shall be entitled to receive a Regular Pension if:

- a. he or she has attained age 63 and is vested in accordance with Subsection 6.08.a.; and
- b. he or she has earned at least one year of Future Service Credit; or
- c. he or she has attained Normal Retirement Age as defined in Section 1.18.

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

A Regular Pension effective on or after January 1, 2015 shall be a monthly amount determined as follows:

- a. For periods following the most recent Separation from Covered Employment (if any) as defined in Section 6.07., \$57.00 for each Benefit Unit earned before January 1, 2015 and \$60.00 for each Benefit Unit earned after December 31, 2014, plus a proportionate amount for any fraction thereof as defined in Section 6.04.
  - (1) However, for Participants, who are not Retired at January 1, 2015 and who are either:
    - eligible for a Service Pension at January 1, 2015; or
    - have attained Normal Retirement Age and earned 25 Benefit Units at January 1, 2015;the monthly amount shall be determined to be \$60.00 for each Benefit Unit earned, plus a proportionate amount for any fraction thereof as defined in Section 6.04.
- b. For periods preceding a Separation of Covered Employment (if any) as defined in Section 6.07., the monthly amount payable for each Benefit Unit earned prior to any Separation from Covered Employment is the amount which was payable by the Plan at the end of the separation period (but not less than \$16.50).

- c. Historical changes in the determination of the Regular Pension are as follows:

<b>For Regular Pension Effective on or after:</b>	<b>Dollar Amount per each Benefit Unit Earned, plus a proportionate amount of fractions earned thereof, as defined in Section 6.04:</b>
June 1, 1969	\$5.00
December 1, 1970	\$10.00
May 1, 1975	\$16.50
August 1, 1976	\$19.25
June 1, 1978	\$21.50
January 1, 1979	\$25.00
March 1, 1979	\$30.00
January 1, 1981	\$30.00 earned before January 1, 1981 and \$35.00 earned after December 31, 1980
June 1, 1984	\$35.00
January 1, 1988	\$40.00 earned before January 1, 1988 and \$35 after December 31, 1987
January 1, 1990	\$40.00 earned before January 1, 1990 and \$35 after December 31, 1989
January 1, 1992	\$50.00 earned before January 1, 1992 and \$35 after December 31, 1991
January 1, 1996	\$53.00 earned before January 1, 1996 and \$35 after December 31, 1995
January 1, 1997	\$55.00 earned before January 1, 1997 and \$35 after December 31, 1996
January 1, 1998	\$57.00 earned before January 1, 1998 and \$35 after December 31, 1997
January 1, 2004	\$57.00 earned before January 1, 2004 and \$45 after December 31, 2003
January 1, 2006	\$57.00

#### **Section 3.04. Early Retirement Pension - Eligibility.**

A Participant who is Retired shall be entitled to an Early Retirement Pension, if:

- a. he or she has become age 55, but not yet become age 63; and
- b. he or she has at least 10 Years of Credited Service (without a Permanent Break in Service), exclusive however of any Credited Future Service earned as a result of work in Continuous Non-Covered Employment, and
- c. he or she has earned at least one year of Future Service Credit.

Notwithstanding any provisions of this Section to the contrary, if a Participant performs Non-Covered Employment, as defined below, after February 1, 2012, then such Participant shall have receipt of an Early Retirement Pension delayed six months for every calendar quarter in which the Participant worked eight (8) hours or more in Non-Covered Employment. For this purpose, the term "Non-Covered Employment" means employment in the Building and Construction Industry that is not covered by a Collective Bargaining Agreement with the Laborers International Union of North America or one of its local unions or other agreement with the Laborers International Union of North America or one of its local unions.



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

The Early Retirement Pension shall be a monthly amount determined as that greater of a. or b. below.

- a. The amount of the Regular Pension to which the Participant would be entitled if he or she were 63 years of age on his or her Annuity Starting Date with a reduction to take account of the fact that the Participant is younger than age 63. The reduction is  $\frac{1}{2}$  of 1% for each month that the Participant is younger than age 63 on his or her Annuity Starting Date.
- b. The amount of the Regular Pension for benefits earned as of the earlier of the Annuity Starting Date or December 31, 2012 reduced to take into account of the fact that the Participant is younger than age 63. The reduction is  $\frac{1}{4}$  of 1% for each of the first 36 months that the Early Retirement Date precedes age 63 and an additional  $\frac{1}{2}$  of 1% for each month in excess of 36 as of his or her Annuity Starting Date.

**Section 3.06. Disability Benefit - Eligibility.**

A totally disabled Participant who is Retired shall be entitled to receive a Disability Benefit if he or she meets the following requirements:

- a. he or she has not become age 63; and
- b. he or she has at least five Years of Credited Service (without a Permanent Break in Service) with at least one or more Hours of Service after December 31, 1998, exclusive however of any Credited Future Service earned as a result of work in Continuous Non-Covered Employment; or
- c. he or she has at least 10 Years of Credited Service (without a Permanent Break in Service), exclusive however of any Credited Future Service earned as a result of work in Continuous Non-Covered Employment; and
- d. he or she has, as a result of actual work in Covered Employment, earned at least one quarter of Credited Service in the two consecutive Calendar Years prior to the Calendar Year in which he or she becomes totally disabled; and
- e. he or she has earned at least one year of Future Service Credit.

**Section 3.07. Amount of the Disability Benefit.**

The monthly amount of the Disability Benefit is determined in the same way as the amount of the Regular Pension is determined.

**Section 3.08. Total Disability Defined.**

A Participant shall be deemed totally disabled upon determination by the Social Security Administration, that he or she is entitled to a Social Security Disability Benefit in accordance with his or her Old Age, Survivors and Disability Insurance coverage. The Board may at any time, or from time to time, require evidence of continued entitlement to such Social Security Disability Benefits.

**Section 3.09. Disability Benefit Payments.**

Effective January 1, 2013, payment of the Disability Benefit shall not commence until five full calendar months of the Total Disability have elapsed or until the requirement for advance application has been met, whichever is the later date; Payment of the Disability Benefit shall continue as long as the disabled Pensioner remains totally disabled as herein defined, and shall cease with the earliest of:

- a. Receipt of 60 payments;
- b. The date of death of the disabled Pensioner;
- c. The date the Pensioner is no longer Totally Disabled;



- d. The date the Participant is no longer Retired as defined in Section 9.11; or
- e. The date the Participant elects a Regular Pension or Early Retirement Pension.

Disability Benefit Payments for Annuity Starting Dates after December 31, 2012, will be based on the plan provisions in effect prior to June 1, 2012.

If the Annuity Starting Date for a Participant who is totally disabled as herein defined is after the date payment would have begun in accordance with the paragraph above, the Participant will be entitled to a one-time cash payment equal to the monthly amount of his or her Disability Benefit, in the form elected (for Annuity Starting Dates that are after December 31, 2012), multiplied by the number of calendar months between the date determined in accordance with above paragraph and the Annuity Starting Date.

**Section 3.10. Recovery of a Participant Receiving a Disability Benefit.**

If a Participant receiving a Disability Benefit (within the 60 month payment period if the Annuity Starting Date is after December 31, 2012) loses entitlement to a Social Security Disability Benefit or does not remain Retired as defined in Section 9.11, prior to the attainment of age 63, such fact shall be reported by him in writing to the Board within 21 days of the date he or she received notice from the Social Security Administration of such loss. If such written notice is not provided, he or she will upon his or her subsequent retirement before Normal Retirement Age not be eligible for benefits for a period of six months following the date of his or her subsequent retirement, plus the number of months which elapsed between the date when he or she received notice of the termination of the Social Security Disability Benefit and the date when his or her Disability Benefit payments stopped, subject to the provisions of Section 9.13.b.

**Section 3.11. Re-Employment of a Pensioner on a Disability Benefit.**

A Pensioner on a Disability Benefit who is no longer totally disabled may re-enter Covered Employment and may thereupon resume the accrual of Credited Service and Benefit Units.

**Section 3.12. Service Pension - Eligibility.**

A Participant who is Retired shall be entitled to a Service Pension if he or she meets the following requirements:

- a. he or she has attained age 55, but has not yet become age 63; and
- b. he or she has earned at least 25 Benefit Units under this Plan (without a Permanent Break in Service), excluding:
  - (1) prior to January 1, 1976, any Benefit Units earned in a Calendar Year in excess of 1.00
  - (2) on and after January 1, 1976, any Benefit Units earned in a Calendar Year in excess of 1.50; and
- c. he or she had not previously been in receipt of an Early Retirement Pension.

Notwithstanding any provisions of this Section to the contrary, if a Participant performs Non-Covered Employment, as that term is defined in Section 3.04, after February 1, 2012, then such Participant shall have receipt of a Service Pension delayed six months for every calendar quarter in which the Participant worked eight (8) hours or more in Non-Covered Employment as it is defined in Section 3.04.

**Section 3.13. Amount of the Service Pension.**

The monthly amount of the Service Pension is determined in the same way as the monthly amount of the Regular Pension is determined.

**Section 3.14. Non-duplication of Pensions.**

A person shall be entitled to the payment of only one type of pension under this Plan at any one time.

### **Section 3.15. Additional Pension Payments.**

- a. Pensioners and Beneficiaries whose majority of Credited Service was earned under this Plan shall have their monthly pension increased as follows:
- (1) for those Pensioners and Beneficiaries on the rolls as of April 30, 1986, or whose pensions have an Annuity Starting Date on or after May 1, 1986, by \$25.00 effective May 1, 1986 or effective as of their Annuity Starting Date, if later; and
  - (2) for those Pensioners and Beneficiaries on the rolls as of December 1, 1991, by \$55.00 effective January 1, 1992; and
  - (3) for those Pensioners and Beneficiaries on the rolls as of February 1, 1993, by \$25.00 effective February 1, 1993.
  - (4) Pensioners whose Annuity Starting Date is prior to February 1, 1993 and who worked 1,600 or more Contributory Hours in the 1980 and/or 1981 Calendar Year shall have their monthly benefit increase effective April 1, 1996, based upon the following conditions:
    - (a) For each additional 100 Contributory Hours worked in excess of 1,500 in the 1980 or 1981 Calendar Years, the Pensioner shall receive an additional 1/10 of a Benefit Unit.
    - (b) The monthly value of the Benefit Unit (or a prorated amount for each fraction thereof) shall be based upon the Plan provisions in effect on the Annuity Starting Date and adjusted for the payment form elected at that time.
    - (c) In the event that a Pensioner entitled to an adjustment under this paragraph (4) is deceased on April 1, 1996, his or her Beneficiary, if any who is receiving payments under the survivorship provisions of the Plan shall have his or her benefit adjusted based upon the recognition of the additional Benefit Units and the payment form elected by the Participant on his or her Annuity Starting Date.
  - (5) Pensioners whose Annuity Starting Date is prior to February 1, 1993 and who worked 1,250 or more Contributory Hours during any Calendar Year from June 1, 1968 through December 31, 1979 shall have their monthly benefit increased effective September 1, 1997 by  $\frac{1}{4}$  of a Benefit Unit for each additional 250 Contributory hours in excess of 1,000 Contributory Hours.

The monthly value of the Benefit Unit (or prorated amount for each fraction thereof) shall be based upon the Plan provisions in effect on the Annuity Starting Date and adjusted for the payment form elected at that time.

In the event that a Pensioner entitled to an adjustment under this paragraph (5) is deceased on September 1, 1997, his or her Beneficiary, if any, who is receiving payments under the survivorship provisions of the Plan shall have his or her benefit adjusted based upon the recognition of the additional Benefit Units and the payment form elected by the Participant on his or her Annuity Starting Date.

- b. An extra check in the amount of the monthly pension will be issued to all Pensioners and Beneficiaries with an Annuity Starting Date before the month of the extra check and who receives pension benefits for the month, as follows:
- (1) of December 1, 1991; and
  - (2) of June 1, 1992; and
  - (3) of January 1, 1993; and
  - (4) of June 1, 1993; and
  - (5) of January 1, 1994; and
  - (6) of June 1, 1994; and
  - (7) of March 1, 1995; and
  - (8) of April 1, 1996; and
  - (9) of June 1, 1997; and
  - (10) of April 1, 1998; and
  - (11) of December 1, 1998; and
  - (12) of May 1, 1999; and
  - (13) of June 1, 2000; and
  - (14) of November 1, 2001; and
  - (15) of July 1, 2002.
- c. An extra check in the amount of one-half of the monthly pension, rounded up to the nearest dollar, will be issued May 1, 2003 to all Pensioners and Beneficiaries with an Annuity Starting Date before the month of the extra check and who receives pension benefits for the month.

**Section 3.16. Reduction in Accruals After Required Beginning Date.**

Effective January 1, 1994, the Actuarial Value of benefit accruals earned by a Participant through Covered Employment starting with the year in which the Participant reaches his or her Required Beginning Date will be reduced, but not below zero, by the Actuarial Value of any benefits paid to the Participant, directly or in the form of an actuarial increase, for each month after the Participant's Required Beginning Date in which the Participant had 40 hours of employment of the type described in Section 9.11.b.

This section does not apply to Participants whose Required Beginning Date starts on April 1 following the calendar year in which he or she stops working in Covered Employment, as defined in Section 1.24.

For this purpose, Actuarial Value shall be determined using the actuarial factors specified in Section 9.09 for small benefit cashouts.

## **ARTICLE 4. RECIPROCAL PENSIONS**

### **Section 4.01. Purposes.**

Reciprocal Pensions are provided under this Plan for Employees:

- a. who would otherwise be ineligible for a pension because their years of employment have been divided between employment creditable under the Plan and employment creditable under other pension plans, or
- b. whose pensions would otherwise be less than the full amount because of such divisions of employment.

### **Section 4.02. Related Plans.**

By resolution duly adopted, the Board of Trustees (a) recognizes one or more other pension plans which have executed a National Reciprocal Agreement to which this Plan is a party, or (b) may recognize any other pension plan as a Related Plan. The Related Plans that this Plan recognizes are all plans that are signatory pension funds to the National Reciprocal Agreement under the Laborers' International Union of North America (LIUNA).

### **Section 4.03. Related Hours.**

The term "Related Hours" means hours of employment which are creditable under a Related Plan.

