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# CARPENTERS
# LOCAL UNION NO. 345
# PENSION PLAN

## TO ALL PARTICIPANTS:

The Carpenters Local Union No. 345 Pension 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. There have been many changes in the **plan** since the last booklet was distributed. Accordingly, we are providing you with an updated Summary Plan Description. The benefits in this booklet apply to persons who terminate **covered employment** on or after January 1, 2016 and who are entitled to benefits after that date. If you terminated before that date, you may need an earlier booklet.

This Summary Plan Description summarizes your benefits, rights and duties according to the **plan**. The Employee Retirement Income Security Act of 1974 as amended (ERISA), and the Internal Revenue Code establish rules regarding pension plans, and we have updated this booklet based on the most recent changes required by law, as well as changes adopted by the Trustees. The **plan** is governed by a Plan Document, and we've tried to describe the benefits here just as they are written in that document. However, **if there is any difference between the terms of this booklet and those of the Plan Document, the Plan Document provisions will control**. Also, this description generally includes the most recent changes to the **plan**. If you terminated **covered employment** before January 1, 2016, you should refer to prior **plan** provisions to determine your eligibility for benefits and the amount of those benefits. Unless otherwise stated in this booklet, the amount of your pension benefits will be subject to the terms of the **plan** that were in effect when you last worked in **covered employment**. Upon your death, it is important that your spouse or other family members contact the Administrative Manager's office to see what death benefits, if any, are available.

The Board of Trustees is made up of an equal number of Labor and Management representatives, and is assisted by professional advisors to make sure that the **plan** is always consistent with our objective to provide the best benefits possible according to the **plan's** resources.

Keep this booklet in a safe place for quick reference after you've read it. Of course, if you have any questions about your eligibility or the benefits to which you're entitled, please contact the Administrative Manager's office. And, **be sure to keep the plan up to date on your beneficiary designations and current address, in order to receive all required communications.**

Sincerely,
**BOARD OF TRUSTEES**

## IMPORTANT INFORMATION ABOUT THE PLAN

1. **Name of Plan**. This **plan** is known as the Carpenters Local Union No. 345 Pension Plan. It is a defined benefit pension plan.

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. The daily administration is handled by Mrs. Brandy Goolsby, whose address and telephone number appear on the inside front cover of this booklet. She is the **Administrative Manager**. The names and addresses of the Trustees (as of January 1, 2016) also appear on the inside front cover of this booklet.

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 are 62-6112262, and 001, respectively. If you want to write to the IRS or the Department of Labor about the **plan**, you must use these numbers.

5. **Agent for Service of Legal Process.** The Administrative Manager 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 the Administrative Manager or upon any individual Trustee at the address of the Administrative office.

6. **Collective Bargaining Agreements.** This **plan** is maintained pursuant to collective bargaining agreements between various **employers** and Local Union No. 345 of the United Brotherhood of Carpenters and Joiners of America of Memphis, Tennessee. A copy of the collective bargaining agreement is available for review by **participants** without charge at the Union Hall or at the Administrative Office during normal business hours. However, a reasonable charge may be made for copies. A copy of the collective bargaining agreement can be made available for examination at a work site if at least 50 **participants** are employed there. If you wish to examine the bargaining agreement at a work site where at least 50 **participants** work, contact the Administrative Office. The bargaining agreement will be made available within 10 days. (This procedure also applies to **plan** documents and to copies of documents filed with the Department of Labor.)

7. **Source of Contributions.** The benefits described in this Summary Plan Description 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 agreements.

8. **Organizations Accumulating Fund Assets.** The **plan's** assets and reserves are invested by the Board of Trustees, who hire professional investment advisors for this purpose.

9. **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.

10. **Eligibility.** The **plan's** requirements regarding eligibility, as well as circumstances that may result in disqualification, ineligibility, or denial or loss of any benefits are fully described on pages 10-13.

**NOTE – The Board of Trustees has discretionary authority to determine eligibility for benefits and the amount of benefits, and to use its discretionary authority to interpret the plan. Benefits under the plan will be paid only if the Board of Trustees decides, in its sole discretion, that the applicant for the benefits is entitled to them under the terms of the plan.**

## SOME IMPORTANT DEFINITIONS

This Summary Plan Description uses terms that have specific meaning; these terms are printed in **bold**. The following are definitions of those terms. The actual text of the **plan** includes these and other definitions in greater detail.

**Annuity starting date** - This is the date your pension is scheduled to begin. Even if you don't receive your first payment until a later date, your **annuity starting date** is the date as of which the payment should have started. That date is the first day of the month following the later of:

(a) 2 weeks after the Administrative Manager receives your signed application for a pension; or

(b) 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.)

> Example #1 - Suppose you want to retire on June 1. The Administrative Manager receives your application on May 7. According to federal law, you must have at least one full month (30 days) in which to consider the payment forms before your payments begin. Therefore, your **annuity starting date** must be July 1, unless you and your **spouse** agree in writing to reduce that 30-day period (to no less than 7 days) and have your pension start on June 1.

**Benefit accrual service** - Credit earned for work in **covered employment** recognized by the **plan,**. It is primarily used for determining the amount of your pension earned through 1997.

**Break in service** - . A **break in service** can be either a "**one year break in service**", or a "**permanent break in service**". You incur a **one year break in service** if you work less than 350 **hours of service** in a **plan year**. A **permanent break in service** is discussed later in this booklet.

**Covered employment** – Employment with an **employer** within the carpenter trade or in a job classification covered by a collective bargaining agreement for which contributions are required to be made to the **plan**. **Covered employment** also includes work in the carpenter trade under a reciprocal agreement on account of which contributions are required to be made to the **plan** and employment by the **union** or the Trustees. For any employment before the **plan** began, "**covered employment**" means employment in work covered by a collective bargaining agreement which would have resulted in contributions to the **plan** if contributions were required at that time. If you are in "continuous employment", you are considered to be working in **covered employment**. "Continuous employment" means employment which is not **covered employment**, but which is not separated by a quit, discharge or other termination of employment, and which is with the same **employer**. You will receive **eligibility service** for "continuous employment", but not **benefit accrual service**.

**Credited service** – Includes both **benefit accrual service** and **eligibility service**.

**Eligibility service** - Credit earned by work in **covered employment** recognized by the **plan** toward eligibility for your pension.

**Early retirement date** - The earlier of:

(A) the first day of any month after you reach age 55 and after you have completed at least 5 years of **eligibility service** (10 years if you had no service after 1997); or

(B) the date on which your age plus your **years of service** total at least 85 ("**Rule of 85**") provided:

  (1) you are least age 55; and
  (2) the date is not before January 1, 2000; and
  (3) you either (i) completed at 350 hours in **covered employment** in 1999; or (ii) returned to **covered employment** after 1999 without a **permanent break in service** and earn **benefit accrual service** in an amount at least as much as you longest **break in service**.

