

THE STEAMFITTERS' INDUSTRY PENSION PLAN

Summary Plan Description



THE STEAMFITTERS' INDUSTRY PENSION PLAN
Enterprise Association of Steamfitters' Local Union 638
United Association of the Plumbing & Pipe Fitting Industry, AFL-CIO

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**OFFICES OF THE STEAMFITTERS' INDUSTRY
PENSION PLAN**

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Employer Trustees

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44 West 28th Street
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PENSION PLAN**

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THE STEAMFITTERS' INDUSTRY PENSION PLAN

SUMMARY PLAN DESCRIPTION

The purpose of this booklet is to provide a summary of the provisions and benefits of The Steamfitters' Industry Pension Plan (the "Plan"). This booklet replaces and supersedes all previously issued booklets and summarizes the benefits in effect as of January 2010. However, the provisions of the Plan govern the payment of all benefits and the full Plan document should be consulted before taking any action. In case of any conflict between the Plan and this Summary Plan Description, the terms of the Plan will control. A copy of the Plan document is available for your inspection and copying at the Fund Office.

INTRODUCTION

The Steamfitters' Industry Pension Plan has been designed to contribute to your financial security when your working career is completed. The Plan offers a range of payment options to give you and your spouse flexibility in choosing the option that best suits your needs.

If you have any questions that are not answered in this booklet, please contact the Pension Department at the Fund Office for more information.

The Trustees of The Steamfitters' Industry Pension Fund

Employee Trustees

John J. Torpey (Co-Chairman)
Robert Bartels, Jr.
Christopher Sheeran

Employer Trustees

Alexander E. Gettler (Co-Chairman)
Kenneth Durr
Michael Russo

**THE STEAMFITTERS' INDUSTRY
PENSION PLAN**

BASIC INFORMATION

Plan Name:

The full, official name of the Plan is "The Steamfitters' Industry Pension Plan," but the Plan is also known as the "Pension Plan" or the Pension Fund.+ In this booklet, the Pension Plan will be called the "Plan."

Name, Address and Telephone Number of the Plan Sponsor and the Plan Administrator:

Board of Trustees
The Steamfitters' Industry Pension Fund
5 Penn Plaza - 21st Floor
New York, New York 10001-1887
(212) 465-8888
E-mail: FundOffice@steamny.com

The Trustees are: Robert Bartels, Jr., Kenneth Durr, Alexander E. Gettler, Michael Russo, Christopher Sheeran, and John J. Torpey.

The Board of Trustees has appointed Kevin J. Driscoll to manage day-to-day Plan operations. He is referred to as the Executive Administrator.+

Employer Identification Number of the Plan Sponsor:

13-6149680

Plan Number:

001

Type of Plan:

Defined Benefit Plan

Plan Year Ends:

December 31

Type of Administration:

Trustee Administration - The Plan is operated and controlled by the Board of Trustees of The Steamfitters' Pension Fund, the plan administrator for the Plan. The Trustees are responsible for interpreting the Plan, amending its provisions when they consider

amendments appropriate, and establishing whatever rules regarding the Plan's operation they think are needed. They have full discretion in performing these and all their administrative and trustee functions.

The Trustees have appointed an Executive Administrator to be responsible for the day-to-day operation of the Plan and have granted him broad discretion to determine eligibility for benefits and interpret Plan language. It is the Executive Administrator who maintains Plan records, arranges for benefit payments to commence and assists each participant in understanding the Plan. If you have any questions about the Plan, the Executive Administrator and the Fund Office staff will be glad to assist you.

This is your Plan. You are encouraged to contact the Executive Administrator or the Fund Office with any questions you may have regarding benefits available to you and/or your beneficiaries.

Name and Address of Trustees:

Employee Trustees

John J. Torpey (Co-Chairman)
Robert Bartels, Jr.
Christopher Sheeran

Enterprise Association
Steamfitters' Local Union 638
32-32 48th Avenue
Long Island City, NY 11101-2416

Employer Trustees

Alexander E. Gettler (Co-Chairman)
Kenneth Durr
Michael Russo

Mechanical Contractors Association
of New York, Inc.
44 West 28th Street
New York, N.Y. 10001-4212

Agent for Service of Legal Process:

Kevin J. Driscoll
Executive Administrator
The Steamfitters' Industry Pension Fund
5 Penn Plaza - 21st Floor
New York, NY 10001-1887
(212) 465-8888

Service of legal process may also be made on any of the Trustees at the addresses listed above.

Collective Bargaining Agreement:

The Plan is maintained pursuant to collective bargaining agreements between the Enterprise Association of Steam, Hot Water, Hydraulic, Sprinkler, Pneumatic Tube, Compressed Air, Ice Machine, Air Conditioning and General Pipe Fitters of New York and Vicinity, AFL-CIO Local Union No. 638 of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada (called the "Union" in this booklet) and the Mechanical Contractors Association of New

York, Inc. and other employers. The United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada will be referred to as the "UA" in this booklet. Participants or beneficiaries may request a copy of the applicable collective bargaining agreements by writing to the Executive Administrator, or they may be examined at the Fund Office or the Union Office.

A complete list of contributing employers and their addresses may be obtained by writing to the Executive Administrator and may be examined at the Fund Office or the Union Office.

Contributions to the Plan:

The total costs and expenses associated with the Plan are paid from the Steamfittersq Industry Pension Fund (the "Fund"). Contributions to the Fund are made in accordance with collective bargaining agreements between the Union and the contributing employers or other agreements with the Union and are generally based on an actuarial calculation of the amount of Plan assets that will be needed to fund Plan benefits.

Funding Medium:

Plan assets are held in the Fund and invested by a corporate trustee and investment managers who are selected by the Trustees. References in this booklet to the "Plan" include the Fund. State Street is the Plan's current corporate trustee.

The Plan's investment managers are: Alliance Bernstein Institutional Investments, Ancora Advisors LLC, Boston Partners Asset Management, LLC; GE Asset Management; ICC Capital Management, Inc. (ICC); INTECH Investment Management LLC (INTECH); J.P. Morgan Investment Management, Inc.; Janus Capital Management, LLC; Loomis, Sayles & Company, LP; PIMCO; StoneRidge Investment Partners, LLC; Trevor, Stewart, Burton & Jacobsen Inc., and The Union Labor Life Insurance Company .

At present, the Plan pays monthly benefits to all pensioners directly out of the Fund. Prior to 2004, the Plan paid the monthly benefits payable to each participant, except for monthly benefits attributable to Disability Pensions, by purchasing a group annuity contract with the Travelers Insurance Company.

