TRI-STATE CARPENTERS AND JOINERS PENSION PLAN

SUMMARY PLAN DESCRIPTION

Effective January 1, 2018

TRI-STATE CARPENTERS AND JOINERS PENSION PLAN

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TRI-STATE CARPENTERS AND JOINERS PENSION PLAN

TO ALL PARTICIPANTS:

The Tri-State Carpenters and Joiners Pension Plan (the "**Plan**") was established to help you build financial security at your retirement, one of the most important long-range goals for you and your family. Accordingly, we are pleased to provide you with an updated Summary Plan Description ("SPD").

This SPD summarizes your benefits, rights and duties under the **Plan** as of January 1, 2018. The **Plan** operates with a few basic rules and provisions. However, each basic rule may have conditions, exceptions, or modifications that apply when appropriate. The Trustees have also, from time to time, adopted benefit changes that apply differently depending upon **participants'** situations or status when the changes were adopted. And the Trustees will continue to adopt changes that may apply differently to different situations.

This booklet summarizes in brief form the benefits to which you, as a **participant**, and your eligible **spouse** or **beneficiary** are entitled, the rules governing these benefits, and the operation and administration of the **Plan**. Also included in the booklet is certain important information as required by the Employee Retirement Income Security Act of 1974 (ERISA), the Internal Revenue Code, and the Department of Labor. **IF THERE IS A CONFLICT BETWEEN THIS BOOKLET AND THE PLAN DOCUMENT, THE PLAN DOCUMENT WILL CONTROL.**

The provisions of the **Plan** described in this booklet generally apply to all active **participants**, that is, it applies to persons who terminate **covered employment** on or after January 1, 2018. If you terminated **covered employment** prior to January 1, 2018, your entitlement to benefits is governed by the **Plan** in effect at the time of your termination of employment, as explained in a previous Summary Plan Description booklet. Unless otherwise stated in this SPD, the amount of your retirement benefit will be subject to the terms of the **Plan** that were in effect when you last worked in **covered employment**.

We believe the success of our **Plan** is due to excellent cooperation from you, the **employers**, and the **union**. The Board of Trustees is made up of an equal number of labor and management representatives, and is assisted by professional advisors.

Keep this SPD in a safe place with your other important documents. If you have any questions concerning the Plan itself, or your rights thereunder, contact the Fund Administrator. The staff at our Administrator's office will be glad to assist you in any way.

Sincerely,
BOARD OF TRUSTEES

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INTRODUCTION

This Summary Plan Description ("SPD") is intended to give you a simple description of the most important features of the Tri-State Carpenters and Joiners Pension Plan (i.e., the "**Plan**") to aid you in understanding your pension benefits. A pension plan is complicated and can be hard to understand. The U.S. Department of Labor has rules and regulations which affect the **Plan**, and laws are passed by Congress which require certain provisions in the **Plan**.

All of the detailed requirements and rules of the **Plan** cannot be covered in this SPD. If you need more information or if there is something you do not understand, please call or write the Fund Office. The actual **Plan** document is the final word on all matters relating to **Plan** benefits and administration, and **in the event of any inconsistency between this SPD and the actual provisions of the Plan, the actual provisions of the Plan will govern.** Please remember that, in order to be official, any information concerning your rights under this **Plan** must be communicated to you in writing by the Board of Trustees or their authorized representative.

This SPD applies to people who are working in **covered employment** and participating in the **Plan** on or after January 1, 2018. Whenever we refer to "you" in this SPD, we assume that you are such an **employee**. If you terminated employment covered by this **Plan** before January 1, 2018, a prior SPD would apply to your benefits. If you are married, please share this SPD with your spouse.

Words that appear in **bold type** have a special meaning. See the "Some Important Definitions" section at the end of this SPD.

FREQUENTLY ASKED QUESTIONS

A. **How do I get into the Plan?** If you are working in **covered employment** and your **collective bargaining agreement** requires contributions to this **Plan**, then you are in the **Plan**. See "Your Participation In The Plan" for more details.

B. **Do the number of hours I work make a difference?** Yes. The hours you work in **covered employment** in a calendar year determine your **vesting service** (which you need to be eligible for benefits) and your **pension credits** (which determines the amount of your benefit). See "Crediting of Service" for more details.

C. **When can I retire?** You can generally retire at age 65 with full benefits. See "The Pensions" for more details.

D. **What do I get when I retire?** Your full benefit amount depends upon when you worked. But if you are currently working, the monthly amount is generally $83 times your **pension credits** earned before 2018 and $60 times your **pension credits** earned after 2017. There are exceptions, so see "The Pension" for more details.

E. **Can I retire early?** Yes, you can retire as early as age 60 if you have at least 10 pension credits. Your monthly benefit is reduced based on your age at retirement. See "The Pensions" for more details.

F. **What if I become disabled?** A disability benefit is available under certain conditions. You also have to have your Social Security disability award. See "The Pensions" for more details.

G. **What if I die before retirement?** If you are vested, a benefit is available for your surviving spouse. See "Pre-Retirement Survivor Benefits" for more details.

H. **What if I die after retirement?** Generally your spouse must consent to the form of your payment. Your monthly pension benefits are payable for your lifetime. You can take a benefit reduction and leave part of your pension to your spouse if you die first. See "How Your Pension Is Paid To You" for more details.

I. **Can I work after retirement?** If you work in the trade of industry in our geographic area, you pension will be suspended (i.e., we will not pay your pension). However, you can work up to 500 hours in a calendar year in for an **employer** who contributes to this plan with no suspension. See "Retirement and Suspension of Pension Payments" for more details.

J. **What if I leave before retirement age?** If you leave after earning at least 5 years of vesting service, you will be entitled to a pension when you reach age 65. See "The Pension" for more **detail**.

YOUR PARTICIPATION IN THE PLAN

A. WHO IS ELIGIBLE TO PARTICIPATE IN THE PLAN

If you are an **employee** who is working in **covered employment** under the terms of a **collective bargaining agreement** or other agreement requiring contributions to the **Fund**, you are eligible to participate. Also included in the **Plan** are **employees** of the **union**, and the Pension **Fund** or related benefit funds, if those **employers** are making required contributions to the Pension **Fund** on behalf of their **employees**.

B. WHEN YOU BECOME A PARTICIPANT

You will become a **participant** in the **Plan** on the date you perform your first hour of service in **covered employment** with an **employer**.

C. MAINTAINING YOUR PARTICIPATION

Once you meet the initial participation requirements, you will continue to be an active **participant** as long as you earn at least 100 **hours of service** in **covered employment** in a calendar year.

D. HOW YOUR PARTICIPATION CAN BE TERMINATED

Your participation in the **Plan** will end on the last day of the calendar year in which you suffer a **permanent break in service**, unless you are receiving a pension or you are vested in your benefit.

CREDITING OF SERVICE

There are two types of service credited under the **Plan**: **Pension credit** and **vesting service**. Your years of **vesting service** determine <u>when</u> you will be eligible for a pension, while your **pension credits** determine the <u>amount</u> of your pension.

Pension credit and **vesting service** are generally based on **hours worked**. See "Some Important Definitions" for how **hours worked** are determined, particularly if your **employer** is not contributing to the **Plan** at the base contribution rate.

A. PENSION CREDITS

1. <u>Past Service Pension Credit</u>

For periods worked before the **contribution date**, you will receive one full year of **pension credit** for each calendar year during which you were an active member of the collective bargaining unit represented by the **Union**, up to a maximum of 20 years of **past service pension credit**, <u>if</u>: (a) you were an active member of the Collective Bargaining Unit on the date your **Union** began participating in the **Plan**, and (b) you earned at least one year of **pension credit** <u>after</u> the **contribution date (future service)** by working in **covered employment**.

Because it may be difficult to prove your employment in years before the **contribution date**, the Trustees will accept proof of your membership in the **Union** as evidence of employment for the purpose of granting Past Service. On that basis, you will be granted one year of **past service pension credit** for each full calendar year before the **contribution date** during which you were a member of one of the **Unions** participating in the **Plan** (or one quarter year of **past service pension credit** for each three full calendar months if you were not a member for the full year). "Full calendar year" means any year in which you work at least 1,000 hours.

If you receive **past service pension credit** on the basis of **hours worked** in **covered employment**, you will not receive credit for the same period of time for **Union** membership. And, you will only receive one year of **past service pension credit** for each calendar year.

For the purpose of determining **pension credit** before the **contribution date**, the period of November 1, 1970 through December 31, 1971 is considered as if it was a calendar year.

2. <u>Future Service Pension Credit before 2014</u>

Any **pension credit** you earn by work in **covered employment** <u>after</u> the **contribution date** is referred to as **future service pension credit**. For periods you work on and after the

contribution date, years of **pension credit** earned before 2014 are determined using the following schedule:

Hours Worked in Calendar Year	Years of **Pension Credit**
1,000 or more	1
900 to 999	9/10
800 to 899	8/10
700 to 799	7/10
600 to 699	6/10
500 to 599	5/10
400 to 499	4/10
300 to 399	3/10
200 to 299	2/10
100 to 199	1/10
Less than 100	0

3. "Additional" Pension Credits from 1999 through 2009

For calendar year beginning on and after January 1, 1999, if you worked more than 1,400 hours in a calendar year, you receive one-tenth ($1/10^{th}$) of a year of additional **pension credit** for each additional 100 **hours of service** worked (over 1,400) in **covered employment** during the calendar year, up to certain limits.

For example, if you worked 1,940 hours in a calendar year (1999 through 2009), you will receive a total of 1 year of **pension credit** plus 0.5 additional **pension credit** for that calendar year, based on the following chart:

	Additional **Pension Credit**
1,500 hours but less than 1,600 hours	.1
1,600 hours but less than 1,700 hours	.2
1,700 hours but less than 1,800 hours	.3
1,800 hours but less than 1,900 hours	.4
1,900 hours but less than 2,000 hours	.5

This additional **pension credit** will be granted for the purpose of increasing the amount of your monthly pension benefit only. Additional **pension credit** will not be taken into account in determining your eligibility for a pension (that is, the age and service requirements for a pension).

There are limits on the amount of "Additional" **pension credits** you can earn:

(a) For hours worked in the period from 1999 through 2005, there was NO limit on the amount of "Additional" **pension credits** you could earn.

(b) For hours worked in 2006, you could earn up to 2.0 "Additional" **pension credits**. This means that your total "regular" and "Additional" **pension credits** for 2006 cannot be more than 3.0. However, if you happened to have earned more than 2.0 "Additional" **pension credits** for your hours worked from January 1, 2006 through June 30, 2006, then you keep all of those "Additional" **pension credits**.

(c) For hours worked after 2006, you can earn up to 0.6 "Additional" **pension credits**. This means that the most **pension credits** you can have for any year from 2007 through 2009 is 1.6 (i.e., 1.0 "regular" **pension credits**, plus 0.6 "Additional" **pension credits**).

(d) There are no "Additional" **pension credits** for hours after 2009.