> Example #2 – Suppose you have worked consistently in **covered employment** and have 32 **years of service**, and suppose you are age 55. Your age and service total at least 85, so you meet the "**Rule of 85**".

**Employee** - If the **employer** you work for is required to make contributions to the **plan** on your behalf, you are considered an **employee**. **Employee** includes employees of the **union** and the Trustees. The term **employee** does not include partners or self-employed persons, no matter how designated.

**Employer** - If the person or entity you work for is required to make contributions to the **plan** on your behalf, that person or entity is considered an **employer**.

**Hour of service** - All hours for which you are paid directly or indirectly, including vacation, sick leave, holidays, etc.

**Hour of work** – An **hour of service** for which a contribution is required to be made to the **plan**.

**Normal retirement age** - The date you reach age 65 or, if later, your age on the 5th anniversary of your uninterrupted participation in the **plan** (or the 10th anniversary of your 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 **break in service**. In all cases, participation before a **permanent break in service** is disregarded.

**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**.

**Plan** - The Carpenters Local Union No. 345 Pension Plan.

**Plan year** - The 12-month period beginning on January 1 and ending on December 31.

**Spouse** - that person who is legally married to you under the laws of any state. A **spouse** includes a person of the opposite or same sex, provided you are lawfully married under state law.

**Union** - Local Union No. 345 of the United Brotherhood of Carpenters and Joiners of America of Memphis, Tennessee.

**Vesting** - The accumulation of sufficient **eligibility service** to earn a non-forfeitable right to a pension.

**Year of service** – For purposes of **vesting** and participation, any **plan year** during which you work at least 1,000 **hours of service**.

## YOUR PARTICIPATION IN THE PLAN

### Who is Eligible to Participate in the Plan

Any person who is working in **covered employment** under the terms of a collective bargaining agreement or other agreement requiring contributions to the **plan** is eligible to participate. Also included in the **plan** are **employees** of the **union** or of the Trustees.

Only **employees** of contributing **employers** who work under collective bargaining agreements with Local Union 345 are eligible for coverage under the **plan**. The **plan** does not cover any owner-operator, partner, independent contractor or self-employed person; these persons are prohibited by law from participating in the **plan** and contributions can not be made for them.

### When You Become a Participant

You will become a **participant** in the **plan** on the January1 or July I following completion of a 12 consecutive month period in which you accumulate at least 1,000 **hours of service** in **covered employment**. If you don't work 1,000 **hours of service** during the initial 12-month period, you will become a **participant** on the January 1 after you work at least 1,000 **hours of service** in a **plan year**.

| |
|---|
| Example #3 – Suppose you began working in **covered employment** on March 1, 2012, and you have 1,000 **hours of service** by February 28, 2013. You become a **participant** on July 1, 2013. |

Retired or terminated vested employees and beneficiaries receiving or entitled to receive benefits from the **plan** are also considered **participants**.

### Maintaining Your Participation

Once you meet the initial participation requirements, you will continue to be a **participant** as long as you earn at least 350 **hours of service** in a **plan year**.

### How Your Participation can be Terminated

(a) Before January 1, 1976, your participation in the **plan** terminated if you were not vested and you did not earn at least one quarter of a year of **benefit accrual service** in a period of two consecutive calendar years. You cannot be vested before June 1, 1972.

(b) Beginning January 1, 1976, your participation in the **plan** will terminate on the last day of the **plan year** in which you incur a **break in service** (see page 11 of this booklet), unless you are receiving pension benefits or you are vested in your accrued benefit (other than for disability).

**How Your Participation can be Reinstated**

Your participation will be reinstated retroactively to your most recent date of reemployment when you work 1,000 **hours of service** in **covered employment** during a calendar year. However, if you suffer a **permanent break in service**, you will have to meet the initial participation rules described above.

## BENEFIT ACCRUAL SERVICE

Your years of **benefit accrual service** determine the amount of your pension benefit earned through December 31, 1997. **Benefit accrual service** is earned according to your **hours of work**. In addition, **benefit accrual service** is granted for **covered employment** before the effective date of the **plan**.

**Benefit accrual service** is determined in two ways, depending on whether it was before or is after the date when **employer** contributions were first required for an **employee's** work under the jurisdiction of a participating local union.

**(a) Benefit accrual service before September 1, 1972:** You are eligible to receive past **benefit accrual service** for the years you worked in the trade in the jurisdiction of the **union** before September 1, 1972 up to a maximum of 15 years of past **benefit accrual service** (to the nearest 1/4 year of credit), provided you have one full year of future **benefit accrual service** before January 1, 1980.

You will receive one year of past **benefit accrual service** for each calendar year before September 1, 1972 in which you were continuously a member of the **union**. For any calendar year that you were not a member of the **union** for a full year, you will receive 1/4 year of past **benefit accrual service** for each 3 full calendar months.

**(b) Benefit accrual service after August 31, 1972 and before January 1, 1976:**
The following table shows the fraction of a year of **benefit accrual service** you may earn based on your **hours of work**:

| **Hours of Work** During the Calendar Year | Years of **Benefit Accrual Service** |
|---|---|
| 1,400 or more | 1 year |
| 1,050 – 1,399 | ¾ year |
| 700 – 1,049 | ½ year |
| 350 - 699 | ¼ year |
| Less than 350 | 0 |

(c) **Benefit accrual service on and after January 1, 1976:**
You will earn **benefit accrual service** based on your **hours of work** according to the following schedule:

| **Hours of Work** During the Calendar Year | Years of **Benefit Accrual Service** |
|---|---|
| 1,400 or more | 1.0 year |
| 1,260 – 1,399 | 0.9 year |
| 1,120 – 1,259 | 0.8 year |
| 980 – 1,119 | 0.7 year |
| 840 - 979 | 0.6 year |
| 700 - 839 | 0.5 year |
| 560 - 699 | 0.4 year |
| 350 - 559 | 0.3 year |
| Less than 350 | 0 |

Example #4 – Suppose you had the following **hours of work**. The table shows your years of **benefit accrual service**:

| Year | Hours | **Benefit accrual service** |
|---|---|---|
| 1 | 1,650 | 1.0 |
| 2 | 1,422 | 1.0 |
| 3 | 1,099 | 0.7 |
| 4 | 752 | 0.5 |
| Total | | 3.2 |

## ELIGIBILITY SERVICE

Your years of **eligibility service** determine when you will be eligible for benefits.

(a) **Eligibility service before September 1, 1972.**
**Eligibility service** is determined in the same way as **benefit accrual service** before September 1, 1972.

(b) **Eligibility service after August 31, 1972 and before January 1, 1976.**
**Eligibility service** is determined in the same way as **benefit accrual service** after August 31, 1972 and before January 1, 1976.