### **Section 4.04. Related Credit.**

The term "Related Credit" means Credited Service or portions thereof, creditable to an Employee under a Related Plan, excluding, however, any Related Credit based on work of the type, which had it been performed under this Plan would be Continuous Non-Covered Employment. No more than one year of Related Credit shall be recognized for employment under a Related Plan during any consecutive 12-month period.

### **Section 4.05. Combined Credited Service.**

The term "Combined Credited Service" means the total of an Employee's Related Credit plus Credited Service accumulated under this Plan (hereinafter referred to as "Northern Nevada Credited Service"), excluding any Credited Service earned in Continuous Non-Covered Employment.

### **Section 4.06. Combined Benefit Units.**

The term "Combined Benefit Units" means the total of an Employee's Related Credit plus Benefit Units accumulated under this Plan (hereinafter referred to as "Northern Nevada Benefit Units").

### **Section 4.07. Non-Duplication.**

An Employee shall not receive double credit for eligibility purposes for the same period of employment. No more than one year of Combined Credited Service shall be granted for employment in any consecutive 12-month period.

### **Section 4.08. Eligibility for a Reciprocal Pension.**

- a. An Employee who is Retired shall be eligible for a Reciprocal Pension if he or she meets the following requirements:
  - (1) he or she would be eligible for a Regular, Early Retirement, or Disability Benefit under this Plan were his or her Combined Credited Service or Combined Benefit Units treated as Northern Nevada Credited Service or Benefit Units (whichever is applicable); and

- (2) if he or she is applying for a Disability Benefit under this Plan, he or she is deemed to be sufficiently disabled so as to meet the disability criterion for a Disability Benefit in each of the Related Plans whose Related Credit is needed to qualify him for a Reciprocal Disability Benefit; and
  - (3) if age is a requirement for the type of pension for which the Employee is applying, he or she meets the minimum age requirement for a pension under each of the Related Plans whose Related Credit is needed to qualify him/her for a Reciprocal Pension; and
  - (4) he or she has not qualified for a Service Pension from a Related Plan, independently of its provisions for a Reciprocal Pension. For retirement on or after January 1, 1998, if he or she independently qualified for a Service Pension from a Related Plan, he or she shall qualify for a Reciprocal Pension at Regular Retirement age.
- b. Related Hours shall be considered in determining whether an Employee has incurred a Break in Service as defined in Section 6.06, or a Separation from Covered Employment as defined in Section 6.07. However, once Employer Contributions are no longer made to this or a Related Plan with respect to work performed by the Employee, the determination as to whether he or she has had a Permanent Break in Service under this Plan shall be based solely on the Credited Service earned under this Plan and not upon the Employee's Combined Credited Service.
  - c. Related Credits shall be considered when determining eligibility for monthly payments to the surviving legal Spouse of a deceased Participant under Section 7.04.

**Section 4.09. Amount of the Reciprocal Pension.**

The monthly amount of a Reciprocal Pension is determined in the same way as the Regular, Early Retirement, or Disability Benefit is determined, based on (a) the benefit level in effect at the time the Employee last earned Credited Service and (b) on his or her Northern Nevada Benefit Units.

**Section 4.10. Payment.**

Payment of a Reciprocal Pension shall be subject to all of the conditions applicable to the other types of pensions under this Plan.

## **ARTICLE 5. RESERVED**

## ARTICLE 6. ACCUMULATION OF BENEFIT UNITS AND YEARS OF CREDITED SERVICE

### Section 6.01. General.

The purpose of this Article is to define the basis on which Participants accumulate Benefit Units and Years of Credited Service. This Article also defines the basis on which accumulated Benefit Units and Years of Credited Service may be cancelled.

### Section 6.02. Years of Credited Service for Periods Prior to June 1, 1968 (Credited Past Service).

- a. A Participant shall be entitled to Credited Past Service for each Calendar Year, or portion thereof, he or she was employed prior to June 1, 1968 in one or more classifications included in the Collective Bargaining Agreement on work in the Building and Construction Industry in the geographical jurisdiction covered by the Plan, or was regularly employed by the Union or other labor organization representing the employees of the Contributing Employers pursuant to regulations adopted by the Board of Trustees, except that employment covered by a pension program of a public agency or self-employment shall not count toward Credited Past Service. A Participant shall be entitled to a full year of such credit for each Calendar Year he or she was so employed for 1,000 hours or more. If a Participant was so employed for less than 1,000 hours but for at least 250 hours in any Calendar Year, he or she shall receive one quarter of Credited Past Service for each 250 hours of such employment.

A Participant shall not be entitled to more than 20 Years of Credited Past Service.

- b. It is recognized that, for periods prior to June 1, 1968, it may be difficult to establish with certainty the past service of a Participant in the type of employment referred to in (a) above. In making the necessary determination as to Credited Past Service, the Board of Trustees may, in its absolute discretion, consider and rely upon any relevant and material evidence, including without limitation, any or all of the following:

- (1) Records of the Union.
- (2) Records of the Construction Workers Health and Security Fund, and the Nevada Construction and Industrial Workers Health and Welfare Fund.
- (3) Records and/or statements of Employers.
- (4) Records of the Federal Social Security Administration.

### Section 6.03. Years of Credited Service After June 1, 1968.

- a. Beginning June 1, 1968, a Participant shall receive Credited Future Service for Hours of Service in Covered Employment during a Calendar year prior to 1995, according to the following schedule:

Hours of Service in Calendar Year	Credited Future Service
Less than 250 hours	None
250 to 499 hours	1/4
500 to 749 hours	1/2
750 to 999 hours	3/4
1,000 hours or more	One Year

- b. A Participant shall receive Credited Future Service for Contributory Hours worked on or after January 1, 1995 according to the following schedule:

Contributory Hours Worked in Calendar Year	Credited Future Service None
Less than 250 hours	None
250 to 299 hours	1/4
300 to 399 hours	3/10
400 to 499 hours	4/10
500 to 599 hours	5/10
600 to 699 hours	6/10
700 to 799 hours	7/10
800 to 899 hours	8/10
900 to 999 hours	9/10
1,000 hours or more	One Year

- c. If a Participant works for a Contributing employer in Continuous Non-Covered Employment, his or her Hours of Service in such Continuous Non-Covered Employment after December 31, 1975 (or after the Contribution Date, if later) shall be counted toward a Year of Credited Service. If the participant does not work sufficient Hours of Service for Contributing Employer(s) to earn a full year of Credited Service in a calendar year, he or she shall not be entitled to any portion of a Year of Credited Service for Hours of Service in Continuous Non-Covered Employment.
- d. Periods of Qualified Military Service shall be counted in determining Hours of Service for Vesting Service. Such hours shall be determined in accordance with Section 6.05.c.
- e. *Exception:* A Participant shall not be entitled to Credited Service for the following periods:
- (1) years preceding a Permanent Break in Service as defined in Subsection 6.06.a. for periods prior to January 1, 1976.
  - (2) years preceding a Permanent Break in Service as defined in Subsection 6.06.c. and 6.06.d., except as may be required by Regulation 2530 of the Department of Labor.

#### **Section 6.04. Benefit Units.**

- a. **Benefit Units Earned Before June 1, 1968.** A Participant shall receive one Benefit Unit (or portion thereof) for every Year of Credited Service (or portion thereof) to which he or she is entitled under Section 6.02.
- b. **Benefit Units Earned on and After June 1, 1968 and Before January 1, 1995.** A Participant will receive Benefit Units for Contributory Hours worked during the half Calendar year from June 1, 1968 through December 1, 1968, and during each Calendar Year thereafter beginning January 1, 1969 through December 31, 1994, according to the following schedule:



Contributory Hours Worked in Calendar Year	Benefit Units
Less than 250 hours	None
250 to 499 hours	1/4
500 to 749 hours	1/2
750 to 999 hours	3/4
1,000 to 1,249 hours	One
1,250 to 1,499 hours	1 1/4
1,500 to 1,599 hours	1 1/2
1,600 to 1,699 hours	1 6/10
1,700 to 1,799 hours	1 7/10
1,800 to 1,899 hours	1 8/10
1,900 to 1,999 hours	1 9/10
2,000 to 2,099 hours	Two
2,100 or more	*

\* 1/10 Benefit Unit is earned for each additional 100 hours worked in excess of 2,000 hours.

- c. **Benefit Units Earned On and After January 1, 1995.** A Participant will receive Benefit Units for Contributory Hours worked on and after January 1, 1995, according to the following schedule:

Contributory Hours Worked in Calendar Year	Benefit Units
Less than 250 hours	None
250 to 299 hours	1/4
300 to 399 hours	3/10
400 to 499 hours	4/10
500 to 599 hours	5/10
600 to 699 hours	6/10
700 to 799 hours	7/10
800 to 899 hours	8/10
900 to 999 hours	9/10
1,000 to 1,099 hours	One Year
1,100 or more	*

\* 1/10 Benefit Unit is earned for each additional 100 hours worked in excess of 1,000 hours.

For all pensions effective prior to January 1, 1995, Benefit Units will be calculated based upon the provisions of the Plan in effect on December 31, 1994.

- d. If a Participant earns a Year of Credited Service in a Calendar Year after December 31, 1975 and before January 1, 1995, but works less than 250 Contributory Hours, the Participant shall be credited with a pro-rated portion of a full Benefit Unit, in the ratio which his or her Contributory Hours of work bear to 2,000 hours.

- e. **Exception:** A Participant shall not be entitled to Benefit Units for the following periods:
- (1) for the period preceding a Permanent Break in Service as defined in Subsection 6.06.a. for periods prior to January 1, 1976.
  - (2) for periods preceding a Permanent Break in Service as defined in Subsection 6.06.c. and 6.06.d., except as may be required by Regulation 2530 of the Department of Labor.

**Section 6.05. Credited Service and Benefit Units for Non-Working Periods On and After June 1, 1968.**

Periods of absence from Covered Employment will be credited toward the accumulation of Credited Service and Benefit Units at the rate of 40 hours per week, if they were due to the following circumstances:

- a. A non-occupational disability which continues for at least 14 days and is certified by a physician, up to one-half Year of Credited Service and one-half Benefit Unit.
- b. An occupational disability for the period for which Workers' Compensation Temporary Disability Benefits were paid for an injury incurred while working for a Contributing Employer, or which constituted a valid waiting period for such benefits; however, no more than two Years of Credited Service or two Benefit Units shall be granted for each distinct and separate disability.
- c. An Employee who is absent from Covered Employment due to Qualified Military Service after December 12, 1994 shall receive Credited Service and Benefit Units he or she would have earned but for the absence if he or she returns to Covered Employment within the period during which he or she retains reemployment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA").

Credited Service and Benefit Units shall be determined in accordance with provisions of Sections 6.03 and 6.04 based on the average number of hours worked in a week by the Participant during the 12-month period immediately preceding the period of Qualified Military Service, or if shorter, the period of employment immediately preceding the period of Qualified Military Service, but not less than 40 hours per week.

In order to secure credit for the periods of disability as provided in this Section, a Participant must furnish in writing such information and proof concerning such disability as the Board may, in its sole discretion, determine.

**Section 6.06. Breaks in Service.**

**General.** If a Participant has a Break in Service before he or she has become a Vested Participant, it has the effect of canceling his or her Participation, his or her previous Years of Credited Service and his or her Benefit Units. However, a Break in Service may be temporary, subject to repair by sufficient amount of subsequent Credited Service. A longer Break in Service may be permanent. The Break-in-Service rule does not apply to a Pensioner or a Vested Participant.

- a. **Permanent Breaks in Service Before January 1, 1976.** Between June 1, 1968 and January 1, 1976 a Participant shall have incurred a Permanent Break in Service and his or her Credited Service and accrued benefits were cancelled if he or she failed to earn at least one quarter of Credited Future Service as a result of Contributory Hours in any period of two consecutive Calendar Years.

**Grace Periods Before January 1, 1976.** A Participant who was absent from Covered Employment before January 1, 1976 shall be allowed grace periods under the following circumstances:

- (1) A Participant shall be allowed a grace period of up to two years for periods when he or she was totally disabled for work as a laborer.

- (2) A Participant shall be allowed a grace period for the duration of his or her employment in a supervisory capacity for a Contributing Employer.
- (3) A Participant shall be allowed a grace period for periods of service in any of the Armed Forces of the United States in time of war or national emergency or pursuant to a national conscription law, during which he or she retained re-employment rights under Federal Law, provided the Participant made himself available for Covered Employment within 90 days after release from active duty, or within 90 days after recovery from a disability continuing after his or her release from active duty.

A grace period does not add to a Participant's Credited Service; it is a period which is to be disregarded in determining whether the Participant has worked sufficient hours in Covered Employment to prevent a Permanent Break in Service. In order to secure the benefits of a grace period, a Participant must give in writing notice to the Board and must present such written evidence as the Board, in its sole discretion, determines.

**b. One-Year Break in Service Beginning January 1, 1976:**

- (1) A person has a One-Year Break in Service in any Calendar Year beginning January 1, 1976 in which he or she fails to complete 250 Hours of Service in Covered Employment.
- (2) Hours of Service in Continuous Non-Covered Employment after December 31, 1975 shall be counted in determining whether a Break in Service has incurred.
- (3) A One-Year Break in Service is repairable, in the sense that its effects are eliminated if, before incurring a Permanent Break in Service, the Employee subsequently earns one quarter of Credited Service. More specifically, previously earned Years of Credited Service and Benefit Units are restored. Nothing in this paragraph (3) shall change the effect of a Permanent Break in Service.

**c. Permanent Break in Service After December 31, 1975 and Before January 1, 1985.** A person shall have a Permanent Break in Service if he or she had consecutive One-Year Breaks in Service, including at least one after December 31, 1975, that equal or exceed the number of full Years of Credited Service which he or she had previously accumulated.

**d. Permanent Break in Service After December 31, 1984.** A person shall have a Permanent Break in Service if he or she has consecutive One-Year Breaks in Service, including at least one after December 31, 1984, that equal the greater of five or the aggregate number of full Years of Credited Service which were previously accumulated.

The foregoing rule will only apply to a Non-Bargained Employee who has at least one Hour of Service after May 31, 1989, if the Break in Service occurs before he or she has earned five Years of Credited Service.

