

**ASBESTOS WORKERS LOCAL NO. 42 PENSION PLAN**

**SUMMARY PLAN DESCRIPTION**

**(January 1, 2016)**

## INTRODUCTION

The Asbestos Workers Local No. 42 Pension Plan was established to help you build toward financial security at your retirement, an important long-range goal for you and your family.

The original Plan was established in 1959 and has been amended several times. When changes are made, you will be provided with these changes.

The Plan described in this booklet is generally based upon the terms of the current Plan as amended January 1, 2016. If contributions were not made to the Plan on your behalf after December 2015, your benefits may differ from the information presented in this booklet. If you wish information to be provided about the Plan in effect before 2016, please contact the Fund Office.

This booklet is written in everyday language to summarize the benefits, rights, and obligations you have under your Pension Plan. Because of the complexities of the subject, resulting from many practical and legal considerations, the Plan itself is embodied in a Plan Document which is controlling on all parties. The Plan is administered in compliance with the terms of that Plan Document. This document is intended to be a summary only. **The full details of the Plan are set forth in the Plan Document and in the event of a conflict between this summary and the Plan, the terms of the Plan shall control.**

The Trustees meet at least quarterly to oversee the operation of the Fund. Professionals are employed to carry out the day-to-day operations, such as keeping the records, processing the pension applications, auditing the books, investing the assets, etc. The professionals report directly to the Trustees.

We hope you will find the information in this booklet helpful to you and your family; however, if you have any questions after reading the booklet, we will be glad to help you. Please note that the employer and union representatives and individual Trustees are not authorized to interpret the Plan individually. Specific questions as to how the Plan will affect you should be referred to the Fund Office. Such questions should be in writing. If Trustee policy is established on your question you will be notified of the answer. If it is an open question the matter will be referred to the full Board of Trustees.

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## YOUR BENEFITS AT A GLANCE

This table is only applicable to you if you were an Active Participant on or after January 1, 2016 and if you had no permanent breaks-in-service during your career. The purpose of this table is to give you a general idea of the Plan's provisions. Please consult the remainder of the Summary Plan Description for detailed information about each of these topics.

Eligibility for Normal Retirement	Age 65 and 3 years of Vesting Service. (See page 12)
Eligibility for Unreduced Early Retirement Benefits	<ul style="list-style-type: none"> <li>• Plan Entry prior to January 1, 2003: 25 years of Credited Service.</li> <li>• Plan Entry on or after January 1, 2003: Age 55 and 30 years of Credited Service. (See page 12)</li> </ul>
Eligibility for Early Retirement	Age 55 with 10 years of Credited Service reduced by ½% for each month early. (See page 12)
Eligibility for Disability Retirement	Any age and 10 years of Credited Service, totally and permanently disabled and must have 500 Hours of Credited Service during the 24 months prior to disability onset. No reduction in pension. (See page 12)
Eligibility for a Vested Pension	3 years of Vesting Service. No future work requirement. May receive at age 65 or, if completed 10 years of Credited Service, at age 55 reduced by ½% for each month early. (See page 14)
Credited Past Service	Credit is given for each Calendar Year before 1960, if employed under a collective bargaining agreement of the Union for any part or the year. (See page 3)
Credited Future Service	Credit is given for each Calendar Year 1960 through 1963, if employed under a collective bargaining agreement of the Union for any part or the year. After 1963, one year of credit is given for each year with 1,000 Hours of Service. Partial years may be granted for years with less than 1,000 Hours of Service. After 1999, Enhanced Service may be granted for years with at least 1,600 Hours of Service. (See page 3)
Service Breaks	A non-vested participant who fails to be credited with at least 400 hours in each of 5 consecutive years will permanently break service and forfeit all non-vested service and benefits. (See pages 5 & 6)
Accrued Pension Benefit	Sum of the Basic Pension and the Supplemental Pension. (See page 9)
Basic Pension	Monthly Basic Pension Level multiplied by years of Credited Service with years prior to January 1, 2000 limited to a maximum of 35 years. (See page 9)
Supplemental Pension	Monthly Supplemental Pension Level multiplied by years of Credited Service up to a maximum of 25 years. (See page 9)
Monthly Pension Levels	If Active Participation ceased on or after January 1, 2000, the Basic Monthly Pension Level is \$90.00 and the Monthly Supplemental Pension Level is \$12.00. (See page 9)
Payment Forms	<ul style="list-style-type: none"> <li>• Basic Single Benefit</li> <li>• 50% Joint and Survivor Benefit</li> <li>• 75% Joint and Survivor Benefit</li> </ul> (See pages 20 - 22)
Annuity Benefit Account	The value of the account as of the beginning of the year plus contributions which are credited to the account during the year. Interest is credited to the account at the end of the year only if no distribution of benefits during the year. (See page 10)

## **ELIGIBILITY TO PARTICIPATE**

### **When Plan Participation Begins**

You become a Participant in the Plan when you begin working in Covered Employment.

**Covered Employment** is employment with an Employer who has agreed to contribute to the Plan on your behalf in accordance with a collective bargaining agreement with the Local No. 42 International Association of Heat and Frost Insulators and Allied Workers or a written participation agreement with the Fund.

An **Employer** is an organization that makes contributions to the Plan in accordance with a collective bargaining agreement or other written agreement. A list of the employers under the Plan and their addresses may be obtained from the Administrative Manager upon written request. You may also examine this list during normal business hours at the office of the Administrative Manager.

### **When Active Plan Participation Ends**

You cease to be an Active Participant on the earliest of the following to occur:

- The date your pension commences; or
- January 1 of the Calendar Year following the Calendar Year in which you have a One-Year Break-in-Service; or
- The date of your death.

(You can again become an Active Participant at the time contributions are made to the Plan on your behalf after the date you last ceased to be an Active Participant.)

Generally, a One-Year Break-in-Service is a calendar year in which you have less than 400 hours of Service (including Parental Hours of Leave on or after January 1, 1985). For more details, please see the "One-Year Break-in-Service" topic under the "Credited Service" section of this booklet.

### **Annuity Benefits**

If you work at least one hour of service under a Local 42 Collective Bargaining Agreement on or after June 1, 2007, you are eligible for an annuity benefit. However, you must meet certain vesting requirements as described in the "Vesting" section of this booklet in order to receive payment of your annuity benefits.

## CREDITED SERVICE

### Credited Service

Your Credited Service is used to figure your pension benefit and also to determine your eligibility for retirement and for survivor benefits. There are two kinds of Credited Service:

- Past Credited Service and
- Future Credited Service.

The portion of your Future Credited Service that is Enhanced Service is ***not*** used to determine benefit eligibility. Enhanced Service is used only to calculate the amount of your benefits. The sections below describe Past, Future, Regular, Fractional and Enhanced Credited Service.

### Past Credited Service

You receive one year of Past Credited Service for each Calendar Year before 1960, any part of which you were employed under a collective bargaining agreement of the Union.

The **Union** refers to Local No. 42 International Association of Heat and Frost Insulators and Allied Workers.

### Future Credited Service

Your Future Credited Service is the sum of (a) and (b) below:

- (a) You receive one year of Future Credited Service for each of the Calendar Years, 1960 through 1963, any part of which you worked in Covered Employment.
- (b) You receive one year of Future Credited Service for each Calendar Year after 1963 in which you have at least 1,000 Hours of Service while working in Covered Employment. If you have less than 1,000 Hours of Service during any of these Calendar Years, you receive a partial year of Future Credited Service. The rules are summarized in the tables below:
  - (i) For the Calendar Year that you ***first work*** or ***last work*** in Covered Employment, you will receive Future Credited Service based on the following table:

Hours of Service During Calendar Year While Working in Covered <u>Employment</u>	Fractional, Regular or Future Credited Service for First and Last Calendar Year <u>of Covered Employment</u>	
	After 1963 and <u>Before 2000</u>	<u>After 1999</u>
	<u>Fractional</u>	<u>Fractional</u>
0 – 99	None	None
100 – 199	0.1	0.1
200 – 299	0.2	0.2
300 – 399	0.3	0.3
400 – 499	0.4	0.4
500 – 599	0.5	0.5
600 – 699	0.6	0.6
700 – 799	0.7	0.7
800 – 899	0.8	0.8
900 – 999	0.9	0.9

**CREDITED SERVICE**

(Continued)

Hours of Service During Calendar Year While Working in Covered <u>Employment</u>	Fractional, Regular or Future Credited Service for First and Last Calendar Year <u>of Covered Employment</u>			
	<u>After 1963 and Before 2000</u>		<u>After 1999</u>	
	<u>Regular</u>	<u>Enhanced</u>	<u>Regular</u>	<u>Enhanced</u>
1000 – 1599	1.00	None	1.00	0.00
1600 – 1699	1.00	None	1.00	0.05
1700 – 1799	1.00	None	1.00	0.10
1800 – 1899	1.00	None	1.00	0.15
1900 – 1999	1.00	None	1.00	0.20
2000 and over	1.00	None	1.00	0.25

If, in your second calendar year of Covered Employment, you (A) earn less than 800 Hours of Service and (B) earn more Hours of Service than in your first calendar year of Covered Employment, then your Fractional Credited Service in your first calendar year of Covered Employment is calculated based on your Hours of Service in your second calendar year of Covered Employment. You will receive no Credited Service for your second calendar year of Covered Employment based on the chart below.