PLAN MEMBERSHIP AND YEARS OF SERVICE

When Do I Become A Participant In The Plan?

You are entitled to become a participant in the Plan as of the first day you work in "Covered Employment" (as defined below). There is no waiting period or age requirement to enter the Plan.

You will continue to be a participant in the Plan until you receive all benefits earned under the Plan or you suffer a "Permanent Break in Service" (as defined below) before you become vested.

When Do I Become Vested?

You have a non-forfeitable right to the vested portion of your Plan benefit. You become vested in your Plan benefit if you are credited with at least 5 Years of Service. In addition, regardless of your Years of Service, you will become fully vested upon reaching your Normal Retirement Date. Your Normal Retirement Date is age 65, or if later, your age on the 5th anniversary of your Plan entry date.

If you leave Covered Employment before becoming fully vested, you will lose the right to your Plan benefit. Special rules, called the break in service rules, apply if you later return to Covered Employment. These rules may permit or prevent, depending on your circumstances, your receipt of credit for the Years of Service you earned prior to leaving Covered Employment.

Different rules may apply to determine how you become vested if you have not worked at least one hour in Covered Employment after January 1, 1998.

How Do I Earn a Year of Service?

Generally, you earn a Year of Service by working in "Covered Employment."

"Covered Employment" is employment for which an employer has agreed to contribute to the Plan under a collective bargaining agreement with the Union or, in the case of Union officers and employees of the Steamfitters Industry Educational Fund (the Educational Fund), employment for which contributions are made in accordance with an agreement to do so.

For years 1998 and later, you earn a Year of Service for any calendar year in which you work 250 hours in Covered Employment, regardless of your Union status. For an explanation of how you earn a Year of Service prior to 1998, please refer to **Appendix A**.

For years 2011 and later, if you are in return to work status (meaning that you returned to work in the industry after you had begun receiving pension payments under the Plan), to earn an additional Year of Service for a calendar year you must work 750 hours in Covered Employment in that calendar year. However, this provision requiring 750 hours in Covered Employment to earn a Year of Service applies only to persons who return to work on or after January 1, 2011 and only for purposes of earning Years of Service for 2011 and later years.

In determining whether you have completed a Year of Service, the Plan may count service for which contributions are actually paid to this Plan on your account by another UA pension fund under a reciprocal agreement with this Plan. For this purpose, contributions actually received must equal or exceed the dollar amount of contributions which would have been received if your employment under the reciprocal agreement had been in Covered Employment as a journeyman steamfitter under this Plan. You can earn a Year of Service partly with Covered Employment under this Plan and partly with service under a

reciprocal agreement. For more details, contact the Fund Office.

Credit for Certain Periods of Military Service

Under certain circumstances, the time you spend in military service may also count toward your Years of Service. If you return to Covered Employment from qualifying military service, The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) will generally protect you by requiring that you be provided with the same employment and benefit rights that would have accrued if your leave of absence in qualifying military service had not occurred.

You are eligible for protection under USERRA if you engage in Covered Employment for one hour within the 90 days immediately prior to your military service and you return to Covered Employment within the prescribed timeframe below:

<u>Length of Qualifying Military Service</u>	<u>Reemployment Deadline</u>
Less than 31 days	1 day after discharge (allowing 8 hours for travel)
31 through 180 days	14 days after discharge
More than 180 days	90 days after discharge

You must provide advance notice to the Fund Office, either verbally or in writing, of your need to take leave for military service although you will not be penalized if military necessity prevents you from giving advance notice. Your employer must notify the Executive Administrator within 30 days of the date it reemploys you. Your military service must terminate honorably and you must provide proof of discharge to the Fund Office, including Defense Department Form 214 (often referred to as DD 214).

Upon returning from qualifying military service, for each month you spend in qualifying military service, you will be credited with one twelfth of the total annual hours you worked in the twelve months immediately prior to your entry into qualifying military service. Qualifying military service is service in the United States Armed Forces (the Army, Navy, Air Force, Marines Corps and Coast Guard, including service in their reserves), the National Guard or the Commissioned Corps of the public health service, or any other category designated by the President in time of war or national emergency.

Limited Credit for Periods of Workers' Compensation

If you are injured in Covered Employment during any month in 1996 or later, you will be credited with 1/6 of the hours necessary to earn a Year of Service for each month that you receive Workers' Compensation benefits. You must present adequate documentation to the Fund Office to receive credit. You may not earn more than one Year of Service during your lifetime under this provision. Credit for periods of time in which you receive Workers' Compensation is not available once you retire under the Plan.

BREAK IN SERVICE

What Is A Break in Service?

Any plan year in which you do not earn a Year of Service constitutes a One-Year Break in Service, unless you prove to the Trustees' satisfaction that you did not complete a Year of Service because you were totally disabled or performing qualifying military service (subject to certain requirements).

Also, the first One-Year Break in Service that directly results from a "parenthood event" will be ignored if you prove to the satisfaction of the Trustees the parenthood event and duration of such absence. Only the following events are considered a "parenthood event": the birth of your child, your adoption of a child, the need to care for your child immediately after birth or adoption, or your pregnancy. Remember, this rule can avoid a One-Year Break in Service only in the year of the event or the next year. Also, this rule will only prevent a One-Year Break in Service, it will not cause a year to count as a Year of Service for any other purpose, such as vesting, under the Plan.

What Happens If I Incur A Break in Service?

If you are already vested, a One-Year Break in Service will have no affect on your prior Years of Service.

If you have a One-Year Break in Service before becoming vested, your previously credited Years of Service are canceled. However, this loss may be temporary and your prior Years of Service may be recovered if you return to work in the industry and earn additional Years of Service before your One-Year Break in Service becomes a Permanent Break in Service (as defined below).

What If My Break in Service Is Temporary?

The effect of a One-Year Break in Service is eliminated if you earn a Year of Service before experiencing a Permanent Break in Service. The Years of Service that were canceled by the One-Year Break in Service are then restored to you.

When Does My Break In Service Become Permanent?

If you are not vested (have earned fewer than 5 Years of Service and have not reached your Normal Retirement Date as defined above), you will have a Permanent Break in Service if you have consecutive One-Year Breaks in Service that equal or exceed 5.

For example:

1996 - 1998

You earned 3 Years of Service.

1999 - 2001

You have 3 consecutive One-Year Breaks in Service.

At the end of 2001 you would have 3 Years of Service. Although your consecutive One-Year Breaks in Service (3) equaled your prior Years of Service (3), you did not have 5 consecutive One-Year Breaks in Service, so you have not incurred a Permanent Break in Service.