**e. Grace Periods After December 31, 1984.** A Participant who is absent from Covered Employment after December 31, 1984, because of Maternity or Paternity Leave shall be credited with a maximum of 501 Hours of Service for the period of such leave.

**Maternity/Paternity Leave Defined.** A Participant shall be deemed to be on Maternity or Paternity Leave if the Participant is absent from work by reason of the pregnancy of the Participant, by reason of the birth of a child of the Participant, by reason of the placement of a child with the Participant in connection with the adoption of the child by such Participant, or for the purpose of caring for such child during the period immediately following such birth or placement.

A grace period does not add to a Participant's Credited Service; it is a period which is to be disregarded in determining whether the Participant has worked sufficient hours in Covered Employment to prevent a Permanent Break in Service. In order to secure the benefits of a grace period, a Participant must give written notice to the Board and must present such written evidence as the Board, in its sole discretion, determines.

- f. **Reinstatement of Benefit Units.** If a Participant accumulated at least one year of Credited Future Service prior to incurring a Permanent Break in Service, all of his or her cancelled Years of Credited Service and Benefit Units shall be reinstated beginning with the first day of the month coincident with or next following the date that he or she has earned, excluding any Related Credit, at least 10 Years of Credited Service without a Permanent Break in Service following the most recent Permanent Break in Service.

Notwithstanding the provisions of Section 6.07., Benefit Units reinstated under this Subsection (f) shall be payable at the benefit rate in effect when the Permanent Break(s) in Service occurred.

The reinstatement provisions of this Subsection (f) shall not apply to Pensioners whose original Annuity Starting Date occurred prior to November 1, 1995.

- g. **Effect of a Permanent Break in Service.** If a person who has not achieved status as a Vested Participant has a Permanent Break in Service:
- (1) his or her previous Years of Credited Service and Benefit Units are cancelled, and
  - (2) his or her Participation is cancelled; new Participation is subject to the provisions of Section 2.04.

**Section 6.07. Separation from Covered Employment.**

Subject to the exception described below, a Participant will be deemed to be Separated from Covered Employment at the end of any two-consecutive-Calendar Year periods during which he or she does not work at least 250 Contributory Hours in at least one of the two years.

In applying the Separation from Covered Employment provisions, periods of absence due to Qualified Military Service shall be excluded in determining whether a Participant is Separated from Covered Employment.

**Exception for Pensions Effective On and After May 1, 1991:** If, following a Separation from Covered Employment as determined above, a Participant returns to Covered Employment and earns a full year of Credited Service in each of at least 10 continuous Calendar Years, such Separation from Covered Employment shall be deemed to have occurred only if the Participant failed to work at least 250 Contributory Hours in at least one of three consecutive Calendar years including the two which comprise such Separation from Covered Employment.

This exception shall apply once and then only to the most recent 2-year Separation from Covered Employment. Multiple Separations from Covered Employment are not covered.

**Section 6.08. Vesting.**

A Participant shall achieve vested status upon meeting the requirements described below.

- a. On or after January 1, 1999, a Participant will have achieved vested status if he or she has at least one or more Hours of Service in Covered Employment in this Plan after December 31, 1998 and he or she has accumulated five years of Credited Service without a Permanent Break in Service; or the Participant has attained Normal Retirement Age.

A Participant who does not have at least one or more Hours of Service in Covered Employment in this Plan after December 31, 1998 will achieve vested status upon meeting the vesting requirements of Subsection (b) below.

- b. After July 1, 1973, a Participant will have achieved vested status if he or she has accumulated at least 10 Years of Credited Service without a Permanent Break in Service. However, a Non-Bargained Employee who has at least one Hour of Service after May 31, 1989 will attain vested status after he or she has accumulated 5 Years of Credited Service without a Permanent Break in Service.
- c. Between June 1, 1968 and July 1, 1973, a Participant achieved vested status if he or she met either of the two following conditions.
  - (1) he or she had attained age 50 and had accumulated at least 15 Years of Credited Past and Future Service, of which one year was Credited Future Service; or
  - (2) he or she had attained age 55 and had accumulated at least 10 Years of Credited Past and Future Service, of which one year was Credited Future Service;

provided, however, that the Years of Credited Future Service used to meet these requirements were earned as a result of Contributory Hours.

## **ARTICLE 7. HUSBAND-AND-WIFE PENSION**

### **Section 7.01. General.**

Upon retirement, the Husband-and-Wife Pension provides a lifetime pension for a married Pensioner who meets the eligibility requirements for any type of Pension under the provisions of Articles 3 or 4, plus a lifetime pension for his or her surviving legal Spouse, starting after the death of the Pensioner. In the event of death before retirement, the Husband-and-Wife Pension provides a lifetime pension to the surviving legal Spouse of a married Participant who is vested in accordance with Section 6.08.

The monthly amount to be paid to the surviving legal Spouse is one-half the monthly amount which was payable or would have been payable to the deceased Pensioner of Participant. When a Husband-and-Wife Pension is in effect, the monthly amount of the Participant's pension is reduced in accordance with the provisions of Section 7.05 from the full amount otherwise payable. The Husband-and-Wife Pension will be at least as valuable as any other optional form of benefit payable under the Plan.

### **Section 7.02. Effective Date.**

The provisions of this Article do not apply:

- a. to a Pensioner, the effective date of whose Pension was before January 1, 1985; or
- b. to a Vested Participant who has not earned one Hour of Service after August 22, 1984; or
- c. Disabled Benefits with an Annuity Starting Date that is after December 31, 2012.

### **Section 7.03. Upon Retirement.**

All pensions shall be paid in the form of a Husband-and-Wife Pension, unless the Participant has filed with the Board, in writing a timely rejection of that form of pension, subject to all of the conditions of this Section. No rejection shall be effective unless the legal Spouse of the Participant has consented in writing to such rejection, and acknowledged the effect thereof, and such rejection is witnessed by a Notary Public. No consent shall be required if it has been established to the satisfaction of the Board that any of the conditions described in Section 7.07 apply.

The Board shall provide to each Participant, no less than 30 days and no more than 90 days before the Annuity Starting Date, a written explanation of the terms and conditions of the Husband-and-Wife Pension and the effect of the rejection of such pension. A Participant (with any applicable spousal consent) may waive the requirements that the written explanation be provided at least 30 days before the Annuity Starting Date if the Participant's pension commences more than 7 days after the written explanation is provided.

A Participant and his or her Spouse may reject the Husband-and-Wife Pension (or revoke a previous rejection) at any time before the month for which a pension is payable except that a waiver of the Husband-and-Wife Pension shall not be effective if given more than 90 days or less than 30 days before the Annuity Starting Date. A Participant and his or her Spouse shall in any event have the right to exercise this choice up to 90 days after they have been advised, by the Board, of the effect of such choice on the pension.

### **Section 7.04. Death of an Eligible Participant Before Retirement - Surviving Spouse Pension.**

- a. If the Participant dies after achieving vested status, and after earning one or more Hours of Credited Service after August 22, 1984, his or her surviving Spouse, if any, shall be entitled to a Surviving Spouse Pension.

If the Participant's death occurred after becoming eligible for a pension benefit under the Plan, the Spouse shall be paid a Surviving Spouse Pension as if the Participant had retired on a Husband-and-Wife Pension the day before death. If the Participant's death occurred before becoming eligible for a pension benefit under the Plan, the Spouse shall have the choice of receiving the Surviving Spouse Pension commencing (a) with the month following the death of the Participant or (b) with the month following the date when the Participant would have become eligible for a pension benefit under the Plan had he or she lived. If the Surviving Spouse Pension is deferred until the month following the month in which the Participant would have become eligible for a pension benefit under the Plan, had he or she lived, the amount of such pension shall be determined as if the Participant had left Covered Employment on the date of death (or the date he or she last worked in Covered Employment, if earlier), retired on a Husband-and-Wife Pension upon becoming eligible for a pension benefit under the Plan, and died on the last day of the month in which becoming eligible for a pension benefit. If the Surviving Spouse Pension is paid beginning with the month following the Participant's death and prior to the date the Participant would have become eligible for a pension benefit under the Plan, the amount of such pension shall be the Actuarial Equivalent of the amount which could have been deferred.

This Subsection (a) shall also apply to an inactive Participant who has achieved vested status, had one or more Hours of Service on or after September 2, 1974 and dies after August 22, 1984.

- b. Notwithstanding any other provision of this Article, a Surviving Spouse Pension shall not be paid in the form, manner or amount described above if one of the alternatives set forth in this subsection applies.
  - (1) If the Actuarial Present Value of the benefit is \$5,000 or less, the Board shall make a single-sum payment to the Spouse in an amount equal to the Actuarial Present Value in full discharge of the Surviving Spouse Pension.
  - (2) Subject to paragraph (3) below, the Spouse may elect in writing, filed with the Board, and on whatever form it may prescribe, to defer commencement of the Surviving Spouse Pension until any time after the death of the Participant. Payments will begin as of the surviving Spouse's Annuity Starting Date. The amount payable at that time shall be determined as described in Subsection (a) above, except that the benefit shall be paid in accordance with terms of the Plan in effect when the Participant last worked in Covered Employment, as if the Participant had retired with a Husband-and-Wife Pension on the day before the surviving Spouse's payments are scheduled to start, and died the next day.
  - (3) Payment of the Surviving Spouse Pension must start by no later than December 1 of the Calendar Year in which the Participant would have reached age 70-½ or, if later, December 1 of the Calendar Year following the year of the Participant's death. If the Board confirms the identity and whereabouts of a surviving Spouse who has not applied for benefits by that time, payments to that surviving Spouse in the form of a single life annuity (subject to the provisions of paragraph (1) above) will begin automatically as of that date.
- c. Notwithstanding any other provisions of the Plan, if the Annuity Starting Date for the Surviving Spouse's Pension is after the Participant's earliest retirement date, the benefit shall be determined as if the Participant had died on the surviving Spouse's Annuity Date after retiring with a Husband-and-Wife Pension the day before, taking into account any actuarial adjustments to the Participant's accrued benefit that would have applied as of that date.
- d. If a surviving Spouse dies before the Annuity Starting Date of the Pension, that benefit will not be forfeited and there will be a total of 60 payments made to the Spouse's designated Beneficiary(ies) provided written request for such payments is received by the Fund Office within 12 months of the Spouse's death.



- e. A surviving Spouse eligible for the death benefits under Section 8.01 may elect to receive those death benefits as provided in that Section. In that case, the Actuarial Present Value of his or her Surviving Spouse Pension shall be reduced (but not below zero) by the Actuarial Present Value of those death benefits, and any remaining value of the Surviving Spouse Pension shall be paid to him or her as follows:
  - (1) in a single sum at the end of the 36-month payment period of Section 8.01, if the remaining value is \$5,000 or less; or
  - (2) if the remaining value is greater than \$5,000, as monthly annuity payable for the Spouse's lifetime effective as of the effective date of the Pre-Retirement Death Benefit of Section 8.01. Such monthly annuity shall be the Actuarial Equivalent of the remaining value.

#### **Section 7.05. Adjustment of Pension Amount.**

- a. For a Participant who is eligible for a Regular, Early Retirement or Service Pension, the Husband-and-Wife Pension shall be 90% of the amount determined from Section 3.03, 3.05, or 3.13, whichever is appropriate, if the Participant and Spouse are the same age. The factor is increased by .4 percentage point for each year the spouse is older than the Participant, subject to a maximum factor of 99%; or decreased by .4 percentage point for each year that the Spouse is younger than the Participant.
- b. For a Participant who is eligible for a Disability Pension with an Annuity Starting Date that is prior to January 1, 2013, the Husband-and-Wife Pension shall be 82% of the amount determined from Section 3.07, if the Participant and Spouse are the same age. The factor is increased by .4 percentage point for each year the Spouse is older than the Participant, subject to a maximum factor of 99%; or decreased by .4 percentage point for each year that the Spouse is younger than the Participant.

The factor determined in the paragraph above shall be increased by 2.5 percentage point if the Participant is age 45. Until the Participant attains age 55, the factor is reduced by .25 percentage point for each year the Participant is older than age 45; or increased by .75 percentage point for each year younger than age 45. Such increase when added to the adjustment factor above shall not exceed 99%.

#### **Section 7.06. Additional Conditions.**

A Husband-and-Wife Pension shall not be effective under any of the following circumstances:

- a. A Husband-and-Wife Pension shall not be effective in the case of the surviving Spouse of a Participant who is not a Pensioner unless the Spouse was married to the Participant throughout the year preceding the Participant's death.
- b. A Husband-and-Wife Pension shall not be effective in the case of the surviving Spouse of a Pensioner unless the Pensioner and Spouse were married to each other on the Annuity Starting Date of the Participant's pension, and for at least a one-year period any time before the Pensioner's death.
- c. Subject to the requirements for documentation described in Section 7.03, above, the Participant must file, before his or her Annuity Starting Date, a written representation, on which the Board is entitled to rely, concerning that Participant's marital status which, if false, gives the Board the discretionary right to adjust the dollar amount of the pension payments made to the alleged surviving Spouse so as to recoup any excess benefits which may have been erroneously paid.



- d. An election or revocation of a Husband-and-Wife Pension must be:
  - (1) made (or revoked) prior to the Annuity Starting Date;
  - (2) made on forms furnished by the Fund Office; and
  - (3) filed with the Fund Office.
- e. A Husband-and-Wife Pension, once payable, may not be revoked or the Pensioner's benefits increased, by reason of the subsequent divorce of the Spouse from the Pensioner or the Spouse predeceasing the Pensioner, except as provided in Subsection 8.04.b.
- f. The rights of a prior Spouse or other family member to any share of a Participant's pension, as set forth under a Qualified Domestic Relations Order, shall take precedence over any claims of the Participant's Spouse at the time of the retirement or death.
- g. Notwithstanding any other provision of the Plan, a waiver of the Husband-and-Wife Pension shall not be effective if given more than 90 days before the Annuity Starting Date.

**Section 7.07. Spousal Consent Not Necessary.**

Notwithstanding any other provision of the Plan, spousal consent in accordance with Section 7.03 is not required if the Participant establishes to the satisfaction of the Trustees:

- (1) that there is no Spouse,
- (2) that the Spouse cannot be located,
- (3) that the Participant and Spouse are legally separated, or
- (4) that the Participant has been abandoned by the Spouse as confirmed by court order.