- (ii) For your Calendar Years of Covered Employment ***after the first year*** and ***before the last year***, you will receive Future Credited Service based on the following table:

Hours of Service During Calendar Year While Working in Covered <u>Employment</u>	Fractional, Regular or Future Credited Service After the First Calendar Year <u>and Before the Last Calendar Year</u>					
	<u>After 1963 and Before 1976</u>		<u>After 1975 and Before 2000</u>		<u>After 1999</u>	
	<u>Fractional</u>		<u>Fractional</u>		<u>Fractional</u>	
0 – 799	None		None		None	
800 – 899	None		0.8		0.8	
900 – 999	None		0.9		0.9	
	<u>Regular</u>	<u>Enhanced</u>	<u>Regular</u>	<u>Enhanced</u>	<u>Regular</u>	<u>Enhanced</u>
1000 – 1599	1.00	None	1.00	None	1.00	0.00
1600 – 1699	1.00	None	1.00	None	1.00	0.05
1700 – 1799	1.00	None	1.00	None	1.00	0.10
1800 – 1899	1.00	None	1.00	None	1.00	0.15
1900 – 1999	1.00	None	1.00	None	1.00	0.20
2000 and over	1.00	None	1.00	None	1.00	0.25

NOTE: The timing of your retirement may affect the amount of your Credited Service. Please contact the Administrative Manager.

**Years of Credited Service prior to January 1, 2000 are limited to 35.**

**Hour of Service**

An Hour of Service is any hour that you are paid by your Employer for the performance of duties for your Employer. Your Hours of Service are maintained on a Calendar Year basis, and are

## **CREDITED SERVICE**

(Continued)

used to determine your Vesting Service, Credited Service and whether you have a One-Year Break-in-Service. Also, for purposes of determining Vesting Service after 1975 (only), you may be credited with Hours of Service for a period of employment for which no contributions are made to the Plan on your behalf (see the "Vesting" section of this booklet).

### **Parental Hours of Leave**

Parental Hours of Leave are any hours of leave of absence (beginning on or after January 1, 1985) because of your pregnancy, the birth of your child, the adoption of a child by you or the caring by you of your child immediately following its birth or adoption. You are credited with 8 Parental Hours of Leave for each day of such an absence (up to a maximum of 501 hours per absence), provided you furnish to the Trustees within 60 days following the close of the Calendar Year in which the absence started, information to establish (i) that the absence was for one of the reasons described above and (ii) the beginning and ending dates of the absence. Your Parental Hours of Leave are used in combination with your Hours of Service to determine whether or not you have a One-year Break-in-Service. Parental Hours of Leave are not taken into account in determining your Vesting Service or Credited Service.

### **Periods of Service in the Uniformed Services**

Starting June 1, 2007, if you leave Covered Employment for service in one of the Uniformed Services of our country, and if you return to Covered Employment within the time required by law, you may be eligible for credited service for both vesting and benefit accrual purposes for your period of service. Please contact the Fund Office if you think that this may apply to you.

### **One-Year Break-in-Service**

You have a One-Year Break-in-Service if:

- You were not employed under a collective bargaining agreement of the Union during a Calendar Year that begins before January 1, 1976; or
- You have less than 400 hours of Service (including Parental Hours of Leave on or after January 1, 1985) during any Calendar Year that begins on or after January 1, 1976; or
- You have less than 1,000 hours of service during any calendar year between January 1, 1964 and January 1, 1976

Provided, however, you will not have a One-Year Break-in-Service if you are unable to (a) earn 400 Hours of Service (including Parental Hours of Leave on or after January 1, 1985) or (b) work under a collective bargaining agreement, whichever is applicable (see above), because of:

- Total and Permanent disability; or
- Required service in the armed forces of the United States of America, provided that you return to Covered Employment within 90 days of your discharge from military service.

**CREDITED SERVICE**

(Continued)

**Permanent Break-in-Service**

You suffer a Permanent Break-in-Service if you are not yet vested and have a series of 5 consecutive One-Year Breaks-in-Service. All of your Hours of Service prior to and including the year of the Permanent Break-in-Service will be forfeited.

For Breaks-in-Service prior to January 1, 1999, different rules regarding a Permanent Break-in-Service may apply. Please contact the Administrative Manager for more information.

## **VESTING**

### **Becoming Vested in Your Pension**

Vesting is a form of ownership or right to receive a pension benefit. You become vested in your Accrued Pension Benefit after completing 3 years of Vesting Service. You also become vested at your Normal Retirement Date.

If you do not have at least one Hour of Service after December 31, 2007, you will need 5 years of Vesting Service to become vested in your Accrued Pension Benefit.

If you are vested, you are entitled to receive a pension benefit starting after you reach your 65th birthday, or at any time after you reach your 55th birthday if you have at least 10 years of Credited Service.

### **Vesting Service**

Your Vesting Service is used to determine your eligibility for a vested benefit and for survivor benefits. You receive one year of Vesting Service for each full year of Credited Service that you have earned for the period through December 31, 1975. For the period after December 31, 1975, you receive one year of Vesting Service for each Calendar Year in which you have 800 or more Hours of Service. If you have less than 800 Hours of Service during any Calendar Year after 1975, you do not receive any vesting credit for that year.

Note: If you work for an Employer in a position that does not require that contributions be made to the Plan on your behalf- "non-Covered Employment" - you may still earn Vesting Service, but not Credited Service for this work. For example, suppose that on January 1, 2009 after having worked in "non-Covered Employment" for 2 years, you work in a position with your Employer that requires that contributions be made to the Plan on your behalf. You would, if you worked at least 800 hours in the Plan Year ended December 31, 2009, be credited with 1 year of Vesting Service for that period of non-Covered employment with your Employer. At that point in time, you would have earned a total of 3 years of Vesting Service, including the 2 years before January 1, 2009. You would become vested, but the pension in which you are vested would be based on the Credited Service you earned during the period of your Covered Employment beginning January 1, 2009.

In order that a period of "non-Covered Employment" is counted as Vesting Service you must have worked in Covered Employment on or after January 1, 1976 and the period of non-Covered Employment with an Employer must immediately precede or follow a period of Covered Employment with the same Employer. However, Vesting Service does not include a period of employment when an Employer was not a Contributing Employer under the Plan.

### **Hour of Service**

An Hour of Service is any hour that you are paid by your Employer for the performance of duties for your Employer. Your Hours of Service are maintained on a Calendar Year basis, and are used to determine your Vesting Service, Credited Service and whether you have a One-Year Break-in-Service. Also, for purposes of determining Vesting Service after 1975 (only), you may be credited with Hours of Service for a period of employment for which no contributions are made to the Plan on your behalf (see "Vesting Service", above).

### **Parental Hours of Leave**

Parental Hours of Leave are any hours of leave of absence (beginning on or after January 1, 1985) because of your pregnancy, the birth of your child, the adoption of a child by you or the

**VESTING**  
(Continued)

caring by you of your child immediately following its birth or adoption. You are credited with 8 Parental Hours of Leave for each day of such an absence (up to a maximum of 501 hours per absence), provided you furnish to the Trustees within 60 days following the close of the Calendar Year in which the absence started, information to establish (i) that the absence was for one of the reasons described above and (ii) the beginning and ending dates of the absence. Your Parental Hours of Leave are used in combination with your Hours of Service to determine whether or not you have a One-year Break-in-Service. Parental Hours of Leave are not taken into account in determining your Vesting Service or Credited Service.

**One-Year Break-in-Service**

You have a One-Year Break-in-Service if:

- You were not employed under a collective bargaining agreement of the Union during a Calendar Year that begins before January 1, 1976; or
- You have less than 400 hours of Service (including Parental Hours of Leave on or after January 1, 1985) during any Calendar Year that begins on or after January 1, 1976; or
- You have less than 1,000 hours of service during any calendar year between January 1, 1964 and January 1, 1976

Provided, however, you will not have a One-Year Break-in-Service if you are unable to (a) earn 400 Hours of Service (including Parental Hours of Leave on or after January 1, 1985) or (b) work under a collective bargaining agreement, whichever is applicable (see above), because of:

- Total and Permanent disability; or
- Required service in the armed forces of the United States of America, provided that you return to Covered Employment within 90 days of your discharge from military service.