4. Future Service Pension Credit after 2013

For years you work after 2013, years of **pension credit** earned are determined using the following schedule:

Hours Worked in Calendar Year	Years of **Pension Credit**
1,500 or more	1
1,350 to 1,499	9/10
1,200 to 1,349	8/10
1,050 to 1,199	7/10
900 to 1,049	6/10
750 to 899	5/10
600 to 749	4/10
500 to 599	3/10
Less than 500	0

Example #1: You worked in 2018 through 2020. Based on the following hours in **covered employment** you would have 2.2 **pension credits** at the end of 2020:

Year	Hours	Pension Credits
2018	521	0.3
2019	1,450	0.9
2020	1,788	1.0
Total		2.2

5. Pension Credit for Non-Working Periods

If you are a **participant**, you can receive **pension credit** for certain periods of absence from **covered employment** due to your military service. See Section "**D. Military Service**", below.

B. VESTING SERVICE

1. <u>How You Become Vested</u>

If you stop working in **covered employment** on or after January 1, 1988, and you earned at least five years of **vesting service**, including at least one year after the **contribution date**, you are considered "vested". This means that you have earned the right to a pension payable from the **Plan**, and none of the **break in service** rules can deprive you of the **pension credits** and **vesting service** you have earned.

NOTE: The above rule applies to you if you work at least one **hour of service** on or after January 1, 1988. If you suffered a **break in service** as of December 31, 1987, you are subject to the vesting rule in effect at the time you terminated work in **covered employment**, <u>unless</u> you return to work for at least one **hour of service** before you suffer a permanent **break in service**. If you are unsure of the vesting rule which applies to you, you should contact the Fund Administrator.

In any case, you will become fully vested when you reach **normal retirement age** (see "definitions").

2. <u>How You Earn Vesting Service</u>

Remember, **vesting service** is used to determine your eligibility for a pension from the **Plan**, unlike **pension credit**, which determines the amount of your pension. Years of **vesting service** are determined using the following schedule:

Hours Worked <u>in Calendar Year</u>	Years of **<u>Vesting Service</u>**
1,000 or more	1
900 to 999	9/10
800 to 899	8/10
700 to 799	7/10
600 to 699	6/10
500 to 599	5/10
400 to 499	4/10
300 to 399	3/10
200 to 299	2/10
100 to 199	1/10
Less than 100	0

Example #2: You worked in 2018 through 2020. Based on the following hours in **covered employment** you would have 2.5 years of **vesting service** at the end of 2020:

Year	Hours	Vesting Service
2018	521	0.5
2019	1,450	1.0
2020	1,788	1.0
Total		2.5

3. Vesting for Credit for Non-Working Periods

Vesting service is granted for certain periods of your absence from **covered employment**, as follows:

(a) Period of disability arising in **covered employment** for which you receive Workers' Compensation benefits (up to the maximum of two years);

(b) Periods of absence for certain periods of absence from **covered employment** due to your military service. See Section "**D. Military Service**", below; and

(c) Period of **continuous employment** (see "Some Important Definitions" near the end of this SPD).

C. HOW YOU CAN LOSE YOUR SERVICE AND/OR CREDITS

If you leave **covered employment** before you become vested, you can lose all of your **vesting service** and **pension credit**. This happens when you are out of **covered employment** long enough to suffer a **permanent break in service**.

1. Break in Service Before January 1, 1976

Before 1976, you suffered a **permanent break in service** and your accumulated **vesting service** and **pension credits** were canceled, if you failed to earn any **pension credit** during any three consecutive calendar years.

2. Break in Service between January 1, 1976 and December 31, 1986

For 1976 through 1986, you suffered a one year **break in service** at the end of any calendar year in which you did not work at least 100 **hours of service**. This break became a **permanent break in service** if you had as many consecutive one year **breaks in service** as you had years of **vesting service**. When a **permanent break in service** occurred, all of your **pension credits** and **vesting service** were canceled, as well as your participation in the **Plan**.

A **permanent break in service** was avoided if you returned to work and completed at least 100 hours in **covered employment** in a calendar year before the number of consecutive one year **breaks in service** equaled the number of years of **vesting service** you earned before the **breaks in service** began.

Example #3: You had 4 years of **vesting service** and then stopped working for 3 years. It took 4 consecutive one year **breaks in service** before you suffered a **permanent break in service**. You returned to work after 3 years and earned 2/10 of a year of **vesting service**. You avoided a **permanent break in service**, your 4 years of **vesting service** were restored, and your newly earned **vesting service** gave you a total of 4.2 years.

3. Break in Service on and after January 1, 1987

The same rules apply as for the period January 1, 1976 through December 31, 1986, **except** that you will NOT suffer a **permanent break in service** UNTIL you have a minimum of five consecutive one year **breaks in service**.

4. Exceptions to Break in Service (on and after January 1, 1976)

You will be granted a "grace period", and the **break in service** rules will not apply to you, if you are not working in **covered employment** on or after January 1, 1976 for any of the following reasons:

(a) If you enter the Armed Forces of the United States, you may be granted a grace period for certain periods of absence from **covered employment** due to your military service. See Section "D. Military Service", below.

(b) If you are absent due to a disability for up to two consecutive years, your absence will not count toward a **permanent break in service.** You must notify the Trustees in writing within one year of your disability that you are disabled and submit evidence of the disability.

(c) Your work in **continuous employment** (see "Some Important Definitions") will not count toward a **break in service**. In addition, you will receive **vesting service** for that year.

(d) If you are absent from work due to a maternity or paternity leave for either the birth of your child or the placement of a child with you, you will be granted a grace period of up to 501 hours for each childbirth or placement. The hours will be applied to the calendar year in which your absence begins, if it will prevent you from suffering a **break in service** for that year; otherwise, they will be applied to the following calendar year.

(e) If, on or after February 5, 1994, you are absent from work due to a qualified family or medical leave approved by your **employer**, your absence will not count toward a **break in service**.

(f) Your absence due to your employment as a full-time elected or appointed official or employee of the **Union**.

(g) Your absence due to your employment as a carpenter that is not in **covered employment**, provided that work is performed under the terms of a **collective bargaining agreement** or in the jurisdiction of a local union, international union or District Council for a governmental agency. If the work extends over one year, you must return to work in **covered employment** within one year of terminating such other employment.

(h) Your absence due to employment with an apprenticeship trust established by agreement with any **Union** participating under this **Plan**.

If you are in any of the above categories, you should contact the Fund Administrator and find out how your absence might affect your **vesting service** and **pension credit**.

D. MILITARY SERVICE

If you are absent from **covered employment** due to qualified military service, discharged (not less than honorably) from such service, and seek re-employment in **covered employment** within the number of days required by law, your **Plan** eligibility will be reinstated. You will also receive **vesting service** and **future service pension credit** for the period of your qualified military service to the extent required by the federal law known as the Uniformed Services Employment and Re-employment Rights Act of 1994 ("USERRA"). You will be considered to have been engaged in **covered employment** for 40 hours of each week you are in qualified military service and eligible for **vesting service** and **future service pension credit**. In no event will you receive more than a total of five (5) years of **vesting service** or **future service pension credit** for all periods of qualified military service that you serve. You should notify the Fund Administrator as soon as you learn that you will be absent for qualified military service in order to determine your rights and duties.

THE PENSIONS

There are several types of pensions payable from the **Plan**: A **Normal Pension**, an **Early Retirement Pension,** a **Late Retirement Pension**, a **Vested Deferred Pension**, a **Disability Pension** and a **Partial Pension.** The type of pension you qualify for depends on your age, accumulated **vesting service**, and your status as a **participant** in the **Plan** when you retire. All pensions are calculated to be paid over the lifetime of the **participant**, and any other form of the benefit will be the actuarial equivalent of that form of payment.

A. HOW A BREAK IN SERVICE CAN AFFECT YOUR PENSION

When you retire, your pension will be calculated based on your separate periods of **covered employment.** The pension for each separate period will be based on the **Plan** in effect for that period.

B. NORMAL PENSION

1. When you are eligible for a Normal Pension

You are eligible to retire on a Normal Pension when you reach your **normal retirement age** (generally age 65, but see "Some Important Definitions") and you have accumulated at least one year of **future service pension credit** and you have not suffered a **permanent break in service**.

2. Amount of your Normal Pension

If you terminated work in **covered employment** before January 1, 1999, your benefit level will be determined in accordance with the benefits in effect at the time you terminated (see the Appendix).

The amount of your monthly **Normal Pension** depends on (a) the local in which you worked, (b) when you last earned **pension credit**, and (c) whether you suffered any **breaks in service**. This amount is also called your **accrued benefit** and represents the benefit you have earned to date.

In general, if you remained an **active employee** up to your **effective date** and you did not suffer any **breaks in service**, your **Normal Pension** amount is calculated by adding:

(a) your **future service pension credit** years multiplied by the amount set forth in the Appendix; plus

(b) your **past service pension credit** years multiplied by the amount set forth in the Appendix.

If you have NOT incurred any **breaks in service**, your **Normal Pension** amount would generally equal $83.00 times your **future service pension credits** earned before 2018, plus $60.00 times your **future service pension credits** earned after 2017.

If you incurred any **breaks in service**, your **Normal Pension** amount will be different. Please refer to the Appendix at the back of this booklet to determine which benefit level your pension will be based upon. Also, contact the Fund Administrator for additional information if you think a **break in service** may affect your pension amount.

> Example #4: Suppose you will be 65 soon and have worked continuously for the past 20 years. Your **effective date** is September 1, 2021, the first day of the month after your 65th birthday. You have no **past service**, but you have 16.5 years of **future service pension credit** before 2018, and 3.5 years after 2017.
>
> Your **Normal Pension** (and your **accrued benefit)** is equal to 16.5 **future service pension credits** times $83.00, plus 3.5 **future service pension credits** times $60.00, for a total of $1,579.50 per month.
>
> If you don't reject the 50% **Joint and Survivor Pension** (the **Plan's** standard form of payment), or if you retire before **normal retirement age**, your pension will be reduced to account for the **Joint and Survivor Pension** or your early retirement. If you reject the **Joint and Survivor Pension** because you and your spouse do not want it, $1,579.50 is the amount of your monthly pension, with payments made for your lifetime but guaranteed for a minimum of 36 months.

C. EARLY RETIREMENT PENSION

1. Eligibility for an Early Retirement Pension

You are eligible to retire on an **Early Retirement Pension** when you are at least 60 and you earn at least 10 years of **pension credit**, including years of **future service pension credit** as follows:

Age 60	5 years Future Service Pension Credit
Age 61	4 years Future Service Pension Credit
Age 62	3 years Future Service Pension Credit
Age 63	2 years Future Service Pension Credit
Age 64	1 years Future Service Pension Credit

2. Amount of your Early Retirement Pension

The monthly amount of your **Early Retirement Pension** is lower than the amount paid to you when you retire at your **normal retirement age**. This is because your payments start earlier and may be paid to you for a longer period.