If the Spouse is legally incompetent, consent under Section 7.03 may be given by his or her legal guardian, including the Participant if authorized to act as the Spouse's legal guardian.

**Section 7.08. Surviving Spouse Benefit for Pensions Effective Before January 1, 1977.**

A Surviving Spouse Pension of 75% of the pensioner's monthly benefit shall be payable to the surviving spouse under the following circumstances:

- a. the Pensioner died subsequent to January 1, 2003, and
- b. was receiving monthly benefits at the time of death, and
- c. the Surviving Spouse of the Pensioner and the pensioner were married to each other on the Annuity Starting Date of the Participant's pension.

**Section 7.09. Notification of Relative Value of Qualified Joint & Survivor Annuity and Qualified Pre-retirement Survivor Annuity When Optional Form of Benefit Is Requested.**

The Plan Administrator will notify the participant when a benefit under the plan is requested. Such notification shall include a general description of the material features, and an explanation of the relative values of, the optional forms of benefit available under the plan in a manner that would satisfy the notice requirements of IRC 417(a)(3) and Treas. Reg. 1.417(a)(3)-1, as such section and regulation may be amended from time to time.

## ARTICLE 8. DEATH BENEFITS AND OTHER FORMS OF PAYMENTS

### Section 8.01. Spousal Pre-Retirement Death Benefits.

Upon the Death of a Participant who meets the requirements described below, 36 monthly payments will be made to the Participant's surviving Spouse in an amount determined in the same manner as a Regular Pension.

- a. He or she has actually worked at least 250 Contributory Hours in either of the two consecutive Calendar Years prior to the Calendar Year in which he or she dies, or he or she dies while in Qualified Military Service and actually worked at least 250 Contributory Hours in either of the two consecutive Calendar Years prior to the Calendar Year in which he or she entered into Qualified Military Service, and
- b. He or she has accumulated at least five Years of Credited Service, (without a Permanent Break in Service) with at least one or more Hours of Service after December 31, 1998, exclusive, however, of any Credited Future Service earned as a result of Continuous Non- Covered Employment; or
- c. He or she has accumulated at least 10 Years of Credited Service, (without a Permanent Break in Service), excluding however, any Credited Future Service earned as a result of Continuous Non-Covered Employment.

If, upon the death of a Participant, there is no Spouse then living, or if the Participant's Spouse dies before the receipt of 36 monthly payments, then the monthly payments shall become payable to the Participant's surviving minor children. If there are no surviving minor children, such payments will be made to anyone who was wholly dependent upon the Participant on the date of death. If there is more than one person who was so dependent, the payments will be divided equally among such persons. In the event there was no one then wholly dependent upon the deceased Participant, no further benefits are payable. The term "dependent" as used in the foregoing shall be defined by the Regulations of the Internal Revenue Service of the United States Treasury Department.

No death benefits shall be payable under this Section unless the surviving Spouse so elects, in accordance with Section 7.04.e.

### Section 8.02. Pre-Retirement Death Benefits.

If a Participant dies on or after January 1, 1995, and is not eligible to receive any other type of pension benefit, a lump-sum Death Benefit will be payable to the Participant's designated Beneficiary in an amount equal to \$250 for each Benefit Unit earned by a Participant at the time of death, provided the Participant has worked at least 250 Contributory Hours in either of the two consecutive Calendar Years prior to the Calendar Year in which the Participant dies.

If a vested Participant who is not married dies on or after January 1, 1995, and is not eligible to receive any other type of benefit, a lump-sum Death Benefit will be payable to a Participant's designated Beneficiary in an amount equal to \$1,000 for each Benefit Unit earned by a Participant at the time of death provided the Participant has worked at least 250 Contributory Hours in either of the two consecutive Calendar Years prior to the Calendar Year in which the Participant dies.

### Section 8.03. Pensioner's Sixty-Month Guarantee of Benefits.

- a. If a Pensioner dies prior to having received 60 monthly payments, monthly payments shall be continued to the Pensioner's Beneficiary until a total of 60 monthly payments have been made to such Pensioner and Beneficiary or the person or persons selected in accordance with paragraph c. of this Section 8.03.

Benefits provided by this Section shall not be payable if payments were due under the Husband-and-Wife Pension (Article 7) at the time of death.

- b. A Pensioner may designate a Beneficiary or Beneficiaries to receive any payments due and payable but not actually paid prior to the death of the Pensioner, or any benefits provided in accordance with this Article, by forwarding such designation on a form acceptable to the Trustees to the Fund Office. A Pensioner shall have the right to change his or her designation of Beneficiary without the consent of the Beneficiary, but no such change shall be effective or binding on the Board unless it is received by the Board prior to the time any payments are made to the Beneficiary whose designation is on file with the Fund Office. If a designated Beneficiary dies prior to the receipt of one or more of the payments, such payments shall then be paid in accordance with the procedure provided in paragraph c. of this Section 8.03.

A married Pensioner or other Participant who designates anyone other than his or her Spouse as Beneficiary shall be required to obtain his or her Spouse's consent to such designation or any change in such designation, in writing, in a form or manner prescribed by the Board.

- c. If no designated Beneficiary is alive at the time any benefits are payable as a result of a Pensioner's death, any benefits due and payable but not actually paid prior to his or her death shall be paid to the Spouse of the Pensioner if then living, or if there is no Spouse then alive, such payments will be made to anyone who was wholly dependent upon the Pensioner on the date of death. If there is more than one person who was so dependent, the payments will be divided equally among such persons. In the event there was no one then wholly dependent upon the deceased Pensioner, no further benefits are payable. The term "dependent" as used in the foregoing, shall be defined by the Regulations of the Internal Revenue Service of the United States Treasury Department.

#### **Section 8.04. Optional Forms of Payment.**

- a. **Contingent Pensioner Option.** In lieu of any other form of Pension otherwise payable to him or her, a married Participant entitled to a Regular Pension, Early Retirement, Disability Pension with Annuity Start Date prior to January 1, 2013, or Service Pension may elect to receive the payment of his or her Pension on the basis of a Contingent Annuitant Option, in accordance with which he or she will receive a lower monthly amount with the provision that 100% or 75% of that lower amount (whichever the Participant elects) is continued after his or her death for the lifetime of his or her Spouse. The amount payable to the Pensioner who has elected this Option shall be determined as follows:

- (1) **75% Contingent Option.**

For a Participant who is retiring on a Regular, Early Retirement or Service Pension, the pension amount determined from Section 3.03, 3.05, or 3.13 shall be adjusted by 85.5% if the Participant and Spouse are the same age. The factor is increased by .6 percentage point for each year the Spouse is older than the Participant, subject to a maximum factor of 99%; or decreased by .6 percentage point for each year the Spouse is younger than the Participant.

- (a) For a Participant who is retiring on a Disability Pension with an Annuity Starting Date that is prior to January 1, 2013, the pension amount determined from Section 3.07 shall be adjusted by 75% if the Participant and Spouse are the same age. The factor is increased by .5 percentage point for each year the Spouse is older than the Participant, subject to a maximum factor of 99%; or decreased by .5 percentage point for each year the Spouse is younger than the Participant.

The factor determined in the paragraph above shall be increased by 2.5 percentage point if the Participant is age 45. Until the Participant attains age 55, the factor is reduced by .25 percentage point for each year the Participant is older than age 45; or increased by .75 percentage point for each year younger than age 45. Such increases when added to the adjustment factor above shall not exceed 99%.

(2) **100% Contingent Option.**

For a Participant who is retiring on a Regular, Early Retirement or Service Pension, the pension amount determined from Section 3.03, 3.05, or 3.13 shall be adjusted by 81% if the Participant and Spouse are the same age. The factor is increased by .7 percentage point for each year the Spouse is older than the Participant, subject to a maximum factor of 99%; or decreased by .7 percentage point for each year the Spouse is younger than the Participant.

- (a) For a Participant who is retiring on a Disability Pension with an Annuity Starting Date that is prior to January 1, 2013, the pension amount determined from Section 3.07 shall be adjusted by 67% if the Participant and Spouse are the same age. The factor is increased by .5 percentage point for each year the Spouse is older than the Participant, subject to a maximum factor of 99%; or decreased by .5 percentage point for each year the Spouse is younger than the Participant.

The factor determined in the paragraph above shall be increased by 2.5 percentage point if the Participant is age 45. Until the Participant attains age 55, the factor is reduced by .25 percentage point for each year the Participant is older than age 45; or increased by .75 percentage point for each year younger than age 45. Such increases when added to the adjustment factor above shall not exceed 99%.

**b. Single Life Pension Reversion Option.**

- (1) A married Participant may elect at the time of his or her Retirement to have his or her Pension paid in the form of a Husband-and-Wife Pension, 75% Contingent Pensioner Option or 100% Contingent Pensioner Option and should he or she be predeceased by his or her Spouse, his or her Pension would revert to a Single Life Pension.
- (2) The amount of Pension payable under this Option for Participant who elects the Husband-and-Wife Pension shall be determined in accordance with the provisions of Section 7.05. However, an additional reduction of 1.5% shall be applied to the factor applicable under Section 7.05 for the type of Pension being awarded.

If the Participant's Spouse predeceases him or her, the amount of the Pension payable shall be increased to the full amount otherwise in the absence of the application of the provision of Section 7.05 and this Subsection (2).

All other provisions of Article 7 shall apply to the election of this Option unless specifically indicated otherwise.

- (3) The amount of Pension payable under this Option for a Participant who elects the 75% Contingent Pensioner Option shall be determined in accordance with the provisions of Subsection 8.04.a.(1). However, an additional reduction of 1.75% shall be applied to the factor applicable under Subsection 8.04.a.(1) for the type of Pension being awarded.

If the Participant's Spouse predeceases him or her, the amount of the Pension payable shall be increased to the full amount otherwise payable in the absence of the application of the provisions of Subsection 8.04.a.(1) and this Subsection (3).

- (4) The amount of Pension payable under this Option for a Participant who elects the 100% Contingent Pensioner Option shall be determined in accordance with the provisions of Subsection 8.04.a.(2). However, an additional reduction of 2% shall be applied to the factor applicable under Subsection 8.04.a.(2) for the type of Pension being awarded.

If the Participant's Spouse predeceases him or her, the amount of the Pension payable shall be increased to the full amount otherwise payable in the absence of the application of the provisions of Subsection 8.04.a.(2) and this Subsection (4).

**Section 8.05. Minimum Distribution Requirements and Surviving Benefit Limitations.**

For all distributions under the plan, the Plan will meet the requirements of Treas. Reg. 1.401(a)(9)-2 through 1.401(a)(9)-9, including the incidental benefit requirements of IRC 401(a)(9)(G).

Notwithstanding any other provisions of the Plan, all survivor benefits described in the Article 8 shall comply with the limits of Internal Revenue Code Section 401(a)(9) and the incidental benefit rule of the regulations prescribed under them, including proposed Treas. Reg. 1.401(a)(9)-1.

## **ARTICLE 9. APPLICATIONS, BENEFIT PAYMENTS AND RETIREMENT**

### **Section 9.01. Applications.**

- a. A pension must be applied for in writing in a form and manner prescribed by the Board and filed with the Board at the Fund Office in advance of its Annuity Starting Date. Except as provided in Section 9.05, a pension shall first be payable for the first month after the month in which the application is filed if the Participant is otherwise eligible.

An application for a Disability Benefit shall be considered timely if the Social Security Disability Benefit entitlement notice is filed with the Board no later than sixty days after the date of issue of such notice, and the payment of the Disability Benefit may commence with the sixth month of disability. Otherwise, payments will not begin until the first of the month after you file an application with the Fund Office.

- b. An application for a Pre-Retirement Death Benefit should be made in writing on a form and in the manner prescribed by the Board.

### **Section 9.02. Information and Proof.**

Every Participant or Pensioner shall furnish, at the request of the Trustees, any information or proof reasonably required to determine his or her benefit rights. If the claimant willfully makes a false statement material to an application or furnished fraudulent information or proof material to his or her claim, or fails to provide the notifications required, benefits under this Plan may be denied, suspended, or discontinued. The Trustees shall have the right to recover any benefit payments made (1) in reliance on any willfully made false or fraudulent statement, information or proof submitted by a Participant or Pensioner, or (2) prior to the receipt of any required notification.

### **Section 9.03. Action of Trustees.**

The Trustees shall, subject to the requirements of the Law, be the sole judges of the standard proof required in any case and the application and interpretation of this Plan, and decisions of the Trustees shall be final and binding on all parties. Decisions made by the Board of Trustees will be evidenced in the Board resolutions in the Board meeting minutes.

### **Section 9.04. Claim Procedures.**

- a. **Denial of Benefits.** If an application for benefits is denied in whole or in part by the Fund Office (acting for the Board of Trustees), the applicant will be notified of such denial in writing, within a reasonable period of time but not later than 90 days after receipt of the application unless the Fund Office determines that special circumstances require an extension of time for processing the application. In such case, a written notice of the extension will be furnished to the applicant prior to the end of such 90 day period. In no event shall such extension exceed a period of 90 days from the end of such initial 90 day period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the plan expects to render a decision.

If an application for disability benefits under Subsections 3.06, 3.07, 3.08 and 3.09 is denied by the Fund Office (acting for the Board of Trustees), the applicant will be notified of the denial, in writing, within a reasonable period of time but not later than 45 days after receipt of the application for such disability benefits. This 45 day period may be extended for up to an additional 30 days provided that the Fund Office determines that such extension is necessary due to matters beyond the control of the Plan and notifies the applicant, prior to the end of the initial 45 day period, in writing, of such extension and the circumstances requiring the extension of time and the date by which the Plan expects to render a decision. If prior to the end of the first 30 day extension period, the Fund Office determines that, due to matters beyond the control of the Plan, a decision cannot be made within the extension period, the period for making the decision may be extended for up to an additional 30 days, provided that the Fund Office notifies the applicant, prior to the end of the first 30 day extension period, of the circumstances requiring the extension and the date as of which the Plan expects to make a decision. This notice will be in writing and will specifically explain the Plan provisions on which the entitlement to such disability benefits is based, the unresolved issues that prevent a decision, and the additional information needed to resolve those issues; and the applicant will be given at least 45 days within which to provide the specified information.