**Permanent Break-in-Service**

You suffer a Permanent Break-in-Service if you are not yet vested and have a series of 5 consecutive One-Year Breaks-in-Service. All of your Hours of Service prior to and including the year of the Permanent Break-in-Service will be forfeited.

For Breaks-in-Service prior to January 1, 1999, different rules regarding a Permanent Break-in-Service may apply. Please contact the Administrative Manager for more information.

**Annuity Benefit Vesting**

In order to be Vested in your Annuity Benefit, you must have completed either:

- two Years of Credited Service based on 1,000 hours per year and at least one Hour of Credited Service on or after June 1, 2007 or
- three Years of Vesting Service based on 800 hours per year and at least one Hour of Credited Service on or after January 1, 2008.

## BENEFIT ACCRUAL

### Accrued Pension Benefit

At any time that you are a participant in the Plan, you have an Accrued Pension Benefit although you do not become vested (see the "Vesting" section of this booklet) in your Accrued Pension Benefit until you have generally completed 3 years of Vesting Service (5 years of Vesting Service if you do not have at least one Hour of Credited Service on or after January 1, 2008).

Your Accrued Pension is based on your Credited Service and the monthly pension benefit levels, (which consists of two parts), in effect as of the date(s) you cease to be an Active Participant. Your Accrued Pension Benefit is the sum of your Basic Pension and your Supplemental Pension.

### Basic Pension

Your Basic Pension is determined as follows:

$$\begin{array}{r} \text{Monthly Basic Pension} \\ \text{Level} \end{array} \times \begin{array}{l} \text{Years of Credited Service (years prior to January 1,} \\ \text{2000 are capped at 35)} \end{array}$$

### Supplemental Pension

Your Supplemental Pension is determined as follows:

$$\begin{array}{r} \text{Monthly Supplemental} \\ \text{Pension Level} \end{array} \times \begin{array}{l} \text{Years of Credited Service up to a} \\ \text{maximum of 25 years} \end{array}$$

### Monthly Pension Levels

Your Monthly Pension Levels depend on the date that you ceased to be an Active Participant as follows:

If You Ceased to be an Active Participant:		Your Monthly Pension Level is:	
<u>On or After...</u>	<u>...and Before</u>	<u>Basic</u>	<u>Supplemental</u>
1/1/00		\$90.00	\$12.00
1/1/99	1/1/00	\$82.00	\$11.00
1/1/98	1/1/99	\$78.00	\$11.00
1/1/97	1/1/98	\$75.00	\$11.00
1/1/96	1/1/97	\$69.00	\$11.00
1/1/94	1/1/96	\$65.00	\$11.00
1/1/93	1/1/94	\$65.00	\$9.00
1/1/92	1/1/93	\$64.00	\$7.00
1/1/91	1/1/92	\$55.50	\$5.00
1/1/90	1/1/91	\$55.00	\$5.00
1/1/89	1/1/90	\$53.00	\$1.95
9/1/88	1/1/89	\$47.00	\$1.95
1/1/87	9/1/88	\$47.00	\$0.00
1/1/84	1/1/87	\$34.50	\$0.00
1/1/81	1/1/84	\$23.80	\$0.00

## **BENEFIT ACCRUAL**

(Continued)

<u>If You Ceased to be an Active Participant:</u>		<u>Your Monthly Pension Level is:</u>	
<u>On or After...</u>	<u>...and Before</u>	<u>Basic</u>	<u>Supplemental</u>
1/1/75	1/1/81	\$18.99	\$0.00
1/1/73	1/1/75	\$12.25	\$0.00
---	1/1/73	Please contact the Administrative Manager	

If you have more than one date that you ceased to be an Active Participant, a different pension level may apply to each period of your active participation. However, if you again become an Active Participant before you have 10 consecutive One-Year Breaks-in-Service and you have at least 1,000 Hours of Service in each of two consecutive Calendar Years after returning to Covered Employment, your previous pension level(s) will be replaced with the pension level in effect when you again cease to be an Active Participant and will be applied to the Credited Service you earned during each period of your active participation.

### **Value of Annuity Benefit Accounts**

The value of your annuity benefit is calculated at the end of each Plan Year as the value of your account as of the beginning of the Plan Year plus contributions which are credited to your account during the Plan Year and interest which is credited to your account as described more fully below. It is important to note that if you receive a distribution of all or only part of your annuity benefits during a Plan Year, your account will not be credited with interest for that Plan Year. This is because once you start to receive your benefits, you will either receive a lump sum or periodic annuity payments and your account balance will be annuitized as of that date. In addition, your account balance shall be reduced to zero if you do not have two years of Vesting Service under the Plan and you incur a Permanent Break-in-Service.

### **Crediting Contributions to Annuity Benefit Accounts**

Local 42's Collective Bargaining Agreements require the payment of contributions by employers for each hour worked. The contract has required contributions to Annuity Benefit Accounts since June 1, 2007. This could change in the future under the terms of the Collective Bargaining Agreement or future negotiations. During the Plan Year, your annuity account will be credited with an amount equal to the required contribution rate times the number of hours that you worked and that were reported to the Fund. In addition, monies received by the Fund for purposes of your annuity benefit as the result of the operation of a Reciprocal Agreement between the Pension Fund and another Fund will be included among the contributions credited to your annuity account.

### **Crediting Interest to Annuity Benefit Accounts**

Interest credit is determined and credited at the end of each Plan Year. At the end of the Plan Year, the interest rate will be applied to your account balance that existed at the beginning of the Plan Year and interest will be applied on a prorated basis to contributions that are received during the Plan Year. If you have taken a partial or entire distribution of benefits prior to the end of the Plan Year, no interest will be credited to your account. At the end of each Plan Year, the Trustees will determine the interest rate to be applied to the following Plan Year.

## **BENEFIT ACCRUAL**

(Continued)

For the 2007 Plan Year, interest was applied to contributions which were received at the rate of 1.167%.

For the Plan Year commencing January 1, 2008, the interest rate was 4.0%. As of December 31, 2008, 4.0% interest was applied to your account balance that existed as of January 1, 2008. Prorated interest was applied at the rate of 2.0% per year on the annuity contributions that were received during 2008 on your behalf. The interest rate for 2009 remained at 4.0%. Interest at the rate of 4.0% was applied to your total account balance as of January 1, 2009 and again prorated interest at 2.0% was applied to contributions that were received during 2009 on your behalf.

For the Plan Years commencing on or after January 1, 2010, the interest rate is 1.0%. As of the end of the 2010 Plan Year (and future Plan Years), the interest rate for the Plan Year is applied to your account balance that existed as of the beginning of the Plan Year. Prorated interest at  $\frac{1}{2}$  of the interest rate for the Plan Year is applied to annuity contributions that are received during the Plan Year on your behalf.

It is important to remember that in order to be eligible for the allocation of interest for a Plan Year, you cannot commence receiving benefits during that Plan Year. Once you commence receiving annuity benefits, your account value is reduced to zero for purposes of future interest accruals.

## RETIREMENT ELIGIBILITY AND BENEFITS

### Normal Retirement Date

Your Normal Retirement Date is the date you reach age 65 with 3 years of Vesting Service. If you are age 65 or older, your Normal Retirement Date will be no later than the 5<sup>th</sup> anniversary of when you began participation in the Plan.

Note: The date you begin participation in the Plan is the date contributions are first made to the Plan on your behalf. However, the date is subject to the Break-in-Service Rule (see the "Credited Service" section of this booklet).

### Early Retirement Date

Your Early Retirement Date is the date you reach age 55 with 10 years of Credited Service.

Note that if you entered the Plan prior to January 1, 2003, you are entitled to retire with unreduced benefits after you have completed 25 years of Fractional or Regular Credited Service. Starting January 1, 2009, the Plan will be calling this an Unreduced Early Retirement unless you are also at least age 65.

If you enter the Plan on or after January 1, 2003, you will be entitled to an Unreduced Early Pension at age 55 with 30 years of Credited Service.

### Disability Retirement Date

Regardless of your age, if you have completed at least 10 years of Fractional or Regular Credited Service and are determined to be Totally and Permanently Disabled after having worked in Covered Employment for at least 500 Hours of Service during the 24 month period ending on the date your disability began, you may retire and become eligible for a Disability Retirement Pension. Disability benefit payments will stop when you recover from your disability or you reach your Normal Retirement Age, whichever comes first. If you are still receiving a Disability Retirement Pension when you reach your Normal Retirement Age, your pension will be converted to a Normal Retirement Pension.