To determine the amount of your **Early Retirement Pension**, first calculate the **Normal Retirement Pension** amount you would receive if you were age 65. That amount is then reduced by ½ of 1% for each full month you are younger than age 65 as of your **effective date.**

<table><tr><td>
<u>Example #5</u>: Suppose you are age 62 and two months, and you want to retire. Your effective date is November 1, 2021. You are two years and 10 months or (34 months) younger than age 65 as of your effective date. Assume that if you worked until age 65, your benefit would have been $1,620.00 per month. Therefore, your Early Retirement Pension is calculated as follows:
Reduction for retirement at age 62:
34 months younger than age 65 (34 x ½%) = 17%
$1,620.00 x 17% = $275.40
$1,620.00 - $275.40 = <u>$1,344.60</u>
$1,344.60 is the maximum amount of your monthly Early Retirement Pension. This may be reduced if you choose one of the Joint and Survivor Options.
</td></tr></table>

D. LATE RETIREMENT PENSION

1. <u>Eligibility for a Late Retirement Pension</u>

If you continue to work in **covered employment** after your **normal retirement age** and later retire, you are eligible for a **Late Retirement Pension**. If you reach age 65 and your **effective date** is <u>after</u> your **normal retirement age** (regardless of whether you continued to work after **normal retirement age**), your benefit will be calculated as a **Normal Pension** and actuarially increased to your age as of your **effective date**. "Actuarially increased" here means that your pension will be multiplied by a factor to provide higher benefits since you are older than age 65 at retirement. Those factors are: 1% for each month beyond your **normal retirement age** up to age 70, and 1.5% for each month thereafter.

Remember however, that although you are not required to retire at a certain age, your pension payments must begin by your **required beginning date** (see "Some Important Definitions").

2. <u>Amount of your Late Retirement Pension</u>

The monthly amount of your **Late Retirement Pension** will be the same amount as your **Normal Retirement Pension**, including all **pension credit** earned up to your **Late**

Retirement effective date and an actuarial increase in the amount of the **Normal Pension** up to your **effective date.**

E. VESTED DEFERRED PENSION

1. Eligibility for a Vested Deferred Pension

If you leave **covered employment** after you have earned a vested right to a pension from this **Plan**, you are eligible for a **Vested Deferred Pension** starting at your **normal retirement age**. You are eligible for a reduced **Vested Deferred Pension** starting at age 60 or later, provided you have earned at least 10 years of Vesting Service, or 5 years of **vesting service** if you are an **active participant** on or after January 1, 1988 and you earned at least one year of **future service pension credit**.

2. Amount of your Vested Deferred Pension

The amount of your **Vested Deferred Pension** will be the same as the **Normal Pension** or **Early Retirement Pension**, depending on your age on your **effective date**. Remember, if you leave **covered employment**, your pension amount is frozen at the benefit level in effect when you last worked; Any "new" **pension credits** you earn if you return to work later will be added to this frozen benefit.

F. DISABILITY PENSION

1. Eligibility for a Disability Pension

You are eligible to retire on a **Disability Pension** if you meet all of the following requirements:

(a) You become totally and permanently disabled (i.e., you have a "Total and Permanent Disability", which means you must have a Social Security Disability Award);
(b) You worked at least 100 hours in **covered employment** in either of the two calendar years preceding the date of your application for a **Disability Pension**;
(c) You have earned at least 15 years of **pension credit**, at least 3 years of which are **future service pension credit**; or you have earned at least 7 years of **future service pension credit**; and
(d) You have worked at least 8,000 hours in **covered employment** within the 6 calendar years preceding the calendar year in which you apply for a **Disability Pension.**

If you meet all of the requirements above, the amount of your **Disability Pension** will be your **accrued benefit**, as described in part 4 below. If you are eligible for a **Vested**

Deferred Pension, and meet requirements (a) and (c) above, but do not meet requirement (b) and/or (d), the amount of your **Disability Pension** will be the amount described in part 5 below.

2. "Total and Permanent Disability" Defined

"Total and Permanent Disability" means you have received a Social Security Disability Award for a total and permanent disability.

3. Proof of Total and Permanent Disability

You are required to furnish, as evidence of total and permanent disability, proof of your eligibility for disability benefits from the Social Security Administration. If your Social Security Disability Benefit Award letter does not state that you are totally and permanently disabled, additional evidence may be required by the Board of Trustees. Once you reach age 65, you will no longer be required to submit continuing proof of your Total and Permanent Disability.

4. Amount of Disability Pension

If you meet all four requirement in part 1 above, the amount of your **Disability Pension** will be your **accrued benefit** (i.e., the same as the **Normal Pension**, which you would have received at age 65). The years of **pension credit** used to determine your pension will be those you earned up to the date you became disabled.

If you are approved for a **Disability Pension**, and as of your **effective date** you are also eligible for Early Retirement, you pension amounts will be calculated for both the **Disability Pension** and the **Early Retirement Pension**. If the Early Retirement amount is greater, you will be notified, and given the opportunity to elect the greater benefit. You will also be notified of the consequences of choosing either the **Disability Pension** or the **Early Retirement Pension**, and of returning to work following your recovery.

5. Amount of Disability Pension For Certain Vested Participants

If you are eligible for a Vested Deferred Pension, and meet requirements (a) and (c) in part 1 above, but do not meet requirements (b) and/or (d), the amount of your **Disability Pension** will be your **accrued benefit** (based on your **pension credits** earned up to the date you became disabled) reduced by ½ of 1% for each month that your **effective date** precedes your **normal retirement date**, but not reduced by more than 60%.

If you are approved for a **Disability Pension**, and as of your **effective date** you are also eligible for Early Retirement, you pension amounts will be calculated for both the **Disability Pension** and the **Early Retirement Pension**. If the Early Retirement amount is greater, you will be notified, and given the opportunity to elect the greater benefit. You will also be notified of the consequences of choosing either the **Disability Pension** or the **Early Retirement Pension,** and of returning to work following your recovery.

6. When your Disability Pension Begins

Your first **Disability Pension** payment will start as of the first day of the month following the month in which the later occurs:

(a) After a 5-month waiting period during which you are disabled;
(b) After timely submission of application has been made to the Fund Administrator;
(c) After evidence of your entitlement to a Social Security Disability Award has been given to the Fund Administrator;
(d) If you meet requirements (a) and (c) in part 1 above, but do not meet requirements (b) and/or (d), the first of the month after your 55th birthday.

If you work in **covered employment** during any month after your date of disability, your pension will be delayed by one month for each month in which you worked in such **covered employment**.

7. Working While you are Disabled

You must report any and all earnings from any gainful employment in writing to the Trustees within 15 days after the end of the month in which you received those earnings. If you fail to notify the Trustees on a timely basis, you will be disqualified from receiving your pension for the months in which you receive any earnings in **disqualifying employment**. As a condition of continued receipts of your **Disability Pension**, you will be required to inform the Trustees each year as to whether you have engaged in **disqualifying employment**.

8. What Happens if you Recover from your Disability

If you are no longer totally disabled, your **Disability Pension** will stop. You may then apply for an Early or Normal Retirement Pension if you meet the age and service requirements for a pension. You can return to **covered employment** and resume the accrual of **pension credits** and **vesting service**. If you come back to work and retire later, all of your years of **pension credit** will be taken into account.

Note: If you think you are eligible for a **Disability Pension**, be sure to apply as soon as possible. Please do NOT wait on your Social Security Disability approval to apply for the **Plan's Disability Pension**. AND, if you apply too late, you may lose your eligibility. The Board of Trustees allows you to file for a **Disability Pension** and an **Early Retirement Pension** at the same time – you can draw your **Early Retirement Pension** (if eligible) while you wait for the Social Security Disability approval.

G. PARTIAL PENSION

A number of pension funds in the Carpenters' Industry have signed the International Reciprocal Agreement. By doing so, they have agreed, in certain circumstances, to give an employee credit in one fund for **vesting service** accumulated under the jurisdiction of another fund. This is termed a **Partial Pension**. If you want information on certain funds who have signed such agreements, the Fund Administrator can help you.

1. Eligibility

You are eligible for a **Partial Pension** if:

(a) you would be eligible for a **Partial Pension** under this **Plan** if your combined Pension Credits (**pension credit** earned under this **Plan** added to those credits earned under other Related Plans) were treated as credit under this **Plan**;
(b) you earned at least one year of Pension Credit under each of the Related Plans based on employment since January 1, 1955;
(c) you meet the requirement for a Disability Pension in each of the Related Plans which will be paying a **Partial Pension**, if you are applying for a Disability Pension; or, if applying for a pension based on age, you meet the minimum age requirements in each of the Related Plans which will be paying a **Partial Pension**; and
(d) at least two Related Plans will be paying a **Partial Pension**.

2. Related Plans

Any pension plan which has executed a Pro-Rata Agreement to which this **Plan** is party to that agreement.

3. Related Pension Credits

"Pension Credits" mean those periods of service during which credit is granted for benefit accrual purposes. Pension Credits accumulated and maintained by you under a Related Plan will be recognized by this Plan as Related Pension Credits. Pension Credits under each Related Plan will be based on the rules in effect when you last worked.

4. Combined Pension Credit

The Pension Credit granted under this Plan, and each of the Related Plans, together comprise your Combined Pension Credit. In no case will more than one year of Pension Credit be counted for any 12 consecutive calendar months. If you have worked under two or more Related Plans and accumulated fractional years of Pension Credit which together add up to more than one year of credit for that calendar year, then the Pension Credit recognized will be limited to one year. Pension Credit will first be counted under the plan which provides the highest benefit accrual rate. The other plan(s) will count as Pension

Credit the necessary fractional year(s), in a declining benefit accrual rate order, which will bring the total to exactly one year of Pension Credit for you.

5. Breaks in Service

Any Pension Credit earned during a period in which you worked in the jurisdiction of a Related Plan will be considered when determining whether there has been a **permanent break in service**.

6. Election of Pension

If you are eligible for more than one type of pension or optional form of pension under this **Plan**, you are entitled to elect the type of pension you will receive.

7. Amount of Partial Pension

The amount payable by each Related Plan under which you qualify for a pension will be the benefit amount to which you are entitled under that plan during the period you earned Pension Credit under that plan.

8. Benefit Increases

Your benefit from this **Plan** will be calculated at the benefit level in effect when you last earned **pension credit** under this **Plan**.

9. Form of Partial Pension

If you are married, your **Partial Pension** will be paid as a **Joint and Survivor Pension**, unless you and your spouse reject it in favor of a **Single Life Pension**.

10. Suspension of your Pension

If your **Partial Pension** is suspended by one plan, it may be suspended by the other Related Plan(s).