The period of time within which a benefit determination is required to be made, will begin at the time an application for benefits is filed with the Fund Office without regard to whether all the information necessary to make a benefit determination accompanies the filing. In the event that a period of time is extended, as permitted above, due to an applicant's failure to submit information necessary to make a determination, the period for making the benefit determination will be tolled from the date on which the notification of extension is sent to the applicant until the date on which the applicant responds to the request for additional information.

The written notification of the benefit denial will set forth, in a manner calculated to be understood by the applicant:

- (1) The specific reason(s) for the adverse determination;
- (2) Reference to the specific Plan provision(s) on which the denial is based;
- (3) A description of any additional material or information necessary for the applicant to perfect the claim and an explanation of why such material or information is necessary;
- (4) A description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the applicant's right to bring a civil action under 502(a) of ERISA following an adverse benefit determination on review; and
- (5) For a claim for disability benefits under Subsections 3.06, 3.07, 3.08 and 3.09 of the Plan, if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, a statement that such rule, guideline, protocol or other similar criterion was relied upon and a copy of that document will be provided to you free of charge upon request.

b. **Right of Appeal.** Any person whose application for benefits under this Plan has been denied in whole or in part by the Board of Trustees, or whose claim to benefits is otherwise denied by the Board of Trustees, may petition the Board of Trustees to reconsider its decision. A petition for reconsideration:

- (1) Must be in writing; and



- (2) Must state in clear and concise terms the reason(s) for disagreement with the decision of the Board of Trustees; and
- (3) May include documents, records, and other information related to the claim for benefits; and
- (4) Must be filed by the petitioner or the petitioner's duly authorized representative with or received by, the Fund Office within sixty (60) days after the date the notice of denial was received by the petitioner. In the case of a claim for disability benefits under Subsections 3.06, 3.07, 3.08 and 3.09, the petitioner or the petitioner's duly authorized representative must file his or her petition for reconsideration within one hundred eighty (180) days.

Upon good cause shown, the Board of Trustees may permit the petition to be amended or supplemented. The failure to file a petition for reconsideration within such sixty (60) day period (one hundred eighty (180) day period for disability benefits under Subsections 3.06, 3.07, 3.08 and 3.09) shall constitute a waiver of the petitioner's right to reconsideration of the decision. Such failure shall not, however, preclude the petitioner from establishing his or her entitlement at a later date based on additional information and evidence, which was not available to him or her at the time of the decision of the Board of Trustees.

Upon request, the petitioner or the petitioner's duly authorized representative will be provided, free of charge, reasonable access to and copies of, all non-privileged documents, records and other information relevant to the petitioner's claim for benefits. A document, record or other information shall be considered relevant to the petitioner's claim if it was relied upon in making the benefit determination; was submitted, considered or generated in the course of making the benefit determination, without regard to whether it was relied upon in making the benefit determination; demonstrates that the benefit determination was made in accordance with the Plan provisions and that, where appropriate, such provisions have been applied consistently with respect to similarly situated claims; and, in regards to disability benefits under Subsections 3.06, 3.07, 3.08 and 3.09, the Plan's policy or guidance with respect to the benefit denial (whether or not it was relied upon in making the benefit determination) and other relevant information.

The review of the determination will take into account all comments, documents, records, and other information submitted by the claimant relating to the claim without regard to whether such information was submitted or considered in the initial benefit determination.

In the case of Subsections 3.06, 3.07, 3.08 and 3.09 disability determination, the petitioner shall have access to records and other information relevant to the petitioner's claim, including any statement of policy or guidance with respect to the Plan concerning the denial of such disability benefits, without regard to whether such advice or statement was relied upon in making the benefit determination.

A benefit determination on review will be made by the Trustees or by a committee designated by them no later than the date of the quarterly meeting of the Officers of the Board of Trustees that immediately follows the Plan's receipt of the request for review unless the request for review is filed within thirty (30) days preceding the date of such meeting. In such case, a benefit determination will be made no later than the date of the second meeting following the Fund Office's receipt of the request for review. If special circumstances require a further extension of time for processing, a benefit determination will be rendered no later than the third meeting following the Fund Office's receipt of the request for review and the Board of Trustees will provide the petitioner with a written notice of the extension, describing the special circumstances and the date as of which the benefit determination will be made, prior to the commencement of the extension. The Board of Trustees will notify the petitioner of the benefit determination as soon as possible but not later than 5 days after the benefit determination is made.



The notification of a benefit determination upon review will be in writing and will include the reason(s) for the determination, including references to the specific Plan provision on which the determination is based. It will also include a statement that the petitioner is entitled to receive, upon request and free of charge, reasonable access to, and copies of all documents, records and other information relevant to the claim for benefits. The notification of benefit determination in regards to Subsections 3.06, 3.07, 3.08 and 3.09 disability benefit will include the above, along with the specific rule, guideline, protocol or other similar criterion relied upon in making the determination.

The denial of a claim to which the right to review has been waived, or the decision of the Board of Trustees or its designated committee with respect to a petition for review, is final and binding upon all parties, subject only to any civil action the applicant may bring under 502(a) of ERISA. Following issuance of a written decision of the Board of Trustees on an appeal, there is no further right of appeal to the Board of Trustees or right to arbitration.

#### **Section 9.05. Benefit Payments Generally.**

A Participant who is eligible to receive benefits under this Plan and makes application in accordance with the rules of this Pension Plan shall be entitled upon Retirement to receive the monthly benefits provided for the remainder of his or her life, subject to the provisions of this Plan. Benefit payments shall be payable commencing with the first day of the month following the month in which the Participant has fulfilled all the conditions of the entitlement to benefits. Such first day shall be the Annuity Starting Date as that term is defined in Section 1.03.

However, in no event, unless the Participant elects otherwise, shall the payment of benefits begin later than the 60<sup>th</sup> day after the later of the close of the plan year in which:

- a. the Participant attains Normal Retirement Age, or
- b. the Participant terminates his or her Covered Employment and retires, as the term is defined in Section 9.11.

Pension payments to the Pensioner shall not be made in a form other than equal monthly installments for the Pensioner's lifetime, except as provided in Section 9.09, or to effect (1) retroactive adjustments including recoupment of overpayments, using procedures from Section 9.12.f.(2) or any other provisions in the Plan or the law, in the monthly pension amount applicable to all Pensioners in a specified class.

A Participant may, however, elect in writing filed with the Board to receive benefits first payable for a later month, provided that no such election may postpone the commencement of benefits to a date later than the Required Beginning Date.

If a Participant's Beneficiary is not his or her surviving Spouse, the payment of any benefits under the Plan that become payable on account of the Participant's death shall begin no later than one year from the date of such death or, if later, as soon as practicable after the Board learns of the death.

Pension payments shall end with the payment for the month in which the death of the Pensioner occurs except as provided in accordance with a Husband-and-Wife Pension, or if applicable, upon the completion of the guaranteed payments provided for in Section 8.03.

#### **Section 9.06. Mandatory Commencement of Benefits.**

- a. Notwithstanding any provision of the Plan to the contrary, effective April 1, 1990, the Fund will make reasonable efforts to begin benefit payments to all Participants by their Required Beginning Dates, whether or not they apply for benefits.

- b. If a Participant fails to file a completed application for benefits on a timely basis, and his or her whereabouts are known to the Fund, the Fund will establish the Participant's Required Beginning Date as the Annuity Starting Date and begin benefit payments as follows:
  - (1) If the Actuarial Value of the Participant's benefit (determined in accordance with Section 9.09, on small benefit cashouts) is no more than \$5,000, in a single-sum payment.
  - (2) In any other case, in the form of a Husband-and-Wife Pension calculated on the assumptions that the Participant is and has been married for at least one year by the date payments start and that the husband is 3 years older than the wife.
  - (3) The benefit payment form specified here will be irrevocable once it begins, with the sole exception that it may be changed to a single-life annuity if the Participant proves that he or she did not have a qualified Spouse (including an alternate payee under a Qualified Domestic Relations Order) on the Required Beginning Date; also, the amounts of future benefits will be adjusted based on the actual age difference between the Participant and Spouse if proven to be different from the foregoing assumptions.
  - (4) Federal, state and local income tax, and any other applicable taxes, will be withheld from the benefit payments as required by law or determined by the Board to be appropriate for the protection of the Board and the Participant.

#### **Section 9.07. Benefit Accrued After Retirement.**

- a. **Before Normal Retirement Age.** Effective as of June 1, 1989, additional benefits earned by a Participant in Covered Employment before Normal Retirement Age will be determined as of the Participant's new Annuity Starting Date, unaffected by previously suspended pension benefits which may be resumed in accordance with Section 9.13.
- b. **After Normal Retirement Age.** Effective as of June 1, 1989, any additional benefits earned by a Participant in Covered Employment after Normal Retirement Age will be determined at the end of each Calendar Year and will be payable as of February 1 following the end of the Calendar Year in which it is accrued, provided payment of the benefits at that time is not suspended pursuant to Section 9.12 or postponed due to the Participant's continued employment.

Additional benefits that are not suspended or postponed will be paid in the payment form in effect for the Participant as of the Annuity Starting Date most recently preceding the date the additional benefits became payable, if such Annuity Starting Date had been established after Normal Retirement Age; otherwise, the additional benefits shall be determined as of the Participant's new Annuity Starting Date.

#### **Section 9.08. Actuarial Adjustment for Delayed Retirement.**

- a. Effective as of June 1, 1989, if a Participant's initial Annuity Starting Date is after the Participant's Normal Retirement Age, the monthly benefit will be the accrued benefit as of the earlier of January 1, 2013 and Normal Retirement Age, actuarially increased for each complete calendar month between Normal Retirement Age and the Annuity Starting Date for which benefits were not suspended, and then converted as of the Annuity Starting Date to the benefit payment form elected in the pension application of the Participant, or to the automatic form of Husband-and-Wife Pension if the Participant is married.
- b. If a Participant first becomes entitled to additional benefits after Normal Retirement Age, whether through additional service or because of a benefit increase, the actuarial increase in those benefits will start from the date they would first have been paid rather than Normal Retirement Age.
- c. The actuarial increase will be .75% per month for each month after Normal Retirement Age or such later date as may be determined in b. above.

- d. A Participant whose benefit is not actuarially increased on account of this Section shall be notified that his or her payments are suspended in accordance with Code Section 411(a)(3)1 and Department of Labor Regulation 2530.203.
- e. Notwithstanding the above, instead of an actuarially increased benefit, a Participant may choose to receive at his or her Annuity Starting Date:
  - (1) a monthly benefit equal to his or her accrued benefit at Normal Retirement Age, adjusted to include any additional benefits to which he or she becomes entitled after his or her Normal Retirement Age and before his or her Annuity Starting Date as described in b. above, plus
  - (2) a one-time cash payment equal to the total of the amounts payable for the months between his or her Normal Retirement Age and his or her Annuity Starting Date for which benefits are not suspended plus interest for those months credited at .33% per month.

**Section 9.09. Lump-Sum Payment in Lieu of Monthly Benefit.**

If at the time a monthly benefit becomes payable to a Participant or surviving Spouse, the Actuarial Present Value of such monthly benefit is \$5,000 or less (or has never exceeded \$5,000), the Board shall pay to the Participant or surviving Spouse in a lump sum the amount of the Actuarial Present Value, in lieu of the monthly benefit otherwise payable.

For purposes of this Section, Actuarial Present Value shall be determined in accordance with Section 1.02, except that the following procedure shall apply to the benefits payable to a Participant if it results in a larger lump sum amount:

- a. For a Participant who is eligible for a Regular or Early Retirement Pension, the lump-sum amount shall be \$119.00 for each \$1.00 of Pension if the Participant is age 60. The factor is increased by \$.18 for each month the Participant is younger than age 60; or decreased by \$.21 for each month the Participant is older than age 60.

In the event of a mandatory distribution greater than \$1,000 in accordance with the provisions of this Section 9.09, if the participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the participant in a direct rollover or to receive the distribution directly in accordance with Section 11.01, then the plan administrator will pay the distribution in a direct rollover to an individual retirement plan designated by the plan administrator.

**Section 9.10. Rounding the Benefit Amounts.**

If the amount of any monthly benefit payable under the Plan is not a multiple of \$.50 the amount shall be rounded up to the next multiple of \$.50.

**Section 9.11. Retirement or Retired.**

- a. **Before Normal Retirement Age.** To be deemed Retired before he or she has attained Normal Retirement Age, a Pensioner must warrant and represent in writing that he or she has withdrawn completely and refrained from any employment for wages or profit in the Building and Construction Industry.
- b. **After Normal Retirement Age and Prior to the Required Beginning Date.** To be deemed Retired after he or she has attained Normal Retirement Age and prior to his or her Required Beginning Date, a Pensioner must warrant and represent in writing that he or she has withdrawn and refrained from employment of 40 hours or more during any calendar month:
  - (1) in the geographic jurisdiction covered by the Plan;

- (2) in work of the type performed by Employees covered by the Plan on the Pensioner's Annuity Starting Date; and
  - (3) which requires directly or indirectly the use of the same skills employed by Employees on the Pensioner's Annuity Starting Date.
- c. **After the Required Beginning Date.** A Pensioner shall be deemed Retired upon attainment of his or her Required Beginning Date regardless of the type of employment performed.