(c) **Eligibility service on and after January 1, 1976.**
**Eligibility service** is determined in accordance with the following schedule:

| **Hours of Work** During the Calendar Year | Years of **Benefit Accrual Service** |
|---|---|
| 1,000 or more | 1 year |
| 700 – 999 | ½ year |
| 350 - 699 | ¼ year |
| Less than 350 | 0 |

(d) If you work for a contributing **employer** in a job not covered by this **plan** and such employment is continuous with your employment with the same **employer** in **covered employment**, your hours in such non-covered service after August 31, 1972 will be credited as **eligibility service**, provided you are a **participant** on or after January 1, 1976.

## VESTING

You will become 100% vested, depending on when you last work in **covered employment**, as described below. This means you have earned the right to a pension from this **plan**, and none of the **break in service** rules can deprive you of the **eligibility service** and **benefit accrual service** you have earned.

If you stopped working in **covered employment** on or before August 31, 1974, you will be vested if you have earned at least 15 years of **benefit accrual service** (at least one of which was for work after 1972).

If you stopped working in **covered employment** on or after September 1, 1974, you will be vested if you have earned at least 10 years of **eligibility service** (at least one of which was for work after 1972).

If you stopped working in **covered employment** on or after January 1, 1998, you will be vested if you have earned at least 5 years of **eligibility service** (at least one of which was for work after 1972). Note: Any **eligibility service** that you lost because of a **permanent break in service** (described below) will NOT be reinstated if you return to work on or after January 1, 1998.

Regardless of the rules described above, you will become 100% vested if you continue in **covered employment** until your attainment of **normal retirement age**.

## HOW YOU CAN LOSE YOUR SERVICE

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

**Break in service Before January 1, 1976**

During this period, you will suffer a **break in service** and any **eligibility service** and **benefit accrual service** you accumulated will be cancelled if you are not vested and you fail to earn at least 1/4 year of **credited service** during a two (2) consecutive calendar year period.

**Break in service on or after January 1, 1976**

A one year **break in service** will occur if you fail to earn at least 350 **hours of service** during a **plan year**. Any accumulated **eligibility service** and **benefit accrual service** will then be cancelled. The effect of this **break in service** is eliminated if, before incurring a **permanent break in service**, you subsequently earn a year of **eligibility service**. The **eligibility service** and **benefit accrual service** that was cancelled by the one year **break in service** will then be restored to you. However, a **break in service** can result in a **permanent Break in Service**. This will happen if you have as many consecutive **one year breaks in service** (at least one of which occurs after January 1, 1976) as you have years of **eligibility service**.

On and after January 1, 1986, you will have a **permanent break-in service** if you have less than 5 years of **eligibility service** and you incur 5 or more consecutive **one year breaks in service**. If you have 5 years but less than 10 years of **eligibility service**, you will have a **permanent break in service** if your consecutive **one year breaks in service** equal your years of **eligibility service**.

If you have a **permanent break in service**, your previous years of **eligibility service** and **benefit accrual service** will be cancelled as will your participation in the **plan**.

**Important** - **Break in service** years are not added together unless they are consecutive (i.e., come one right after one another), without interruption by years in which you work 350 hours or more in **covered employment**.

Example #5 – Suppose you have 3 years of **eligibility service** (all after 1985) and then stop working. You return to work after 6 years away. You have incurred a **permanent break in service**, your previous 3 years are lost, and you are starting over in the **plan**.

Example #6 – Suppose you have 3 years of **eligibility service** (all after 1985) and then stop working. You return to work after 4 years away and earn 1 year of **eligibility service**. You have avoided a **permanent break in service**, your 3 years of **eligibility service** are restored, and your newly earned **eligibility service** gives you a total of 4 years.

**Exceptions to break in service**

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** for any of the following reasons:

(a) absence due to service in the Armed Forces of the United States, if you return to work in Covered

Employment within the time period as your reemployment rights are guaranteed by federal law;

(b) absence due to a total and permanent disability (as defined on page 17);

(c) absence due to employment as a full-time elected or appointed official or employee of the **union**;

(d) absence due to an authorized leave of absence (after 1985) 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 which will be applied to the **plan 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 **plan year**. However, you will not earn **eligibility service** or **benefit accrual service** during your absence.

If you are in any of the above categories, you should contact the Administrative Manager and find out how your absence might affect your **eligibility service** and **benefit accrual service**.

## THE PENSIONS

There are several types of pensions payable from the **plan**: a Normal Pension, an Early Retirement Pension, a Vested Deferred Pension, and a Disability Pension. The type of pension you qualify for depends on your age, accumulated **eligibility service**, and your status as a **participant** in the **plan** when you retire.

## NORMAL PENSION

### When you are eligible for a Normal Pension

You are eligible to retire on a Normal Pension when you reach your **normal retirement age** (see “Definitions”).

### Amount of your Normal Pension

The amount of your monthly pension will be based upon the benefit level in effect when you retire or terminate your employment, if earlier. The benefit amount equals

(a) the number of years of **benefit accrual service** which you have earned through December 31, 1997, times the dollar amount shown in the following table, plus

(b) a percentage (as shown in the following table) of the **employer** contributions made to the **plan** on your behalf since January 1, 1998:

| If you leave **covered employment** following 350 or more **hours of work** in **covered employment** after | Dollar amount for each year of **benefit accrual service** before 1998 | Percentage of **employer** contributions on your behalf after 1997 |
|---|---|---|
| December 1, 1973 | $ 5.50 | 0.00% |
| June 1, 1976 | $ 6.40 | 0.00% |
| January 1, 1977 | $ 8.50 | 0.00% |
| May 1, 1978 | $ 9.50 | 0.00% |
| May 1, 1979 | $10.50 | 0.00% |
| November 1, 1979 | $14.00 | 0.00% |
| May 1, 1980 | $15.00 | 0.00% |
| November 1, 1980 | $16.00 | 0.00% |
| May 1, 1981 | $19.00 | 0.00% |
| November 1, 1981 | $21.30 | 0.00% |
| May 1, 1982 | $23.60 | 0.00% |
| November 1, 1982 | $25.00 | 0.00% |
| November 1, 1983 | $26.00 | 0.00% |
| November 1, 1987 (eff. May 1, 1988) | $28.60 | 0.00% |
| November 1, 1988 | $35.75 | 0.00% |
| January 1, 1990 | $53.75 | 0.00% |
| January 1, 1991 | $59.15 | 0.00% |
| January 1, 1998 | $59.15 | 2.50% |
| January 1, 2002<a> | $64.00 | 2.50% |
| January 1, 2008<a> | $74.00 | 2.50% |
| May 1, 2011 | $74.00 | 2.50% <b> |
| January 1, 2012 | $74.00 | 2.25%<b> |
| January 1, 2014 | $74.00 | 2.00%<b> |

Note <a>: Applies only if this was your first retirement.
Note <b>: **Employer** contributions less 15 cents per hour and less any increases in the contribution rate after May 2011, times:

(a) 2.50% for **hours of work** before 2012;
(b) 2.25% for **hours of work** after 2011 and before 2014;
(c) 2.00% for **hours of work** after 2013.