H. TRANSFER OF CONTRIBUTIONS

The Board of Trustees has adopted the "Money Follows the Man" Agreement under the Carpenters International Reciprocal Agreement. Under the Agreement, if you are working out of the jurisdiction of your Home Pension Fund, you can elect to have contributions which would be made on your behalf to another fund, transferred to your Home Pension Fund. This would allow you to accumulate all of your **hours worked** (even those hours worked outside of the jurisdiction of this **Plan**) under this **Plan** in order to build your eligibility for a pension under this **Plan**.

This means that instead of receiving a **Partial Pension** from Related Plans, you will receive <u>one</u> pension from your Home Pension Fund, which receives contributions from the Cooperating Pension Funds under which you worked.

In order to elect such a transfer of contributions, both the Home Pension Fund and the Cooperating Pension Fund(s) in which you worked must have signed the part of the International Reciprocal Agreement allowing for a transfer of contributions ("money follows the man").

Your Home Pension Fund is the plan in the local union in which you are a member, if that plan has adopted the part of the International Reciprocal Agreement allowing for "money follows the man." If you are not a member of a local union, your Home Pension Fund is the Cooperating Pension Fund to which the bulk of your contributions have been made in the past three years.

The Cooperating Pension Fund is any fund in which you participated and which as adopted the "money follows the man" provision of the International Reciprocal Agreement.

You must authorize the transfer of contributions from your Cooperating Fund(s) to your Home Fund, and the transfer must be accomplished within 60 days of your authorization.

The Home Pension Fund, based on its eligibility rules and benefit provisions, will determine how those contributions should be credited.

You should contact the Fund Administrator to determine if the local unions in which you work are signatory to the "money follows the man" provision of the International Reciprocal Agreement, and to obtain a form authorizing a transfer of contributions.

I. ROUNDING OF PENSIONS

Benefit amounts are rounded up to the next multiple of 50 cents ($0.50). For beneficiaries, the benefits are rounded up to the next multiple of 25 cents ($0.25).

HOW YOUR PENSION IS PAID TO YOU

The **Plan** offers several types of pensions as previously described in this SPD. The **Plan** also offers different FORMS OF PAYMENT of those pensions. The standard form of payment is the **50% Joint and Survivor Pension**, which is paid to all married **participants**. If you are not married when you retire, or if you are married but you and your spouse reject the **50% Joint and Survivor Pension**, you must decide among these optional payment forms: a **75% Joint and Survivor Pension**, a **100% Joint and Survivor Pension** or a **Single Life Pension** with 36 months guaranteed.

A. THE 50% JOINT AND SURVIVOR PENSION

When you retire, you must decide how you want your pension paid to you. If you are married when you retire, your pension will be paid as a **50% Joint and Survivor Pension**, unless both you and your spouse decide jointly to reject it in favor of another form of payment under the **Plan**. This pension form provides a lifetime monthly pension for you, plus a lifetime pension for your surviving spouse (if your spouse survives you, and you and your spouse have been married for at least one year). The monthly amount of this pension payable to your surviving spouse is one-half of whatever monthly amount you were receiving before your death. These payments will continue for the rest of your surviving spouse's life.

You can elect the **50% Joint and Survivor Pension** when you retire, even if you and your spouse have not been married for at least one year. However, if you die after your **effective date** but before you have been married for at least one year, your spouse will not receive the 50% Survivor Pension. Instead, the **Plan** will pay the difference between the amount you received, and the amount you would have received if you had elected the **Single Life Pension** during that period. No further benefits will be paid.

If you and your spouse reject the **50% Joint and Survivor Pension** form and elect the **Single Life Pension**, your spouse will receive no benefit from the **Plan** upon your death, unless he or she is eligible for any payments remaining under the 36 month guarantee.

1. Reduction for the 50% Joint and Survivor Pension

Because the **Plan** offers a lifetime pension to you and/or your surviving spouse under this payment form, the amount of your monthly pension is less than what it would have been if the pension were payable for the rest of your life only.

Therefore, your pension (Normal, Early, etc.) will be reduced by a percentage amount which is determined according to the number of full years you are younger or older than your spouse, as follows:

(a) Non-Disability Retirement

89% plus 0.4% for each full year your spouse is older than you or 89% minus 0.4% for each full year your spouse is younger than you, with a maximum factor of 99%.

(b) Disability Retirement

79% plus 0.4% for each full year your spouse is older than you or 79% minus 0.4% for each full year your spouse is younger than you, with a maximum factor of 99%.

2. The "Pop Up" Feature

If you begin receiving payments under any of the **Joint and Survivor Pensions**, and your spouse dies within 24 months after your **effective date**, then your pension will automatically be increased to the amount which would have been payable if the **Joint and Survivor Pension** was not payable (that is, under the **Single Life Pension** with 36 months guaranteed). In other words, your benefit "pops up" to what it would have been if you did not take a **Joint and Survivor Pension** when you retired. **In order to receive this benefit, you must notify the Fund within six months of your spouse's death.** The Pop Up feature applies to any of the **Joint and Survivor Pension** options (50%, 75% or 100%) offered under the **Plan**. And, the guarantee period under the Single Life Pension will start from your **effective date**.

3. How You Can Change Your Election

You can change your **50% Joint and Survivor Pension** election in favor of the Single Life Pension only if:

(a) your change is within 24 months after your **effective date**; and
(b) your spouse gives written, notarized consent to your change of payment form, including the new payment form you elect.

You cannot change the Single Life Pension to any **Joint and Survivor Pension**, once payments have started.

4. Election

When you apply for retirement, the Fund Administrator will send you a written explanation of the **50% Joint and Survivor Pension** option. The explanation will include general examples of the pension form, and information about your right to reject it before your **effective date**. You and your spouse can jointly reject the **50% Joint and Survivor Pension** option at any time before your **effective date**.

If your decision is to reject it, your spouse must consent to that rejection in writing, and both of your signatures on the form must be witnessed by a notary public.

5. Additional Rules

(a) Once you retire and begin receiving pension payments, you cannot change your election of the **50% Joint and Survivor Pension**, except in the case of a spousal waiver, or the Pop Up feature.
(b) Monthly pension payments are not increased after payments begin, even if your spouse dies before you, unless the Pop Up feature or the spousal waiver applies.
(c) Joint and Survivor Options are for life. They do not stop even if you divorce or your spouse remarries. The survivor benefit stays with the spouse you were married to at your **effective date**, even if you later remarry.
(d) If you choose the **50% Joint and Survivor Pension**, the 36 month guarantee is voided, even when your spouse dies before you.

<u>Example #6</u>: Suppose you retire on a **Normal Pension**, are married, and <u>do not reject</u> the **50% Joint and Survivor Pension**. Suppose your **Single Life Pension** is \$1,660.00 per month, and your spouse is two years younger than you. Your **Joint and Survivor Pension** is figured as follows:

\$1,660.00 (**Single Life Pension** amount) multiplied by (89% minus .4% x 2 years) =
\$1,660.00 x (.89 minus .008) = \$1,660.00 x 88.2% = <u>\$1,464.12</u>

\$1,464.12 is the amount you will receive each month for the rest of your life. If you die before your spouse, she will receive <u>\$732.06</u> each month for the rest of her life (\$1,464.12 x 50% = \$732.06).

If you begin receiving your payments and your spouse dies within 24 months of your **effective date**, your pension will "pop up" to the **Single Life Pension** amount of \$1,660.00. If, after the pop up, you die within 36 months of your **effective date**, your named beneficiary will receive the remainder of the 36 guaranteed payments.

B. THE SINGLE LIFE PENSION

If you are not married when you retire, or if you are married and you and your spouse jointly reject the **50% Joint and Survivor Pension** (and any optional payment form as described below), your pension will be paid as a **Single Life Pension**. This means that you will receive a monthly pension for <u>your</u> lifetime only. Once you retire and start receiving your pension, you cannot change your election.

If you are receiving a pension under the **Single Life Pension** form and you die before 36 payments have been made to you, your monthly payments will continue to your beneficiary (if living), until a total of 36 monthly payments have been made. If your beneficiary dies before you, or begins to receive pension payments and dies before the remainder of the 36 payments have been made, the balance of the 36 monthly payments will be paid to your designated secondary beneficiary. If there is no secondary beneficiary, the remainder of the 36 monthly payments will be made to the estate of your first-named beneficiary.

C. THE OPTIONAL FORMS OF PAYMENT

The standard form of payment under the **Plan** is the **50% Joint and Survivor Pension** for married **participants**, or the **Single Life Pension** for unmarried **participants** (or those married **participants** who reject the **50% Joint and Survivor Pension**). Optional forms of payment under the **Plan** are those which require a rejection of the standard form, and an election of the optional form with your spouse's consent.

The optional forms of payment are a **75% Joint and Survivor Pension** and a **100% Joint and Survivor Pension**. Under these payment forms, your spouse will receive, upon your death, 75% or 100% (whichever you elect at retirement) of the amount you were receiving at the time of your death. Generally, the rules applicable to the standard payment form, the **50% Joint and Survivor Pension,** also apply to these optional forms, including the Pop Up Feature.

As with the **50% Joint and Survivor Pension**, the 75% and 100% **Joint and Survivor Pensions** are reduced to account for the lifetime payment features. The reduction formulas are as follows:

1. 75% Joint and Survivor Pension

   (a) Non Disability Retirement

   84.5% plus 0.5% for each full year your spouse is older than you, or 84.5% minus 0.5% for each full year your spouse is younger than you, with a maximum factor of 99%.

   (b) Disability Retirement

   72% plus 0.5% for each full year your spouse is older than you or 72% minus 0.5% for each full year your spouse is younger than you, with a maximum factor of 99%.

2. 100% Joint and Survivor Pension

   (a) Non Disability Retirement

80% plus 0.6% for each full year your spouse is older than you or 80% minus 0.6% for each full year your spouse is younger than you, with a maximum factor of 99%.

(b) Disability Retirement

65% plus 0.6% for each full year your spouse is older than you or 65% minus 0.6% for each full year your spouse is younger than you, with a maximum factor of 99%.

D. RELATIVE VALUE OF THE OPTIONAL FORMS

Internal Revenue Service regulations require us to notify you of the "relative value" of the various retirement options you are entitled to receive. All of the various options have a "relative value" within 5% of the Joint and 50% Survivor Pension.

Please note the following:

(A) You may request a statement of the relative values that is specific to you. You may request this statement by writing to the Plan Administrator.

(B) The "relative value" comparison is intended to allow you to compare the total value of each of your options, to the 50% Joint & Survivor option. This "relative value" comparison is made by converting the value of each of your options to the equivalent 50% Joint and Survivor amount. This conversion uses interest and life expectancy assumptions. In particular, the "relative values" are based on the assumptions of 5.00% interest, and life expectancy according to the 1994 Group Annuity R Table as adjusted to a unisex basis under IRS rulings.

(C) Any "relative value" comparison is based on average life expectancies (see (B) above). The "relative value of payments ultimately made under any of the options will depend upon the actual longevity of you and your beneficiary.