#### **Section 9.12. Suspension of Pension Payments.**

- a. **Before Normal Retirement Age.** If a Pensioner becomes employed in work of the type described in Subsection 9.11.a., his or her pension payments shall be suspended and permanently withheld for any calendar months in which he or she is or was so employed and for the following additional period which immediately follows the foregoing period:
- (1) three months;
  - (2) twelve months in addition to the months under (1) if the Pensioner fails to satisfy the notice requirement set forth in d.(2) of this Section 9.12.
- b. **After Normal Retirement Age and Prior to the Required Beginning Date.** If a Pensioner becomes employed in work of the type described in Subsection 9.11.b., his or her pension payments shall be suspended and permanently withheld for any calendar months of such employment. After he or she ceases such employment, his or her pension shall commence with the first month following the cessation of employment of the type described in Subsection 9.11.b., subject to the Trustees' right to recoup benefits previously overpaid.
- c. **After the Required Beginning Date.** Pension payments shall not be suspended for employment after the Required Beginning Date.
- d. **Notices.**
- (1) Upon commencement of pension payments, the Trustees shall notify the Pensioner of the Plan rules governing suspension of benefits. If benefits have been suspended and payment resumed, new notification shall, upon resumption, be given to the Pensioner if there has been any material change in the suspension rules or the identity of the industries or area covered by the Plan.
  - (2) Prior to engaging in employment, including self-employment, a Pensioner shall request a determination whether a particular employment will result in a suspension of pension payments. A written request for a determination shall be submitted to the Plan which shall fully describe: (1) the particular employment, (2) the duties and skills required and used in the particular employment, (3) the industry, (4) the geographic location of the particular employment, and (5) the name and address of the anticipated employer and contact person. A request for determination shall be acted upon in accordance with the time frame set forth in the claims procedure adopted by the Plan in Section 9.04. The Plan is not bound by a determination that a particular employment does not result in a suspension of pension payments if there is a change in the circumstances upon which the determination was made.
  - (3) If a pensioner provides timely notice of his or her work in prohibited employment under Section 9.11, pension payments shall be suspended prospectively; otherwise pension payments shall be suspended retroactive to the month of prohibited employment. A Pensioner shall notify the Plan in writing within 31 days after starting any work of a type that is or may be prohibited under the provisions of Section 9.11, and without regard to the number of hours of such work.

If a Pensioner has worked in prohibited employment in any month after Normal Retirement Age, and has failed to give timely notice to the Plan of such employment, the Trustees shall presume that he or she worked for at least 40 hours in such month and any subsequent month before the Pensioner gives notice that he or she has ceased prohibited employment. The Pensioner shall have the right to overcome such presumption by establishing that his or her work was not in fact an appropriate basis, under the Plan, for suspension of his or her benefits.

The Trustees shall inform all retirees at least once every 12 months of the reemployment notification requirements.

- (4) The Plan shall inform a Pensioner of any suspension of his or her benefits by notice given by personal delivery or first class mail during the first calendar month in which his or her benefits are withheld. Such notice shall include a description of the specific reasons for the suspension, copy of the relevant provisions of the Plan, reference to the applicable regulation of the U.S. Department of Labor, and a statement of the procedure for securing a review of the suspension. In addition, the notice shall describe the procedure for the Pensioner to notify the Plan when his or her prohibited employment ends. If the Plan intends to recover prior overpayments by offset under subsection f.(2), the suspension notice shall explain the offset procedure and identify the amount expected to be recovered, and the periods of employment to which they relate.
- (5) A Pensioner whose pension has been suspended shall notify the Plan when prohibited employment has ended. The Trustees shall have the right to hold back benefit payments until such notice is filed with the Plan.

- e. **Review.** A Pensioner shall be entitled to a review of a determination suspending his or her benefits by written request filed with the Trustees within 180 days of the notice of suspension.

The same right of review shall apply, under the same terms, to a determination by or on behalf of the Trustees that contemplated employment will be prohibited.

f. **Resumption of Benefit Payments.**

- (1) Benefits shall be resumed for months after the last month for which benefits were suspended, with payments beginning no later than the third month after the last calendar month for which the Pensioner's benefit was suspended, provided the Pensioner has complied with the notification requirements of paragraph d.(2) above.
- (2) Overpayments attributable to payments made for any month or months for which the Pensioner had prohibited employment shall be deducted from pension payments otherwise paid or payable subsequent to the period of suspension. A deduction from a monthly benefit for a month after the Pensioner attained Normal Retirement Age shall not exceed 25 percent of the pension amount, except for the first pension payment made upon resumption after a suspension. A deduction from a monthly benefit for a month before the Pensioner attained Normal Retirement Age shall not exceed 100 percent of the pension amount. If a Pensioner dies before recoupment of overpayments has been completed, deductions shall be made from the benefits payable to his or her surviving Spouse, subject to the 25 percent limitation on the rate of deduction.

- g. **Continued Employment After Normal Retirement Age.** Subsection (b), providing for suspension of benefits after Normal Retirement Age, shall not apply to a Participant who remains in Covered Employment and does not retire until after Normal Retirement Age, unless he or she subsequently returns to prohibited employment after he or she retires.

### **Section 9.13. Resumption of Benefit Payments Following Suspension.**

- a. The monthly amount and type of pension when resumed after suspension shall be in the same form and amount received prior to suspension.
- b. Suspension of pension payments before Normal Retirement Age in accordance with Subsection 9.12.a., because of employment of the type for which a pension would not be suspended after Normal Retirement Age, shall not reduce the value of the Pensioner's pension below the actuarial equivalent of the Pension payable at his or her Normal Retirement Age; to the extent necessary to avoid such reduction, the monthly amount of the pension shall be adjusted so as not to deprive the Pensioner of the value of the Pension as payable to him at his or her Normal Retirement Age.
- c. A Husband-and-Wife Pension in effect immediately prior to suspension of benefits and any optional form of payment selected, shall remain effective if the Pensioner's death occurs while his or her benefits are in suspension. If a Pensioner returns to Covered Employment, he or she shall not be entitled to a new election as to the Husband-and-Wife Option, or any other optional form of benefit provided under the Plan.

### **Section 9.14. Non-Forfeitability.**

- a. The Employee Retirement Income Security Act requires that certain of the benefits under this Plan be non-forfeitable.
- b. A Participant acquires a non-forfeitable right to a Regular Pension at Normal Retirement Age or, if earlier, at age 65 upon attainment of vested status (in accordance with Section 411 of the Internal Revenue Code and Section 203 of ERISA and as further defined by the applicable regulations). Periods of service and breaks in service are defined for that purpose under this Plan on the basis of all hours of service.

A Participant's right to his or her Regular Pension is non-forfeitable upon his or her attainment of Normal Retirement Age.

- c. ERISA also provides certain limitations on any plan amendment that may change the plan's vesting schedule. In accordance with those legal limitations, no amendment of the Plan may take away a Participant's non-forfeitable right to a Regular Pension at Normal Retirement Age, if he or she has already earned it at the time of the amendment. Also, an amendment may not change the schedule on the basis of which a Participant acquires such a right, unless each Participant who has at least five Years of Service (three Years of Service for Non-Bargained Employee) at the time the amendment is adopted or effective (whichever is later) is given the option of achieving such a non-forfeitable right on the basis of the pre-amendment schedule.

That option may be exercised within 60 days after the latest of the following dates:

- (1) when the amendment was adopted,
- (2) when the amendment became effective, or
- (3) when the Participant was given written notice of the amendment.



**Section 9.15. Incompetence or Incapacity of a Pensioner or Beneficiary.**

In the event it is determined to the satisfaction of the Board that a Pensioner or Beneficiary is unable to care for his or her affairs because of mental or physical incapacity, any payment due may be applied, at the discretion of the Board, to the maintenance and support of such Pensioner or Beneficiary or to such person as the Board in its sole discretion finds to be an object of the natural bounty of the Pensioner or Beneficiary in the manner decided by the Board, unless, prior to such payment, claim shall have been made for such payment by a legally-appointed guardian, committee, or other legal representative appropriate to receive such payments on behalf of the Pensioner or Beneficiary.

**Section 9.16. Non-Assignment of Benefits.**

No Participant, Pensioner or Beneficiary entitled to any benefits under this Pension Plan shall have the right to assign, alienate, transfer, encumber, pledge, mortgage, hypothecate, anticipate, or impair in any manner his or her legal or beneficial interest, or any interest in assets of the Pension Fund, or benefits of this Pension Plan. Neither the Pension Fund nor any of the assets thereof, shall be liable for the debts of any Participant, Pensioner or Beneficiary entitled to any benefits under this Plan, nor be subject to attachment or execution or process in any court of action or proceeding.

Notwithstanding the foregoing, benefits shall be paid in accordance with the applicable requirements of any Qualified Domestic Relations Order as defined by Section 414(p) of the Internal Revenue Code.

**Section 9.17. No Right to Assets.**

No person other than the Trustees of the Pension Trust shall have any right, title or interest in any of the income, or property of any funds received or held by or for the account of the Pension Trust, and no person shall have any vested right to benefits provided by the Pension Plan except as expressly provided herein.

**Section 9.18. Laws Applicable.**

This Plan is intended to comply with the Employee Retirement Income Security Act of 1974 and with the requirements for tax qualification under the Internal Revenue Code and all regulations thereunder, and is to be interpreted and applied consistent with that intent.

## ARTICLE 10. MAXIMUM BENEFITS

Effective June 1, 2002, any provisions in this Article 10 that are contrary to the provisions contained in Section 15.02 shall be superseded by the provisions contained in Section 15.02.

### Section 10.01. General Rule.

- a. Except as provided in Subsection (c) and notwithstanding any other provision of this Plan, the annual benefit relating to employment with a Contributing Employer payable with respect to any Participant shall not exceed:

- (1) \$140,000 (for 2001) or, if lower,
- (2) 100 percent of the Participant's average Compensation from the Employer in the period of three consecutive Calendar years in which his or her Compensation was the highest. For this purpose, Compensation shall be determined based on wage rates established in Collective Bargaining Agreements and covered service as reported to the Fund, to the extent available, or on other records deemed by the Administrator to be reliable. Information on Participant's Compensation furnished to the Administrator by a contributing Employer shall be deemed reliable. In addition, the Administrator may rely on information on Compensation furnished by a Participant or Beneficiary unless the Administrator determines that it is not reliable.

- b. The limit shall not apply to any benefit payable in a year and attributable to the Employer that do not exceed \$1,000 a year for each Calendar Year in which the Participant earns a Year of Credited Service with that Employer, up to a maximum of \$10,000. If the Participant earns a fraction of a Year of Credited Service, the \$1,000 amount for the year is reduced by multiplication by that fraction.

This Subsection (b) shall not apply if the Participant has also been covered by an individual account plan to which the Employer contributed on his or her behalf, and such plan was maintained as a result of collective bargaining involving the same employee representative as this Plan.

- c. (1) The \$140,000 (for 2001) limit in Subsection a.(1) and a Participant's average Compensation shall be increased in each Calendar Year following his or her termination of service with the Employer for increases in the cost of living, based on the procedures used to adjust benefit amounts under 215(1)(2)(A) of the Social Security Act.
- (2) Benefit payments that are limited by this Article shall be increased annually to the level permitted by the limitations of this Article as adjusted for later years in accordance with this subsection.
- d. For the purpose of applying the limitations of this Section with respect to a Participant of an Employer, only the benefits accrued as a result of covered service with such Employer shall be taken into account. The benefit under this Plan considered as payable with respect to a Participant and an Employer shall be determined by multiplying the Participant's total benefit by the ratio of covered service with the Employer to total covered service.
- e. The benefit limitations applied to this Article 10 will be applied by considering the Participant's benefits, service, Plan participation and Compensation as if attributable to a single Employer, to the extent that the resulting benefits payable to the Participant are no less than what would otherwise be payable.



## **Section 10.02. Adjustment of Dollar Limit for Early or Late Retirement.**

- a. If a Participant's benefit payments begin before the Participant's Social Security retirement age, but on or after age 62, the dollar limit under Section 10.01.a. is reduced as follows:
  - (1) If the Participant's Social Security retirement age is 65, the dollar limit is reduced by 5/9 of 1% for each month by which benefits begin before the month in which the Participant reaches 65.
  - (2) If the Participant's Social Security retirement age is later than 65, the dollar limit is reduced by 5/9 of 1% for the first 36 months and 5/12 of 1% for each additional month (up to 24) by which benefits begin before the month of the Participant's Social Security retirement age.
- b. If a Participant's benefit payments begin prior to age 62, the dollar limit is reduced to the Actuarial Equivalent, as defined in Section 10.02.f., of the benefit payable at age 62.
- c. If a Participant's benefit payments begin after Social Security retirement age, the limit is increased to the Actuarial Equivalent, as defined in Section 10.02.f., of the dollar limit otherwise payable at the Social Security retirement age.
- d. For purposes of this Section, Social Security retirement age is:
  - (1) Age 65, for a Participant born before January 1, 1938;
  - (2) Age 66, for a Participant born after December 31, 1937 and before January 1, 1955, and
  - (3) Age 67, for a Participant born after December 31, 1954.
- e. In the case of a Participant employed by a tax-exempt Employer:
  - (1) If the Participant's benefit payments begin before age 65, but on or after age 62, the dollar limit is not reduced.
  - (2) If the Participant's benefit payments begin before age 62, but on or after age 55, the dollar limit is reduced to the Actuarial Equivalent, as defined in Section 10.02.f., of the benefit payable at age 62, but not below \$75,000.
  - (3) If the Participant's benefit payments begin before age 55, the dollar limit is reduced to the Actuarial Equivalent, as defined in Section 10.02.f., of the benefit payable at age 55.
  - (4) If the Participant's benefit payments begin after age 65, the dollar limit is increased to the Actuarial Equivalent, as defined in Section 10.02.f., of the benefit payment at age 65.
- f. For purposes of Section 10.02.b., e.(2) and e.(3), Actuarial Equivalent means the lesser of (1) the equivalent amount computed using the Plan rate and Plan mortality table (or Plan tabular factor) used for actuarial equivalence for early retirement benefits under the plan and (2) the amount computed using a 5% interest assumption and the Applicable Mortality Table. For purposes of Section 10.02.c. and e.(4), Actuarial Equivalence means the lesser of (1) the equivalent amount computed using the Plan rate and Plan mortality table (or Plan tabular factor) used for actuarial equivalence for late retirement benefits under the Plan and (2) the amount computed using a 5% interest rate assumption and the Applicable Mortality Table.

**Section 10.03. Adjustment for Optional Payment Form.**

If the Participant's benefit is paid in any form other than a single-life annuity, a Husband-and-Wife Pension or an Alternative Husband-and-Wife Pension, the limitation in Section 10.01a.(1) (as otherwise modified under this Article) are applied to the annual benefit in the form of a straight life annuity commencing at the same age that is actuarially equivalent to the Plan benefit. If the Plan benefit is not subject to the IRC Section 417(e)(3), the equivalent to the Plan benefit is equal to the greater of (1) the benefit computed using the interest rate and mortality table, or tabular factor, specified in the plan for actuarial equivalence for the particular form of benefit payable, and (2) the benefit computed using a 5% interest rate assumption and the Applicable Mortality Table. If the Plan benefit is subject to IRS Section 417(e)(3), the equivalent annual benefit is equal to the greater of (1) the benefit computed using the interest rate and mortality table, or tabular factor, specified in the Plan for actuarial equivalence for the particular form of benefit payable, and (2) the benefit computed using the Applicable Interest Rate and Applicable Mortality Table as described in Section 1.02.