For retirements before 1990, a maximum of 30 years of **benefit accrual service** was allowed.

If you leave **covered employment** for at least one (1) year and subsequently return to **covered employment** (without a **permanent break in service**), your pension will be the sum of the following:

(a) years of **benefit accrual service**, and contributions, earned before your termination, multiplied by the benefit level in effect when you terminated; plus
(b) years of **benefit accrual service**, and contributions, earned after your return to **covered employment**, multiplied by the benefit level in effect when you retire.

However, if you retire on or after January 1, 1983, this provision will not apply to you if you return to **covered**

**employment** (without a **permanent break in service**), and if you earn **benefit accrual service** in an amount equal to or greater than the period in which you were not working in **covered employment**. In that event, all of your years of **benefit accrual service** will be determined at the rate in effect when you retire (or terminate again, if earlier).

> Example #7 - Suppose you have worked continuously in **covered employment** and want to retire at age 65 on March 1, 2019. Suppose you had 5 years of **benefit accrual service** before 1998. Suppose that **employer** contributions (per Note <b> on page 14) on your behalf after 1997 were $124,000 ($78,000 before 2012, $12,000 for 2012 and 2013, and $34,000 after 2013). Your monthly Normal Pension would be:
> (a) 5 years of **benefit accrual service** earned before 1998, times $74.00, or $370.00, plus
> (b) $78,000 **employer** contributions after 1997 and before 2012, times 2.50%, or $1,950.00,
> (c) $12,000 **employer** contributions in 2012 and 2013, times 2.25%, or $270.00, plus
> (d) $34,000 **employer** contributions after 2013, times 2.00%, or $680.00,
> (e) for a total of $3,270.00.
>
> (Note: This is the amount which will be paid as a Single Life Pension. If paid in any other form, such as a Joint and Survivor Pension, it will be less.)

## EARLY RETIREMENT PENSION

### Eligibility for an Early Retirement Pension

You are eligible to retire on an Early Retirement Pension when you reach your **early retirement date**.

### Amount of your Early Retirement Pension

The monthly amount of your Early Retirement Pension is lower than the amount which would otherwise be paid to you if you retired 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 1/2 of 1% (1/4 of 1% for that part of your benefit earned before 2014, provided you did not have a Break in Service before 1996) for each full month you are younger than your **normal retirement age** as of your **annuity starting date**.

However, if you meet the "**Rule of 85**" (see the definition of **early retirement date**), there is no reduction.

Example #8 - Suppose you have worked continuously in **covered employment** and want to retire at age 55 on July 1, 2019. Suppose you had 2 years of **benefit accrual service** before 1998. Suppose that **employer** contributions (per Note <b> on page 14) on your behalf after 1997 were $119,000 ($71,000 before 2012, $11,000 for 2012 and 2013, and $37,000 after 2013). Your Early Retirement Pension amount is calculated as follows:

(a) The Normal Pension you would have received at age 65 is:

(1) 2 years of **benefit accrual service** earned before 1998, times $74.00, or $148.00, plus

(2) $71,000 **employer** contributions after 1997 and before 2012, times 2.50%, or $1,775.00, plus

(3) $11,000 **employer** contributions in 2012 and 2013, times 2.25%, or $247.50, plus

(4) $37,000 **employer** contribution after 2013, times 2.00%, or $740.00,

(5) for a total of $2,910.50.

(b) The sum of items (1), (2), and (3) above is your benefit earned before 2014. These total $2,170.50. You earned $740.00 after 2013. Assuming you did not have a **break in service** before 1996, you would have a reduction of ¼ of 1% on the benefit earned before 2014, and ½ of 1% on the benefit earned after 2013, for each month you were younger than age 65. You are retiring 120 months early. The reduction on the benefit earned before 2014 is ¼ of 1% times 120, or 30%. The reduction on the benefit earned after 2013 is ½ of 1% times 120, or 60%.

(c) Your Early Retirement Pension would be

| | |
|---|---|
| $2,910.50 | (Normal Pension) |
| - 651.15 | (30.0% of $2,170.50) |
| - 444.00 | (60.0% of $740.00) |
| ------------ | |
| $1,815.35 | Early Retirement Pension |

(Note: This is the amount which will be paid as a Single Life Pension. If paid in any other form, such as a Joint and Survivor Pension, it will be less.)

Example #9 - Suppose you have worked continuously in **covered employment** and want to retire at age 60 on July 1, 2021. Suppose you had 5 years of **benefit accrual service** before 1998, and 30 years of **eligibility service**. Suppose that **employer** contributions (per Note <b> on page 14) on your behalf after 1997 were $129,000 ($68,000 before 2012, $12,000 for 2012 and 2013, and $49,000 after 2013). Your Early Retirement Pension amount is calculated as follows:

(a) The Normal Pension you would have received at age 65 is:

(1) 5 years of **benefit accrual service** earned before 1998, times $74.00, or $370.00, plus

(2) $68,000 **employer** contributions after 1997 and before 2012, times 2.50%, or $1,700.00, plus
(3) $12,000 **employer** contributions in 2012 and 2013, times 2.25%, or $270.00, plus
(4) $49,000 **employer** contribution after 2013, times 2.00%, or $980.00,
(5) for a total of $3,320.00.

(b) Since your age (60) and your **eligibility service** (30) add to at least 85 (and assuming you meet the other conditions), you meet the "**Rule of 85**". Your Early Retirement Pension is the same as your Normal Pension, or $3,320.00 per month.

(Note: This is the amount which will be paid as a Single Life Pension. If paid in any other form, such as a Joint and Survivor Pension, it will be less.)

## VESTED DEFERRED PENSION

### Eligibility for a Vested Deferred Pension

If you leave **covered employment** and are vested, you are eligible for a Vested Deferred Pension starting at your **normal retirement age**, or a reduced Vested Deferred Pension starting at your **early retirement date**.

### 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 **annuity starting date**. The pension amount is frozen at the level payable by the **plan** on the date you terminated work in **covered employment**.

## DISABILITY PENSION

### Eligibility for a Disability Pension

You are eligible to retire on a Disability Pension if you:

(a) have earned at least 5 years of Eligibility Service (10 years if you were disabled before June 2001), with at least one year earned after 1972;
(b) become totally and permanently disabled by bodily injury or disease, which did not occur as a result of your being engaged in a felony for which you are convicted, and such disability was incurred before January 1, 2014;
(c) are entitled to Social Security Disability Benefits; and
(d) file an application for a Disability Pension

(which is later approved by the Board of Trustees).