PRE-RETIREMENT SURVIVOR BENEFITS

A. THE LUMP SUM DEATH BENEFIT

If you are an **active employee** (see "Some Important Definitions") who is not eligible for a pension, and you:

1. die before your **effective date,** and after earning 5 years of **future service pension credit,** or
2. die after applying for a **Disability Pension,** but before your **effective date,** or
3. die after being approved for **Disability Pension,** but before payments began,

your beneficiary will be eligible for the **Lump Sum Death Benefit.** The amount of the benefit is equal to 100% of the **employer contributions** which the **Plan** has received on your behalf. This **Lump Sum Death Benefit** will not be payable if the **50% Pre-Retirement Surviving Spouse Pension** (see below) is payable, except as provided below:

If your beneficiary is your spouse and if your spouse is eligible for the **50% Pre-Retirement Surviving Spouse Pension** (see below), she can choose either the **Lump Sum Death Benefit** described above, or the **50% Pre-Retirement Surviving Spouse Pension.** If your spouse dies before receiving the **Lump Sum Death Benefit,** the payment will be made to your spouse's estate.

B. THE 50% PRE-RETIREMENT SURVIVING SPOUSE PENSION

If you are a married **participant** and are vested in a pension payable from this **Plan,** your spouse may be eligible for a **50% Pre-Retirement Surviving Spouse Pension,** if you die before your **effective date** (unless both you and your spouse have previously rejected this coverage). For this benefit to be payable, you will have to be otherwise eligible for a Normal, Early, Late, Disability or Vested Deferred Pension at the time of your death, and you will have to have been married to your current spouse for at least one year.

Under this form of payment, your spouse will begin receiving a monthly benefit as of your earliest **effective date** (generally, the first day of the month after what would have been your 60th birthday, but see "Some Important Definitions"), if you had lived until then and retired, provided you were fully vested and you met the service requirements for a pension. The amount of the benefit will be determined as though you had retired on an **Early Retirement Pension** with the **50% Joint and Survivor Pension** payment form on the day before your death. Your spouse will receive 50% of the amount you would have received, just as with the post-retirement **50% Joint and Survivor Pension** form.

If you were over age 60 at the time of your death, you were fully vested in your benefit, and you met the service requirements for a pension, your spouse will receive a monthly benefit beginning on the first day of the month following your death. The amount of the benefit will be determined as though you had retired (on a Normal or Early Retirement Pension, depending on your age), with a **50% Joint and Survivor Pension** form, on the day before your death, and your spouse will receive 50% of the amount you would have received. In any case, your spouse will have the option to delay payment of her benefit, but not later than December 1st of the calendar year you would have reached age 70 ½.

If your surviving spouse is your beneficiary, she can elect to receive the **Lump Sum Death Benefit** if you die before you reach retirement age. In that case, the actuarial present value of the **50% Pre-Retirement Surviving Spouse Pension** will be reduced by the amount of the **Lump Sum Death Benefit** and any remaining value of the **50% Pre-Retirement Surviving Spouse Pension** will be paid to her in accordance with this section.

<u>Example #7</u>: Suppose you have at least 10 **pension credit** years and stop working at age 53, after accumulating a $1,909.00/month **accrued benefit**. Suppose your spouse is three years younger than you are, and you die at age 57. Your spouse will be eligible for a monthly **Pre-Retirement Surviving Spouse Pension**, payable for the rest of her life <u>beginning with the month after you would have reached age 60</u> (your **early retirement age**). Her amount is calculated as follows:

The benefit at your **normal retirement age** (65) is $1,909.00 per month. The early retirement reduction is ½ of 1% for each month between 60 and 65, or 60 months x ½% (30%). $1,909.00 x 30% = $572.70. And $1,909.00 minus $572.70 = $1,336.30, your monthly **Early Retirement Pension** payable had you lived until age 60.

Next, determine the **Pre-Retirement Surviving Spouse Pension** payable to your spouse, using the **50% Joint and Survivor Pension** reduction factors. In this case, $1,336.30 multiplied by 89% - (.4% x 3 years younger) = 89% minus 1.2% or 87.8%. **$1,336.30 x 87.8% = $1,173.27.** $1,173.27 is the amount you would have received if you had lived until retirement age. 50% of that amount is **<u>$586.64</u>**. Therefore, your surviving spouse will receive $586.64 each month for the rest of her life beginning at what would have been your **earliest retirement age**.

C. THE 100% PRE-RETIREMENT SURVIVING SPOUSE PENSION

If you become eligible for an **Early Retirement Pension** (i.e., age 60 and the required **pension credits**) and continue to work in **covered employment**, you will have the option to elect a **100% Pre-Retirement Surviving Spouse Pension** (in lieu of the 50% pension described above) if you die before retiring. You must make this election in writing on a form provided by the Trustees in order for your spouse to receive this benefit. This means that if you die and your spouse is entitled to any survivor benefits payable from the **Plan**, she can, under this option, receive a reduced benefit equal to a **100% Joint and Survivor Pension**, using the 100% Joint and Survivor factor (see the Optional Forms of Payment Section). The rules for payment of this benefit are the same as for the **50% Pre-Retirement Surviving Spouse Pension** (see above).

RETIREMENT AND SUSPENSION OF PENSION PAYMENTS

A. DISQUALIFYING EMPLOYMENT

1. Definition

To be considered retired, you must refrain from work in **disqualifying employment**. **Disqualifying employment** is employment or self-employment in:

(a) the same industry covered by the **Plan**;
(b) the same trade or craft (including supervisory work) covered by the **Plan**; **and**
(c) the same geographic area covered by the **Plan**.

"Industry covered by the **Plan**" means the carpentry industry and any other industry in which **employees** were employed when your pension began.

The geographic area covered by the **Plan** includes the State of Tennessee and the remainder of any Standard Metropolitan Statistical Area (SMSA) which falls in part within Tennessee, and any other area covered by the **Plan** when your pension began.

2. Exceptions

A retiree is allowed to work for an **employer** (who is contributing to the **Plan**), with NO suspension of their pension, for up to 500 hours in a calendar year.

In addition, the Trustees may elect to allow retirees to exceed the above limitations for a calendar year, if the following circumstances exist:

(a) no active **participants** are available to perform certain types of work in the industry; and
(b) retired **participants** return to work because they possess the skills needed for a particular job; and
(c) you have a letter from your Business Agent confirming (a) and (b) above,

Then, and only then, those retired **participants** may be allowed to work in **covered employment** up to an additional 200 hours during the calendar year. These hours must be worked in two 60-consecutive day periods within the calendar year. Those periods will be determined by the Trustees.

B. SUSPENSION OF YOUR PENSION

If, after you retire and begin receiving your monthly pension from this **Plan**, you return to and are paid for any of the work described above, you must notify the Trustees within 15 days after you start work. You will then be required to give up your pension for the months during which you are employed. Then, when you retire again, you must notify the Trustees on a form provided by the Fund Administrator. Your benefits will again become payable no later than the third month after the last month for which your benefits were suspended.

Your pension cannot be suspended after your **required beginning date** (see "Some Important Definitions"). If you continue to work beyond that date, your pension will be recalculated at the end of each calendar year, and any new **pension credits** will be included in your pension as of February 1 after the end of the calendar year in which you earned the additional **pension credit**.

C. PENSION PAYMENTS FOLLOWING SUSPENSION

Your pension will be recalculated based on your age when you retire again.

If you received payments for months in which you were working in **disqualifying employment**, the amount of those payments will be deducted from your pension when it begins again. The maximum amount deducted from your monthly pension will not be more than 25% of your monthly pension, except that the **Plan** may withhold up to 100% of the first resumed pension payment which is due. If you die before all the overpayments have been reimbursed to the **Plan** deductions will be made from the pension payments to your beneficiary, with the same 25% limitation per each payment.

If you retire and then return to **covered employment**, you will earn additional **pension credits** according to the rules described earlier. The **pension credits** will be determined as of the end of the calendar year in which you worked. Your pension will be recalculated as of the end of the calendar year in which you stop working again. Then your recalculated pension will be payable as of February 1 after the end of the calendar year in which you re-retire.

D. NOTICES

If you retire and return to work, the Trustees will notify you of the suspension of your benefits, including the definition of **disqualifying employment** for which your pension will be suspended. The notice will include the reasons for the suspension, a copy of the relevant provisions of the **Plan**, reference to applicable regulations of the U.S. Department of Labor, and the procedures for a review by the Board of Trustees of your suspension. If your resumed payments are to be offset by the amount of any overpayments, this notice will explain the procedure and state the amount to be offset.

You must notify the Trustees if you have returned to work in **disqualifying employment**. If you fail to notify the Trustees that you have returned to work, the Trustees will presume that you have been working for as long as a contractor has been and remains actively engaged at the construction site. You have the right to overcome that presumption by providing proof that your work was not cause for suspension of your pension.

You are entitled to a review if your pension is suspended or if you are considering working at a job that the Trustees might consider to be **disqualifying employment**. The procedure for a review is the same as for an appeal of denied benefits.

E. 36-MONTH GUARANTEE

If you return to work after you retired and you were receiving payments under the **Single Life Pension** with 36 months guaranteed, your periods of return to **covered employment** will not be considered as part of the 36-month guarantee period.

F. HOW YOUR POST-RETIREMENT WORK AFFECTS YOUR PENSION

1. Early Retirement

If you retire before your **normal retirement age** and start receiving a pension from this **Plan**, that pension will be suspended if you return to work as described above. If you earn additional **pension credit** during that period of reemployment before you reach **normal retirement age**, your pension will be recalculated (as a result of that additional credit) and will be payable to you as of February 1st after the calendar year in which you earned that credit or stopped working, if later. For the purpose of paying a benefit for that additional credit, a new **effective date** will be established for you, and the benefit will be paid to you as a **50% Joint and Survivor Pension** unless it is properly rejected and another payment form is elected.

Example #8: Suppose you retire at age 60 with a **50% Joint and Survivor** pension of $500.00 per month. Then, you come back to work. The Fund Administrator will suspend your pension, but you will continue to earn **pension credit** while you work. When you retire again at age 63 (and assuming you don't reject the **50% Joint and Survivor** form on your additional benefit), the Fund Administrator will:

(a) restart your $500.00 pension;
(b) determine the additional pension amount based on three additional years of **pension credit**;
(c) allow you to make new payment elections and beneficiary designations for the pension amount based on three years (assume after all payment reductions, including the Joint and Survivor reduction, it is $55.00); and
(d) pay you a "revised" pension of $500.00 per month **plus** $55.00, for a total of $555.00 per month, beginning February 1st after the year you stopped working.

2. Employment After Normal Retirement Age

If you retire and later return to work in **disqualifying employment** after your **normal retirement age**, your pension will be recalculated using the same method as for Early Retirees (see above), and, like an Early Retiree, you will receive **pension credit** for whatever period of time you work in **covered employment**. Instead of giving you a new **effective date** and Payment election, etc. for each period of time you work, your pension will be recalculated with additional **pension credit**, and added to your pension effective as of the February 1st after the calendar year in which you (a) earn additional credit or (b) stop working.