For example:

1995 - 2000	You earned 6 Years of Service.
2001 - 2007	You incurred 7 consecutive One-Year Breaks in Service.
2008	You earn a Year of Service.

At the end of 2008 you would have 7 Years of Service because you were fully vested before your 7 consecutive One-Year Breaks in Service. Since you were already fully vested, you are not affected by any One-Year Break in Service.

For example:

1997 - 2000	You earned 4 Years of Service.
2001 - 2006	You have 6 consecutive One-Year Breaks in Service.
2007	You earned a Year of Service.

At the end of 2007 you would have 1 Year of Service. Your prior Years of Service would have been permanently forfeited because you had 5 or more consecutive One-Year Breaks in Service.

Different rules applied under the Plan to determine breaks in service prior to January 1, 1987. For a description of the break in service rules in effect prior to January 1, 1987, please refer to **Appendix B**.

Can I Ever Count Service Outside of Covered Employment Under the Plan?

Solely for purposes of avoiding a One-Year Break in Service and achieving vested status, you may count certain non-Covered Employment for a contributing employer which occurs immediately before or after, and for the same employer as, your Covered Employment. For example, if you worked for a contributing employer in a position which was not covered by the collective bargaining agreement immediately before or after you worked for the same employer as a steamfitter in Covered Employment then you may be able to receive credit for the non-Covered Employment. If you think you are entitled to credit for any non-Covered Employment, please contact the Fund Office as soon as possible.

ENTITLEMENT TO BENEFITS

Who Is Entitled to Benefits?

Regular Pension

You are entitled to a full pension if you are vested and at least 60 years old (a Regular Pension+).

Even if you have not completed the 5 Years of Service needed to become vested under the Plan, when you reach your Normal Retirement Date, you will automatically become fully vested and entitled to a benefit under the Plan, based on the Years of Service then credited to you.

Your "Normal Retirement Date" is your 65th birthday or, if later, your age on the 5th anniversary of your Plan entry date. The period of time before a Permanent Break in Service will not count in determining whether you have reached the 5th anniversary of your Plan entry date. In other words, the entry date used to determine your Normal Retirement Date will be after you return from your Permanent Break in Service.

Early Pension

If you are vested with 10 Years of Service, you can elect to receive a reduced pension payable after attaining age 55 (an **Early Pension**). The amount of your Early Pension will be your Regular Pension reduced by $\frac{1}{2}$ of 1% for each whole or fraction of a calendar month that you are younger than the age of 60 at the date you begin receiving your pension.

If you stop working in Covered Employment after you are vested, but before you reach age 55, you will still be entitled to receive a Regular Pension under the Plan at age 60 or an Early Pension at age 55 if you have 10 Years of Service. If you are vested with 5 to 9 Years of Service, you are not eligible for an Early Pension.

In all cases, you generally must begin to receive your benefit by April 1 of the calendar year after the calendar year in which you reach age $70\frac{1}{2}$, even if you remain actively employed in Covered Employment.

What Happens If I Become Disabled?

If, before you reach age 60, you have a vested benefit under the Plan and have been awarded disability benefits from the Social Security Administration, you will qualify for a **Disability Pension** (as described below). You are entitled to a Disability Pension only while you continue to receive Social Security disability benefits, so you must notify the Fund Office if your Social Security disability benefits stop. Your basic Disability Pension will be calculated as though you are age 60 on the effective date of your Social Security disability award. During any time you are receiving a Disability Pension, the Trustees may require you to provide evidence of your continued disability.

The effective date of your Disability Pension will generally be the effective date of your Social Security disability award, but it cannot be more than 1 year before your application date unless you apply for a Disability Pension within 90 days of the date the Social Security Administration makes a final determination with respect to your claim for disability benefits. If you do not file an application timely, you must prove to the Trustees's satisfaction that you could not apply because your disability prevented you from doing so.

What Happens If I Am Denied Social Security Disability Benefits? What Is A Partial Disability?

While the Social Security Administration may acknowledge your disability, you may not qualify for disability benefits under its rules.

If you are denied Social Security disability benefits, you may still be eligible for a Disability Pension from the Plan due to a partial disability, provided that you have a vested benefit under the Plan and you are under the age of 60. To apply for such benefits, you must provide the Trustees with a copy of the certificate you receive from the Social Security Administration (usually called a "Notice of Decision") acknowledging that you are disabled but denying you disability benefits because your disability is partial rather than total and permanent. To be eligible, you must not have any earned income for any period for which you claim disability benefits. You will be required to submit annual federal tax returns and related W-2s to the Trustees. In addition, the Trustees may require you to be examined every six months by a physician appointed by the Trustees.

The effective date of your Disability Pension due to partial disability will generally be the first of the month following the disability date established by the Social Security Administration (or the date you have satisfied all the requirements to become eligible to receive a Disability Pension due to partial disability, if later). In some cases where the Social Security certificate establishing your partial disability is dated January 1, 1998 or later, you may be able to apply retroactively for a Disability Pension due to partial disability.

Please note that the single sum payment option is not available if you apply for a Disability Pension based on partial disability.

Economic Expedient

In some cases, the Social Security Administration takes a long time to make a final determination on a claim for disability benefits. If you are between the ages of 55 and 59 when you become disabled and are vested with at least 10 Years of Service, you may apply for an Early Pension during the delay period as an "economic expedient." The Fund Office will adjust your Early Pension to the full Disability Pension amount if and when the Social Security Administration approves your disability claim. If your disability claim is not approved by the Social Security Administration, your monthly benefit will remain at the amount of the Early Pension and you will be considered retired for all Plan purposes. Please note the single sum payment option is not available if you apply for an Early Pension as an economic expedient.

Conversion to Regular Pension

If you are receiving a Disability Pension, when you reach your Normal Retirement Date, your Disability Pension will be converted to a Regular Pension. At that time, you will be entitled to elect any of the forms of payment available to you for a Regular Pension under the Plan, provided that any Years of Service for which you received a single sum payment will be disregarded in determining the amount of your Regular Pension.

Your Disability Pension is considered an ancillary benefit. Your Disability Pension will cease if and when you recover and are no longer entitled to Social Security disability benefits. In such a case, you may again qualify as an active participant and be eligible to accrue and receive Plan benefits as if you had not retired (except as provided in the paragraph above), based on your Years of Service earned both before your Disability Pension benefits commenced and after your recovery.