Note that you are NOT eligible for a Disability Pension if you became disabled on or after January 1, 2014.

**Proof of Total and Permanent Disability**

You must submit written evidence that you are entitled to Social Security Disability benefits. You may also be required to submit to an examination by a physician(s), selected by the Trustees, not more than once every six months, to determine that you continue to be disabled. The Trustees have the right to withhold any benefits if you refuse to submit to an examination.

**Amount of Disability Pension**

The amount of your Disability Pension will be the same as a Normal Retirement Pension, which you would have received at age 65, based on the years of **benefit accrual service** earned before 1998 and **employer** contributions made after 1997, you accumulated up to the date you became disabled.

**When your Disability Pension Begins**

When you receive notice of your Social Security Disability Award, you must submit a copy to the Administrative Manager's office. Your Disability Pension benefits will then begin as of the first day of the month after you submit a copy of the Award and will include payments from the first of the month after your date of disability (as determined by Social Security).

However, if you are eligible, you may apply for Early Retirement Pension benefits and receive benefits until your Disability Pension benefits begin, provided:

(a) You file an application for Early Retirement Pension benefits provided you have met the age and service requirements and your application is submitted on a timely basis;
(b) You file an application for Social Security Disability benefits; and
(c) You submit a copy of the notice of a Social Security Disability Award to the Board of Trustees when you receive it.

Your Disability Pension benefits will then begin as of the first day of the month after you submit a copy of the Award notice.

**Form of Disability Pension**

Before Age 55 - If you retire on a Disability Pension before you reach age 55, your benefit will be paid in the form of a Single Life Pension. However, if you die while receiving Disability Pension benefits before reaching age 55, your surviving **spouse** will be entitled to receive the Pre-retirement Spouse Pension (see page 23).

If you are still disabled at age 55, you will be offered the opportunity to elect to receive your benefit in the form of a Joint and Survivor Pension, if you are married. If you are not married or if you and your **spouse** jointly reject the Joint and Survivor Pension, you may elect to receive your benefit in one of the optional forms of payment described in this booklet. Your benefit will then be reduced for your selected form of payment.

After Age 55 - If you are at least age 55 when you begin receiving a Disability Pension and you are married, your Pension will be paid in the form of a Joint and Survivor Pension unless you and your **spouse** jointly reject it in favor of the Single Life Pension or one of the optional forms of payment described in this booklet. If you are not married, your Pension will be paid in the form of a Single Life Pension, unless you choose one of the optional forms of payment described in this booklet.

**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 have met the age and service requirements for a pension; OR, you can return to **covered employment** and resume the accrual of **eligibility service** and **benefit accrual service**. If you come back to work and retire later, all of your **benefit accrual service** will be taken into account.

## HOW YOUR PENSION IS PAID TO YOU

The Plan offers several types of pensions as previously described in this booklet. The Plan also offers different forms of payment of those pensions. The standard form of payment is the **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** jointly reject the Joint and Survivor Pension, your benefits will be paid in the Single Life Pension form, or, depending on the type of pension you are eligible for, you may elect one of the optional forms of payment.

## THE 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 **Joint and Survivor Pension**, unless BOTH you and your **spouse** decide jointly to reject it in favor of another form of payment. This pension form provides a lifetime monthly pension for you, plus a lifetime pension for your **spouse** (if your **spouse** survives you). The monthly amount of this pension payable to your **spouse** if you die is one half of whatever monthly amount you were receiving just before your death. These payments will continue for the rest of your **spouse's** life.

Even though you can elect the Joint and Survivor Pension when you retire, if you die after your **annuity starting date** but before you've 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** jointly reject the Joint and Survivor Pension, your **spouse** will receive no benefit from the **plan** upon your death, unless your **spouse** is eligible for one of the optional forms of benefits (see pages 22-23) under this **plan**.

### Reduction for the Joint and Survivor Pension

Because the **plan** offers a lifetime pension to you and your **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, Vested Deferred, or Disability) will be reduced to reflect the possible additional payments. The Administrative Manager can calculate the reduction for you, based on your age and the age of your **spouse**.

Example #10 - -Suppose you have worked continuously in **covered employment** and want to retire at age 62 on October 1, 2020, and you meet the "**Rule of 85**". Suppose your Early Retirement Pension amount is $1,880.00, and that your **spouse** is age 60. Your Joint and 50% Survivor pension amount would be $1,686.80. You would receive $1,686.80 per month for the rest of your lifetime. If you die before your **spouse** (the **spouse** that you were married to when you retired), she would then receive $843.40 (50% of $1,686.80). She would receive this $843.40 amount each month for the rest of her lifetime.

### The "Pop Up" Feature

If you retire on or after August 1, 1982 and if your **spouse** dies within the first 24 months after your retirement, your pension will be recalculated on the basis that the Single Life Pension had been selected. The revised benefit will be payable effective the first month following the month in which your **spouse** dies.

### Election

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

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

If you are not married or are legally separated, you will be asked to confirm any statements to this effect in writing. Your statement must then be witnessed by a notary public.

### Additional Rules

(a) Once you retire and begin receiving pension payments, you cannot change your election to receive or decline the Joint and Survivor Pension.
(b) Monthly pension payments are not increased after payments begin, even if your **spouse** dies before you, unless the Pop Up feature applies.
(c) Payments to your **spouse** are for life. They do not stop even if your **spouse** remarries.
(d) If you remarry after retirement, you <u>cannot</u> change your election to receive or decline the Joint and Survivor option.
(e) If you select the Joint and Survivor option, and then remarry after retirement, the Survivor benefit stays with the **spouse** you were married to at retirement.

## 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 Joint and Survivor Pension, your pension will be paid as a Single Life Pension, unless an optional form of payment is elected. This means that you will receive a monthly pension for YOUR lifetime only. Once you retire and start your pension, you cannot change your election.

## OPTIONAL FORMS OF BENEFIT PAYMENT

When you retire on a Normal, Early, Late, Vested Deferred or Disability (at or after age 55) Pension or when you reach age 55 while receiving a Disability Pension, you may elect an optional form of benefit payment as described below. However, if you are married, your **spouse** must consent in writing to your rejection of the Joint and Survivor Pension and to your election of an optional form. Your **spouse** must consent also to your selection of a beneficiary, if not your **spouse**. To be effective, that consent must be in writing and must be witnessed by a notary public.

### Single Life Pension with Ten Years Certain

You may elect a Single Life Pension with Ten Years Certain. You will receive monthly benefits for your lifetime. If you die before receiving benefits for 10 years (120 months), your beneficiary will receive the monthly benefits you were receiving for the remainder of the 10-year certain period. If you and your beneficiary both die prior to receiving benefits for a total of 10 years, the remaining monthly benefits of the 10-year certain period will be paid in a lump sum, to the estate of the last to survive (you or your beneficiary).