You are considered to be **Totally and Permanently Disabled** if you are entitled to Social Security Disability Benefits or if the Trustees determine, based on medical evidence submitted by experts they have selected, that your disability is permanent and will prevent you from engaging in work in the same trade, craft and industry of the Union. Contact the Administrative Agent for information about how to apply for a Trustee determination of whether you are considered Totally and Permanently Disabled.

### Normal Retirement Pension

Your Normal Retirement Pension starting on or after your Normal Retirement Date is based on your Accrued Pension Benefit as of the date of your retirement.

The Normal Retirement Pension for a Participant who is not married is a Basic Single Benefit. If you are married, your benefits will be paid as a 50% Joint and Survivor benefit unless you elect with your spouse's consent to receive the Basic Single Benefit or the 75% Joint and Survivor benefit.

If you are married and you do not choose to receive the Basic Single Benefit, your benefit is reduced by a Joint and Survivor factor, which depends on whether you elected the 50% or 75% Joint and Survivor benefit and also on your age and your spouse's age when benefits begin (see

## RETIREMENT ELIGIBILITY AND BENEFITS

(Continued)

the "Forms of Payment" section of this booklet). Benefits may also be payable on behalf of eligible children following your death (see the "Death Benefits" section of this booklet).

### Early Retirement Pension

Your Early Retirement Pension is based on your Accrued Pension Benefit as of the date of your retirement. You may elect to have your pension payments start at any time after your 55th birthday, if you have at least 10 years of Credited Service.

If you elect to begin receiving payments before your Normal Retirement Date, your pension is reduced by 0.5% for each full month (6% per year) by which the commencement date of your pension precedes the earliest date at which you would have been eligible for an Unreduced Pension. You would have been eligible for an Unreduced Pension at the earlier of:

- (i) the first day of the month following the attainment of age 65 or
- (ii) the first day of the month following the date you would have completed
  - if you entered the Plan prior to January 1, 2003, 25 years of Credited Service or
  - if you entered the Plan on or after January 1, 2003, 30 years of Credited Service.

The table below shows these reduction percentages:

#### Early Retirement Factors

Exact Number of Years Between Date Pension Commences and First Day of the Month Following the Earliest Date at Which You Would Have Been <u>Eligible for an Unreduced Pension</u>	Percentage Applicable to Accrued <u>Pension</u> <u>Benefit</u>
10	40.00%
9	46.00%
8	52.00%
7	58.00%
6	64.00%
5	70.00%
4	76.00%
3	82.00%
2	88.00%
1	94.00%

### Disability Retirement Pension

Your Disability Retirement Pension is based on your Accrued Pension Benefit as of the date of your retirement. There is no reduction in your Disability Retirement Pension because of early (before Normal Retirement Date) commencement, but if you are married your pension is, unless you choose otherwise, reduced for the 50% or 75% Joint and Survivor benefit. (See the "Forms of Payment" section of this booklet.)

The Trustees may, from time to time, but no more than twice per year, ask you to be examined by a doctor to determine whether you are still disabled.

Disability benefit payments will stop when you recover from your disability or you reach your Normal Retirement Age, whichever comes first. However, if you remain disabled until age 65,

## **RETIREMENT ELIGIBILITY AND BENEFITS**

(Continued)

your pension will be converted to a Normal Retirement Pension payable for life, even if you later recover from your disability.

Benefits may also be payable on behalf of eligible children following your death. (See the "Death Benefits" section of this booklet.)

You are considered to be Totally and Permanently Disabled if you have been determined by the Social Security Administration or Court of Competent Jurisdiction to be entitled to Social Security Disability Benefits. However, if you fail to satisfy this requirement, you may nevertheless be considered to be Totally and Permanently Disabled if the Trustees determine, based on medical evidence submitted by experts selected by the Trustees, that your disability is permanent and will prevent you from engaging in work in the same trade, craft and industry of the Union.

A disability resulting from the following may not be the basis for disability retirement under the Plan:

- Engagement in a criminal activity,
- Intentional self-inflicted injury,
- Willful misconduct, OR
- Service in the armed forces of the United States for which you receive a military disability pension.

### **Terminated Vested Retirement Pension**

If you leave employment after becoming vested, but before you are eligible to retire, you are entitled to a monthly pension starting after you reach your 65th birthday. This pension is based on your Accrued Pension Benefit as of the date you stop working in Covered Employment.

You are also entitled to begin to receive your benefits when you become eligible for Early Retirement.

### **Annuity Benefits**

Your Annuity Benefits will be paid out to you upon Normal, Early or Disability Retirement. If you are vested in your annuity benefit but are not eligible for a Normal, Early or Disability Retirement Pension, the annuity benefit will be payable at the time you have both terminated Covered Employment and attained age 55.

### **Social Security Benefits**

You may receive benefits from Social Security in addition to the benefits you will get from your Pension Plan.

### **Assignment of Benefits**

For the protection of your interest and those of your dependents, your benefits under this Plan unless otherwise required by law, cannot be assigned and are not subject to garnishment or attachment.

## **RETIREMENT ELIGIBILITY AND BENEFITS**

(Continued)

### **Qualified Domestic Relations Orders**

Under federal and state law, if you and your spouse get divorced, your spouse may be entitled to a portion of your Accrued Pension Benefits. Your spouse's interest in your benefits is enforced through a Qualified Domestic Relations Order (QDRO) entered by the state courts or applicable state agency upon agreement of you and your spouse or upon application by your spouse. As required by law, the Fund must adhere to any such Orders which the Fund determines to be a Qualified Order. Further information concerning QDROs and copies of the Fund's QDRO procedures can be obtained from the Fund's Administrative Manager without charge.

### **Crimes Against the Plan**

Effective January 1, 2009, your benefits may be reduced, even to \$0, if you are convicted of a crime involving the Pension Plan. Your benefits may only be affected if there is a judgment against you requiring you to pay the Plan and this judgment states that your benefits may be offset by all or part of the amount that you are required to pay the Plan.

## **DEATH BENEFITS**

### **Death Before Retirement**

The Plan provides two alternative pre-retirement pension benefits for your surviving spouse. The "Surviving Spouse's Benefit with Lifetime Payments" is described in (a) below, and the "Surviving Spouse's Benefit with 180 Payments" is described in (b) below. If your spouse is eligible for both pension benefits, he or she will automatically receive the "Surviving Spouse's Benefit with Lifetime Payments" unless he or she elects instead to receive the "Surviving Spouse's Benefit with 180 Payments."

#### **(a) Surviving Spouse's Benefit with Lifetime Payments**

If you are married at the time of your death and you are vested, your spouse will be eligible to receive the "Immediate Lifetime Benefit," the "Deferred Lifetime Benefit," or the "Special Immediate Benefit" as described below. Alternatively, if eligible, your spouse may elect to receive the "Surviving Spouse's Benefit with 180 Payments" described in (b) below. This election must be made within 60 days of your death.

##### **Immediate Lifetime Benefit**

Your surviving spouse will be eligible to receive this benefit if, at the time of your death, you are married and eligible for Early or Normal Retirement.

If eligible, your surviving spouse may elect to begin to receive a monthly pension as early as the first day of the month following your death.

This pension is equal to 50% of the amount you would have received (based on your Accrued Pension Benefit at time of your death) under the 50% Joint and Survivor form of payment had you survived to the commencement date of the spouse's pension and elected to receive an immediate pension on the basis of the 50% Joint and Survivor form. The pension is payable for the rest of your surviving spouse's life.

##### **Deferred Lifetime Benefit**

Your surviving spouse will be eligible to receive this benefit if you satisfy all three conditions below at the time of your death:

- (i) You are married and
- (ii) You are vested and
- (iii) You are not yet eligible for Early or Normal Retirement.

Your surviving spouse will receive a monthly pension which, according to your spouse's election, may begin as early as

- (i) the first day of the month following the date you would have attained age 55, if you have completed at least 10 years of Credited Service, or
- (ii) the first day of the month following the date you would have attained age 65, if you have completed less than 10 years of Credited Service.

The pension that is payable to your spouse is equal to 50% of the amount you would have received (based on your Accrued Pension Benefit at the time of your death) under the 50% Joint and Survivor form of payment had you survived to

## **DEATH BENEFITS**

(Continued)

the commencement date of the spouse's pension and elected to receive an immediate pension on the basis of the 50% Joint and Survivor form. The pension is payable for the rest of your spouse's life.

### **Special Immediate Benefit**

Your surviving spouse will be eligible to receive this benefit if you satisfy all three conditions below at the time of your death:

- (i) You are a married Active Participant and
- (ii) You have completed at least 10 years of Credited Service and
- (iii) You are not yet eligible for Early or Normal Retirement.