HOW TO APPLY FOR BENEFITS

A. APPLICATION FOR A PENSION

The first step is to request a pension application from the Fund Administrator at the address shown on the inside front cover of this booklet, or by printing one from the website. Your application must be completed, signed and received by the Fund Administrator at least <u>two full months in advance</u> of your **effective date.**

You must send satisfactory proof of your birth date with your application. Depending on the form of payment you elect, you must also provide proof of your marriage and of your spouse's or beneficiary's date of birth.

If you are applying for a disability pension, it is very important that you go ahead and file your application for benefits with the Fund Administrator when you make that decision, regardless of whether or not you have yet received your award of Social Security Disability Benefits from the Social Security Administration. The date that you application is received by the Fund Administrator could affect you eligibility for a disability pension. If you send in your application before you receive notice to entitlement to a Social Security Disability Benefit, you should indicate on your application that you have applied for a Social Security Disability Benefit. Your Social Security award letter (i.e., a "Notice of Award") should be sent to the Fund Administrator as soon as you receive it.

B. THE FIRST PENSION PAYMENT

Your first pension payment will begin as of your **effective date**, which will be established by the Fund Administrator based upon the date you stopped working in **covered employment** and submitted your application. If for any reason the first pension check is delayed, you will receive retroactive pension payments from your **effective date**.

C. WHEN YOUR BENEFITS MUST BEGIN

Federal laws governing pension and retirement plans provide the your **effective date** cannot be later than your **required beginning date**, which is April 1st of the calendar year following the later of the calendar year in which you reach age 70 1/2, or the calendar year in which you retire from **covered employment**. If you have not applied for your pension by the time you reach age 70 ½, you should contact the Fund Administrator for an application, even if you are still working. The Fund Administrator will make every effort to start your pension (if you are eligible) by your **required beginning date**, but your cooperation will be needed, especially if you are no longer working in **covered employment**, or if you have moved. **If you do not start receiving your pension by your required beginning date, you could face heavy federal tax penalties.**

D. THE LAST PENSION PAYMENT

The last pension payment made from the **Plan** will be the one payable on the first day of the month preceding your date of death. If your spouse or beneficiary is eligible for benefits as a result of your death, those payments will begin, unless the spouse elects otherwise, as of the first day of the month which follows your death.

E. MORE THAN ONE PENSION PROHIBITED

Once your pension application has been approved by the Board of Trustees and payments begin, you cannot change the type of pension you are receiving (Normal, Early, etc.).

The only exception to this rule is that if at the time you apply for a Disability Pension you have met the requirements for an Early Retirement Pension, the Fund Administrator will determine your Early Retirement Pension amount, and inform you of your eligibility for either a Disability or an Early Retirement Pension, and of the amount of each type of pension, to make sure that you can elect the highest possible pension from the **Plan**.

F. HOW TO NAME YOUR BENEFICIARY

You can designate a beneficiary or beneficiaries to receive any benefits payable under the **Plan** due to your death. Any designation you make must be made on a form provided by the Fund Administrator. If you designate a beneficiary other than your spouse, that designation must be approved, in writing, by your spouse before it becomes effective.

If you fail to designate a beneficiary, or if your beneficiary dies before you, the Board of Trustees will designate a beneficiary on your behalf in the following order of determination:

1. your surviving spouse; if none, then to
2. your minor child or children, equally; if none, then to
3. your adult child or children, equally; if none, then to
4. your parent or parents, equally; if none, then to
5. your estate

G. EFFECT OF YOUR PENSION ON OTHER BENEFITS

The benefits payable under this **Plan** are in addition to any benefits payable from a source other than the **Plan**, including Social Security. Therefore, your Social Security benefits are not reduced because you may be receiving a pension under this **Plan**.

In addition, the entire cost of the pensions provided under this **Plan** is paid for by the **employers** who contribute to the Fund. However, when benefits are paid to you at retirement, they may be taxable to you in the year they are received. You do not pay income tax on the money that is contributed to the Pension Fund before you receive it, and you cannot take a deduction for those contributions on your income tax return.

CLAIMS AND REVIEW PROCEDURES

A. CLAIMS PROCEDURE

The right to **Plan** benefits is, of course, a factual matter, based upon the terms of the **Plan** and the rules adopted by the Trustees to administer the **Plan**. Usually a disagreement as to benefit rights can be settled by getting the full facts and applying them under the **Plan** rules. The Trustees retain outside legal and actuarial counsel to help carry out their duties with fairness to all concerned.

The Trustees have the sole authority to make final determinations relating to eligibility for benefits, the amount and types of benefits provided by the **Plan**, the application of such benefits and the interpretation of the **Plan** and any administrative rule, policy or procedure adopted by the Trustees. Any such determination, interpretation, or construction adopted by the Trustees in good faith is conclusive and binding on all parties. The Trustees are free to use their own judgment and discretion in all matters pertaining to the affairs of the **Plan** and the Pension Fund and will not be personally liable for any act of commission or omission when acting in good faith and in the exercise of their best judgment.

All claims arising under this **Plan** must be submitted in writing to the Fund Administrator. The claim will be processed for determination on whether and in what amount it will be paid under the **Plan**. If the claim is denied in whole or in part, the Fund Administrator will notify the claimant of the denial within 90 days after receipt of the claim.

The Fund Administrator may take an additional 90 days to review the claim if it determines that special circumstances require an extension of time for processing the claim. If such an extension is required, written notice of the extension will be furnished to the claimant prior to termination of the initial 90-day period, explaining the special circumstances requiring the extension and the date by which a determination is expected.

If any claim is denied in whole or part, the notice of denial will state:

1. Specific reason(s) for the determination;
2. Reference to the specific **Plan** provision(s) on which the determination is based;
3. A description of any additional material or information necessary to perfect the claim, and the reasons why it is needed;
4. A copy of the **Plan's** review procedures; and
5. A statement of the claimant's right to bring a civil action under ERISA Section 502(a) if benefits are denied after review.

B. REVIEW PROCEDURE

If the claim is denied in whole or part, the claimant may appeal the determination in accordance with the following review procedure and have the claim reviewed.

Within 60 days after receipt of the determination, the claimant or his representative may make a written request for review to the Fund Administrator. If a timely written request for review is not made, the initial decision on the claim will be final. If a timely written request for review is made, the claimant may submit written comments, documents, records and other information relating to the claim. The claimant may also obtain, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information "relevant" to his claim. A document, record or other information is "relevant" to the claim if (1) it was either relied upon in making the determination or was submitted, considered or generated in the course of making the determination; or (2) it relates to administrative processes and safeguards used to ensure and verify that claim determinations are consistent with the **Plan** and consistently applied with respect to similarly situated claimants.

A decision on appeal will be made promptly and no later than 60 days after the written request for appeal is received. The decision on review will be in writing and will set forth the following information:

1. The specific reasons for the decision on review;
2. A reference to the specific Plan provisions on which the determination is based; and
3. A statement that the claimant 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 (as hereinabove described) and a statement of the claimant's right to bring an action under ERISA Section 502(a).

A decision on review of any claim made under the Plan will be final and binding.

C. SPECIAL PROCEDURES APPLICABLE TO DISABILITY CLAIMS

Federal law mandates the use of certain special procedures relative to applications made for disability benefits. These special procedures supplement the general procedures applicable to all benefit claims that appear in A. and B. above, and:

- include a requirement that the Fund Administrator notify the disability claimant of the **Plan's** adverse benefit determination not later than 45 days after receipt of the claim by the **Plan**;

- allow the **Plan** to extend the period to notify the disability claimant of the **Plan's** adverse benefit determination, provided that that such an extension is necessary due to matters beyond the control of the **Plan** and provided further that the **Plan** notifies the claimant, prior to the expiration of the initial 45-day notice period, both of the circumstances requiring the extension of time and the date by which the **Plan** expects to render a decision;

- require, in the case of any extension of the period to notify the disability claimant of the **Plan's** adverse benefit determination, that the notice of extension specifically explain: (i) the standards on which entitlement to a benefit is based, (ii) the unresolved issues that prevent a decision on the claim, and (iii) the additional information needed to resolve those issues, all while affording the claimant 45 days within which to provide that additional information; and

- require that any appeal of the **Plan's** adverse disability benefit determination be made by a party other than the party making the initial determination, and shorten to 45 days the time in which the Administrator must notify a disability claimant of the **Plan's** determination on any appeal of the **Plan's** adverse benefit determination;

In addition, when filing an appeal for benefits due to a disability, the claimant has the right to submit additional materials, including comments, statement, or documents; request to review all relevant information (free of charge) used by the **Plan** in its benefit determination; and be advised of the identity of any medical experts relied on in the denial of the claim.

If the claim for benefits due to disability is denied based on an internal rule, guideline, protocol, or other similar criteria, the claimant has the right to request a free copy of such information. In addition, if the claim is denied based on medical necessity, experimental treatment, or similar exclusion or limit, the claimant has the right to request a free copy of an explanation of the scientific or clinical judgment for the determination. If the determination is based on medical necessity or appropriateness, the **Plan** will consult a medical professional who is not the same individual who consulted on the initial review of the claim or a subordinate of that individual.

D. TIME LIMIT ON LEGAL ACTIONS

You cannot bring any legal action to recover benefits under the **Plan** unless you first file an application for benefits and then follow the claims and review procedures under the **Plan**. In addition, you cannot bring any such legal action later than one (1) year following a final decision on your claim under the **Plan**.

MISCELLANEOUS PROVISIONS

A. ASSIGNMENT OF BENEFITS AND QDRO'S

Your pension benefits are intended for your personal financial security. Except for certain limited circumstances, your pension benefits cannot be alienated, assigned, pledged, sold, used as collateral for a loan, given away, transferred or encumbered, and they are exempt from execution, attachment, garnishment and bankruptcy. They are not subject to the claims of your creditors.

The **Plan** will honor a Qualified Domestic Relations Order ("QDRO") in accordance with its QDRO practices and procedures. A QDRO is a domestic relations order that assigns to an alternate payee, such as your former spouse or dependent child, the right to receive all or a portion of your pension benefit. There are certain requirements under the Internal Revenue Code that must be satisfied in order for a domestic relations order to qualify as a "QDRO". If a domestic relations order is received by the **Plan**, the Fund Administrator will promptly notify you and each alternate payee covered by the order of its receipt and of the procedures for determining the qualified status of the order. Within a reasonable period of time after receipt, the Fund Administrator will determine whether it is a QDRO and will notify you and each alternate payee of its determination. You may obtain, without charge, a copy of the **Plan's** QDRO procedures upon written request to the Fund Administrator.

The **Plan** also reserves the right to offset your pension benefit for any amount that you are ordered or required to pay the **Plan** to satisfy your liability for the violation or alleged violation of the fiduciary requirements under ERISA, or for certain crimes related to the **Plan** for which you are convicted, as set forth in a judgment, order or decree, or in a settlement agreement with the Labor Department or the Pension Benefit Guaranty Corporation.