To determine the amount of this benefit, the pension otherwise payable will be multiplied by the factor based on your age at retirement. The Administrative Manager can give you the factor.

### Contingent Annuitant Option

You may elect a Contingent Annuitant Option with a 50%, 75% or 100% survivor benefit. This benefit will provide a reduced benefit payable to you and upon your death, your beneficiary will receive monthly benefits for the remainder of his/her lifetime equal to 50%, 75% or 100% of the benefit you were receiving, whichever you have elected. Your benefit will be reduced in accordance with tables based on your age and the age of your named beneficiary.

**Lump Sum Option**

You may elect to have your monthly benefits reduced by up to 10% of the monthly benefit and receive the value of that reduction in a lump sum when your benefits become payable. The reduction must be an even dollar amount and it must not result in a lump sum payment greater than $3,000 nor less than $500. This option may not be elected if it results in a monthly benefit of less than $20.00. The lump sum will be determined on the basis of your age at retirement. The Administrative Manager can calculate the lump sum for you.

## PRE-RETIREMENT DEATH BENEFITS

### LUMP SUM DEATH BENEFIT

If you die before you retire, your beneficiary may receive a Lump Sum Death Benefit equal to $3,000 ($400 if you were not working in **covered employment** after May 2001) multiplied by each full year of **credited service** and a prorated amount for a partial year of **credited service** you earned, provided:

(a) if you were not vested, that the total number of **one-year breaks in service** from the date of termination of **covered employment** to the date of your death do not exceed the total number of years of **credited service** you have earned, or
(b) you have not begun receiving retirement benefits under the **plan**.

If your beneficiary is your **spouse** and your **spouse** is eligible for the Pre-retirement Surviving Spouse Pension, then your **spouse** may choose either this benefit or the Pre-retirement Surviving Spouse Pension. This benefit will not be paid if you are married and you have designated someone other than your **spouse** as beneficiary, unless your **spouse** has waived her right to the Pre-retirement Surviving Spouse Pension and consented to your beneficiary designation.

### THE PRE-RETIREMENT SURVIVING SPOUSE BENEFIT

If you are a married **participant** and you are vested in a pension payable from this **plan**, your **spouse** may be eligible for a Pre-retirement Surviving Spouse Pension if you die after August 22, 1984, but before your **annuity starting date** (unless both you and your **spouse** have previously rejected this coverage). Also, if you are receiving Disability Pension benefits and you die prior to age 55, your **spouse** may be eligible for the Pre-retirement Surviving Spouse Pension. For this benefit to be payable, you will have to be otherwise eligible for a Pension at the time of your death or receiving Disability Benefits, and you will have to have been married to your current **spouse** for at least one year.

Before Age 55 - Under this form of payment, your **spouse** will begin receiving a monthly benefit as of your earliest possible retirement date (the first day of the month after your 55th birthday) as if you had lived until then and retired. The amount of the benefit will be determined as though you had retired on an Early Retirement Pension with the Joint and Survivor Pension payment form on the day before your death. Your **spouse** will receive 50% of the amount you would have received.

After Age 55 - If you were over age 55 at the time of your death, your **spouse** will receive a monthly benefit beginning on the first day of the month following your death before retirement. 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 in effect on the day before your death, and your **spouse** will receive 50% of the amount you would have received.

If your surviving **spouse** is your beneficiary, she can elect to receive the Lump Sum Death Benefit, if it is payable. In that case, the actuarial present value of the Pre-retirement Surviving Spouse Pension will be reduced (but not below zero) by the amount of the Death Benefit, and any remaining value of the Surviving Spouse Pension will be paid to her.

## RETIREMENT AND SUSPENSION OF PENSION PAYMENTS

### Before Normal Retirement Age

To be considered "retired" before Normal Retirement Age, you must withdraw and refrain from employment, self-employment, or supervisory work in Disqualifying Employment. Disqualifying Employment is work in the same industry, the same trade or craft and the same geographic area covered by the **plan** as when your pension payments began.

### Suspension of your Pension

If, after you retire and begin receiving your monthly pension from this Plan, you return to and are paid for 40 or more hours in any month in Disqualifying Employment, you must notify the Trustees within 21 days after you start work. You will then be required to give up your pension for the months during which you are employed for 40 or more hours. Then, when you retire again, you must notify the Trustees on a form provided by the Administrative Manager's office.

Upon reaching **normal retirement age**, the **plan** will not suspend your benefits if you are working in **covered employment**.

If you have not reached **normal retirement age**, your monthly pension will be suspended for the month(s) in which you worked 40 or more hours in Disqualifying Employment. Your pension will resume no later than the third month after the last month for which your pension was suspended, provided you have notified the Trustees, as described above.

**Pension Payments Following Suspension**

(a) Before **normal retirement age** - When you stop working in Disqualifying Employment, your benefits will resume at the same amount that you were previously receiving. If you received payments for months in which you were working 40 or more hours in Disqualifying Employment, the amount of those payments will be deducted from your pension when it begins again. After age 65, 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 of the overpayments have been reimbursed to the Plan, deductions will he made from the pension payments to your beneficiary, with the same 25% limitation per payment.

If you retire and then return to **covered employment** and earn at least 350 **hours of service** in **covered employment** after January 1, 1988, you will earn additional **benefit accrual** and **eligibility service** according to the rules described in this booklet. The **benefit accrual** and **eligibility service** will be determined as of the end of the **plan year** in which you worked and will be payable as of February 1st following the end of the **plan year**. If your benefits are still suspended at that time, your additional accruals will be payable when your benefit payments resume.

For the purpose of paying a benefit for that additional credit, a new **annuity starting date** will be established for you, and the benefit will be paid to you as a Joint and Survivor Pension, unless it is properly rejected and another payment form is elected.

(b) After **normal retirement age** - If you work beyond your **normal retirement age** or your "Required Beginning Date" (generally age 70 ½), your benefits will be recalculated at the end of each **plan year** to take into account any additional **employer** contributions or **benefit accrual service** you earned during the **plan year** and will be payable as of

February 1st following the end of the **plan year**. The additional benefits earned will be paid in the same form of payment that you elected at retirement.

**Notices**

The Trustees will notify you of any suspension during the first calendar month in which your benefits are withheld. 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.

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

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 (see page 33).

**How your Post-Retirement Work Affects your Pension**

**Early Retirement** - As previously noted, if you retire on an Early Retirement Pension and begin receiving a pension from this **plan**, that pension will be suspended if you return to work in Disqualifying Employment. If you earn additional **employer** contributions or **benefit accrual service** during that period of reemployment before you reach **normal retirement age**, your pension will be recalculated (as a result of those additional contributions or that additional service) and will be payable to you as of the February 1st after the **plan year** in which you earned that service, or the month in which your benefits resume, if later. For the purpose of paying a benefit for that additional service, a new **annuity starting date** will be established for you, and the benefit will be paid to you as a Joint and Survivor Pension unless it is properly rejected and another payment form is elected.