Your surviving spouse will be eligible for an immediate benefit equal to the greatest of:

- (1) the benefit that the spouse would have received when the participant would have attained age 55, reduced by 0.5% for each full month by which the commencement date precedes that date,
- (2) 90% of the benefit that the spouse would have received when the participant would have attained age 55, or
- (3) \$125 per month.

The pension is payable for the remainder of your life.

### **(b) Surviving Spouse's Benefit with 180 Payments**

Your spouse will be eligible to receive this benefit if you satisfy both conditions below at the time of your death **and only if your surviving spouse applies for the benefit within 60 days of your death:**

- (i) You are married and
- (ii) You have either:
  - (A) completed at least:
    - 25 years of Credited Service if you entered the Plan prior to January 1, 2003, or
    - 30 years of Credited Service if you entered the Plan on or after January 1, 2003.
  - (B) completed 5 years of Credited Service and have worked in Covered Employment sometime during the 5-year period ending on the date of your death.

Also, if your spouse is eligible for the "surviving spouse's benefit with lifetime payments," he or she must reject that benefit to receive this benefit.

Your spouse will receive a monthly benefit for 180 months, or until your spouse dies or remarries whichever comes first. The amount of monthly pension payable to your spouse is \$300. Your spouse may elect to begin to receive this benefit as early as the first day of the month following your death.

## **DEATH BENEFITS**

(Continued)

### **Post-Retirement Death Benefits**

The Post-Retirement Death Benefits depend on the form of payment that you elect when you retire.

#### **Basic Single Benefit**

If you retire with a Basic Single Benefit and you have received less than 180 monthly payments and are married at the time of your death, your surviving spouse will receive a monthly pension of \$300. This pension will be paid to your spouse until a combined total of 180 monthly payments have been made to you and your spouse, or until your spouse dies or remarries, whichever occurs first. Note that this benefit is payable to your spouse at the time of your death, even if he or she was not your spouse when you retired.

If, at the time of your death, you are not married and you are receiving a Basic Single Benefit, no further pension payments will be made even if you received less than 180 monthly payments. This applies even if you become divorced or widowed during your retirement.

#### **Joint and Survivor Benefit**

If you are receiving a pension on the basis of the 50% Joint and Survivor form of benefit, your spouse at the time your pension began will automatically receive a pension after your death that is one-half of your retirement pension. This is your spouse's share of the 50% Joint and Survivor benefit, and it is paid to your spouse for the rest of his or her life, regardless of whether he or she remarries.

If you and your spouse (at the time of your pension began) become divorced, your former spouse will be entitled to lifetime pension payments after your death regardless of whether you or your spouse remarries, before or after your death.

Note that if you are receiving a 75% Joint and Survivor form of benefit, the percentage payable to your surviving spouse will be 75% instead of the 50% mentioned above.

### **Surviving Children's Benefits**

If you are vested and have five years of credited service at the time of your death, the benefit as described in (a) below is payable for the period described in (b) below on behalf of your dependent children under the age of 18 who have never married.

#### **(a) Amount of Children's Benefit**

The amount of monthly pension payable on behalf of each of your eligible children is \$25. This amount is paid to your dependent child or his or her natural guardian.

#### **(b) Payment Period of Children's Benefit**

The children's benefit begins immediately after your death. The children's benefit stops upon the earliest of the following to occur:

- The date your child attains age 18; or
- The date your child first marries or ceases to be dependent ; or

## **DEATH BENEFITS**

(Continued)

- The date your child dies.

### **Annuity Death Benefits**

If you die before you have taken a complete distribution of your Annuity Account Benefits, your Annuity Benefits will first be paid to your spouse if you were married. If you have no surviving spouse, then the benefits will be paid to your designated beneficiaries. In the absence of a surviving spouse and in the absence of designated beneficiaries, your account balance will be paid to the representative of your estate.

### **Death While on Qualified Military Service**

If you should die while performing qualified military service, your eligibility for death benefits under the Plan will be the same as if you had returned from military service, came back to Covered Employment, then died. This was effective for deaths occurring after December 31, 2006.

## FORMS OF PAYMENT

### Permitted Forms of Payment

Upon retirement, you may elect to receive your pension benefits in one of the following forms of benefit if you are married:

- Basic Single Benefit
- 50% Joint and Survivor Benefit
- 75% Joint and Survivor Benefit

If you are not married, you will receive your benefits in the form of a Basic Single Benefit. These forms of payment and restrictions on their election are described below.

In certain circumstances, your benefit may also be paid as a lump sum. In this case, you will not receive any pension benefits from the Fund beyond the lump sum payment.

- If the value of the monthly pension benefits that would be paid to you over your lifetime is less than \$1,000, then Trustees may elect to pay your benefits to you in a single lump sum payment.
- If the value of the monthly pension benefits that would be paid to you over your lifetime is greater than \$1,000, but less than \$5,000, then you may elect to receive your benefits in a single lump sum payment. If you are married, your spouse must consent to this option.

### Basic Single Benefit

If you are not married at the time your pension commences or you are married at the time your pension commences but you elect with your spouse's consent not to receive the 50% or 75% Joint and Survivor benefit described below, you will receive the Basic Single Benefit. This is a monthly pension equal to your accrued monthly benefit under the plan (reduced for Early Retirement, if applicable) which is payable over your lifetime.

If you are single, there are no benefits paid when you die.

If you are married and you die after you have received 180 monthly payments, then there are no death benefits payable to your spouse. If you are married and you die before you have received 180 monthly payments, then your surviving spouse will receive \$300 per month until the earliest of the following occurs:

- the date that a combined total of 180 monthly payments have been made to you and your spouse, or
- the date your spouse dies, or
- the date your spouse remarries.

This is the Plan's basic form of benefit. In addition, benefits may be payable on behalf of unmarried dependent children under the age of 18 following your death (see "Surviving Children's Benefits" in the "Death Benefits" section of this booklet).

**FORMS OF PAYMENT**  
(Continued)

**Joint and Survivor Pension**

If, at the time your pension commences, you are married, you will, unless you choose the Basic Single Benefit with your spouse's consent, receive an actuarially reduced monthly pension for as long as you live and, after your death, one-half of your pension will be paid to your surviving spouse for the rest of his or her lifetime. This form of payment is called a 50% Joint and Survivor benefit. In addition, benefits may be payable on behalf of unmarried dependent children under the age of 18 following your death (see "Surviving Children's Benefits" in the "Death Benefits" section of this booklet).

You may also elect to receive your benefits in the form of a 75% Joint and Survivor benefit if your spouse gives consent. You will receive an actuarially reduced monthly pension for as long as you live and, after your death, three-quarters of your pension will be paid to your surviving spouse for the rest of his or her lifetime.

**Joint and Survivor Pension Pop-Up Provisions**

If you have elected the 50% or 75% Joint and Survivor benefit option and your spouse dies before you, your benefit will automatically "pop-up" and return to the amount payable under the Basic Single Benefit, provided that a death certificate is provided to the Fund.

**Reductions for Joint and Survivor Benefits**

If the 50% or 75% Joint and Survivor benefit applies to you, the pension otherwise payable on the basis of the Basic Single Benefit is reduced in order to account for the added cost of providing the lifetime survivorship protection for your spouse.

The reductions effective January 1, 2009 for the Joint and Survivor benefits are calculated based on your age and your spouse's age at retirement. Please contact the Fund office to receive the reduction that applies to your benefits at retirement.

**Example #1** – A married Participant is age 60 and his Spouse is age 50 as of his Retirement Date. The Participant's Accrued Pension Benefit payable at his Retirement Date is \$1,000.00. The Participant may elect to receive his benefit in one of the following forms: Basic Single Benefit, 50% Joint and Survivor Benefit, or 75% Joint and Survivor Benefit as follows:

	<u>Basic Single</u>	<u>50% Joint and Survivor</u>	<u>75% Joint and Survivor</u>
Monthly Benefits Payable			
(1) To Participant while both Participant and Spouse Alive	\$1,000.00	\$900.80	\$850.91
(2) To Spouse if Participant Predeceases Spouse	\$300.00	\$450.40	\$638.18
(3) To Participant if Spouse Predeceases Participant	\$1,000.00	\$1,000.00	\$1,000.00

**Example #2** -- A married Participant is age 60 and his Spouse is age 70 as of his Retirement Date. The Participant's Accrued Pension Benefit payable at his Retirement Date is \$1,000.00.