BENEFIT FORMULA

The amount of the pension benefit to which you become entitled under the Plan is based on the accrual rate(s) in effect under the Plan when you last worked in Covered Employment prior to your benefit commencement. The present formula, which became effective January 1, 2006, provides a monthly benefit of \$41 per Year of Service for each Year of Service through 1983 and \$100 per Year of Service for each Year of Service during and after 1984.

If the benefit formula increases, you generally must have completed at least one Year of Service during the three calendar years immediately preceding the effective date of the increase in order to receive the benefit increase. For example, to receive the monthly benefit of \$41 and/or \$100 per Year of Service, you generally must have completed at least one Year of Service during 2003 through 2005. Other special rules apply, please contact the Fund Office if you have any questions.

Keep in mind that the amount you actually receive each month will be reduced to account for certain early payments and/or for the joint and survivor payment options, as described in the following pages.

PAYMENT OPTIONS

Small Pensions

If, at the time your benefit becomes payable to you or, in the case of your death to your beneficiary, the total value (determined using actuarial assumptions provided under the Plan) of your Plan benefit is \$1,000 or less, your benefit will automatically be paid in a single cash payment. The payment options detailed on the following page do not apply.

Married Participants

If you are married when your benefit first becomes payable, you may choose from any of the payment options described below (subject, in some cases, to your spouse's written consent).

- (a) Straight Life Annuity -- The Plan will pay you a monthly benefit for your lifetime only. Electing this option will require the written consent of your spouse.

120-Month Payment Guarantee - If you retire on a Regular or Early Pension and elect the straight life annuity payment option, you will receive a 120-month payment guarantee. This means that if you die *before* receiving at least 120 monthly payments, your spouse or other beneficiary will receive payments in the amount you were receiving for the rest of the 120-month period so that at least 120 total payments are made on your account. Your benefit is not reduced to pay for this guarantee.

- (b) Joint and Survivor Annuity -- The Plan will pay you a reduced monthly benefit for your lifetime, and after your death, the Plan will pay your surviving spouse a monthly amount equal to one of the three percentages below, as you elect:

- (i) 100% of the amount it was paying you;
- (ii) 75% of the monthly amount it was paying you; or
- (iii) 50% of the monthly amount it was paying you.

Pop-Up Feature: The Plan offers a "pop-up" feature on each of the joint and survivor annuity options. If you elect this feature, your monthly annuity is reduced by an additional amount, but if your spouse dies before you, your monthly benefit "pops-up" to the straight life amount which would have been paid to you if you had not elected the Joint and Survivor benefit form. You do not need your spouse's consent to request payment of your benefits in the form of a 75% or 100% joint and survivor annuity with a ~~pop-up+feature~~ but your spouse must, in all cases, consent for you to elect to receive a 50% joint and survivor annuity with a ~~pop-up+feature~~.

If you choose one of the joint and survivor annuity options (with or without a ~~pop-up+~~ feature), it will be equal, when calculated on an actuarial basis, to a straight life annuity providing payments over your expected lifetime, but the actual amount payable will be less than the amount payable as a single life annuity because money must be kept in reserve for your surviving spouse's benefit (this reserve is based on your spouse's expected lifetime). For more information, please read the explanation under the heading below entitled ~~%~~ Reduction of Benefit under a Joint and Survivor Annuity.+

120-Month Payment Guarantee - If you retire on a Regular or Early Pension and elect any of the joint and survivor annuity payment options, you will receive a 120 month

payment guarantee. This means that if you die *before* receiving at least 120 monthly payments, your spouse or other beneficiary will receive payments in the amount you were receiving for the rest of the 120-month period so that at least 120 total payments are made on your account. Your benefit is not reduced to pay for this guarantee.

- (c) Single Sum Payment . The single sum payment option, or buy out, represents the entire value of your pension benefit and is paid to you in one lump sum payment. The amount of your single sum payment will be the present value (determined based on actuarial factors described in the Plan and/or required by law) of all monthly benefits that would be payable to you. If you elect the single sum payment there are no additional payments due from the Plan in the event of your death. If you are married, your spouse must consent in writing to your election of the single sum payment.

If you elect a single sum payment, your distribution can be taken in one of three ways:

- (1) a DIRECT ROLLOVER means that your distribution will be paid to an IRA that you have established or to a qualified retirement plan or other eligible retirement plan that will accept it and hold it for your benefit. No income tax will be withheld from your distribution. Your Plan payment cannot be rolled over to a SIMPLE IRA or a Coverdell Education Savings Account. This feature is available only if the amount of your distribution exceeds \$200;
- (2) PAYMENT TO YOU means that the Plan will distribute a check payable to you for the amount of your benefit, but the Plan is required to withhold 20% of your distribution for payment of Federal income tax and any required state withholding; or
- (3) a ROLLOVER AND PAYMENT TO YOU HYBRID means that the Plan will distribute a check payable to you for portion of your benefit (less the required 20% withholding and state withholding), and the balance (with no income tax withheld) will be paid directly to an IRA that you have established or to a qualified retirement plan or other eligible retirement plan that will accept it and hold it for your benefit. This payment cannot be rolled over to a SIMPLE IRA or a Coverdell Education Savings Account, and the amount rolled over must be at least \$500.

If you die, the options and rules described above for a rollover of a single sum payment apply to your spouse beneficiary (including the minimum distribution amounts eligible for rollover). Certain non-spouse beneficiaries, including trusts that meet certain requirements, may also be entitled to elect a direct rollover to an IRA of a distribution that exceeds \$200. You (and/or your beneficiary, if applicable) should consult with a tax advisor regarding the tax consequences of receiving a single sum payment.

Spousal Consent

Under Federal law, a married participant is required to elect a payment form which provides a minimum of a 50% survivor annuity for his spouse. If you elect a benefit that does not provide for at least this minimum protection, you must obtain your spouse's written consent acknowledging the effect of the election and witnessed by a notary public. The optional forms of payment that require spousal consent are: straight life annuity, 50% joint and survivor annuity with a pop-up feature and single sum payment.

Default Form of Payment for Married Participants

If you do not make an election or you do not have the proper written consent of your spouse (if needed) your benefit will automatically be paid in the 50% joint and survivor annuity form described above, which will provide you with a reduced monthly benefit during your lifetime and, after your death, will provide your surviving spouse with a monthly benefit equal to 50% of the amount it was paying you.

Divorced Participants

A qualified domestic relations order ("QDRO") can require the Plan to pay part or all of your pension benefits to a former spouse or other dependent. If you are divorced, your pension benefits may be affected if a QDRO is issued to the Plan. The Fund Office will need to review any decrees, agreements or orders relating to your marital situation to determine if they affect the payment of your benefits. There is no charge or fee related to work incurred by the Plan related to a QDRO. The Plan has a procedure in place for processing QDROs which you can obtain, free of charge, from the Fund Office.