Example #11 - Suppose you retire at age 60 with a pension of $1,686.80 per month, payable as a Joint and 50% Survivor Annuity. Then, you come back to work in Disqualifying Employment. Your pension will be suspended, although you will be eligible to earn **benefit accrual service**, or have your benefit adjusted for additional **employer** contributions, if you work in covered employment. When you retire again at age 63, the Administrative Manager will:

(1) restart your $1,686.80 pension;
(2) determine the additional pension amount based on three additional years of **employer** contributions and **benefit accrual service**;
(3) allow you to make new payment elections and beneficiary designations for the pension amount based on those three years (assume after all payment reductions, including the Joint and Survivor reduction, it is $300.00); and
(4) pay you a "revised" pension of $1,686.80 per month plus $300.00 per month, beginning February 1 after the year you stopped working.

If you and your **spouse** didn't reject the Joint and Survivor payment form when you first retired, and you don't reject it now, your new pension will be $1,986.80 per month, and when you die your **spouse** will receive $993.40 per month. But, if you and your **spouse** reject the Joint and Survivor form after your second retirement for the additional credit, and you elect the Single Life Pension form, you will receive $2,046.80 (assuming the Joint and Survivor payment form took $60.00 from your additional benefit - $360.00 less $60.00 = $300.00) per month. When you die, your **spouse** will receive $843.40 per month ($1,686.80 x 50%).

**Employment After Normal Retirement Age** - If you work in Disqualifying Employment after your **normal retirement age**, you will continue to draw your monthly pension check. However, you will have additional **employer** contributions and earn additional **benefit accrual service** for whatever period of time you work in **covered employment**. But instead of giving you a new **annuity starting date** and payment election, etc. for each period of time you work, your pension will be recalculated with the additional contributions and **benefit accrual service** and added to your pension effective as of the February 1 after the **plan year** in which you earn the additional credit.

Example #12 - Assume you retired at your **normal retirement age** with a pension of $1,686.80 per month (payable as a Joint and 50% Survivor Annuity), but later you return to work in **covered employment**. You will continue to earn benefits. At the end of each **plan year**, the Administrative Manager will figure the additional benefit amount and add that amount to the pension amount you were already receiving (assume it's $100.00, after the reduction for the Joint and 50% Survivor Annuity), payable as of February 1st after the year in which you earn the service.

If you and your spouse did not reject the Joint and Survivor Pension when you first retired, then your "revised" pension will be $1,786.80, and when you die, your **spouse** will receive $893.40 ($1,786.80 x 50%).

# PARTIAL PENSION

A number of pension funds in the Carpenters' Industry have signed reciprocal agreements with each other. By doing this, they have agreed, under certain circumstances, to give an employee credit in one fund for service accumulated under the jurisdiction of another fund. This is termed a Partial Pension. If you wish to obtain information concerning funds who have signed such agreements, you should contact the Administrative Manager's office.

## Eligibility

You are eligible for a Partial Pension, if:

(a) you would be eligible for a Pension under this **plan** if your combined **benefit accrual service** (service earned under this **plan** added to that earned under other plans) were treated as service under this **plan**; and

(b) you have earned at least one year of **benefit accrual service** (or the equivalent) under each of the plans based on employment since January 1, 1955;

(c) you meet the requirements for a Disability Pension in each of the 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 plans which will be paying a Partial Pension; and

(d) at least two (2) plans will be paying a Partial Pension.

## Related Pension Credits

“Pension Credits" means those periods of service during which credit is granted for benefit accrual purposes (known in this **plan** as **benefit accrual service**). 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 plan will be based on the rules in effect at the time you were employed.

## Combined Pension Credit

The **benefit accrual service** 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. In a calendar year, if you have worked under 2 or more 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 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.

### 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**. However, once you leave **covered employment** under this **plan** and all Related plans, the determination as to whether you have incurred a **permanent break in service** will be based solely on the **eligibility service** earned under this **plan**, not upon Total Pension Credit.

### Election of Pension

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

### Amount of Partial Pension

The amount of benefit payable by each plan under which you are entitled to a benefit, will be the amount you accrued under that plan during the period you earned Pension Credit under that plan.

### Benefit Increases

Your benefit from this **plan** will be calculated at the benefit level in effect at the time you last earned **benefit accrual service** under this **plan**.

### Form of Partial Pension

If you are married, your Partial Pension will be paid in the form of a Joint and Survivor Pension, unless you reject it in favor of the Single Life Pension. You are not eligible to elect an optional form of payment under this Plan.

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

## HOW TO APPLY FOR BENEFITS

### Application for a Pension

The first step is to request a pension application from the Administrative Manager at the address shown on the inside front cover of this booklet. Your application must be completed, signed and received by the Administrative Manager **<u>at least two weeks in advance</u>** of your **annuity starting date**.

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

If you are applying for a Disability pension (you must have been disabled prior to January 1, 2014), you will be required to submit evidence of your award of Social Security Disability Benefits. If you send your application before you receive notice of entitlement to a Social Security Disability Benefit, you should indicate that you have applied for a Social Security Disability Benefit.

**Required Beginning Date**

Under federal law, benefit payments must generally begin by April 1 of the calendar year that follows the calendar year you reach age 70 ½ or terminate **covered employment**, whichever occurs later. Please make sure you file an application for your benefits in time to allow the Plan to satisfy that requirement. If you don't, you may be subject to severe tax penalties.

**The First Pension Payment**

Your first pension payment will begin as of your **annuity starting date**, which will be established by the Administrative Manager 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 nevertheless receive retroactive pension payments from your **annuity starting date**.

**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.

**Withholding of Payments**

Benefit payments can be withheld until you provide all of the information needed to process your claim. Benefit payments can also be reduced or withheld if there has been an erroneous overpayment. Benefits may also be reduced or withheld if you return to work in Disqualifying Employment (see page 24).

**May a Pensioner receive more than one type of Pension under the Plan?**

No. The **plan** specifically states that you are entitled to receive only one type of pension (Normal, Early, Vested Deferred or Disability) at a single time. Also, once your benefit payments begin, you may not change the type of pension you have elected, except if you return to work after receiving Disability Pension benefits and later retire, or if you change your pension from an Early Retirement to a Disability Pension as allowed. You may not change the form of payment made to you (Joint and Survivor or Single Life), except with regard to (a) additional benefits earned after your initial retirement, but before your **normal retirement age** (as allowed on page 26), or (b) the Pop-up provision (see page 21).