**FORMS OF PAYMENT**  
(Continued)

The Participant may elect to receive his benefit in one of the following forms: Basic Single Benefit, 50% Joint and Survivor Benefit, or 75% Joint and Survivor Benefit as follows:

	<u>Basic Single</u>	50% Joint and <u>Survivor</u>	75% Joint and <u>Survivor</u>
Monthly Benefits Payable			
(1) To Participant while both Participant and Spouse Alive	\$1,000.00	\$974.87	\$953.65
(2) To Spouse if Participant Predeceases Spouse	\$300.00	\$487.43	\$715.24
(3) To Participant if Spouse Predeceases Participant	\$1,000.00	\$1,000.00	\$1,000.00

**Annuity Benefit Payments**

If you are not married, you may elect to receive a single lump sum payment of your Annuity Benefit or a monthly benefit payable over your lifetime.

If you are married, the normal form of benefit will be a 50% Joint and Survivor Benefit unless you elect and your spouse consents to the payment of either a single lump sum payment, a monthly lifetime benefit or a 75% Joint and Survivor Benefit. Where benefits are paid as a Joint and Survivor Benefit, your spouse must be the beneficiary.

If you have elected a Joint and Survivor Annuity and your spouse predeceases you after you commence receiving annuity payments, the monthly benefit payments which you receive will thereafter be increased to an unreduced lifetime monthly annuity. This is a change to your Plan which is effective as of June 23, 2015. This "Pop Up" is available to participants who retired before, on or after June 23, 2015 but will be payable on the later of June 23, 2015 or the date your spouse predeceases you. In order to receive the benefit of this "Pop Up", you must timely notify the Fund of the death of your spouse.

If you die prior to making an election as to the form of benefits payable from your annuity account, your account balance shall be payable as either a lifetime benefit to your surviving spouse or, if there is no surviving spouse, in a single lump sum to your beneficiaries. In lieu of a lifetime benefit, your surviving spouse may elect to receive a single lump sum payment.

**Rollovers**

If your beneficiary receives a distribution from the Plan that is eligible to be rolled over into another Plan, he or she may do so even if your beneficiary is not your spouse. Also, you or your beneficiary may roll over eligible distributions into Roth IRAs.

**Limitations on Forms of Benefit Payment**

The forms in which Plan benefits are paid are limited to those which are described in this section of this booklet. The permissible forms do not include the withdrawal of contributions made to the Plan on your behalf by your Employer.

## SUSPENSION OF BENEFITS

### Conditions Under Which Pension Payments are Suspended

Pension payments will be suspended if any of the following occur: Receipt of Accident and Sickness Benefits, recovery from disability, employment of certain types (generally for the period of the employment) if you have retired. Please see below for an explanation of the conditions under which your pension payments may be suspended.

### Receipt of Accident and Sickness Benefits

You will not receive a pension payment for any month that you receive accident and sickness benefits under the Asbestos Workers Local No. 42 Welfare Plan.

### Recovery from Disability

If you are receiving Disability Retirement Benefits and you recover from your disability before you reach your 65th birthday, your disability pension payments will stop. Your disability pension payments may also stop if the Trustees ask you to be examined by a doctor and you refuse to have this examination.

### Working in Disqualifying Employment Before Reaching Age 65

You will not be entitled to receive a pension payment for any month in which you are paid for any hours of Pre-Age 65 Disqualifying Employment before attaining age 65. This includes non-work hours such as vacation for which you are paid. Further, if you are receiving an early retirement pension, that pension will be suspended for an additional 6 months (or until you reach your Normal Retirement Age, if earlier) following receipt by the Administrative Manager of written notice of your cessation of Pre-Age 65 Disqualifying Employment. The additional six-month period of suspension will not apply if you return to work for a Contributing Employer and you continue to work in Disqualifying Employment with Contributing Employer(s) without again retiring for at least three years.

**Pre-Age 65 Disqualifying Employment** is employment or self-employment, regardless of its geographical location, that is the same trade or craft in which individuals were employed at any time while covered by the Plan, or any job using the skill or skills of such trade or craft, including related supervisory work. Related supervisory work will not be considered Disqualifying Employment if (1) a period of 90 days has elapsed since your initial retirement, (2) your Employer is a contributing Employer under this Plan or under a plan with which this Plan has a reciprocal agreement, (3) you have provided advance notice to the Trustees and the Business Manager of the Union of your intent to return to work **and** (4) both the Trustees and the Business Manager have approved such return to work.

### Working in Disqualifying Employment After Reaching Age 65

You will not be entitled to receive a pension payment for any month in which you are paid for 40 or more hours of Post-Age 65 Disqualifying Employment after attaining age 65. This includes non-work hours such as vacation for which you are paid.

**Post-Age 65 Disqualifying Employment** is employment or self-employment that is:

- In the same trade or craft in which you were employed at any time while covered by the Plan, or any job using the skill or skills of such trade or craft, including related supervisory work (except as noted below); and

## **SUSPENSION OF BENEFITS**

(Continued)

- In the same state or metropolitan statistical area covered by the Plan at the time your pension commenced or would have commenced if you had not remained in or returned to Post-Age 65 Disqualifying Employment.

Related supervisory work will not be considered Disqualifying Employment if (1) a period of 90 days has elapsed since your initial retirement, (2) your Employer is a contributing Employer under this Plan or under a plan with which this Plan has a reciprocal agreement, (3) you have provided advance notice to the Trustees and the Business Manager of the Union of your intent to return to work **and** (4) both the Trustees and the Business Manager have approved such return to work.

### **Notice of Disqualifying Employment**

If, after you retire, you work in Pre-Age 65 or Post-Age 65 Employment which may or may not be Disqualifying Employment, you work in the construction industry, or you work for any employer or on any job site where construction industry services are utilized as part of regular operations, you must provide written notification of this work to the Administrative Manager within 15 days of starting the work. The notice is to be provided regardless of the number of expected paid hours per month. If you do not inform the Administrative Manager on a timely basis that you have started working and the Trustees become aware of the work, the Trustees may assume that you are working in Pre-Age 65 or Post-Age 65 Disqualifying Employment (whichever is appropriate considering your age) for 40 hours per month and may withhold your pension payments until you furnish information indicating that pension payments should not be withheld. Further, if you fail to give timely notice of your work at a construction site, the Trustees may assume that you have worked in such Disqualifying Employment for 40 hours per month for the entire period that your Employer has been working at the site.

### **Periodic Proof of Non-Disqualifying Employment**

During the period that you are receiving pension payments the Trustees may ask you to provide periodic proof that you are not working in Pre-Age 65 or Post-Age 65 Disqualifying Employment. If you do not furnish the requested proof, the Trustees may withhold your pension payments commencing with the payment for the third month following the month in which you were requested to provide the proof. Pension payments will again be made to you commencing with the second month following the month in which proof is received that you are not working in prohibited employment. Your initial payment will include any previously withheld pension payments for months in which you were not working in prohibited employment, less an offset for any amounts owed the Plan as a result of working in Disqualifying Employment.

### **Repayment of Benefits**

If you receive a pension payment for a month in which you were working in Pre-Age 65 or Post-Age 65 Disqualifying Employment you are obligated to repay the amount you received. The Plan has a right to recover any owed amounts and may do so by offsetting future pension payments. If you die before the Plan recovers the full amount it is owed, any pension payments to your beneficiary will be subject to offset. The offset against the first monthly pension payment following suspension may be the full amount of that monthly pension payment. Thereafter, the offset will not exceed 25% of the amount of monthly pension otherwise payable to you.

## **SUSPENSION OF BENEFITS**

(Continued)

### **Notice of Suspension of Benefits**

When your pension payments are withheld, the Administrative Manager will furnish you with a notice describing the reasons for the suspension, plus certain other related information. You can request a review of the decision to suspend your pension payments by submitting a written request to the Trustees within 60 days after the receipt of the suspension notice. The request for review will be handled in the same manner as a review of a denial of pension benefits (see the "Benefit Application Procedures" section of this booklet).

### **Resumption of Benefits After Suspension**

When you stop working in Pre-Age 65 or Post-Age 65 Disqualifying Employment you must notify the Administrative Manager in writing of the date you stopped working in such employment. Pension payments will be made to you commencing the later of (i) the third month following the month in which you stopped working in Pre-Age 65 or Post-Age 65 Disqualifying Employment or (ii) the second month following the month in which notice is received that you have stopped working in such employment. Your initial payment will include previously withheld pension payments for months in which you were not working in disqualifying employment, less an offset for any amounts owed the Plan.

### **Advance Determination of Disqualifying Employment**

You may request an advanced determination as to whether certain employment is considered Pre-Age or Post-Age 65 Disqualifying Employment.

### **Adjustment to Pension for Suspension of Early Retirement Benefits**

If you receive a 0.5%-per-month-reduced benefit and that benefit is suspended during the period before you reach age 65, the pension you receive when benefits are again payable will be actuarially adjusted to reflect the payments you received before reaching age 65.