Single Participants

If you are single when your benefit first becomes payable, you may elect either the straight life annuity with the 120-month payment guarantee, or the single sum payment option, both of which are described above. If you do not make an election, your benefit will automatically be paid to you in the form of a straight life annuity.

Disability Pension

If you apply for a Disability Pension, your benefit will be calculated as though you have reached age 60. If you are married, you will have the option of selecting any of the payment forms described above for married participants, subject to the spousal consent requirements. If you are single, you may choose whether to receive your Disability Pension in the form of either a straight life annuity or single sum payment, both of which are described above.

If you elect to receive your Disability Pension in any of the annuity payment options, you will continue to receive payments as long as you are entitled to Social Security disability payments. You will be asked to provide proof of your continuing disability on a periodic

basis. If you recover from your disability, your annuity payments will cease.

Reduction of Benefit under a Joint and Survivor Annuity

If a 100%, 75% or 50% joint and survivor annuity is payable on your behalf, your monthly benefit is reduced because it costs the Plan more to provide benefits for 2 lifetimes (yours and your spouse's) and the Plan is likely to pay benefits on your behalf over a longer period of time.

To determine your joint and survivor benefit, your basic monthly benefit will be multiplied by a reduction factor, which is based on: a) the percent of your benefit you have elected to continue to your surviving spouse after your death and the difference in your ages on the date payments start, and b) whether you have elected the pop-up feature, as outlined below. The reduction factor can never exceed 99%.

Type of Joint and Survivor Annuity	Reduction Factor (RF)	Increase in RF for Each Year Spouse is Older than You	Decrease in RF for Each Year Spouse is Younger than You	Percentage of Your Benefit Spouse Will Receive Upon Your Death
100% without Pop-Up	84.5%	+ 0.8%	- 0.4%	100%
100% with Pop-Up	82.5%	+ 0.6%	- 0.6%	100%
75% without Pop-Up	87.5%	+ 0.8%	- 0.4%	75%
75% with Pop-Up	86.0%	+ 0.5%	- 0.5%	75%
50% without Pop-Up	92.0%	+ 0.8%	- 0.4%	50%
50% with Pop-Up	91.0%	+ 0.4%	- 0.4%	50%

If you select the pop-up feature, and your spouse predeceases you, your benefit will pop-up to the straight life benefit amount.

To better understand how your benefits are calculated, please refer to **Appendix C**, which provides examples of benefit calculations.

PRE-RETIREMENT DEATH BENEFITS

If you die before the date your benefit payments from the Plan begin and you have vested in your Plan benefits, your spouse or other beneficiary may be entitled to a death benefit. If you do not have a vested Plan benefit at the time of your death, no benefits are payable upon your death.

Single Participants

If you are not married and die after you have vested in your Plan benefit, your beneficiary will be entitled to a death benefit equal to the monthly benefit you would have received on your Normal Retirement Date based upon your Years of Service as of your death. The death benefit will be paid in the form of a straight life annuity payable for a period of

120 months, unless your beneficiary elects to instead receive an actuarially equivalent lump sum payment, payable immediately. If your beneficiary dies while receiving the monthly annuity payments, but before receiving the full 120 monthly payments, the value of the remaining payments (determined based on actuarial factors described in the Plan and/or required by law) will be paid to your beneficiary's estate in a single sum as soon as administratively possible after his or her death.

Married Participants

If you die with a vested Plan benefit, your spouse will receive a straight life annuity with at least 120 monthly payments, unless you waive the pre-retirement annuity benefit with your spouse's consent or your spouse elects to instead receive a single lump sum payment or the Grandfathered Benefit as described below. The pre-retirement annuity benefit will be equal to the survivor's annuity benefit for the 100% joint and survivor annuity (described above) except that:

- if you die on or after turning age 55, the benefit will be determined based upon your and your spouse's ages at your date of death. The annuity will be payable beginning the first of the month following your death.
- if you die before turning age 55, the benefit will be determined as if you had separated from service under the Plan on the last day you worked in Covered Employment, survived to age 55, retired and died on the next day. The annuity will be payable beginning the first of the month following the date you would have turned age 55.

Your spouse may elect to delay receipt of the pre-retirement death benefit, but not beyond what would have been your Normal Retirement Date. Instead of the pre-retirement annuity benefit, your spouse can elect to receive a single lump sum payment that is actuarially equivalent to the pre-retirement annuity benefit or, if eligible, the Grandfathered Benefit described below.

Grandfathered Benefit. If you worked at least one hour before January 1, 2001, your spouse can elect to receive the death benefit in the form of a straight life annuity with at least 60 monthly payments (the Grandfathered Benefit). The Grandfathered Benefit will be equal to the survivor's annuity benefit for the 50% joint and survivor annuity (described above) except that:

- a lump sum death benefit equal to \$400 multiplied by the number of Years of Service you completed prior to the year 2001 will be immediately payable; and
- the survivor's annuity will be actuarially reduced (but not below zero) by the lump sum death benefit paid upon death.

If your spouse elects to receive this form of payment, it will be in lieu of any other form available, even if the other benefit has a greater actuarial present value.

Can I Waive My Spouse's Right to the Pre-Retirement Death Benefit? You may waive your spouse's right to your pre-retirement death benefit by naming a beneficiary other than your spouse to receive such benefits. Your spouse must consent to the waiver in writing, acknowledging the effect of the waiver and witnessed by a notary public.

What If I Change My Mind, Can I Revoke a Prior Waiver of the Pre-retirement Death Benefit? You may revoke the waiver of the pre-retirement death benefit at any time before your death. You do not need your spouse's consent to revoke a waiver.

POST-RETIREMENT DEATH BENEFITS

If you retire on a Regular, Early or Disability Pension and you die on or after January 1, 1998, the Plan provides a \$10,000 death benefit to your named beneficiary at the time of your death. The benefit will be paid in a single lump sum as soon as administratively possible after the Plan receives any verification documentation requested by the Trustees.

RETURNING TO WORK AFTER RETIREMENT

If you return to any work in the industry after you have begun receiving pension payments under the Plan, you must notify the Fund Office, in writing, within one week of commencing such employment, regardless of which benefit distribution option you elected or your status under any other retirement plan.

If you return to Covered Employment on or after July 1, 2000, you will continue to receive your pension payments without interruption, regardless of your age and the number of hours you work. (Note that if you returned to Covered Employment prior to July 1, 2000, the previously mentioned rule would not apply and your benefit would have remained suspended.)