**How to Designate your Beneficiary**

You can designate a beneficiary or beneficiaries to receive any benefit payable under the **plan** due to your death. Any designation you make must be made on a form provided by the Board of Trustees through the Fund Office and may be changed from time to time without notice to the beneficiary or beneficiaries; provided however, that any designation of a beneficiary other than your **spouse** must be approved, in writing, by your **spouse** prior to such designation becoming 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 on the following order of determination:

(1) your **spouse**; if none, then to

(2) your estate.

**If I owe money, can I sign over my rights to my pension?**

No. The **plan**, in accordance with federal law, has a provision which prohibits you from making an assignment, a pledge, or in any way disposing of your pension payments. This is done for your protection. However, in accordance with a "Qualified Domestic Relations Order", the **plan** may be required by a court to provide benefits to your former **spouse**. **Participants** and beneficiaries can obtain, without charge, a copy of the **plan's** procedures governing qualified domestic relations orders. A request should be sent to the Administrative Office.

**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 the **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 **plan** before you receive it, and you cannot take a deduction for those contributions on your income tax return.

### Application for Death Benefits

Your surviving **spouse** or beneficiary should contact the Administrative Manager to receive instructions regarding application for Death Benefits or the Joint and Survivor benefits.

### Approval or Denial of your Pension

All claims arising under this **plan** must be submitted in writing to the Administrative Manager. 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 Administrative Manager will notify the claimant of the denial within 90 days after receipt of the claim, without regard to whether all the information necessary to make a benefit determination accompanies the filing.

The Administrative Manager 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.

## HOW YOU MAY APPEAL A DENIAL OF BENEFITS

If a 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, the claimant or his representative may make a written request for review to the Trustees. 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.

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**.

## PLAN AMENDMENT AND/OR TERMINATION

The Board of Trustees intends to continue the **plan** described in this booklet indefinitely. Nonetheless, it reserves the right to amend the **plan**.

The **plan** can only be terminated as a result of collective bargaining between Local Union No. 345 and the contributing **employers**. If the **plan** is terminated, you will be vested in your benefit as of the effective date of the termination; the value of the benefits you had earned to the date of termination will be paid to you when you would have been eligible for a pension benefit if the plan had not been terminated.

## PLAN TERMINATION INSURANCE

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) normal and early retirement benefits; (2) disability benefits if you became disabled before the plan became insolvent; and (3) certain benefits for your survivors.

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

For more information about the PBGC and the benefits it guarantees, contact the Administrative Office, or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W., Washington. D.C. 20005-4026, or call (202) 326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-236-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

## PROVISIONS RELATING TO VETERANS' REEMPLOYMENT

### Your Responsibilities

If you go into the uniformed services (as defined below), you have certain rights under the **plan**. To protect these rights, you must leave the geographic jurisdiction of the **union** for service in the uniformed service (as defined below) before your participation ceases, and you must notify your **employer** (or the Administrative Office) before you leave. (The notification requirement is excused by Federal law if you could not give advance notice because of military necessity or if giving the advance notice was impossible or unreasonable.)

You must also apply for work with a contributing **employer** with a certain period of time after you are released from military service under honorable conditions. The time period during which you must apply for work with a contributing **employer** depends on how long you served in the military, as follows:

| If the period of service in the uniformed services: | Applicable deadline: |
|---|---|
| Last less than 31 days | By the beginning of the next regular scheduled work period on a day following completion of the uniformed service, and at least eight hours after the period needed for the participant to return home form the place of that uniformed service |
| Consisted solely of a physical or medical examination to verify fitness | By the beginning of the next regular work period |
| Lasted more than 30 days but less than 181 days | Within 14 days after completion of service in the uniformed services |
| Lasted more than 180 days | Within 90 days after completion of the period of service in the uniformed services |
| Ends while the participant is hospitalized or convalescing from an injury or illness incurred in the uniformed service | After the participant has recovered, but not more than two years after the injury or illness |

You must then notify the Administrative Office in writing no later than 120 days after this deadline for applying for work with a contributing employer. The Administrative Office will request you to provide written documentation about your service in the uniformed services so the Administrative Office can determine the additional service to which you may be entitled under the **plan**.

**The Plan's Responsibilities**

If you have satisfied the requirements for protecting your veterans' reemployment rights, and have provided the Administrative Office with the documentation it requests to verify your military service, you will receive credit for eligibility, vesting and benefits under the **plan**, although benefit service will be limited to a maximum of five years and will be reduced by previous periods of military service. Generally speaking, your benefits will be based on the number of hours you worked in **covered employment** during the 12-month period that immediately preceded your entry into military service.

In the case of a death or disability occurring on or after January 1, 2007, if you die while performing qualified military service (as defined in Section 414(u) of the Internal Revenue Code), your survivors are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the **plan** as if you had resumed and then terminated **covered employment** on account of death.

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

## STATEMENT OF RIGHTS UNDER EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

As a **participant** in the Carpenters Local Union No. 345 Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Security Act of 1974 (ERISA). ERISA provides that all **plan participants** shall be entitled to:

> Examine, without charge, at the Administrative Manager's office and at other specified locations, such as worksites and the Union Hall, all documents governing the Plan, including the **plan**, collective bargaining agreements, and a copy of the latest annual report (Form 5500 series) filed by the **plan** with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
>
> Obtain, upon written request to the Board of Trustees, copies of all documents governing the operation of the **plan**, including collective bargaining agreements, copies of the latest annual report (Form 5500 series) and an updated summary plan description. The Board

of Trustees may make a reasonable charge for the copies.

Receive a summary of the **plan's** annual financial report. The Board of Trustees is required by law to furnish each **participant** with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive a pension at **normal retirement age** and if so, what your benefit would be at **normal retirement age** if you stop working under the **plan** now. If you do not have a right to receive a pension benefit, the statement will tell you how many more years you have to work to get a right to a benefit. This statement must be requested in writing and is not required to be given more than once every 12 months. The **plan** must provide the statement free of charge.

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.

If your claim for a pension benefit is denied or ignored in whole or in part, you have a right to know why this was done, to obtain copies of the documents relating to the decision (without charge) and to appeal any denial, and to have the **plan** review and reconsider your claim, all within certain time schedules.

Under ERISA, there are steps which you can take to enforce the above rights. For instance, if you request a copy of **plan** documents or the latest annual report from the **plan** and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Board of Trustees to provide the materials and pay you up to $110 per day until you receive the materials, unless the materials were not sent to you because of reasons beyond the control of the Board of Trustees.

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

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.

If you have any questions about your **plan**, you should contact the Board of Trustees or the Administrative Office. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Board of Trustees, you should contact the nearest office of the Employee Benefits Security Administration ("EBSA"), U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

**You can telephone the EBSA's toll-free Employee & Employer Hotline at 1-866-444-EBSA (3272), or write to the EBSA's Office of Participant Assistance at the following address: Office of Participant Assistance, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210.**

## GENERAL PROVISIONS

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

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 OFFICE DURING BUSINESS HOURS.**