**Section 10.04. Plan Aggregation.**

- a. In applying the limits of this Article, the benefits of and contributions to all other retirement plans sponsored by the Employer or any Affiliate shall be taken into consideration, except for multiemployer plans.
- b. Except as noted in Subsection (a), all defined benefit plans sponsored by the Employer or any Affiliate are treated as a single plan. Benefits payable under any other such plan with respect to a Participant shall be reduced to the extent possible before any reduction will be made in his or her benefits payable under this Plan, if necessary to observe these limits.
- c. For Limitation Years beginning before 2000 and except as noted in subsection (a), if a Participant is covered under one or more defined contribution plans sponsored by the Employer or any Affiliate, his or her combined benefits and annual additions under all such defined benefit and defined contribution plans shall not exceed the applicable combined plan limits under Code §415(e) and the rules and regulations thereunder. If necessary to observe these limits, benefits under any other defined benefit plans will be reduced before benefits under this Plan, but benefits under this Plan will be reduced to the extent necessary if benefits under the other plans cannot be reduced.

**Section 10.05. Phase-In Over Years of Service.**

- a. The limit in Section 10.01.a.(2) shall be phased in, with respect to each Participant, at the rate of 10% for each Calendar Year in which the Participant earns a Year of Credited Service with the Employer or Affiliate, up to 100%. If the Participant does not earn a Year of Credited Service, but earns a fraction, not exceeding 1.0 of a Year of Credited Service, the 10% rate for the year is reduced by multiplication by that fraction.
- b. In applying this rule to benefits under other plans with which benefits under this Plan are aggregated under Section 10.04.a., the phase-in for those other plans' benefits shall be based on years of service for vesting as defined in those other plans.

**Section 10.06. Phase-In Over Years of Participation.**

If a Participant has fewer than 10 years of participation in this Plan, the dollar limitation in Section 10.01.a.(1) shall be multiplied by a fraction, the numerator of which is the Participant's total years of participation in this Plan and the denominator of which is 10. The limitation thus obtained shall not be less than 10% of the dollar limitation.

**Section 10.07. Limitation Year.**

The annual limits of this Article shall be applied on a Calendar Year basis.

**Section 10.08. Protection of Prior Benefits.**

- a. For any year before 1983, the limitations prescribed by Section 415 of the Code as in effect before enactment of the Tax Equity and Fiscal Responsibility Act of 1982 shall apply, and no benefit earned under this Plan shall be reduced on account of the provisions of this Article if it would have satisfied those limitations under the prior law.
- b. For any year before 1992, the limitations prescribed by Section 415 of the Code as in effect before enactment of the Tax Equity and Fiscal Responsibility Act of 1986 shall apply, and no benefit earned under this Plan at the close of the last Limitation Year beginning before January 1, 1987 shall be reduced on account of the provisions of this Article if it would have satisfied those limitations under the prior law.

**Section 10.09. Interpretation or Definition of Other Terms.**

The term "Affiliate", and all terms used in this Article not otherwise expressly defined in the Plan, shall be defined, interpreted and applied as prescribed in Code Section 415 and the regulations and rulings issued thereunder.

## ARTICLE 11. SPECIAL PROVISIONS FOR ELIGIBLE ROLLOVER DISTRIBUTIONS

Effective June 1, 2002, any provisions in this Article 11 that are contrary to the provisions contained in Section 15.05 shall be superseded by those provisions contained in Section 15.05.

### Section 11.01. Purpose.

This Article applies to distributions made on or after January 1, 1993. Notwithstanding any provisions of the Plan to the contrary that would otherwise limit a Distributee's election under this Article, a Distributee may elect, at the time and manner prescribed by the Plan administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover, except that a Distributee may not elect a Direct Rollover of a distribution (or series of distributions) of less than \$200 in a single Calendar Year.

### Section 11.02. Definitions.

- a. **Eligible Rollover Distribution.** An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include:
  - (1) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or life expectancies) of the Distributee and the Distributee's designated Beneficiary, or for a specified period of ten years or more;
  - (2) any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; or
  - (3) one-time retiree benefit increases payable as extra monthly annuity benefits; or
  - (4) the portion of any distribution that is not includible in a Distributee's gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).
- b. **Eligible Retirement Plan.** An Eligible Retirement Plan is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, or a qualified trust described in Section 401(a) of the Code that accepts the Distributee's Eligible Rollover Distribution. However, in the case of an Eligible Rollover Distribution to the surviving Spouse, an Eligible Retirement Plan is an individual retirement account or individual retirement annuity.
- c. **Distributee.** A Distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving Spouse and the Employee's or former Employee's Spouse or former Spouse who is the alternate payee under a Qualified Domestic Relations Order, as defined in Section 414(p) of the Code, are Distributees with regard to the interest of the Spouse or former Spouse.
- d. **Direct Rollover.** A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

**Section 11.03. Non-spouse Beneficiary Rollover Right.**

A non-spouse Beneficiary who is a "designated beneficiary" under IRC 401(a)(9)(E) and the regulations thereunder, may, by Direct Rollover, roll over all or any portion of such Beneficiary's distribution to an individual retirement account the Beneficiary establishes for purposes of receiving the distribution. In order to be eligible for Direct Rollover, the distribution must otherwise satisfy the definition of an Eligible Rollover Distribution. Any distributions made pursuant to this Section 11.03 will be subject to the direct rollover requirements of IRC 401(a)(31), the notice requirements of IRC 402(f), and the mandatory withholding requirements of IRC 3405(c). If a non-spouse designated Beneficiary receives a distribution from the Plan, then the distribution will not be eligible for the "60-day" rollover rule, which is available to a spousal Beneficiary. If the Participant's named Beneficiary is a trust, then the Plan may make a direct rollover to an IRA on behalf of the trust, provided the trust satisfies the requirements to be a designated Beneficiary within the meaning of IRC 401(a)(9)(E). Notwithstanding the foregoing, a non-spouse Beneficiary may not roll over an amount which is a required minimum distribution, as determined under applicable Treasury regulations and other Revenue Service guidance. If the Participant dies before his or her required beginning date and the non-spouse Beneficiary rolls over to an IRA the maximum amount eligible for rollover, the Beneficiary may elect to use either the 5-year rule or the life expectancy rule, pursuant to Treas. Reg. 1.401 (a)(9)-3, A-4(c), in determining the required minimum distributions from the IRA that receives the non-spouse Beneficiary's distribution.

## ARTICLE 12. MISCELLANEOUS

### **Section 12.01. Non-Reversion.**

It is expressly understood that in no event shall any of the corpus or assets of the Trust revert to the Contributing Employers or be subject to any claims of any kind or nature by the Contributing Employers, except for the return of an erroneous contribution within the time limits prescribed by law.

### **Section 12.02. Gender.**

Wherever any words are used in this Pension Plan in a masculine gender, they should be construed as though they were also used in the feminine gender in all situations where they would so apply; wherever any words are used in this Pension Plan in the singular form, they should be construed as though they were also in the plural form in all situations where they would so apply, and vice versa.

### **Section 12.03. Limitation of Liability.**

This Pension Plan has been established on the basis of an actuarial calculation, which has established to the extent possible, that the contributions will, if continued, be sufficient to maintain the Plan on a permanent basis, fulfilling the funding requirements of ERISA. Except for liabilities, which may result from provisions of ERISA, nothing in this Plan shall be construed to impose any obligation to contribute beyond the obligation of the Contributing Employer to make contributions as stipulated in its Collective Bargaining Agreement with the Union or its Subscription Agreement.

There shall be no liability upon the Trustees individually or collectively, or upon the Union to provide the benefits established by this Pension Plan, if the Pension Trust does not have assets to make such payments. Nor shall any Employer have such liability beyond his or her contractual obligation to make required Contributions and any liability under Title IV of ERISA.

### **Section 12.04. Addition of New Groups of Employees.**

The Trustees shall review the relevant actuarial data with respect to any group of Employees added to the coverage of this Trust. If the Trustees conclude that modification of previously adopted funding assumptions or changes in the amounts of pension benefits hereunder would result from the inclusion of such group, the appropriate provisions of the Pension Plan shall be modified with respect to the group involved so that the Trust will not be adversely affected by the inclusion of such group for coverage hereunder.

### **Section 12.05. Right to Terminate.**

The Board shall have the right to discontinue or terminate this Plan in whole or in part. In the event of a termination of this Plan, the rights of all affected Participants to benefits then accrued, to the extent then funded, shall thereupon become 100% vested and non-forfeitable. Upon a termination of the Plan, the Trustees shall take such steps, as they deem necessary or desirable to comply with §4141A and 4281 of ERISA.

In the event of termination of the plan any benefit of any active or former Highly Compensated Employee will be limited to a benefit that is nondiscriminatory under section 401(a)(4) of the Code. Except in the circumstance described in the next sentence, distributions to the 25 most highly compensated active and former Highly Compensated Employees will be restricted to an amount no greater than the amount that would be paid to the individual under a straight life annuity that is the Actuarial Equivalent of the Employee's accrued benefit and the Employee's other benefits under the Plan (other than a social security supplement), plus any social security supplement the employee is entitled to receive. This restriction does not apply if:

- (a) after payment of the benefit to the restricted Employee, the value of plan assets equals or exceeds 110 percent of the value of current liabilities as defined in Internal Revenue code section 412(1)(7),

- (b) the value of the benefits for the restricted Employee is less than one percent of the value of current liabilities before distribution, or
- (c) the value of the restricted employee's benefits does not exceed \$5,000.

Further, the plan will provide distribution of restricted amounts only when the terms of the plan require adequate security to guarantee repayment of the restricted amount upon plan termination, according to Regs. Section 1.401(a)(4)-5(b) and Rev. Rul. 92-76, 1992-38 IRB5.

**Section 12.06. Mergers.**

Subject only to the extent determined by the Pension Benefit Guaranty Corporation, the following shall apply: In the case of any merger or consolidation of the Plan with, or transfer, in whole or in part, of the assets and liabilities of the Pension Fund to, any other Pension Fund; after September 2, 1974, each Participant shall (if the Plan then terminated) receive a benefit immediately after the merger, consolidation or transfer which is at least equal to the benefit he or she would be entitled to receive immediately before such merger, consolidation or transfer as if the Plan had then terminated.

## ARTICLE 13. AMENDMENT

### **Section 13.01. Amendment.**

This Plan may be amended at any time by the Board consistent with the provisions of the Trust Agreement. However, no amendment may decrease the accrued benefit of any Participant except:

- a. As necessary to establish or maintain the qualification of the Plan or the Trust Fund under the Internal Revenue Code and to maintain compliance of the Plan with the requirements of ERISA, or,
- b. If the amendment meets the requirements of Section 302(c)(7) of ERISA and Section 412(c)(7) of the Internal Revenue Code, and the Secretary of Labor has been notified of such amendment and has either approved of it or, within 90 days after the date on which such notice was filed, he or she failed to disapprove.



## ARTICLE 14. CONTINGENT TOP-HEAVY RULES

Effective June 1, 2002, any provisions in this Article 14 that are contrary to the provisions contained in Sections 15.03 and 15.04 shall be superseded by those provisions contained in Sections 15.03 and 15.04.

### Section 14.01. General Rules.

If the Plan is determined to be Top-Heavy (as defined in Section 14.02) for any Plan Year, then for any such year the special vesting, minimum benefit and compensation limitations of Section 14.03 shall apply to any Employee not included in a unit of Employees covered by a Collective Bargaining agreement between the Union and one or more Contributing Employers.

### Section 14.02. Determination of Top-Heavy Status.

- a. **Determination Date.** The determination date for any Plan Year is the last day of the preceding Plan Year.
- b. **Top-Heavy Status.** The Plan is Top-Heavy for any Plan Year if as of the determination date the Actuarial Equivalent of the cumulative accrued benefits under the Plan for Key Employees exceeds 60 percent of the Actuarial Equivalent of the cumulative accrued benefits under the Plan for all Employees. For this purpose, the present value of the cumulative accrued benefits will be determined on the basis of five percent interest and the 1971 group annuity mortality table.
- c. **Key Employees.** Whether or not an Employee is a Key Employee depends on his or her status with the Contributing employer that employs the Employee. For any Plan Year, a Contributing Employer's Key Employees are those who at any time during the Plan Year in which the determination date for such Plan Year occurs or any of the four preceding Plan Years, are:
  - (1) officers of the Contributing Employer having annual Compensation (as defined in paragraph e.(4) below) greater than \$45,000 for such year (which amount is subject to adjustment under paragraph e.(1) below). In no event shall more than 50 Employees (or, if less, the greater of 3 and 10 percent of the Employees) of a Contributing Employer be treated as officers;
  - (2) the 10 Employees owning (or considered as owning under Section 318 of the Internal Revenue Code) both more than a one-half percent ownership interest and the largest percentage ownership interest in the Contributing Employer, provided that in no event will an Employee having annual Compensation (as defined in paragraph e.(4) below) greater than \$30,000 for such year (subject to adjustment under paragraph e.(1) below) be considered as a Key Employee;
  - (3) the persons who own (or are considered as owning within the meaning of Section 318 of the Internal Revenue Code) more than 5 percent of the outstanding stock of the Contributing Employer or stock possessing more than 5 percent of the total combined voting power of all stock of the Contributing Employer;
  - (4) the persons who own (or are considered as owning within the meaning of Section 318 of the Internal Revenue Code) more than 1 percent of the outstanding stock of the Contributing Employer or stock possessing more than 1 percent of the total combined voting power of all stock of the Contributing Employer who also have annual compensation (as defined in paragraph e.(4) below) from the Contributing Employer of more than \$150,000 for any such year.