IMPORTANT: You may apply for a benefit for each additional Year of Service you earn after your initial retirement date. Payment is NOT automatic. If you do not file an application, your benefit will not be retroactive to the date you earned the Year of Service. For example, if you retired in 2009, received a single sum payment, and then returned to work in 2010 and earned credit by June, you may apply for the one year's benefit by filling out a new application. Payment can begin on the first of the month that is at least 30 days after the Fund Office receives your application. If you apply in November, your payment will not be retroactive to June.

If you return to work on or after January 1, 2011, you will be required to work 750 hours in Covered Employment in a calendar year to earn a Year of Service for that year. In addition, you cannot begin receiving monthly payments for this additional Year of Service until February 1st of the next calendar year. For example, if you retired and began receiving pension payments in 2010, and then returned to work in 2011 earning 750 hours in

Covered Employment by August of 2011, you can begin receiving this benefit February 1, 2012, subject to you filling out the proper application form in a timely manner.

If you elect the single sum payment option and you return to work in the industry, your eligibility to apply the rollover or lump sum averaging provisions to your distribution may be affected. You should consult your tax advisor before returning to work. In addition, any additional Years of Service you earn while on return to work status are only payable in the form of monthly annuity payments. In any case, your beneficiary will still be entitled to the post-retirement death benefit of \$10,000 regardless of you having returned to work after your retirement.

You must notify the Fund Office in writing when you cease employment in the industry.

OTHER INFORMATION

Procedure for Applying for Pension Benefits

A completed application for pension benefits should be submitted to the Fund Office at least 30 days, but no more than 90 days (effective July 1, 2010, 180 days), before the date you wish your benefits to begin. It is your obligation to contact the Fund Office and apply for your benefit well in advance of the date you want your payments to begin. No benefit will be paid until the Fund Office receives a duly executed, complete application from you. We urge you to come into the Fund Office for general information and an estimate of your benefits as early as possible before your planned retirement date.

General Procedures for Disputes of Benefit Claims

All claims for benefits must be in writing and should be addressed to the Plan at the Fund Office.

The Executive Administrator will make a determination on the initial claim for benefits and will respond in writing within 90 days of receiving the claim, unless special circumstances require an extension of time for processing the claim. If an extension is required, you will receive written notice of the extension prior to the termination of the initial 90-day period following receipt of your claim for a benefit. This written notice will indicate the special circumstances requiring an extension of time and the date by which a final decision will be rendered. In no event may the initial extension period exceed a period of 90 days.

If your claim is denied, the denial notice will state (i) the reason why the Executive Administrator denied the claim; (ii) specific references to the pertinent Plan provisions on which the denial is based; (iii) a description of any additional information or material that you need to provide in order to have the claim approved; (iv) an explanation of the Plan's claim review procedures; and (v) the time limits applicable to such procedures, including a statement of your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974 (ERISA) following an adverse benefit determination upon review.

If your claim for benefits under the Plan is denied, or you believe that benefits under the Plan have been improperly determined, you may ask the Trustees to review the decision by filing a written appeal within 60 days of receiving the Executive Administrator's original decision. You (or your representative) have the right to (i) submit a written application to the Trustees for a full and fair review taking into account all comments, documents, records, and other information you submit relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination; (ii) request, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim; and (iii) submit written comments, documents, records, and other information relating to the denied claim to the Trustees.

The Trustees will act upon a request for review and make a benefit determination no later than the date of the meeting of the Trustees that immediately follows the Trustees' receipt of a request for review, unless the request for review is filed within 30 days preceding the date of such meeting. In such a case, a benefit determination may be made by no later than the date of the second meeting following the Trustees' receipt of the request for review. If special circumstances (such as the need to hold a hearing, if the Plan's procedures provide for a hearing) require a further extension of time for processing, a benefit determination will be rendered not later than the third meeting of the Trustees following the Trustees' receipt of the request for review. If such an extension of time for review is required because of special circumstances, you will be provided with written notice of the extension, describing the special circumstances and the date as of which the benefit determination will be made, prior to the commencement of the extension. You will be notified of the benefit determination as soon as possible, but not later than 5 days after the benefit determination is made.

If the Trustees confirm the denial or determination in whole or in part, you will receive written notice setting forth the specific reasons for the decision, reference to the specific Plan provisions on which the decision was based, and a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits. The notice will also contain a statement of your right to bring an action under Section 502 of ERISA and the following statement: "You and your plan may have other voluntary dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your State insurance regulatory agency."

Disputes as to Other Rights Under the Plan

If a participant, spouse or any other person to whom benefits may be payable under the Plan questions the manner in which that person's rights under the Plan, other than those described under the General Procedures above, have been determined, such person may make a written request to the Fund Office for review by the Trustees or their designated representative of the determination of those rights. The Trustees or their designated representative will act upon such request within 90 days after receipt of the request unless special circumstances require further time, but in no event later than six months after receipt. The Trustees or their designated representative will give written notice to the

participant, spouse or other person setting forth, in a manner calculated to be understood by such participant, spouse or other person, the results of the review.

Anti-Alienation Rule

You are not allowed to sign over, transfer or alienate your Plan benefits to any other person in any way. However, if the Plan receives a domestic relations court order that meets certain technical requirements prescribed by Federal law, it will be required to pay the person designated in the order the amount of your benefit as specified by the court. If you know of a court order that may affect your Plan benefit, you should contact the Fund Office immediately so that all legal requirements can be met. Also, if the Plan receives a Federal tax levy on your account, it may be required to pay all or part of your benefit to the Internal Revenue Service pursuant to the levy. Further, your benefit is subject to legal process and, under certain circumstances, may be assigned, alienated, or attached pursuant to a court judgment or settlement including certain settlements or judgments ordered or required to be paid to the Plan if you commit bad acts involving Plan assets.

Plan Termination Insurance

Certain benefits to which you are entitled under the 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 and (2) 75% of the next \$33. The PBGC's maximum guaranty limit is \$35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be \$12,870.

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

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

For more information about the PBGC and the benefits it guarantees, ask the Fund Office or contact the PBGC's Technical Assistance Branch, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call 1-800-736-2444 (or 202-326-4242 if in the Washington D.C. area (not a toll-free number)). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and to ask to be connected to 202-326-4242. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

Termination of Plan

The Trustees intend to continue the Plan indefinitely but may terminate it if necessary. If the Plan should be terminated, your right to your accrued Plan benefit will become fully vested and non-forfeitable, subject to the funding and allocation rules set forth below and other adjustments required by law.