### **Benefit Accruals and Adjustments While Working in Covered Employment After Retirement**

If, after your benefits begin, you work in employment for which contributions are made to the Plan on your behalf, the amount of your Accrued Pension Benefit at the time you last ceased participation in the Plan will be unaffected by any change in the monthly pension level that occurs after your return to Covered Employment. If you work in Covered Employment, however, you will earn additional Credited Service in each Plan Year that your Hours of Service are at least 800 provided that for years prior to January 1, 2000, no more than 35 years of Credited Service (Past plus Future) shall be credited to you and taken into account under the Plan but for years after December 31, 1999, all years of Credited Service earned on or after January 1, 2000 shall be credited pursuant to the provisions of the Plan. The Credited Service that you earn after your return to Covered Employment will provide you with an additional Accrued Pension Benefit, but will not be added to your years of Credited Service for purposes of determining the amount of reduction that applies because of early retirement. The Accrued Pension Benefit that you earn after you return to Covered Employment will be based on the monthly pension level when you again stop working in Covered Employment, and it will be paid to you when you reach age 65 or when pension payments are again made to you, if later. After you reach age 65, adjustments in your pension payment on account of additional Accrued Pension Benefits will be made no more often than once per Calendar Year.

## **SUSPENSION OF BENEFITS**

(Continued)

### **Death While Pension Payments Are Being Suspended**

If you should die while your pension payments are being suspended, you will be treated as though you were retired on the date of your death and your surviving spouse will receive any pension due him or her in accordance with the form of benefit in effect at the time of your original retirement. If you earned an additional Accrued Pension Benefit after your return to Covered Employment, this pension will be paid out in accordance with the form of benefit in effect at the time of your original retirement. The additional pension begins after your death, if your death occurs after age 65. If your death occurs before age 65 the additional pension begins after you would have reached age 65.

### **Special Provisions Covering Declared Labor Shortages**

The Trustees may, in their exclusive discretion, determine that a labor shortage exists. If this happens, you may return to work without having your benefits suspended if;

- You work only during the Trustee-declared labor shortage , and
- You work less than 300 hours in any calendar quarter.

If you work beyond the end of the Trustee-declared labor shortage or if you work 300 or more hours in a calendar quarter, your continued employment will be disqualifying employment and your benefits will be suspended.

Any additional benefits that you earn during a Trustee-declared labor shortage will be offset by pension benefits, including annuity benefits, paid to you. If the pension benefits, including annuity benefits, you receive during your return to Covered Employment are greater than the value of the new benefits that you accrue under the Plan, including your annuity benefit, then you will not receive any additional accrued benefits, including annuity benefits, during the period that you have returned to work.

If you are receiving a Disability Pension Benefit, you are not eligible to return to work under this provision.

## **BENEFIT APPLICATION PROCEDURES**

### **Application for Retirement Pension**

If you are eligible for a retirement pension, you must file an application for benefits before the date your pension is to commence. You may not file your application for benefits any earlier than 180 days before the date your pension is to commence. Your pension cannot be paid until you have filed an application and no payments will generally be made for the period before your application is received.

### **Application for “Surviving Spouse’s Benefit with 180 Payments”**

If your surviving spouse is eligible for the “Surviving Spouse’s Benefit with 180 Payments”, he or she must file an application for benefits within 60 days of the date of your death in order to receive the spouse’s pension. See the “Death Benefits” section for further details about this benefit.

### **Application for Pre-Retirement “Surviving Spouse’s Benefits with Lifetime Payments”**

If your surviving spouse is eligible for the “Surviving Spouse’s Benefit with Lifetime Payments”, he or she must file an application for benefits in order to receive the spouse’s pension. Your spouse may not file his or her application for benefits more than 180 days before the date the spouse’s pension is to begin. See the “Death Benefits” section for further details about this benefit.

### **Notice and Election of Benefits**

Upon application for benefits and before your anticipated benefit starting date, the Trustees will provide you with a written explanation describing the terms and conditions of the normal form of benefit which is payable under the Plan and the effect of other optional forms of benefits which are available. The notice will also explain your right to waive the normal form of benefit and the effect of such a waiver as well as the rights of your spouse (if applicable) and of the right to revoke a previous waiver of the normal form of benefit. Upon receipt of this notice, you will have up to 180 days before your actual benefit starting date to notify the Trustees in writing of an election to receive an optional form of benefit instead of the normal form of benefit. If you are married, you must:

- Obtain the written consent of your spouse to the election of the form of benefit and,
- Your spouse must consent to the designation of a beneficiary other than himself or herself.

Within the 180-day election period, and no later than the day before benefits commence, you may request the Trustees to provide additional information relating to the effect of the normal form of benefits and the available options. If additional information is requested, the election period under the Plan will be extended and the benefit starting date will be postponed to a date not later than 180 days following the date that the Trustees furnish you with the additional information.

### **Commencement of Pension Payments**

Your pension begins on the latest of the following dates:

- The first day of the month coincident with or next following the date you satisfy all of the conditions for entitlement to a retirement pension.
- The first day of the month next following receipt of your application for benefits.

## **BENEFIT APPLICATION PROCEDURES**

(Continued)

- The first day of the month specified in your application for commencement of your pension, provided your application is received not more than 180 days before the commencement date of your pension.

### **Commencement of Disability Pension Benefits**

If you are determined to be Totally and Permanently Disabled and entitled to Disability Retirement Benefits, your benefits will commence on the first day of the month following the onset date of your disability provided that no payment of Disability Pension Benefits shall be made for any month which is more than three years prior to the first day of the month preceding receipt by the Trustees of an application for Disability Benefits.

### **Commencement of Surviving Spouse Benefits**

If you die after pension payments to you have begun, payment of any benefits due your spouse will be made to your spouse within a reasonable period of time following your death, in the case of benefits due under the 50% or 75% Joint and Survivor form, or following receipt of your spouse's application for death benefits, in the case where you elected the Basic Single Benefit.

If you die before pension payments to you have begun and a spouse's pension is due your surviving spouse, payment of the pension to your spouse will start as of the first day of the month specified in your spouse's application of benefits, if that date is not more than 180 days after receipt of the application.

### **Mailing of Pension Checks**

A pension check for a particular month is mailed by the Fund Office on the last working day of the preceding month. Checks may also be deposited electronically at your option. Information about electronic deposits can be obtained from the Fund Office.

### **Claims for Benefits and Appeals Procedures**

A claim for benefits can be submitted by either a participant (or the participant's beneficiary where appropriate) or the participant's authorized representative. In order to make a claim for benefits, it is necessary that you complete certain forms and provide necessary information so that your claim can be processed. To obtain the required forms and specific instructions on what information is needed to process your particular claim, contact the Fund office.

Once a claim for benefits has been submitted to the Fund office, an initial determination of your claim will be made within ninety (90) days of receipt of the benefit application. In the event that the Fund office requires an extension of time beyond the initial ninety (90) days, you will be advised of such in writing and will be advised of the special circumstances which require the extension. Such an extension will not be longer than an additional ninety (90) days.

In the case of a claim for disability benefits, an initial determination will be made within forty-five (45) days of receipt of your application. The Fund office may extend the date of making its determination for up to two 30 day periods after the initial forty-five (45) days if there are circumstances which make such extensions appropriate. In the event of an extension of an extension of the date for the determination, you will be provided with written notice advising of the special circumstances which require the extension. The notice will also advise you of any

## **BENEFIT APPLICATION PROCEDURES**

(Continued)

outstanding issues that must be resolved. If while reviewing your claim for disability benefits it is determined that additional information is needed from you, you will be advised of such and given forty-five (45) days to provide the additional information. The time within which a determination of your claim must be made will be tolled pending receipt of the additional information.

If an adverse decision is made on your claim, you will be advised of such in writing. The notice to you will include:

- The specific reasons for the adverse determination;
- Reference to the specific Plan provisions on which the decision is based;
- A description of any additional information or materials which are needed and the reasons for their relevance;
- A description of the Plan's review procedures and the time limits within which you can appeal the denial of your claim;
- In the case of a claim for disability benefits, you will also be advised of whether the initial determination was based on any internal rule, guideline, or other similar criterion and a copy of such will be provided to you upon request at no charge;
- A statement of your right to bring action under Section 502(a) of ERISA if an adverse decision is made on any appeal which you request.

An appeal from any adverse action on your claim for benefits must be submitted to the Trustees in writing at the Fund office. Your appeal must be received within sixty (60) days after you receive notice of any adverse decision on your claim or benefits. You have the right to submit additional written information, documents, and records to support your appeal. Upon request, you will be provided access to and copies of information and documents maintained by the Fund on your claim without cost. Review of your claim on appeal will include all material initially submitted to the Fund office as well as any additional information you provide as part of your appeal.