B. ROLLOVER OF PLAN DISTRIBUTIONS

If your surviving spouse receives a lump sum benefit due to your death, she may elect to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by her. An eligible rollover distribution is a lump-sum payment that is paid in lieu of monthly retirement benefits as a lump sum death benefit. A monthly retirement or death benefit that is <u>not</u> paid in a single lump-sum would <u>not</u> be an eligible rollover distribution. (You should note that this rollover provision of the **Plan** does <u>NOT</u> entitle you to receive a lump-sum payment in lieu of your retirement or death benefit unless you are otherwise eligible to receive a lump-sum payment). An eligible retirement plan may include another qualified retirement plan, an individual retirement account or annuity, an annuity plan or contract, and certain plans maintained by a state or its political subdivision, agency or instrumentality, that will accept an eligible rollover distribution from this **Plan**. Prior to the time that you are to receive an eligible rollover distribution, the Fund Administrator will give you detailed information about the rollover option. You may also contact the Fund Administrator for additional information.

PLAN AMENDMENT AND/OR TERMINATION

The Board of Trustees intends to continue the **Plan** described in this SPD indefinitely. Nonetheless, it reserves the right to amend and/or terminate the **Plan.**

The **employers** and the **union** could agree to amend the **Plan** as to future benefit accruals. Such amendments may be adopted to change benefits, adjust costs, or meet government requirements. No such amendment may reduce benefits, which have already been accrued, except as permitted by the Pension Protection Act of 2006.

If the **Plan** is terminated, you will be notified as soon as possible. You will be told the amount of your fixed benefit and informed of any election which you may have to make. The termination or amendment of the **Plan** will not affect your right to any benefit to which you had already become entitled. The assets of the **Plan** will be distributed or used to purchase annuities for all benefits accrued to the date of termination, whether or not those benefits are vested, to the extent the **Plan** is funded. In the event of such **Plan** termination, the expenses of the Board of Trustees, the actuary, legal counsel and any agent appointed by the Board of Trustees to carry out the termination, will be a prior claim and lien on the monies available in the Trust Fund.

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

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due. The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first $11 of the monthly benefit accrual rate and (2) 75% of the next $33. The PBGC's maximum guarantee limit is $35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be $12,870.

The PBGC guarantee generally covers:

1. Pension benefits payable at **normal retirement age**, and some early retirement benefits;
2. Disability benefits if you become disabled before the **Plan** becomes insolvent; and
3. Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

1. Benefits greater than the maximum guaranteed amount set by law;

2. Benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the earlier of (i) the date the plan terminates, or (ii) the time the **Plan** becomes insolvent.
3. Benefits that are not vested because you have not worked long enough under the **Plan**;
4. Benefits for which you have not met all of the requirements at the time the **Plan** becomes insolvent; and
5. Non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay and severance pay.

For more information about the PBGC and the benefits it guarantees, ask the Fund Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call 1-800-400-7242. TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 1-800-400-7242. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at www.pbgc.gov.

HEART ACT PROVISIONS

If a **participant** dies while performing qualified military service (as defined in Internal Revenue Code Section 414(u)), the survivors of the **participant** are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the **Plan** as if the **participant** had resumed and then terminated **covered employment** on account of death.

For benefit accrual purposes, the **Plan** treats an individual who dies or becomes disabled (as defined under the terms of the **Plan**) while performing qualified military service as if the individual had resumed **covered employment** in accordance with the individual's reemployment rights under USERRA, on the day preceding death or disability (as the case may be) and terminated **covered employment** on the actual date of death or disability.

For purposes of Federal law, military service means service with the Armed Forces of the United States, the Army National Guard or the Air National Guard while engaged in active duty for training, inactive duty training or full-time National Guard duty, the Commissioned Corps of the Public Health Service, a period for which you are absent from employment for a physical examination to determine your ability to perform service in the uniformed services, and any other category designated by the President in time of war or emergency.

If you are entering qualified military service and are interested in learning more about the impact of such service on your Plan benefits, please contact the Fund Administrator.

YOUR RIGHTS UNDER ERISA

As a **participant** in the Tri-State Carpenters and Joiners Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as outlined below.

Receive Information About Your Plan and Benefits

You have the right to:

- Examine without charge, at the Fund Administrator's office and at other specified locations such as work sites and **union** halls, all **Plan** documents, including insurance contracts, collective bargaining agreements, and copies of all documents filed by the **Plan** with the U.S. Department of Labor, such as annual reports and Plan descriptions.

- Obtain copies of all **Plan** documents and other **Plan** information upon written request to the Trustees or the Fund Administrator. The Fund Administrator may make a reasonable charge for the copies.

- Receive a summary of the **Plan's** annual financial report. The Fund Administrator is required by law to furnish each **participant** with a copy of this summary financial 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 be eligible for a pension. This statement must be requested in writing and is not required to be given more than once a year. The **Plan** must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for **Plan participants**, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your **Plan**, called "fiduciaries" of the **Plan**, have a duty to do so prudently and in the interest of you and other **Plan participants** and **beneficiaries**. No one, including your **employer**, your **union**, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your application for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. However, you may not begin any legal action, including proceedings before administrative agencies, until you have followed and exhausted the **Plan's** claims and appeals procedures.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the **Plan** documents or the latest annual report from the **Plan** and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the **Plan** 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 Trustees.

If you have an application for benefits which is denied or ignored, in whole or in part, you may file suit in state or federal court. In addition, if you disagree with the **Plan's** decision or lack thereof, concerning the qualified status of a domestic relations order, you may file suit in federal court. If it 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 federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example if it finds your claim is frivolous.

However, in all cases, including those described in the above paragraph, a person must first exhaust his administrative remedies under the Plan, by following the Plan's Claims and Review Procedures, before the person may file suit in any court. The person will then have one year, from the date a final decision on review is reached under the Plan, in which to start a lawsuit. In no event, may legal action be brought in any court, by or on behalf of the person, after this one-year period.

Assistance With Your Questions

If you have any questions about your **Plan**, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, at:

Division of Technical Assistance and Inquiries
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210 Telephone (866) 444-3272

You may also find answers to your questions and your rights and responsibilities under ERISA by calling or by visiting the EBSA's Web site at www.dol.gov/ebsa.

IMPORTANT INFORMATION ABOUT THE PLAN

1. Name of Plan

This **Plan** is known as the Tri-State Carpenters and Joiners Pension Plan. It is a defined benefit pension plan, which means that you will receive a definitely determined benefit at retirement if you meet the qualifications described in this booklet.

2. Board of Trustees

A Board of Trustees is responsible for the operation of this **Plan**. The Board of Trustees consists of an equal number of **employer** and **union** representatives, selected by the **employers** and the **unions** who have entered into collective bargaining agreements which relate to this **Plan**. The daily administration is handled by the Fund Administrator, whose office address and telephone number appear on the inside front cover of this booklet. As of January 1, 2018, the Trustees are as follows:

3. Plan Sponsor and Administrator

The Board of Trustees is both the Plan Sponsor and Plan Administrator.

4. Identification Numbers

The identification number and plan number assigned to the **Plan** by the Trustees on instruction by the Internal Revenue Service is 62-0976048, and 001, respectively. If you want to write to the IRS or the Department of Labor about this **Plan**, you must use these numbers.

5. Agent for Service of Legal Process

Christopher A. Crevasse, Esq., the Plan's attorney, is the Plan's agent for service of legal process. Accordingly, if legal disputes involving the **Plan** arise, any legal documents should be served upon Christopher A. Crevasse, Esq. at Miller & Martin, 832 Georgia Avenue, Suite 1200, Chattanooga, Tennessee 37402, or upon any individual Trustee at the address of the Fund Manager.

6. Collective Bargaining Agreement

This **Plan** is maintained pursuant to collective bargaining agreements with the Mid-South Carpenters Regional Council, South Central Carpenters Regional Council, and the Southern States Millwrights Regional Council, and others. The collective bargaining agreements require contributions to the **Plan** at fixed rates per hour. The **Plan** also receives contributions on behalf of certain non-collectively bargained **participants** pursuant to written participant agreements between the **Plan** and **employers**, which provide for periodic contributions at fixed rates per hour. The Fund Administrator will provide you, upon your written request, information as to whether a particular employer is contributing to the **Plan** on behalf of **participants** working under the collective bargaining agreement.

7. Source of Contributions

The benefits described in this SPD are provided through **employer** contributions and liability payments from **employers** that withdraw from the **Plan**. The amount of **employer** contributions and the employees on whose behalf contributions are made are determined by the provisions of the collective bargaining agreements or other written participation agreements.

8. Plan Year

The records of the **Plan** are maintained separately for each **plan year**. The **plan year** begins on January 1 and ends on December 31.

SOME IMPORTANT DEFINITIONS

The following are general definitions of terms used in explaining the **Plan**. The actual text of the **Plan** includes these and other definitions in greater detail.

Accrued Benefit – means the amount of your **Normal Pension**, which you would have received at age 65, considering only the years of **pension credit** you earned up to a certain date.

Active Employee - If you have not suffered a **one-year break in service**, you are considered an **"Active Employee"**.

Break in Service – is a **plan year** in which you do not work enough hours, for a contributing **employer,** to maintain your participation in the **Plan**. A **break in service** is either a **"one-year break in service"**, or a "**permanent break in service**". You incur a **one-year break in service** if you fail to work at least 100 **hours of service** in a calendar year. You incur a **permanent break in service** if you have consecutive **one-year breaks in service** which equal or exceed the greater of (a) your years of **vesting service**, or (b) five years.

Collective Bargaining Agreement – means any written labor contract by and between a contributing **employer** and the **union** which provides the contributions to this **Plan** with any and all extensions or renewals thereof and succession agreements.

Contribution Date – means the date your **employer** was first required to make contributions to the **Plan** on your behalf. The period before the **contribution date** for which you receive credit toward a pension is **past service**, and the period on and after the **contribution date** is **future service**.

Continuous Employment - employment which occurs as a result of a person's job status changing to a position with the same **employer** which is not covered by the collective bargaining agreement, with no intervening quit or termination of employment. You will receive **vesting service** for **continuous employment**, but not **pension credit**.

Covered Employment – means employment with an **employer** for which contributions are required to be made to the **Plan**. For any employment before the **contribution date**, **"covered employment"** means employment in work covered by a collectively bargaining agreement which would have resulted in contributions to the **Plan** if contributions were required at that time.

Disqualifying employment – See the section "Retirement and Suspension of Pension Payments".

<u>Early Retirement Date</u> – is the first day of any month after you reach age 60 and after you have completed at least 10 **pension credit** years, including certain periods of employment after the **contribution date.**

<u>Effective Date</u> – is the date your pension is scheduled to begin. Even if you don't receive your first payment until a later date, your **effective date** is the date as of which your pension should have begun. That date is <u>the later of</u>:

1. the first day after the second full month after the Fund Administrator receives your completed application for a pension; or
2. the first day of the month starting 30 days after you are provided with a detailed explanation of your benefit options and their financial impact. (You and your spouse can waive or reduce the 30-day delay requirement, but you must do so in writing.)