Plan assets will be allocated to benefit categories in a particular order. Beginning with the benefit category that has the first claim on Plan assets, payments will be made for:

- ~ benefits for retirees or beneficiaries (for whom annuities have not been purchased from Travelers) that are or could be on the pension rolls at the beginning of the 3-year period ending with the Plan's termination date at the lowest benefit level in effect during the 5-year period ending with the Plan's termination date:
- ~ benefits generally guaranteed by the PBGC;
- ~ benefits that are non-forfeitable (vested) under the Plan, but not guaranteed by the PBGC; and then
- ~ all other benefits under the Plan.

Assets will be allocated to the categories in the order indicated until assets run out.

Any remaining balance, after providing payments for the benefit categories listed above, will be applied in accordance with the terms of the Plan.

Certain benefits under the Plan are insured by the PBGC. You should review the section above for their coverage.

Miscellaneous Rules

Under the law, the Plan generally cannot pay an annual life annuity benefit in excess of \$195,000 (for 2010). This limit, which may be adjusted in future years for changes in the cost of living, refers to the total of monthly benefits paid per year. If benefits are paid before age 62 (for example, in the case of an Early Pension) or after age 65, the limit is actuarially adjusted. A single sum benefit cannot exceed the actuarial equivalent of the maximum permissible life annuity. These limitations are very unlikely to affect any participant, but if for any reason you would be affected, the Fund Office will contact you.

Also, if 60% of the Plan's accumulated benefits were to be earned by a group of "key" employees (generally officers, shareholders and highly compensated employees of an employer), the Plan would become subject to certain accelerated vesting and minimum benefit rules. It is highly unlikely that these rules could ever affect the Plan, but should this ever change, affected participants will be notified by the Fund Office.

YOUR RIGHTS UNDER ERISA

As a participant in the Plan you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

Examine, without charge, at the Fund Office and at other specified locations such as the Local 638 Union Hall, all documents governing the Plan, including insurance contracts, 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. This report is also available at the Public Disclosure Room of the Employee Benefits Security Administration.

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

Receive a summary of the Plan's annual financial report. The Fund Office, on behalf of the plan administrator, is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement telling you whether you have the right to receive a pension at normal retirement age (age 65 or, if later, your age on the 5th anniversary of your Plan entry date,) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have the right to a pension, the statement will tell you how many more years you have to work in order to achieve the right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate the 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 from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within thirty (30) days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits 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 concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees if, for example, it finds your claim is frivolous.

Assistance with your Questions

If you have any questions about the Plan, you should contact the Fund 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 Fund Office, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in the 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.

FINAL NOTES

This booklet can only summarize the most important features of the Plan as they would apply to most participants. The full text of the Plan is available for review and copying from the Fund Office. If there is any conflict between this booklet and the text of the Plan, the official text of the Plan will govern. The Trustees have sole and absolute discretion to interpret and apply the Plan document's terms in individual cases. The Trustees' decisions are binding.

APPENDIX A

Calculation of Service Credit in Prior Years

The Plan provides different requirements for earning a Year of Service, which vary according to the year in which you were working in Covered Employment. You earn a Year of Service for any calendar year in which you meet the following requirements:

(a) All Years up to and including 1952:

- (i) you were a member in good standing of the Union and your dues were fully paid and no evidence to the contrary is submitted to the Trustees for any year; *or*
- (ii) you provided satisfactory evidence to the Trustees that you completed 250 hours of service in Covered Employment during the year; *or*
- (iii) you were a salaried official of the Union and you had earnings of \$1,000 or more in Covered Employment during the year.

(b) Years 1953 through 1958 inclusive:

- (i) you were eligible for coverage under the Steamfitters Industry Welfare Fund; *or*
- (ii) you provided satisfactory evidence to the Trustees that you completed 250 hours of service in Covered Employment during the year; *or*
- (iii) you were a salaried official of the Union, and you had earnings of \$1,000 or more in Covered Employment.

(c) Years 1959 through 1975 inclusive:

You worked in Covered Employment, earning at least 250 times the journeyman steamfitters hourly wage rate in effect on January 1 of such year under the collective bargaining agreement, rounded to the next lower \$100.

(d) Years 1976 through 1997:

You worked in Covered Employment, earning at least 250 times the journeyman steamfitters hourly wage rate in effect on January 1 of such year under the collective bargaining agreement.

(e) Years 1998 and later:

You worked 250 hours in Covered Employment regardless of your Union status. However, if you retired and began receiving pension payments under the Plan and you return to work in the industry on or after January 1, 2011, then, for years 2011 and later you earn a Year of Service for a calendar year in which you worked 750 hours in Covered Employment.

(f) In determining whether you have completed a Year of Service in 1977 or any later year, the Plan may count contributions that are actually paid to the Plan on your account by another UA pension fund under a reciprocal agreement with this Plan. Such contributions actually received must equal or exceed the dollar amount of contributions which would have been received if your employment under the reciprocal agreement had been in Covered Employment as a journeyman steamfitter under the Plan. You can earn a Year of Service partly with Covered Employment under the Plan and partly with service under a reciprocal agreement. For more details, contact the Fund Office.

(g) The rules in the following paragraph apply only to employment as an apprentice:

(i) Years 1983 and 1984 and for 1985 if you were indentured as an apprentice before 1984:

If you are not credited with a Year of Service under section (d) above, you will be credited with a Year of Service for 1983 if you earned at least 250 times the journeyman steamfitters' hourly wage rate in effect on January 1 of such year under the collective bargaining agreement, multiplied by:

42.5% in the case of a first year apprentice,
52.5% in the case of a second year apprentice,
62.5% in the case of a third year apprentice and
80% in the case of a fourth year apprentice.

(ii) Years 1985 through and including 1997:

If you are an apprentice indentured on or after January 1, 1984, and are not credited with a Year of Service under section (d) above, you will be credited with a Year of Service for each calendar year during which you earned at least 250 times the journeyman steamfitters' hourly wage rate in effect on January 1 of such year under the collective bargaining agreement multiplied by a fraction, the numerator of which is the hourly wage rate applicable to you on January 1 of such year and the denominator of which is the journeyman steamfitters' hourly wage rate on January 1 of such year under the collective bargaining agreement.

(iii) Years 1998 and later:

Except as otherwise provided below, for 1998 and later, a participant, including an apprentice, shall be credited with a Year of Service if he worked 250 hours in Covered Employment. In addition, retroactively to January 1, 1996, an employee working in the temporary heat and air conditioning classification, and a reciprocal journeyman working outside the jurisdiction of Local Union 638, will be credited with a Year of Service if he worked at least 250 hours.