- d. Aggregation rules. In determining if the Plan is Top-Heavy, the Plan shall be aggregated with each other plan in the required aggregation group as defined in Section 416(g)(2)(A)(i) of the Internal Revenue Code and may, in the Board's discretion, be aggregated with any other plan in the permissive aggregation group as defined in Section 416(g)(2)(A)(ii) of the Internal Revenue Code.
- e. Special Rules.
- (1) The \$45,000 and \$30,000 limitations in paragraphs c.(1) and (2) above shall be automatically adjusted each year to be equal to 150% and 100% respectively, of the maximum dollar limitation (as opposed to the percentage limitation) of the annual addition to a defined contribution plan as currently allowed under Section 415(c)(1)(A) of the Internal Revenue Code.
  - (2) The Actuarial Equivalent of the cumulative accrued benefit for any Employee shall be increased by the aggregate distributions made with respect to such Employee under the Plan during the 5 year period ending on the determination date.
  - (3) If an individual is not a Key Employee for any Plan Year but was a Key Employee for any prior Plan Year, an accrued benefit for such Employee shall not be taken into account for purposes of determining if the Plan is Top-Heavy.
  - (4) For purposes of this Article 14, "Compensation" for a Plan Year means the amount required to be included in the Employee's Form W-2 for the calendar year that ends within that Plan Year.
  - (5) The Board is authorized to adopt any other rules or regulations necessary to insure that the Plan complies in all respects with the Top-Heavy rules of the Internal Revenue Code.

**Section 14:03. Special Vesting, Minimum Benefit, and Compensation Rules.**

The following rules will apply only to Employees not included in a unit of Employees covered by a Collective Bargaining Agreement requiring contributions to this Plan and only if the Plan as a whole becomes Top-Heavy. Such Employees are referred to herein as Top-Heavy Employees.

- a. Vesting.
- (1) Applicability. If the Plan becomes Top-Heavy the vesting schedule set forth in paragraph a.(2) below shall apply to the accrued benefits of every Top-Heavy Employee who has at least one Contributory Hour while the Plan is Top-Heavy. Participants who do not have a Contributory Hour while the Plan is Top-Heavy will have their vesting determined under the regular vesting schedule. Any accrued benefits which were forfeited before the Plan became Top-Heavy will remain forfeited.
  - (2) Special Vesting Schedule. If the Plan becomes Top-Heavy, the following vesting schedule shall apply instead of the Plan's regular vesting schedule to the Participants defined in Subparagraph (1) above:

<b>Years of Vesting Service</b>	<b>Percentage</b>
2	20
3	40
4	60
5	80
6 or more	100

- (3) End of Top-Heavy Status. If after being determined to be Top-Heavy, the Plan ceases to be Top-Heavy, then:
  - (a) The non-forfeitable percentage of a Participant's accrued benefit before the Plan ceased to be Top-Heavy will not be reduced;
  - (b) Any Top-Heavy Employee with five or more Years of Credited Service at the time the Plan ceased to be Top-Heavy will have the vesting schedule of subparagraph (2) above applied to his or her accrued benefits whenever earned; and
  - (c) Any Top-Heavy Employee with less than five Years of Credited Service at the time the Plan ceased to be Top-Heavy will have the Plan's regular vesting provisions apply to all benefits accrued after the Plan ceased to be Top-Heavy.
- b. Special Minimum Benefit Rules.
  - (1) Applicability. If the Plan becomes Top-Heavy, then for the first year that the Plan is Top-Heavy, and for all subsequent years during which it is Top-Heavy, the minimum benefit set forth in paragraph b.(2) below shall apply to all Top-Heavy Employees (other than Key Employees) who have a Year of Service Credit during any such Plan Year.
  - (2) Special Minimum Benefit. If the Plan becomes Top-Heavy, the minimum Regular Pension benefit for Top-Heavy Employees (other than Key Employees) shall be the greater of (a) the Plan's basic Regular Pension Benefit determined under Section 3.03, or (b) 2 percent of the Participant's Average Top-Heavy Compensation for each Year of Service Credit beginning after May 31, 1984 during which the Plan was Top-Heavy, up to a maximum of 10 such years.
  - (3) Average Top Heavy Compensation shall mean the average Compensation for work performed while a Participant in this Plan for the period of consecutive Top-Heavy Years, not exceeding 5, during which the Participant had the greatest aggregate Compensation. Top-Heavy Years are those Plan Years beginning on or after June 1, 1984 for which the Plan is determined to be Top-Heavy.
- c. Compensation Limitation. If the Plan is Top-Heavy for any Plan Year beginning on or after June 1, 1984, the amount of any Top-Heavy Employee's Compensation for all purposes of the Plan other than determining Key Employee status shall not exceed the limits established under Section 401(a)(17) of the Internal Revenue Code.

## ARTICLE 15. EGTRRA COMPLIANCE

### Section 15.01. Purpose and Scope.

The plan amendments set forth in this Article are adopted to reflect certain provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA). These amendments are intended to constitute good faith compliance with the requirements of EGTRRA and are to be construed in accordance with EGTRRA and the guidance issued thereunder. Except as otherwise provided herein, the amendments contained in this Article shall be effective as of the first day of the first Plan Year beginning after December 31, 2001. The provisions of this Article shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Article.

### Section 15.02. Limitations on Benefits.

Notwithstanding any contrary provision of this Plan, the benefits payable under this Plan will not exceed the limitations under IRC 415 and regulations promulgated thereunder as may be amended from time to time.

#### a. In General.

- (1) Effective for Limitation Years beginning after December 31, 2001, a Participant's accrued benefit shall not exceed the maximum permissible benefit.
- (2) To the extent that any provisions of Article 10 are inconsistent with the provisions of this Section, the provisions of this Section shall govern.

#### b. Effect on Participants. Benefit increases resulting from the increase in IRC 415(b) limitations enacted in the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA") will be provided to all current and former Participants (with benefits limited by IRC 415(b)) who have an accrued benefit under the Plan immediately prior to the effective date of this Section (other than an accrued benefit resulting from a benefit increase solely as a result of the increases in limitations under IRC 415(b)).

#### c. Definitions.

- (1) **Defined Benefit Dollar Limitation.** The "defined benefit dollar limitation" is \$160,000, as adjusted, effective January 1 of each year, under IRC 415(d) in such manner as the Secretary shall prescribe, and payable in the form of a straight life annuity. A limitation as adjusted under IRC 415(d) will apply to Limitation Years ending with or within the calendar year for which the adjustment applies.
- (2) **Maximum Permissible Benefit.** The "Maximum Permissible Benefit" is the defined benefit dollar limitation (adjusted where required, as provided in (a) and, if applicable, in (b) or (c) below, and limited, if applicable, as provided in Subsection (d) below).
  - (a) **Fewer Than 10 Years of Participation.** If the Participant has fewer than 10 years of participation in the Plan, the defined benefit dollar limitation shall be multiplied by a fraction, (i) the numerator of which is the number of years (or part thereof) of participation in the Plan and (ii) the denominator of which is 10.

- (b) **Benefits Beginning before Age 62.** If the benefit of a Participant begins before the Participant attains age 62, the defined benefit dollar limitation applicable to the Participant at such earlier age is an annual benefit payable in the form of a straight life annuity beginning at the earlier age that is the actuarial equivalent of the defined benefit dollar limitation applicable to the Participant at age 62 (adjusted under (a) above, if required). The defined benefit dollar limitation applicable at an age before age 62 is determined as the lesser of (i) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in the Plan, if any, for purposes of determining actuarial equivalence for the most generous early retirement benefit for which the Participant qualifies as of the Annuity Starting date and (ii) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using a 5 percent interest rate and the Applicable Mortality Table as specified in Section 1.02.
- (c) **Benefits Beginning after Age 65.** If the benefit of a Participant begins after the Participant attains age 65, the defined benefit dollar limitation applicable to the Participant at the later age is the annual benefit payable in the form of a straight life annuity beginning at the later age that is actuarially equivalent to the defined benefit dollar limitation applicable to the Participant at age 65 (adjusted under (a) above, if required). The actuarial equivalent of the defined benefit dollar limitation applicable at an age after age 65 is determined as (i) the lesser of the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in the Plan, if any, for purposes of determining actuarial equivalence for late retirement (whether or not applicable in an individual case) and (ii) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using a 5 percent interest rate and the Applicable Mortality Table as specified in Section 1.02. For these purposes, mortality between age 65 and the age at which benefits commence shall be ignored.
- d. **Aggregation.** Effective for Limitation Years beginning after December 31, 2001, this Plan shall not be combined or aggregated with a non-multiemployer plan for purposes of applying the IRC 415(b)(1)(B) compensation limit to the non-multiemployer plan.

### **Section 15.03. Increase in Limit on Compensation Taken into Account.**

- a. **Increase in Limit.** The annual compensation of each Participant taken into account in determining benefit accruals in any Plan Year beginning after December 31, 2001 shall not exceed \$200,000. For the purpose, annual compensation means compensation during the Plan Year or such other consecutive 12-month period over which compensation is determined under the Plan (the "determination period"). For purposes of determining benefit accruals in a Plan Year beginning after December 31, 2001, compensation for any prior determination period shall be limited as provided in Subsection (c) below. To the extent that the provisions of Sections 1.08 and 14.03 are inconsistent with the provisions of this Section, the provisions of this Section shall govern.
- b. **Cost-of-Living Adjustment.** The \$200,000 limit on annual compensation in Subsection (a) above shall be adjusted for cost-of-living increases in accordance with IRC 401(a)(17)(B). The cost-of-living adjustment in effect for a calendar year applies to annual compensation for the determination period that begins with or within such calendar year.
- c. **Compensation Limit for Prior Determination Periods.** In determining benefit accruals in Plan Years beginning after December 31, 2001, the annual compensation limit in Subsection (a) above, for determination periods beginning before January 1, 2002, shall be \$200,000.

#### **Section 15.04. Modification of Top-Heavy Rules.**

- a. **Effective Date.** This Section shall apply for purposes of determining whether the Plan is a top-heavy plan under IRC 416(g) for Plan Years beginning after December 31, 2001, and whether the Plan satisfies the minimum benefits requirement of IRC 416(c) for such years. To the extent that the provisions of Article 14 are inconsistent with the Provisions of this Section, the provisions of this Section shall govern.
- b. **Determination of Key Employees.** A Key Employee means any Employee or former Employee (including any deceased Employee) who at any time during the Plan Year that includes the determination date was an officer of the Employer having annual compensation greater than \$130,000 (as adjusted under IRC 416(i)(1) for Plan Years beginning after December 31, 2002), a 5 percent owner of the Employer, or a 1 percent owner of the Employer having annual compensation of more than \$150,000. For this purpose, annual compensation means compensation within the meaning of IRC 415(c)(3). The determination of who is a Key Employee will be made in accordance with IRC 416(i)(1) and the applicable regulations and other guidance of general applicability issued thereunder.
- c. **Determination of Present Values and Amounts.**
  - (1) **In General.** This Subsection (c) shall apply for purposes of determining the present values of accrued benefits and the amounts of account balances of Employees as of the determination date.
  - (2) **Distributions During Year Ending on the Determination Date.** The present values of accrued benefits and the amounts of account balances of an Employee as of the determination date shall be increased by the distributions made with respect to the Employee under the Plan and any plan aggregated with the Plan under IRC 416(g)(2) during the one-year period ending on the determination date. The preceding sentence also shall apply to distributions under a terminated plan which, had it not been terminated, would have been aggregated with the Plan under IRC 416(g)(2)(A)(i). In case of a distribution made for a reason other than Separation from employment, death, or disability, this provision shall be applied by substituting "five year period" for "one year period".
  - (3) **Employees not Performing Services During Year Ending on the Determination Date.** The accrued benefits and accounts of any individual who has not performed services for the Employer during the one year period ending on the determination date shall not be taken into account.
- d. **Minimum Benefits.** For purposes of satisfying the minimum benefit requirements of IRC 416(c)(1) and in determining years of service with the Employer, any service with the Employer shall be disregarded to the extent that such service occurs during a Plan Year when the Plan benefits (within the meaning of IRC 410(b)) no Key Employee or former Key Employee.

#### **Section 15.05. Direct Rollover of Plan Distributions.**

- a. **Effective Date.** This Section shall apply to distributions made after December 31, 2001. To the extent that the provisions of Article 11 are inconsistent with the provisions of this Section, the provisions of this section shall govern.

- b. Modification of Definition of Eligible Retirement Plan. For purposes of the direct Rollover provisions of Article 11 of the Plan, an "eligible retirement plan" also shall include an annuity contract described in IRC 403(b) and an eligible plan under IRC 457(b), which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. The definition of eligible retirement plan also shall apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order as defined in IRC 414(p).

Approved:

Richard Daly  
Chairman

9-29-14  
Date

9-29-14  
Co-Chairman

John D. Madole Jr.  
Date



AMENDMENT NO. 2  
to the  
*Revised Pension Plan*  
for the  
Laborers Pension Trust Fund of Northern Nevada  
(Restated Effective January 1, 2015)

Pursuant to their authority under the Restated Trust Agreement (2008) of the Laborers Pension Trust Fund of Northern Nevada and Article 13 of the Laborers Pension Trust Fund of Northern Nevada Plan Document, the Board of Trustees hereby amends the Plan effective January 1, 2015 as follows:

Subsection a. of **Section 3.15**, Additional Pension Payments, is revised by the addition of a new Paragraph (6) as follows:

- (6)
- (a) Pensioners (including those receiving a Disability Benefit) whose first benefit payment was made by check dated prior to January 1, 2015 or by electronic transfer instructed prior to January 1, 2015 shall have their monthly benefit increased effective January 1, 2017. The increase is 0.5 percent of the monthly benefit multiplied by a number determined as follows: 2015 minus the year of the Pensioner's Annuity Starting Date.
  - (b) Beneficiaries (including alternate payees under a Qualified Domestic Relations Order) whose first benefit payment was made by check dated prior to January 1, 2015 or by electronic transfer instructed prior to January 1, 2015 shall have their monthly benefit increased effective January 1, 2017. The increase is 0.5 percent of the monthly benefit multiplied by a number determined as follows: 2015 minus the year of the Beneficiary's benefit payment start date.

*Approved:*

Richard Daly  
Chairman

9-13-16  
Date

Angela [Signature]  
Co-Chairman

9-13-16  
Date