For example, you want to retire on June 1. The Fund Administrator received your application on May 15. According to federal law, you must have at least one full month in which to consider the payment forms before your payments begin, and in any case, the **Plan** has a two-month waiting period before payments begin. Therefore, your **effective date** is August 1. If you don't receive payments as of your **effective date** because of a delay, your first payment will include retroactive payments back to your **effective date.**

<u>Employee</u> - If the **employer** you work for is required to make contribution to the **Plan** on your behalf, you are considered an **"employee"**.

<u>Employer</u> - If the **employer** you work for is required to make contributions to the **Plan** on your behalf based on the terms of a **collective bargaining agreement** (or other written agreement), he is considered an **"employer"**. The term **"employer"** also means this **Plan**, other related Funds that have a participation agreement with the **Plan**, and the **union**.

<u>Hour of Service</u> - All hours for which you are paid directly or indirectly, including vacation, sick leave, holidays, illness, incapacity (including disability), layoff, jury duty, military leave or leave of absence.

<u>Hours Worked</u> – means hours worked in **covered employment** for which contributions to the **Plan** are required, or which would have been required (before the **contribution date**) if the **employer** had been covered under a collective bargaining agreement at that time.

For calendar years after 2014, **hours worked** is determined as follows:

(a) The Board of Trustees annually sets a "base contribution rate" reflecting the expected contribution rates for the calendar year. You are sent a notice stating this rate.

(b) Your **hours worked** equals the actual hours worked in **covered employment** for which contributions due to the **Plan**, adjusted for any difference between the actual contribution rate and the "base contribution rate".

The "base contribution rate" has been:

For 2015	$5.06/hour
For 2016	$5.37/hour
For 2017	$5.62/hour
For 2018	$5.87/hour

Joint and Survivor Pension - The standard form of payment when you retire; it is a monthly payment for your life, with continuing payments of 50% to your spouse upon your death. The **Joint and Survivor Pension** may be a **50%, 75%, or 100% Joint and Survivor Pension.**

Normal Retirement Age - The date you reach age 65, or, if later, your age on the 5th anniversary of your initial participation in the **Plan**; or, if later, your age on the 10th anniversary of your initial participation if you suffered a **break in service** on or before December 31, 1987. For the purpose of reaching **normal retirement age**, you must be a **participant** in the **Plan** at that time, and you must not have incurred a **permanent break in service**.

Normal Retirement Date – The first of the month on or after your **normal retirement age**.

Participant - If you meet the participation requirements described in this booklet, you are considered a **"participant"**. If you are a pensioner or a beneficiary of a deceased **participant** who is receiving a pension or is entitled to a pension, or if you are a terminated **employee** who is eligible for a **Vested Deferred Pension**, you are also considered a **participant**.

Pension Credit – means the credits you earn through **hours worked** in **covered employment** which determine the amount of your pension. **Pension credits** can include both **past service pension credit** and **future service pension credit**.

Plan or **Fund** – means the Tri-State Carpenters and Joiners Pension Plan.

Plan Year – is the 12-month period beginning on January 1 and ending on December 31.

Required Beginning Date – means the date the **Plan** is required by law to start your pension payments. See the section "How to Apply For Benefits".

Union – means the Mid-South Carpenters Regional Council, South Central Carpenters Regional Council, and the Southern States Millwrights Regional Council, and other unions who join the **Plan**.

Vesting Service – is used to determine your eligibility for a pension from the **Plan**.

APPENDIX A – PENSION BENEFIT LEVELS

Future Service Pension Credit

1. Sheffield Credits – If you failed to earn credit in 1989, all credits are valued at $17.49.
2. Sheffield Credits – If you earned credit in 1989, but failed to earn credit in 1992, all credits earned prior to 1992 are valued at $40.00
3. Sheffield Credits – If you failed to earn credit in 1989, but earned credit in 1992, all credits earned prior to 1989 are valued at $21.86.
4. Tri-State Credits – If you failed to earn credit in 1986 and 1992, all credits earned prior to 1986 are valued at $38.03. All credits earned after 1986 but before 1992 are valued at $40.00.
5. Tri-State Credits – If you failed to earn credit in 1986 but earned credit in 1992, all credits earned prior to 1986 are valued at $47.54. All credits earned after 1986 are valued at $50.00.
6. Tri-State Credits – If you earned credit in 1986 but failed to earn credit in 1992, all credits earned up to 1992 are valued at $40.00.
7. Tri-State Credits – If you earned credit in 1986 and 1992, all credits are valued at $50.00.
8. Regardless of which of the above groups you come under, all credits earned after 1992 are valued at $50.00.
9. Effective January 1, 1995, if you worked at least 100 hours in 1994, all credit values earned prior to 1995 are increased by 6.9%.
10. Effective January 1, 1996, if you worked at least 100 hours in 1995, credits back to your most recent **break in service**, and credits after 1995 are valued at $55.25, regardless of whether you worked in 1986 or 1992. If you had less than 100 hours during 1995, your pension will be calculated at the above rates (1 through 9, whichever are applicable).

    If you did not work in 1995, but you worked 100 hours in a later year, all credits earned after your most recent **break in service** and prior to 1995 will be valued at $55.25.
11. Effective January 1, 1997, if you worked at least 100 hours in 1996, and you haven't incurred prior **breaks in service**, all credits are valued at $59.00.

If you worked at least 100 hours in 1996 but you did incur prior **breaks in service**, all credits earned after 1996 will be valued at $59.00, but all credits earned prior to 1996 will be calculated at the above rates (1 through 10, whichever are applicable).

If you had less than 100 hours during 1996, your pension will be calculated at the above rates (1 through 10, whichever are applicable).

12. Effective January 1, 1998, if you worked at least 100 hours in 1997 and you haven't incurred prior **breaks in service**, all credits are valued at $73.50.

    If you worked at least 100 hours in 1997 but you did incur prior **breaks in service**, all credits earned after 1997 will be valued at $73.50, but credits earned prior to 1998 will be calculated at the above rates (1 through 11, whichever are applicable).

    If you had less than 100 hours during 1997, your pension will be calculated at the above rates (1 through 11, whichever are applicable).

13. Effective January 1, 1999, if you worked at least 100 hours or more in 1998, and you haven't incurred prior **breaks in service**, all credits are valued at $80.50.

    If you worked at least 100 hours in 1998 but you did incur prior **breaks in service**, all credits earned after 1998 will be valued at $80.50, but credits earned prior to 1999 will be calculated at the above rates (1 through 12, whichever are applicable).

    If you had less than 100 hours during 1998, your pension will be calculated at the above rates (1 through 12, whichever are applicable).

14. Effective January 1, 2001, if you worked at least 100 hours or more in 2000, and you haven't incurred prior **breaks in service**, all credits are valued at $83.00.

    If you worked at least 100 hours in 2000 but you did incur prior **breaks in service**, all credits earned after 2000 will be valued at $83.00, but credits earned prior to 2000 will be calculated at the above rates (1 through 13, whichever are applicable).

    If you had less than 100 hours during 2000, the pension will be calculated at the above rates (1 through 13, whichever are applicable).

15. Effective January 1, 2018, all credits earned after 2017 will be valued at $60.00 and credits earned prior to 2018 will be calculated at the above rates (1 through 14, whichever are applicable).

Past Service Pension Credit

1. Tri-State Credits – If you failed to earn credit in 1986, your **past service pension credit** is valued at $3.11.

2. Tri-State Credits - If you earned credit in 1986, your **past service pension credit** is valued at $3.26.

3. Effective January 1, 1996, if you worked at least 100 hours in a **plan year** beginning on or after January 1, 1995, your **past service pension credit** is valued at $3.37.

APPENDIX B – SUPPLEMENTAL INDIVIDUAL ACCOUNTS

Individual Accounts

Supplemental Individual Accounts are primarily for those who work in the jurisdiction of a "Cooperating Fund". A "Cooperating Fund" is any qualified multiemployer retirement plan that has a reciprocity agreement with the **Plan**.

If you work in a jurisdiction of a Cooperating Fund that has an "annuity plan" or a "defined contribution retirement plan", those contributions can be sent to this **Plan**. If you do this, you will have a Supplemental Individual Account set up in your name. This money is in addition to the monthly benefit you receive from this **Plan**.

If you receive a "rollover" distribution from a Cooperating Fund, those monies can be rolled over to this **Plan**.

Your Supplemental Individual Account will be credited with interest. And you will always be 100% vested in your account, regardless of whether or not you are vested for a monthly benefit.

Payment of Your Individual Account

Your Supplemental Individual Account can be paid when:

1. You begin receiving monthly Normal, Early, Disability, Late, or Vested Deferred Pension benefits from the **Plan**.
2. You reach age 65, and are not otherwise eligible for monthly benefits from the **Plan**.
3. You die before retirement.
4. Your home local does have a **collective bargaining agreement** that calls for contributions to this **Plan**, and you have had no contributions to your Individual Account for at least 12 months.
5. You experience a hardship (i.e., an immediate and heavy financial need) due to (a) medical costs, (b) eviction from your principal residence or foreclosure on that residence, or (c) burial or funeral expenses.

Your Supplemental Individual Account can be paid in a single lump sum, rolled over into another plan, or paid as monthly benefits.

For more detail on Supplemental Individual Accounts, please contact the Fund Administrator.

GENERAL PROVISIONS

The benefits described in this SPD are a general explanation of the **Plan's** benefits. The benefits are described in greater detail in the **Plan** document.

This SPD applies to those who work in **covered employment** after 2017. If you left **covered employment** before 2018, the provisions of a prior booklet may apply to you.

The Trustees reserve the right to make all decisions with regard to a person's eligibility, participation, and benefit amounts, and reserve the right to amend, modify or terminate the Plan at any time for any reason.

THIS BOOKLET HAS PRESENTED A SIMPLE DESCRIPTION OF THIS PLAN. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THIS BOOKLET AND THE ACTUAL PROVISIONS OF THE PLAN, THE ACTUAL PROVISIONS OF THE PLAN WILL GOVERN.

THIS BOOKLET IS ONLY A BRIEF AND VERY GENERAL STATEMENT OF THE MOST IMPORTANT PROVISIONS OF THE PLAN. THIS GENERAL STATEMENT DOES NOT ADEQUATELY REFLECT ALL OF THE DETAILS OF THE PLAN. NOTHING IN THIS STATEMENT IS INTENDED TO INTERPRET, EXTEND OR CHANGE IN ANY WAY THE PROVISIONS OF THE PLAN ITSELF. THEREFORE, YOUR RIGHTS CAN ONLY BE DETERMINED BY CONSULTING THE PLAN. YOU MAY INSPECT A COPY OF THE PLAN AT THE FUND ADMINISTRATOR'S OFFICE DURING BUSINESS HOURS.