If you retired and began receiving pension payments under the Plan and you return to work in the industry on or after January 1, 2011, then, for years 2011 and

later you earn a Year of Service for a calendar year in which you worked 750 hours in Covered Employment.

- (h) Certain periods of active U.S. military service or WorkersqCompensation may also count toward your Years of Service, as detailed more fully in the Summary Plan Description.

APPENDIX B

Permanent Break in Service Rules

The following rules apply to determine when your break in service becomes a Permanent Break in Service. Please note that the examples given are intended for illustration only and do not represent any actual participants.

(a) *Beginning January 1, 1987:* If you are not vested (have earned fewer than 5 Years of Service and have not reached your normal retirement age), you will have a Permanent Break in Service if you have consecutive One-Year Breaks in Service that equal or exceed 5 or, if greater, the number of Years of Service previously credited to you.

For example:

1996 - 1998	You earned 3 Years of Service.
1999 - 2001	You have 3 consecutive One-Year Breaks in Service.

At the end of 2001 you would have 3 Years of Service. Although your consecutive One-Year Breaks in Service (3) equaled your prior Years of Service (3), you did not have 5 consecutive One-Year Breaks in Service, so you have not incurred a Permanent Break in Service.

For example:

1995 - 2000	You earned 6 Years of Service.
2001 - 2007	You incurred 7 consecutive One-Year Breaks in Service.
2008	You earn a Year of Service.

At the end of 2008 you would have 7 Years of Service because you were fully vested before your 7 consecutive One-Year Breaks in Service. Since you were already fully vested, you are not affected by any One-Year Break in Service.

For example:

1997 - 2000	You earned 4 Years of Service.
2001 - 2006	You have 6 consecutive One-Year Breaks in Service.
2007	You earned a Year of Service.

At the end of 2007 you would have 1 Year of Service and your prior Years of Service would have been permanently forfeited because you had 5 or more consecutive One-Year Breaks in Service.

(b) *From January 1, 1976 through December 31, 1986.* You would have a Permanent Break in Service if your consecutive One-Year Breaks in Service equal or exceed your previously credited Years of Service.

For example:

1975 - 1977	You earned 3 Years of Service.
1978 - 1980	You incurred 3 consecutive One-Year Breaks in Service.

1981

You earned a Year of Service.

At the end of 1981 you would have 1 Year of Service and your prior Years of Service would have been forfeited since your consecutive One-Year Breaks in Service (3) equaled (or exceeded) your previously credited Years of Service (3).

(c) *Prior to January 1, 1976:* If you did not incur more than 5 One-Year Breaks in Service in a row, your prior Years of Service remained credited to you when you returned to Covered Employment. This is the basic rule for breaks in service prior to 1976. However, if the rule described in paragraph (b) above is more favorable to you than the basic rule with respect to Years of Service before 1976, you will be given credit for the prior Years of Service which you would lose under the basic rule *only for purposes of determining your benefit, but not for purposes of determining whether you have completed the Years of Service needed to become vested* in your benefit before normal retirement age.

APPENDIX C

Benefits Calculations for Joint and Survivor Annuities

The following examples are intended for illustrative purposes to help you better understand how benefits are calculated if you receive your benefit in the form of a joint and survivor annuity. These examples do not represent actual participants.

Example #1:

You are married, with 37 continuous Years of Service, and you retire on an Early Pension on January 1, 2005. You are 59 years old and your spouse is 55 years old. Your unreduced benefit is \$2,504, but you elect to receive the 75% joint and survivor annuity.

A. Your reduced benefit is calculated as follows:

\$2,504.00		(unreduced benefit)	
<u> x 6%</u>		(reduction factor for Early Pension at age 59)	
\$ 150.24		(reduction for Early Pension)	
\$2,504.00			
<u>- 150.24</u>			
\$2,353.76		(Early Pension reduced for age 59)	
<u> x 85.9%</u>		(reduction factor for 75% joint and survivor annuity with spouse 4 years younger)	
\$2,021.88		(your monthly benefit under the 75% joint and survivor annuity, reduced for Early Pension)	
<u> x 75%</u>		(percentage of your benefit payable to your surviving spouse after you die)	
<u>\$1,516.41</u>		(your surviving spouse's lifetime survivor benefit in the event you die after retiring on a 75% joint and survivor annuity)	

B. Using the same example, if you should die after receiving 12 payments of \$2,021.88, your surviving spouse would receive the same \$2,021.88 each month for 108 more payments (under the 120 payment guarantee), after which she would receive \$1,516.41 for the rest of her life. If your surviving spouse should die prior to receiving the 108 remaining guaranteed payments, your contingent beneficiary would continue to receive \$2,021.88 each month until a total of 120 payments (12 to you, plus those to your spouse and other beneficiary) have been made, after which all payments will stop.

Example #2:

You are married with 30 Years of Service and you retire on an Early Pension on January 1, 2004. You are 57 years old and your spouse is 60 years old. Your unreduced benefit is \$2,170.00, but you elect to receive the 50% joint and survivor annuity.

A. Your reduced benefit is calculated as follows:

$$\begin{array}{r} \$ 2,170.00 \text{ (unreduced benefit)} \\ \underline{\quad \quad \quad \times 18\% \text{ (reduction factor for Early Pension at age 57)}} \\ \$ \quad 390.60 \text{ (reduction for Early Pension)} \\ \\ \$2,170.00 \\ \underline{\quad \quad \quad 390.60} \\ \$1,779.40 \text{ (Early Pension reduced for age 57)} \\ \underline{\quad \quad \quad \times 94.4\% \text{ (reduction factor for 50\% joint and survivor annuity with spouse 3}} \\ \quad \quad \quad \text{years older)}} \\ \$1,679.75 \text{ (your monthly benefit under the 50\% joint and survivor annuity)} \\ \underline{\quad \quad \quad \times 50\% \text{ (percentage of your benefit payable to your surviving spouse if you}} \\ \quad \quad \quad \text{die)}} \\ \underline{\underline{\$ \quad 839.88}} \text{ (your spouse's lifetime survivor benefit in the event you die after}} \\ \quad \quad \quad \text{retiring on a 50\% joint and survivor annuity)} \end{array}$$

B. Using the example in (A), if both you and your spouse die on January 1, 2006, when you have reached age 59, your contingent beneficiary will receive a survivor benefit of 96 monthly benefit payments of \$1,679.75 (120 payments less 24 payments already made on your behalf).