The determination of your appeal will be made no later than the first quarterly meeting of the Board of Trustees after your appeal is received provided that the appeal is received at least thirty (30) days prior to the meeting. If your appeal is received less than thirty (30) days prior to the next quarterly meeting of the Trustees, then your appeal will be determined no later than the second quarterly meeting after the date on which your appeal is received. Where special circumstances exist, the date by which a decision on your appeal must be made may be extended to no later than the third quarterly meeting of the Trustees after receipt of your appeal. In the event of such an extension, you will receive notice in writing of the extension including a statement of the special circumstances which require the extension as well as the expected date of the decision.

Once a decision is made on your appeal, a written notice of the Trustees' determination will be mailed to you no later than five (5) days after the decision is made. If an adverse decision is made the notice of the determination of your appeal will include the following:

- The specific reasons for the adverse determination;
- Reference to the specific Plan provisions on which the decision is based;
- A description of any additional information or materials which are needed and the reasons for their relevance;
- In the case of a claim for disability benefits, you will also be advised of whether the determination was based on any internal rule, guideline, or other similar criterion and a copy of such will be provided to you upon request at no charge;
- A statement of your right to bring action under Section 502(a) of ERISA if an adverse decision is made on any appeal which you request; and

## **BENEFIT APPLICATION PROCEDURES**

(Continued)

- A statement that there may be alternate dispute resolution procedures available to you, such as mediation, and that you may contact your local office of the United States Department of Labor for more information.

## PLAN ADMINISTRATION

### Funding of Your Pension Benefits

Your Plan is maintained pursuant to one or more collective bargaining agreements. The full cost of your Plan is paid for by contributions made on your behalf by your Employer in accordance with the applicable collective bargaining agreement or other written agreement. A contribution is made for each hour that you work in an amount as set forth in the applicable agreement. A copy of the applicable Collective Bargaining Agreement or other Agreement is available for review or copying at the office of the Administrative Manager or at the Union. A charge may be made to cover the cost of copying any materials you request.

A complete list of the employers and employee organizations sponsoring the Plan and their addresses may be obtained from the Administrative Manager upon written request by you or your beneficiary. You may also examine this list during normal business hours at the office of the Administrative Manager. You may also obtain from the Administrative Manager upon written request information about whether a particular employer or employee organization is a sponsor of the Plan.

The Pension Fund will increase through contributions and gains on Fund investments. Of course, the Pension Fund will also decrease because of benefit payments and will reflect any losses that may result from investments of the Fund. The Fund is used to provide benefits to eligible participants and beneficiaries, however, neither you nor your beneficiaries have any individual interest or account in the Fund.

### Board of Trustees

The Board of Trustees administers the Plan and acts as the Plan fiduciary. The day-to-day operation of the Plan is carried out by an Administrative Manager selected by the Trustees.

The Board of Trustees consists of an equal number of representatives appointed by the Employers and the Union. The following is a list of your current Board of Trustees:

#### Union Trustees

Preston "Jeff" Smith  
Kevin GalbraithPhillip Mitchener  
Nicholas Smith  
Local No. 42 International Association  
of Heat and Frost Insulators and  
Allied Workers.  
1188 River Road  
New Castle, DE 19720

#### Employer Trustees

Eric Dudzinski  
Robert Zimny  
Advanced Specialty Contractors  
Rt. I-95 Industrial Park  
30 MacDonald Blvd.  
Aston, PA 19014

John Dillon  
Patriot Insulation Contractors  
316 Wooddale Avenue  
New Castle, DE 19720

John Kline  
Delaware Insulation & Firestopping, Inc.  
427 Lovers Lane  
Bear, DE 19701

Gary Fedor, Alternate Trustee  
Brand Energy & Infrastructure Services  
740 Veterans Highway  
Swedesboro, NJ 08085

## **PLAN ADMINISTRATION**

(Continued)

### **Fund Administrative Manager**

The Administrative Manager is the organization selected by the Trustees to carry out, on a contract basis, the day-to-day operation of the Plan. The name and address of the Administrative Manager is found below:

Carday Associates, Inc.  
7130 Columbia Gateway Drive, Suite A  
Columbia, MD 21046  
(410) 872-9500  
(888) 490-8800

### **Fund Actuary**

The McKeogh Company  
Four Tower Bridge, Suite 225  
200 Barr Harbor Drive  
West Conshohocken, PA 19428

### **Fund Legal Counsel**

Meranze & Katz, PC  
121 South Broad Street, 13th Floor  
North American Building  
Philadelphia, PA 19107

### **Fund Auditor**

Salter & Company  
4600 East West Highway, Suite 300  
Bethesda, MD 20814

### **Fund Custodian**

The assets of the Pension Plan (Pension Trust Fund) are held by The Bank of New York Mellon as Fund Custodian:

The Bank of New York Mellon  
One Wall Street, 12th Floor  
New York, NY 10286

### **Fund Investment Consultant**

The investment consultant oversees the investments made by the Fund's investment managers and provides advice and consultation to the Trustees with respect to such investments.

Investment Performance Services, LLC  
642 Newtown Yardley Road, Suite 205  
Newton, PA 18940

**PLAN ADMINISTRATION**  
(Continued)

**Service of Legal Process**

Service of legal process can be made on the Trustees or the Administrative Manager.

**Plan's Fiscal Year**

The Plan's fiscal year ends on December 31 for purposes of maintaining its financial records.

**Access to Plan Document**

A copy of the Plan Document may be obtained from the Administrative Manager upon written request. Also, you may examine the Plan Document during normal business hours at the office of the Administrative Manager, or within 10 days of written request to the Administrative Manager, at the office of the Union. A charge may be made to cover the cost of copying materials you request.

**Plan Identification Numbers**

The Internal Revenue Service has assigned an Identification Number to the Fund. The Identification Number is 51-6011235. The Pension Plan Identification Number is 001.

**Change of Address of Retiree or Beneficiary**

If you are receiving a benefit and your address changes, you should notify the Fund Office promptly of the change so that there will be no delay in receiving your monthly pension checks.

**Notification of Death After Benefits Begin**

Notice should be given to the Fund Office of the death of a retired participant, spouse or child on whose behalf benefits are being paid. After being notified, the Fund Office will make a determination as to what benefits, if any, are then payable to an eligible beneficiary.

Monthly benefit payments for an individual cease with the payment for the month in which death occurs. Any benefit checks for subsequent months should be returned to the Fund Office.

**Determination of Continued Eligibility for Benefits**

If you are receiving benefits, the Fund Office may ask that you complete a form each year in order to determine your continued eligibility for benefits. The completed form must be returned within the specified time period in order to avoid having your pension checks withheld. Pension checks will not be sent to you until the completed form is received by the Fund Office.

**Taxation of Benefits**

Your monthly pension payments are fully taxable as ordinary income under current Federal Law. Also, unless you elect otherwise, your pension will be the subject to Federal Income Tax

**PLAN ADMINISTRATION**

(Continued)

Withholding. The Plan Office will furnish you an election form for this purpose. The actual tax you owe, with or without the optional withholding, is, of course, your responsibility.

**Request for Information About Your Plan Service Credits or Benefits**

If you have a request for information about your Plan Service Credits or Benefits, it must be in writing and sent to the Fund's Administrative Manager at the address listed below. Be sure to include with the request your full name, address and Social Security number.

Carday Associates, Inc.  
7130 Columbia Gateway Drive, Suite A  
Columbia, MD 21046  
(410) 872-9500  
(888) 490-8800

## **PBGC GUARANTEES**

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

Under the Multi-employer Plan program, the PBGC provides financial assistance through loans to Plans that are insolvent. A Multi-employer 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 Multi-employer 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 \$12,870.00.

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 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, certain death benefits, vacation pay, and severance pay.

For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call (202) 326-4000 (not a toll free number). TTY/TDD users may call the federal relay service toll-free at (800) 877-8339 and ask to be connected to (202) 326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

## **RIGHTS UNDER ERISA**

### **Your Rights Under the Employee Retirement Income Security Act of 1974**

As a participant in the Asbestos Workers Local No. 42 Pension Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

- Receive Information About Your Plan and Benefits
- Examine, without charge, at the Administrative Manager's office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.
- Obtain, upon written request to the Administrative Manager, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. 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 a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

### **Prudent Actions By Plan Fiduciaries**

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

### **Enforce Your Rights**

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan Documents or the latest annual report from the Plan and do not receive them within 30 days, you may file 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 \$110.00 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. 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

**RIGHTS UNDER ERISA**  
(Continued)

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).

**Assistance With Your Questions**

If you should have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits 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 Pension and Welfare Benefits Administration.